

THE FRED HOLLOWS FOUNDATION NZ PERFORMANCE REPORT 2021



The Fred Hollows
Foundation NZ

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ENTITY INFORMATION

The Fred Hollows Foundation (NZ)

Nature of Business

Registered Charity

Registered Office

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Auckland 1010, New Zealand

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Website

hollows.org.nz

Email

info@hollows.nz

Charity Registration Number

CC23722

Date of Incorporation

5 November 1992

Auditors

BDO, Chartered Accountants

Solicitors

DLA Piper New Zealand
John Hannan, Barrister

Patrons



Gabi Hollows AO

Founding Director of
The Fred Hollows Foundation



The Rt Hon Dame Patsy Reddy

GNZM, QSO
Patronage concluded
28 September 2021

Board of Trustees

Craig Fisher

(Chair and Nominations Committee Chair); FCA, CMIInstD; Consultant, RSM New Zealand Group; Associate, BoardWorks Aotearoa; Councillor, Auckland District Law Society; Risk, Assurance & Audit Committee Chair, Ngāti Whātua Ōrākei; Trustee, Sustainable Coastlines; Trustee, Wise Trust

Sir Maarten Wevers

(Deputy Chair and PNG Expansion Programme Committee Chair); KNZM, CMIInstD

Martin Enright

(Finance, Audit, Risk & Remuneration Committee Chair); BA, LLB, LLM, MBA, MPA, PGCert.f.s, Churchill Fellow, MInstD; COO, Blink Pay Global Group; Advisory Board, Otago University Business School; Advisory Board, Giving Architects; Managing Director, Vulcan Bros. Advisors; Admitted Barrister and Solicitor of the High Court of NZ; Solicitor of Supreme Court of NSW; Solicitor of High Court of Australia

Dr Nick Mantell

(Programme, Clinical Audit and Risk Committee Chair); FRANZCO; Ophthalmologist, Director, Eye Institute

Professor Charles McGhee

ONZM, FRSNZ, MBChB, PhD, DSc, FRCS, FRANZCO, FRCOphth; Maurice Paykel Professor and Chair of Ophthalmology, The University of Auckland; Director, New Zealand National Eye Centre, Faculty of Medical and Health Sciences, The University of Auckland; Consultant Ophthalmologist, Greenlane Clinical Centre, Auckland District Health Board; Consultant Ophthalmologist, Eye Institute (resigned 6 November 2021)

Meg Poutasi

BA, LLB; Chief of Strategy, Auckland District Health Board; Director Pacific Health, Northern Region Health Coordination Centre (appointed 16 April 2021)

Debbie Sorensen

DCCT, CMIInstD, NZRPN; Chief Executive, Pasifika Medical Association Group; Chief Executive Officer, Pasifika Futures (resigned 23 November 2021)

Sifa Taumoepeau

Director, Thompson Lewis; Trustee, Anglican Trust for Women and Children

Kath Watson

MInstD; Director, Deka 2019; Trustee, Share My Super

Senior Leadership Team

Dr Audrey Aumua

PhD (Public Policy), MPP (Master of Public Policy), MInstD; Chief Executive Officer (commenced 18 January 2021)

Jo Dowling

PGDip (Marketing); Fundraising, Communications & Marketing Director (commenced 1 February 2022)

Margi Mellsop

Engagement Director (resigned 1 October 2021)

Sharon Orr

CA, MInstD; Acting Chief Executive Officer (concluded 17 January 2021) Finance & Operations Director

Peter Raynes

MSc (Public Health in Developing Countries); Programme Director

Dr John Szetu

MSc (Ophthalmology), DO, MBBS; Medical Director

A WORD FROM OUR LEADERS



**CRAIG
FISHER**
BOARD
CHAIR

When I look at what Team Fred has achieved in 2021, all I can say is how incredibly proud I am of everyone in the organisation. In a year that again presented global challenges, our team rose above and pushed closer to our goal of working to end avoidable blindness and vision impairment in the Pacific. Despite the COVID-19 disruptions, in 2021 Team Fred reached the remarkable milestone of performing over one million consultations throughout the Pacific since we began working in the region – an extraordinary feat which has far-reaching consequences for the overall eye health of the region. Yet there is still more to do.

I would like to take a moment to talk about the work our team has been doing in Papua New Guinea (PNG). With the highest rate of blindness and low vision in the Pacific, it is a strong focus for The Foundation moving forward, and in 2021 some impressive progress was made. An important milestone was achieved when an agreement was signed to commence the development of a proposed Centre of Excellence for Eye Health - a facility that will train eye specialists and provide enhanced eye care services. The signing was attended by key partners including PNG and NZ government representatives and the PNG National Department of Health. Work then progressed to design the facility, with an agreed concept design completed by the end of the year.

Also during 2021, our team commenced working with the PNG Government, eye health partners and stakeholders throughout PNG to support the development of a long-term roadmap for eye care. This process will inform the further strengthening of the eye care sector in PNG over the next 10–20 years in order to address the country's significant levels of avoidable blindness and vision impairment.

Leading this work, and all The Foundation's work throughout the Pacific, was Dr Audrey Aumua in her first year as Chief Executive Officer of The Fred Hollows Foundation NZ. Dr Aumua has successfully cemented her position in many ways, including deepening and broadening relationships across the Pacific and working on a new strategy to effectively guide Team Fred in taking the next crucial steps in delivering eye care in the Pacific.

On behalf of all of Team Fred I would especially like to acknowledge and thank two of my fellow trustees who have recently left The Foundation's Board. Long-serving trustee, Debbie Sorensen, who had been on the Board since 2012, and Professor Charles McGhee who joined in 2019. Both trustees selflessly shared their skills and wealth of knowledge, providing an invaluable contribution to the direction of The Foundation. I am also delighted that we have welcomed onto our Board Meg Poutasi, Chief of Strategy at Auckland District Health Board, who also brings with her a vast array of valuable experience.

Finally, I would like to offer my heartfelt thanks to all those who support us at The Fred Hollows Foundation NZ to enable us to do our mahi. Your support is truly appreciated. It is also making a positive difference.

A WORD FROM OUR LEADERS



**DR AUDREY
AUMUA**
CHIEF
EXECUTIVE
OFFICER

As I reflect on the events of 2021 and my first year of serving Team Fred, I cannot help but feel an immense sense of pride in the determination and resilience of the team and our community of supporters, partners, government representatives, universities, departments and ministries of health, and the health workforce.

While managing lockdowns, weather events and the omnipresent threat of COVID-19, with your support our Pacific teams continued to deliver outreaches to remote communities and found innovative ways of helping those with urgent eye care needs, despite necessary restrictions and surgical space being redeployed to help with the COVID-19 response. Our teams also focused on a growing area of work - eye care education - with ophthalmic staff joining telemedicine programmes and community education events to help slow the growth in preventable eye conditions.

Our Pacific neighbours though are reeling from the financial and economic impacts of over two years without tourism and labour movement, alongside the growing burden of the COVID-19 response and mitigating climate change impacts that continue to increase in magnitude. These factors have affected us too with COVID-19 lockdowns, shipping disruptions and a second year of closed borders meaning that planned outreaches, surgeries and programmes have been deferred. Thousands of individuals, families and communities are still awaiting sight-saving treatment.

Along with daily responsibilities, eye care teams across the Pacific region are working harder and smarter to get eye care to those who need it.

It won't be easy. That is why, with your help, we will be working harder too to help our Pacific neighbours rebuild and, in particular, increase our support to government health systems through our Future Fred strategic approach.

We have reallocated planned 2021 spend towards doubling down on outreaches and surgeries, training more eye doctors and nurses, and supporting the hardworking eye care workforce across the Pacific region with mentoring and equipment to help them meet the ever-increasing need. We will also work alongside Pacific governments to ensure that delivering eye care remains a key systems and policy consideration within the post COVID-19 rebuild.

It's not until you're under pressure that you understand the strength and resilience of a team — a team of which you are a valued member. The challenges have not ceased, however, I move forward with absolute assurance that we have the right team and capability to continue Fred's legacy through the most difficult of times. If we can do that, we are well poised for supporting our partners during this difficult time.

Finally, I would like to take a moment to acknowledge the passing of a passionate member of Team Fred — Eileen Tugum, our much-loved PNG Country Manager. Eileen was instrumental in cementing The Foundation's relationship with the PNG government, and a key proponent of initial planning for the proposed Centre of Excellence for Eye Health. But it was Eileen's personal warmth and good nature, combined with her positive spirit that impacted everyone she encountered the most. Despite our great sorrow at losing Eileen, we are all so much the better for knowing her.

A WORD FROM OUR LEADERS



**DR JOHN
SZETU**
MEDICAL
DIRECTOR

As a medical doctor my whole reason for being is to prevent illness and to get people well. Furthermore, as an eye surgeon, my focus is to do everything in my power to prevent avoidable blindness. That is what drives the nearly 300 eye doctors and nurses I work with in seven countries across the Pacific. As our countries put necessary measures in place to battle COVID-19, including diverting resources, we knew it was the right thing to do. But as eye doctors and nurses we have seen the lines of people needing sight-saving surgeries grow and grow over the past two years, and that is hard to stomach.

But we're not the sort of people to sit on our hands. We worked with our departments and ministries of health to agree standard operating procedures so we could safely continue to deliver eye services whenever possible. We went on outreaches whenever we could, completing 88 in 2021. And we changed how we trained our student eye doctors and nurses so they could study from their home country.

We also worked closely with government departments to support the strengthening of health systems for eye health and, given that due to COVID-19 we couldn't do as many outreaches as we would have liked, we took the opportunity to focus on clinical training, safety, and governance — improving clinical systems and enhancing regional collaboration.

I am immensely proud of the 15 eye doctors and nurses who graduated in 2021. Earning a postgraduate medical qualification is the culmination of a great deal of work and sacrifice. To achieve that during a global pandemic is nothing short of incredible. These graduates join the growing team of local eye doctors and nurses working in seven Pacific countries. In a typical outreach, as one person, I can safely conduct 25 eye surgeries per day for five days a week. But as a team we could help thousands of people regain their sight. With your help I continue to support our dedicated, determined eye care team with advice, equipment, protective clothing and procedures, as they work towards ending avoidable blindness and vision impairment in our part of the world. It's not the easiest work in the world some days, but when we see a person's face light up as they see their spouse for the first time in many years, or a child seeing their parents for the first time, we know it is the best.

PROFESSOR FRED HOLLOWES

(1929-1993)



Legendary Kiwi, the late Professor Fred Hollows, was an internationally renowned eye doctor and social justice activist, who championed the right of all people to high-quality and affordable eye care.

Born on 9 April 1929 in Dunedin, Fred and his three brothers grew up in Palmerston North. In the mid-1960s, after studying medicine at the University of Otago, Fred trained as an ophthalmologist in the United Kingdom. Upon his return, Fred moved to Australia where he began working in the remote indigenous communities.

Over several years these 'eye camps' treated over 27,000 indigenous Australians for trachoma and performed 1,000 sight-restoring operations. Fred's work among indigenous Australians continues to this day through the work of The Fred Hollows Foundation in Australia.

As a consultant for the World Health Organization, Fred visited many developing countries and was appalled by the lack of basic eye care services and equipment that was available. Millions of people were suffering needlessly from cataract blindness and Fred believed that modern cataract surgery should be available to all people. To overcome the prohibitive cost of intraocular lenses, Fred raised the money to build factories in Nepal and Eritrea to produce the lens for as little as \$2 instead of over \$200, reducing the cost of cataract surgery to as little as \$25 per patient in some countries. As a result of Fred's initiative, modern cataract surgery using cost-effective manual surgical techniques is now widely used in the developing world.

In 1990, in recognition of his work, Fred was named Australian of the Year and awarded the Human Rights Medal. In 1991, Fred was awarded Australian Humanist of the Year and received honorary citizenship in Eritrea. In 2006, Fred was voted both one of Australia's 100 most influential Australians by The Bulletin magazine and one of New Zealand's top 100 'History Makers' by Prime TV.

Fred died of cancer on 10 February 1993 just three months after he opened The Fred Hollows Foundation NZ. Fred was buried in Bourke, in remote New South Wales, to symbolise his love for indigenous Australians living in the outback.

OUR STORIES



Labasa Outreach Patient, Fiji

COVID-19



MILESTONES REACHED DESPITE CHALLENGING TIMES

Mobile Eye Clinic team, Fiji

2021 saw Team Fred reach the incredible milestone of performing over one million consultations throughout the Pacific since we began working in the region. Remarkably, this milestone was achieved by our team in a year plagued by unavoidable trials including lockdowns, border closures, outbreaks and destructive weather events.

Despite these challenges, our Pacific teams showed determination and resilience, finding innovative ways to deliver eye care to those most in need, holding crucial outreaches in remote communities and delivering community education programmes to slow the growth in preventable eye conditions.

Our teams also ensured that those training to be eye doctors and nurses could continue their studies which meant learning remotely for many, as they had been called back to their home country due to COVID-19. In 2021, we saw 15 people graduate as eye doctors or nurses throughout the Pacific — a fantastic result despite the challenges and bringing the total number of Pacific eye graduates supported by The Foundation to 327.

However, with COVID-19 restrictions in place throughout both 2020 and 2021, a number of planned outreaches, surgeries and programmes were deferred. This unspent budget has been reallocated for 2022, increasing outreaches, surgeries and programme delivery to tackle the massive backlog of patients that has resulted as a direct impact of COVID-19. We know we can do this with the support of our donors and the determination and passion of our team.

COUNTRY HIGHLIGHTS 2021

We work alongside governments, ministries and national departments of health, local health authorities and universities in seven Pacific countries to action outputs noted in national health plans.

These actions develop each country's capacity to deliver quality eye health services through the education and ongoing support of eye health doctors and nurses who provide surgical clinics and outreaches.

Each milestone we reach together results in improved livelihoods and economic wellness due to stronger, more resilient health systems providing better access to quality eye care for more and more people in the Pacific. Our 2021 achievements are summarised below.



TO DATE



A total of 17 eye doctors trained.



A total of 45 eye nurses and eye care clinicians trained.

IN 2021



2 eye doctor graduates trained.



A surgical platform was installed at the CWM Hospital in Suva which for the first time enables new types of sight-saving surgeries to be performed in the Pacific, including vitreo-retinal and phacoemulsification surgeries.



TO DATE



A total of 2 eye doctors trained.



A total of 14 eye nurses and eye care clinicians trained.

IN 2021



8 workshops were conducted where 93 primary health workers were upskilled in diabetes eye disease.



TO DATE



A total of 15 eye doctors trained.



A total of 109 eye nurses and eye care clinicians trained.

IN 2021



1 doctor from Papua New Guinea graduated as a trainee eye doctor.



8 eye nurse graduates trained.



A Gender Analysis for Eye Health study was commissioned in Papua New Guinea. The first phase of the research, a desktop review, was completed.



SAMOA

TO DATE



A total of 1 eye doctor trained.



A total of 15 eye nurses trained.

IN 2021



1 eye nurse graduate trained.



70 primary health workers attended awareness workshops to improve their knowledge about diabetes and diabetes eye disease.



SOLOMON ISLANDS

TO DATE



A total of 6 eye doctors trained.



A total of 38 eye nurses and eye care clinicians trained.

IN 2021



2 eye nurse graduates trained.



The National Eye Conference conducted at the Regional Eye Centre was attended by 56 local eye care clinicians from across the country. The National Director of Nursing in Solomon Islands acknowledged eye care as one of the leading public health and clinical programmes in the country.



TONGA

TO DATE



A total of 1 eye doctor trained.



A total of 12 eye nurses trained.

IN 2021



1 eye nurse graduate trained.



296 community members attended workshops to improve their awareness about how diabetes affects the eyes.



VANUATU

TO DATE



A total of 1 eye doctor trained.



A total of 15 eye nurses trained.

IN 2021



Health promotion resources such as flipcharts and pull-up banners were developed to raise community awareness on diabetes and diabetes eye disease.

PATIENT STORIES

PATSON'S STORY

Patson went blind at the age of 70 from bilateral cataracts. With no permanent eye doctor on his island, Dr Carole Poloso and the visiting Outreach team were the only option for Patson after two years without sight.

"I couldn't recognise anyone. I couldn't see my food, let alone cook it. Everywhere I wanted to go, someone had to come with me, in case I fell. I was no good. So, I just sat at home. I was sad, I was lonely."

The local eye nurse organised a truck to take Patson and others to the Outreach team. A 25-minute operation was all it took for Patson to regain his independence.

"I am now able to read again. And write. Your sight is everything."

PATIENT STORIES

ZAYDAN'S STORY

Jyoti noticed issues with her son Zaydan's vision when he was just four years old. He hadn't been born with cataracts, but she knew it was serious when he began looking in the wrong direction when she spoke to him.

The COVID-19 outbreak in Fiji meant local services were limited. Jyoti made the decision to travel far from home to Labasa where Dr Mundi Qoqonokana and the Outreach team were visiting.

As a child, Zaydan desperately needed his cataracts removed to limit the chance of long-term sight issues. Two operations in three days, under general anaesthetic, is difficult enough for anyone. Terrifying for a small boy who can barely see what's happening.

It was a scary journey, but as Jyoti says, "The operation has changed his life. It has also changed mine."

OUR STUDENTS

STUDYING IN THE FACE OF ADVERSITY

For our students training to be eye doctors and nurses, COVID-19 has presented many challenges to overcome. It has meant adapting to new ways of learning, such as online courses, to ensure they can graduate and return to their home countries to provide desperately needed eye care.

Dr Antonio Taufateau is one of these students, currently training in Fiji to become an eye doctor. His ambition is to finish his studies and go back home to Tonga to provide eye care there.

“Studying has been so hard because of COVID-19. In April 2020, we moved to online classes and people were called back home to support their local communities during the pandemic. This meant I was the only student in my year.

It was extremely difficult, but it pushed me to reach my full potential. Dr Mundi and his Outreach team were travelling in Fiji and because I was the only student, I got to perform a lot of eye surgeries that helped me gain confidence and experience. When they say every challenge is an opportunity for growth, they are correct.”

GRADUATE STORIES

MOSES' STORY

Moses Kombra recently graduated with an Advanced Diploma in Eye Care from Divine Word University in Madang, Papua New Guinea.

After becoming a general nurse, he was moved by the number of patients he come across with eye problems that were left untreated. He decided to study eye health to look after ordinary people who could not afford to go to the hospital to get their eyes treated.

He was awarded a scholarship through The Foundation that covered his course fees. It also covers living costs, which meant Moses could live on campus and focus on his course.

Moses is already providing eye care to patients in the Western Highlands province and looks forward to making a big impact on eye care in his community.

GRADUATE STORIES

MOSESE'S STORY

Mosese Fainga'a is a recent nursing graduate who, due to COVID-19 challenges, completed his training online. He now works as an eye nurse in Tonga.

"I recently completed the Postgraduate Diploma in Eye Care programme - one of the first batch to ever pioneer and complete the programme online from our homeland.

I would like to express my sincerest acknowledgement to all donors through The Fred Hollows Foundation NZ who provided me with the chance to achieve this dream and achievement. Now I am equipped with new knowledge and a set of skills that enable me to implement more effective eye care."

GRADUATE IMPACT

Our strategy to end avoidable blindness and vision impairment in the Pacific is to support training of local doctors, nurses, and mid-level health personnel to specialise in eye care so that they can go on to provide high-quality and sustainable eye care services in their own country. Graduates of the Group-supported training programmes are employees of their local ministry of health, and sometimes we receive information on their eye care service delivery.

We view these results as the long-term and ongoing impact of the training programmes we support. These services are delivered independently of any direct support from the Group. The ability to deliver eye care services in 2021 was adversely impacted by COVID-19 travel restrictions and lockdowns.

Eye care services provided by the Group-supported graduates

Outcome	Indicator	2021 Actual	2020 Actual
Increased eye care services provided	Number of consultations	21,482	11,959
	Number of surgeries	1,565	686
	Number of patients screened for diabetes eye disease	543	-
	Number of spectacles dispensed	1,405	1,069

Moris, accompanied by student nurses Theonilla and Patrick, leaves his appointment with Dr Sunu Dulala (second left)

SPOTLIGHT ON SUPPORTERS

BROADCASTER INDIRA STEWART JOINS TEAM FRED

Singer and award-winning journalist, Indira Stewart has partnered with The Fred Hollows Foundation NZ to end avoidable blindness and vision impairment in the Pacific.

The popular broadcaster and host of TVNZ Breakfast emigrated from Tonga to New Zealand, aged two. On her many visits to Pacific countries, Indira has seen first-hand the impact The Foundation has on restoring eyesight to others.

“Sight is something so many of us take for granted. I know that The Foundation’s work is life-changing,” says Indira.

In 2021, Indira kicked off her partnership with The Foundation by encouraging young New Zealanders to enter The Fred Hollows Humanity Awards. She also helped to promote The Foundation’s Christmas Gift of Sight campaign.

We look forward to continuing to work with Indira as she uses her voice to support our work and share our impact with New Zealanders, helping us to get closer to achieving our goal of ending avoidable blindness and vision impairment in the Pacific.

SPOTLIGHT ON SUPPORTERS

COURAGEOUS YOUNG ENVIRONMENTAL ADVOCATE NAMED FRED HOLLOWES NZ JUNIOR AMBASSADOR

Aneke Kilbride was named as the 2021 Fred Hollows NZ Junior Ambassador for taking on her local District Council about the region's environmental footprint.

The 11-year-old student from Paekakariki School took her environmental action to the next level when she spoke at a Kāpiti Coast District Council planning meeting earlier this year, telling councillors and members of the public about environmental issues and the impact they are having on the local community.

The Fred Hollows Humanity Awards, now in their third year in New Zealand, are inspired by the late Professor Fred Hollows and recognise young Kiwis who strive to make the world around them better.

Principal of Paekakariki School, Julia Bevin, who nominated Aneke for the award says the plucky student isn't afraid to speak out or stand up for what is right.

As well as receiving her award, Aneke was also able to extend her good work by directing \$5,000 to a Pacific Programme run by The Foundation, thanks to charity partner Specsavers.



50TH FUNDRAISER FOR FRED

Long-term supporters of The Foundation, Atesh and Bernadette, decided to make Atesh's 50th birthday extra special this year. By making a personal donation and inviting friends and family to donate to The Foundation in lieu of gifts, this generous couple raised an incredible \$110,000 and have impacted the lives of hundreds of people in Fiji.

"We love The Foundation's great work in terms of the difference it makes to the lives of so many. The work it does helping one person, which benefits several immediate family members."



KEY EVENT

FIJI EYE CARE TALANOA

A key cornerstone of our work supporting the development of a sustainable eye care workforce in Fiji took place in December. Eye doctors and nurses, government officials and support staff attended the biennial Fiji Ophthalmic Talanoa¹ in Suva. Following the talanoa method, this conference brought participants together for an inclusive, open conversation on key concerns and developments in eye care. They heard speakers talk about emerging trends and technologies such as Artificial Intelligence, reviewed case studies and shared knowledge.

This year the conference focused on a growing eye care issue in the Pacific – diabetes eye disease. The leading cause of preventable blindness in working-age adults, diabetes eye disease is a degenerative and irreversible condition that can develop in anyone with type 1 or type 2 diabetes. There were also sessions about delivering care in a COVID-19 environment and managing stress.

The Talanoa is held every two years, with a Pacific region-wide event hosted by the Pacific Eye Care Society (PacEYES) taking place in the alternate years.

“Gathering Fiji’s eye health workforce together annually has allowed our front-line workers to reflect on the year gone and the challenges ahead.” - Dr Audrey Aumua, Chief Executive Officer, The Fred Hollows Foundation NZ

¹ Talanoa (“talk” or “discussion” in Fijian, Samoan and Tongan) is a Pacific Island form of dialogue that brings people together to share opposing views without any predetermined expectations for agreement. Talanoa participants set the parameters for their discussions: inclusion, reconciliation and mutual respect.



LOOKING FORWARD

30 YEARS OF RESTORING SIGHT

30-YEAR ANNIVERSARY

2022 marks 30 years since Professor Fred Hollows and Gabi Hollows established The Fred Hollows Foundation. A few months later, some of Fred's friends in New Zealand established The Fred Hollows Foundation NZ. Every day we strive to continue their work of eradicating avoidable blindness, with a focus on the Pacific region. With COVID-19 presenting our team with many difficult challenges over the past few years, the number of people desperately needing eye care has grown larger as our clinics have been forced to close and outreaches unable to be held.

In 2022, with Fred's inspiring legacy at the forefront of our minds, we will work hard to clear this backlog of patients. We know that with the support of our partners and donors, and the determination of our team, we can meet these challenges that COVID-19 has presented.

We will also have a strong focus on our work in Papua New Guinea, the country with the highest rate of blindness in the Pacific. An agreement was signed in 2021 to commence the development of a proposed Centre of Excellence for Eye Health, a facility that will train eye specialists and provide enhanced eye care services.

Moving forward we are now looking for partners to help us deliver on the next phase of this project – the construction – with the aim of having the proposed Centre of Excellence for Eye Health open in 2025. For further information see page 57. As well as this, we are developing a new strategy to effectively guide Team Fred in taking the next crucial steps in delivering eye care in the Pacific and helping us get closer to our goal of eliminating avoidable blindness in the Pacific.

THE FUTURE FUND

The Future Fund was established in 2017 to provide lasting, sustainable impact for eye care in the Pacific through annual Future Fund projects. Since then generous donors have contributed over \$1.7 million to the Future Fund which has been utilised to procure vital medical equipment and fund important eye care initiatives. However, there is more to do and we still need assistance to improve the vision of thousands of people in the Pacific. Globally, at least 2.2 billion people have a vision impairment or blindness,

of whom at least 1 billion have a vision impairment that could have been prevented or has yet to be addressed. Our Pacific neighbours have some of the highest rates of avoidable blindness and the significant environmental challenges on top of a fresh wave of COVID-19 disruption, have only seen eye care needs increase. Contributions to the Future Fund enable our teams in the Pacific to invest in the local eye care workforce and restore sight today, tomorrow and years into the future.



The 2022 projects can be found on our website hollows.org.nz/get-involved/future-fund

2021 CONSOLIDATED FINANCIAL STATEMENTS



STATEMENT OF COMPLIANCE AND RESPONSIBILITY

for the 12 months ended 31 December 2021

This Performance Report reflects operations for the year ended 31 December 2021 for the Consolidated Group of The Fred Hollows Foundation NZ (the Group). The Group is required to report under the Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR) as a Tier 2 entity (having annual operating expenses greater than \$2 million and less than \$30 million), with specific notes and disclosures required.

The Board accepts responsibility for the preparation of the annual Consolidated Financial Statements and the judgements used in these financial statements.

Management (including the Chief Executive Officer and others directed by the Board) accepts responsibility for establishing and maintaining policies and procedures and systems of internal controls designed to provide reasonable assurance as to the integrity and reliability of the Group's financial reporting.

It is the opinion of the Board and Management that the annual Consolidated Financial Statements which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statement of service performance, consolidated statement of comprehensive revenue and expenses, consolidated statement of changes in net assets / equity, consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies for the financial year ended 31 December 2021 fairly reflect the financial position and operations of the Group.

The Group's 2021 Performance Report is authorised for issue by the Board.

Craig Fisher

Board Chair



Signature of Chair

31 May 2022

Date

AUDITOR'S REPORT



BDO Auckland

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

Opinion

We have audited the performance report of The Fred Hollows Foundation (NZ) ("the Foundation") and its controlled entities (together, "the Group"), which comprise the consolidated statement of service performance on pages 25 to 38 and the consolidated financial statements on pages 39 to 60. The complete set of consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statement of comprehensive revenue and expenses, consolidated statement of changes in net assets/equity, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the accompanying performance report presents fairly, in all material respects:

- the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance, and its consolidated cash flows for the year then ended; and
- the consolidated service performance for the year ended 31 December 2021, in accordance with the Group's service performance criteria,

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the consolidated service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 *The Audit of Service Performance Information (NZ)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Performance Report section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our firm has provided IT advisory services to the Group. The firm has no other relationship with, or interest in the Group other than in our capacity as auditor.

Other Information

The Trustees are responsible for the other information. The other information obtained at the date of this auditor's report is information contained in the performance report, but does not include the consolidated statement of service performance, the consolidated financial statements, and our auditor's report thereon.

Our opinion on the performance report does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the performance report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the performance report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Trustees' Responsibilities for the Performance Report

Those charged with governance are responsible on behalf of the Group for:

- (a) the preparation and fair presentation of the consolidated financial statements and consolidated statement of service performance in accordance with PBE Standards RDR issued by the New Zealand Accounting Standards Board;
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with PBE Standards RDR; and
- (c) such internal control as those charged with governance determine is necessary to enable the preparation of the consolidated financial statements and consolidated statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the performance report those charged with governance are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the consolidated statement of service performance and the consolidated financial statements as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this performance report.

A further description of the auditor's responsibilities for the audit of the performance report is located at the XRB's website at <https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/>

Who we Report to

This report is made solely to the Foundation's Trustees, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation and the Foundation's Trustees, as a body, for our audit work, for this report or for the opinions we have formed.



BDO Auckland

Auckland, New Zealand

31 May 2022

CONSOLIDATED STATEMENT OF SERVICE PERFORMANCE

OUR VISION

A world in which no person is needlessly blind or vision impaired.

OUR PURPOSE

We work to end avoidable blindness and vision impairment in the Pacific. We advocate for the right of all people to high-quality and affordable eye care. We strive for eye care to be locally-led and accessible to all. In doing this we continue Fred's legacy.

OUR WORK

The Group's work is guided by four pillars:



PILLAR 1 RESTORE AND PRESERVE SIGHT

We support local teams to provide sight-saving surgeries, treatments and spectacles at partner eye clinics and on outreaches to locations that would otherwise not have access to eye care.



PILLAR 2 TRAIN AND SUPPORT THE REGIONAL EYE CARE WORKFORCE

Together with our partners, we provide postgraduate eye care training to local doctors and nurses, followed by ongoing professional development so that these specialists can meet the eye care needs of their own countries. Training the local workforce in eye care is the only way to eliminate avoidable blindness and vision impairment in a sustainable way.



PILLAR 3 STRENGTHEN LOCAL HEALTH SYSTEMS

We partner with local health authorities to promote local ownership of eye care, and to strengthen health management and referral systems.



PILLAR 4 DRIVE INNOVATION AND RESEARCH

Our approach is tested and effective. We support research to better understand and deliver on meeting current and future eye care needs. We are committed to adopting innovative solutions to ensure that our eye care programmes are locally appropriate and meet international best practice standards.

OUR NEW 'FUTURE FRED' STRATEGY

The Group is developing a new long-term 'Future Fred' strategy to respond to our government partners' priority of strengthening sustainable health systems, particularly as a result of COVID-19. Quality accessible eye care is vital to the Pacific region's recovery from the pandemic. In addition to the global Sustainable Development Goals, the Future Fred strategy is

aligned with and guided by the *Blue Pacific* aspirations of social inclusion and prosperity, so that all Pacific people can lead free, healthy and productive lives.

For more than 20 years, the Group has worked through a multi-faceted partnership approach with Pacific Departments/Ministries of Health and eye care partners to meet gaps in eye health systems within

the region. As the Group navigates its future role, we are committed to consolidating our support and prioritising health system strengthening, including policy and planning. By supporting and enabling locally-determined and led eye care in the Pacific, we can continue our shared journey towards eliminating avoidable blindness and vision impairment.

The below principles underpin our organisational Future Fred strategy:

Local Leadership

Sustainability

Partnership and Coalition Building

Inclusivity

Accountability

Innovation



Student nurse Russel removing patient Dorcas's eye patch

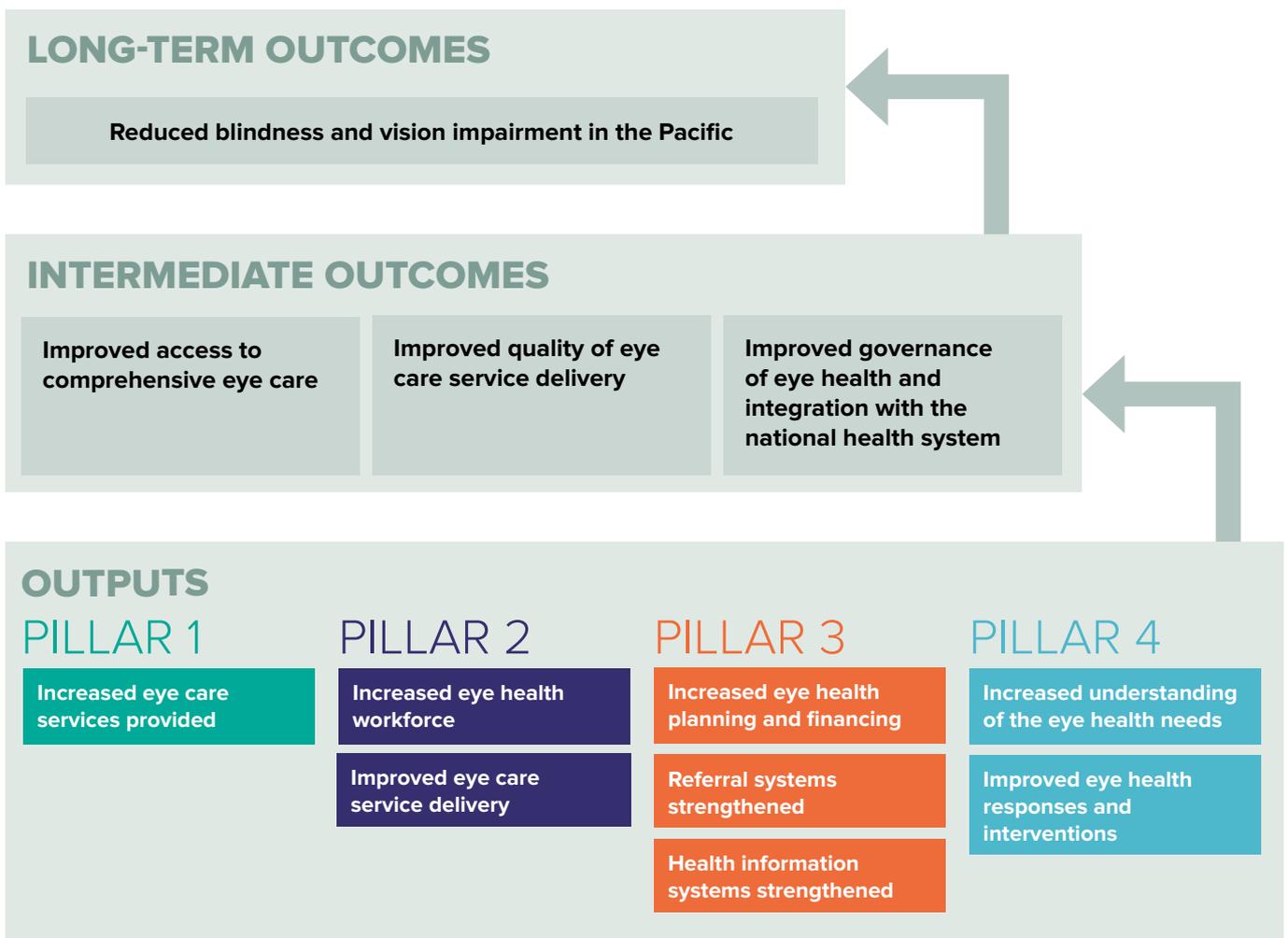
PROGRAMME DELIVERY

The Group delivers targets designed to achieve intermediate and long-term outcomes that will enable the Group to achieve its vision and ultimately contribute towards specific global goals and initiatives.

These outcomes and global goals are set out in the Programme Results Framework below. Programme outputs are grouped according to the strategic pillars.

PROGRAMME RESULTS FRAMEWORK

Vision: A world in which no person is needlessly blind or vision impaired.



Our efforts support achievements of the following global goals:

- 2030 In Sight: Ending Avoidable Sight Loss
- World Health Organization Universal Eye Health: A Global Action Plan 2014-2019
- United Nations Sustainable Development Goals 1, 3 (Targets 3.8, 3.c, 3.d), 4, 5, 8, 10, 11 and 17
- World Health Organization Global Action Plan for the Prevention and Control of Noncommunicable Diseases 2013-2020: Objectives 1, 2 and 4
- World Health Organization Global Action Plan for the Prevention and Control of Noncommunicable Diseases 2023-2030 (currently under development)

CONTEXT FOR PROGRAMME RESULTS – WORKING IN PARTNERSHIP

The Group works together with partners to deliver local academic and clinical ophthalmic training programmes (outputs 2.1., 2.2.), and then to support clinicians post training (outputs 1.2., 2.3., 2.4.) to deliver high-quality eye care services to their populations (outputs 1.1., 1.3.).

These essential components of training and workforce support are strengthened by activities supporting eye care clinicians to

conduct eye health awareness trainings with general health workers to ensure people requiring eye care are referred promptly to eye care clinicians (output 3.1.), and to initiate or commission research and evaluation projects (outputs 4.1., 4.2., 4.3.) to inform the delivery of best practice, evidence-based eye care programmes.

The Group would like to acknowledge our partnerships with Pacific ministries of health,

the Papua New Guinea National Department of Health, Fiji National University in Suva, Divine Word University in Madang, Papua New Guinea, and the University of Papua New Guinea in Port Moresby - which are critical to the achievement of the 2021 results below.

References to outputs are those outputs described on pages 30-35 inclusive.

PROGRAMME RESULTS

During 2021, many areas of our work were adversely affected by the impact of the COVID-19 pandemic, where the governments of Pacific Island countries continued to exercise strict caution and restrictions with lockdowns and curfews limiting movement. This had a direct impact on service delivery, resulting in the accumulation of eye care backlogs in some countries. Eye health services remained under immense pressure and were either temporarily closed or functioned only on an emergency footing. In particular, Fiji's COVID-19 Delta variant outbreak generated community transmission rates which were among the highest in the world and eye care services were impacted as medical staff were recalled to assist with the vaccine rollout. Papua New Guinea was also heavily impacted by a number of surges of community transmission.

Further disruption was experienced in several key activities such as outreaches to remote communities (output 1.3.), awareness trainings in primary eye care for primary health clinicians and community health workers (output 3.1.), and ophthalmology sub-speciality support trainings for Pacific-based eye care clinicians (output 2.4.), which had to be either indefinitely postponed or cancelled due to the ongoing restrictions. Regional targets for some service delivery indicators (outputs

1.1., 1.3.) were surpassed despite the very challenging context. While outreaches could not be conducted in some Pacific countries, other countries which did not experience severe impacts of the pandemic were successful in conducting more outreaches than their original target thereby reaching more communities and making eye care services accessible to those most in need.

The academic programmes supported by the Group in both Fiji and Papua New Guinea were disrupted, however due to the hard work and dedication of students, teaching staff and all those that play a support role, the year still realised many successes. Some students who would have normally studied in-person at the Fiji National University were successful in completing their studies remotely, as the clinical attachment component was made possible at eye clinics within their home country under the supervision of previous graduates. However, some Fijian-based students were required to defer their clinic-based training to semester one in 2022 due to limited opportunities for clinical practice during lockdowns.

While several in-person activities related to training and supporting the regional eye care workforce were severely curtailed due to the COVID-19 restrictions, we, along with our partners found innovative and tailored ways of working together

to achieve results. A good example of this has been the extensive use of virtual upskilling, which included the use of digital platforms for remote academic learning, remote workforce support, virtual professional development and learning offered to both students and eye care clinicians across the Pacific region (outputs 2.3., 2.4.). Local leadership by senior clinicians based in the Pacific Island countries was instrumental in ensuring the continuation of activities as they provided ongoing support to local eye care clinicians in their respective countries.

We worked closely with our partners and colleagues to ensure that COVID-19 standard operating procedures were developed and implemented in managed clinics, and training on infection control, clinical quality and safety were provided to staff. This proactive and adaptive management approach of working in close collaboration with the partners, staff and students played a crucial role in helping clinical teams to return to the workplace and initiate the careful reestablishment of services with a high emphasis on safety. Further support was given through the provision of essential eye care equipment, which plays a key role in ensuring that the eye care clinicians across the Pacific can provide quality and safe eye care services to their respective communities.

PILLAR 1

RESTORE AND PRESERVE SIGHT



Intermediate Outcome 1: Improved access to comprehensive eye care

The below activities received direct financial and/or management support from the Group. In 2021, this included all eye care services provided by the Pacific Eye Institute, Mobile Eye Clinic and Diabetes Eye Clinic in Suva, Fiji; the Regional Eye Centre in Honiara, Solomon Islands; and the Madang Provincial Hospital Eye Clinic in Madang, Papua New Guinea. It also includes service

delivery results from the diabetes eye clinics at the main hospitals in Kiribati, Samoa, Tonga, and Vanuatu. Ophthalmic equipment is procured on an as-needed basis for these clinics, and spectacle supply is also provided where needed. The ability to deliver eye care services in 2021 was adversely impacted by disruptions caused by the COVID-19 pandemic.

In addition to these results, graduates across the region performed key service delivery activities such as eye care consultations, surgeries, and distribution of spectacles to patients. We view these additional results as the long-term and ongoing impact of the training programmes we support (as described in Graduate Impact on page 16 above).



Training at the Pacific Eye Institute, Suva Fiji

OUTREACH LOCATIONS

8

Fiji

12

Kiribati

5

Samoa

14

Solomon
Islands

15

Tonga

3

Vanuatu

EYE CARE SERVICES



44,197

Consultations



1,863

Surgeries



4,502

Spectacles

DIABETES EYE DISEASE



11,611

Screenings



1,078

Treatments

Output	Indicator	Actual 2021	Target 2021	Actual 2020	Target 2020
1.1. Support for eye care services	1.1.1. Number of consultations directly supported	44,197	56,600	60,018	52,560
	1.1.2. Number of surgeries directly supported	1,863	3,000	2,642	5,690
	1.1.3. Number of diabetes eye disease screenings directly supported	11,611	10,400	11,084	5,900
	1.1.4. Number of treatments for diabetes eye disease directly supported	1,078	1,600	1,937	1,400
	1.1.5. Number of interventions for diabetes eye disease directly supported	591	200		
	1.1.6. Number of spectacles dispensed directly supported	4,502	7,700	8,260	12,310
1.2. Clinic equipment and consumables support	1.2.1. Value of ophthalmic equipment purchased by the Group	\$856,994	\$787,921	\$365,602	\$219,896
	1.2.2. Number of spectacles and sunglasses donated to Pacific eye clinics	10,168	13,000	13,822	5,000
	1.2.3. Number of spectacles and sunglasses supplied to eye clinics through procurement support	2,592	3,400		
1.3. Outreach services support	1.3.1. Number of distinct locations visited by clinical eye care teams supported by the Group	57	41	34	38

PILLAR 2



TRAIN AND SUPPORT THE REGIONAL EYE CARE WORKFORCE

Intermediate Outcome 2: Improved quality of eye care service delivery

The Group provides scholarships and other support to doctors to become qualified ophthalmologists. Their study involves a pre-requisite one-year qualification, the Postgraduate Diploma in Ophthalmology (PGDO) followed by a three-year Master of Medicine (MMed) in Ophthalmology. During the year eight doctors were scholarship recipients – two PGDO and six MMed - at Fiji National University (FNU) in Suva, Fiji. Of the two PGDO students, one was deferred to 2022 and the final examinations for the other student were delayed due to the impact of COVID-19 and rescheduled to semester one in 2022. In addition, five doctors were provided support to study at the University of Papua New Guinea (UPNG) - four MMed and one PGDO. Of these, one MMed student who was in their final year of study was unsuccessful and will resit the examinations in 2022 and one PGDO student successfully passed.

The Group also provides scholarships to mid-level health personnel (which includes nurses, health extension officers and clinical technicians) to become qualified mid-level ophthalmic personnel. Their study involves a one-year qualification, the Postgraduate Diploma in Eye Care (PGDEC) if they are studying at FNU or the Advanced Diploma in Eye Care (ADEC) if they are studying at Divine Word University (DWU) in Madang, Papua New Guinea. During the year 11 mid-level health personnel were granted scholarships to study for the PGDEC programme at FNU. Of these, six students were deferred to 2022 due to the impact of COVID-19. Four students successfully passed and one student will resit the examinations in 2022. In addition, nine mid-level health personnel were granted scholarships to study the ADEC programme at DWU. Of these, one student withdrew from the course due to personal reasons, and eight successfully passed.

A total of 15 students graduated in 2021 comprising three doctors (two MMed students from FNU, one PGDO student from UPNG) and 12 mid-level ophthalmic personnel (four PGDEC students from FNU and eight ADEC students from DWU).

Students that were deferred or withdrew are not counted in actual figures below. The gender disaggregated data for the females (F) and males (M) are recorded in the actual figures below.

In addition to in-person one-on-one support, the availability of remote training and upskilling opportunities has helped to ensure that eye care personnel are not limited to in-person activities but can also access valuable support and training virtually.



Training at the Pacific Eye Institute, Suva Fiji



133

Total workshop attendees



15

Total graduates



9

Females



6

Males

Output	Indicator	Actual 2021	Target 2021	Actual 2020	Target 2020
2.1. Eye health workforce trained	2.1.1. Number of doctors completing a Master of Medicine (MMed) in Ophthalmology	2 (1F, 1M)	3 (1F, 2M)	1 (1F)	4
	2.1.2. Number of doctors completing a Postgraduate Diploma in Ophthalmology (PGDO)	1 (1F)	3 (2F, 1M)	-	-
	2.1.3. Number of mid-level personnel completing a Postgraduate Diploma in Eye Care (PGDEC)	4 (2F, 2M)	11 (9F, 2M)	14 (6F, 8M)	17
	2.1.4. Number of mid-level personnel completing an Advanced Diploma in Eye Care (ADEC)	8 (5F, 3M)	9 (6F, 3M)		
	2.1.5. Number of nurses completing a Master of Community Eye Care (MCEC) - discontinued following Semester 2, 2020	-	-	2 (1F, 1M)	2
	Total doctors and nurses/mid-level personnel trained i.e. graduates		15 (9F, 6M)	26 (18F, 8M)	17 (8F, 9M)
2.2. Eye care training scholarships and support provided	2.2.1. Number of doctors provided scholarships to train in eye care	8 (3F, 5M)	8 (3F, 5M)	4 (2F, 2M)	8
	2.2.2. Number of doctors provided support to train in eye care	5 (3F, 2M)	4 (2F, 2M)		
	2.2.3. Number of mid-level personnel provided scholarships to train in eye care	20 (15F, 5M)	20 (15F, 5M)	17 (8F, 9M)	19
2.3. Support for eye care workforce provided	2.3.1. Number of Pacific based eye care clinicians visited by mentor clinician for one-on-one support	0 ophthalmologists (0F, 0M) 17 mid-level personnel (5F, 12M)	2 ophthalmologists (1F, 1M) 10 mid-level personnel (5F, 5M)	4 (2F, 2M)	15
	2.3.2. Number of Pacific based eye care clinicians attending group workshops and trainings or provided remote support by mentor clinician	10 ophthalmologists (6F, 4M) 0 mid-level personnel (0F, 0M)	6 ophthalmologists (3F, 3M) 4 mid-level personnel (2F, 2M)	91	132
	2.3.3. Number of Pacific based eye care professionals participating in professional development workshops	133	183	-	16
2.4. Sub-specialist training support	2.4.1. Number of ophthalmology sub-specialist support trainings facilitated remotely for Pacific training centres	7	6	-	9

PILLAR 3



STRENGTHEN LOCAL HEALTH SYSTEMS

Intermediate Outcome 3: Improved governance of eye health and integration with the national health system

Progress against targets for upskilling community health workers in primary eye care was severely disrupted due to the impact of COVID-19. The focus shifted from training community health workers to training

members of the community as they were identified as key players in increasing community awareness in primary eye care. Therefore, although no community health workers were trained in primary eye care during the

year, key achievements include the training of 191 primary health clinicians and 380 members of the community in primary eye care through awareness workshops.



191

Primary level clinicians trained



380

Community members trained

Output	Indicator	Actual 2021	Target 2021	Actual 2020	Target 2020
3.1. Support for health care workforce training in primary eye care awareness	3.1.1. Number of primary level clinicians trained to recognise and refer diabetes patients for eye care	191	72	124	210
	3.1.2. Number of community health workers and community members trained in primary eye care through awareness workshops	0 community health workers 380 community members	66 community health workers 0 community members	21	260

PILLAR 4

DRIVE INNOVATION AND RESEARCH



Intermediate Outcome 3:
Improved governance of eye health and integration
with the national health system



Patient being examined for diabetes, Vanuatu

A Rapid Assessment of Avoidable Blindness (RAAB) is a standardised population-based survey method for generating epidemiological evidence on the prevalence and causes of avoidable vision impairment and blindness. Funding was secured for a RAAB in Vanuatu in 2019. Plans for the survey to be completed in 2020 and 2021 were halted due to the impact of COVID-19. The survey is planned for 2022. (output 4.1.1a.) In 2021 an application for ethics approval for a RAAB in Samoa was developed to allow project implementation to commence in 2022. (output 4.1.1b.)

The Tool for Assessment of Diabetic Retinopathy and Diabetes Management Systems (TADDS) was designed by the World Health Organization (WHO) to assess the management of diabetes and diabetic retinopathy in countries to help identify the gaps to be addressed in ensuring universal access to diabetes care and to effective prevention and treatment of diabetic retinopathy. The TADDS was implemented in PNG with the final report being drafted in 2020. During 2021 the final report was completed and shared with in-country stakeholders, including the Papua New Guinea Prevention of Blindness Committee and the WHO Regional Office for the Western Pacific. (output 4.1.2.)

To understand the current **gendered context regarding access to eye health care services in Papua New Guinea**, the Group commissioned a mixed-methods study during the year. The data collection activities will also seek to understand the changing impact of COVID-19 on health seeking behaviours, attitudes, and practices of women. The TADDS was implemented in PNG with the final report being drafted in 2020. During 2021 the final report was completed and shared with in-country stakeholders, including the Papua New Guinea Prevention of Blindness Committee and the WHO Regional Office for the Western Pacific. (output 4.1.2.)

The Mobile Eye Clinic (MEC) was designed and constructed in New Zealand and was the first of its kind in the Pacific region. It is an 11.5 metre facility which has a full range of ophthalmic medical equipment aboard and travels around the island of Viti Levu enabling the teams to deliver sight-saving services to people in need. The MEC was first commissioned in May 2015 and is based at the Pacific Eye Institute in Fiji. The MEC evaluation was commissioned in 2019 to evaluate its operational effectiveness in providing eye care services to the Fijian population (particularly people who would not otherwise be able to access eye care services) and provide

recommendations to improve the performance of the MEC and guide future projects aimed at improving accessibility to eye care. The fieldwork was planned for 2020 but was impeded due to COVID-19 international travel restrictions. This required an adjustment in the methodology and hiring of a local Fiji-based consultant to collaborate with an India-based lead consultant who would manage the review remotely. In 2021 the final report from the external consultants was received. An additional internal analysis was developed to complement the evaluation completed by the external consultants. (output 4.2.2.)

To investigate the impact of the **diabetic retinopathy (DR) awareness trainings for community health workers in Fiji**, the Group commissioned a qualitative research study. This impact assessment will provide future recommendations on how to strengthen and integrate DR services in Fiji. The qualitative assessment will help inform future programming and provide evidence for creating seamless health care pathways between the noncommunicable disease (NCD) and eye health sector for diabetes patients in Fiji. This research study was planned for late 2020, however data collection was disrupted due to Tropical Cyclone Yasa. The recruitment of an external researcher, participants and successful ethics application was completed in 2020. In 2021 the final report was completed and findings were presented at the International Diabetes Federation Congress 2021. (output 4.2.3.)



Mobile Eye Clinic, Fiji

Output	Indicator	Percentage complete in 2019	Percentage complete in 2020	Percentage complete in 2021	Percentage complete in total
4.1. Support for National prevalence surveys and/or eye care assessments	4.1.1a. Rapid Assessment of Avoidable Blindness (RAAB) - Vanuatu	0%	25%	0%	25%
	4.1.1b. Rapid Assessment of Avoidable Blindness (RAAB) - Samoa			15%	15%
	4.1.2. Tool for Assessment of Diabetic Retinopathy and Diabetes Management Systems (TADDS) - Papua New Guinea	65%	25%	8%	98%
4.2 Support for evaluation and research	4.2.1. Gender Analysis for Eye Health - Papua New Guinea			40%	40%
	4.2.2. Mobile Eye Clinic (MEC) Evaluation - Fiji	25%	40%	20%	85%
	4.2.3. Community Health Workers Diabetic Retinopathy Awareness Impact - Fiji		25%	75%	100%

NATIONAL PREVALENCE SURVEYS/ASSESSMENTS

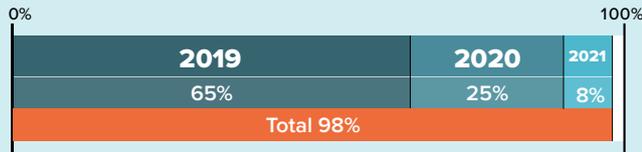
Rapid Assessment of Avoidable Blindness (RAAB) Vanuatu



Rapid Assessment of Avoidable Blindness (RAAB) Samoa

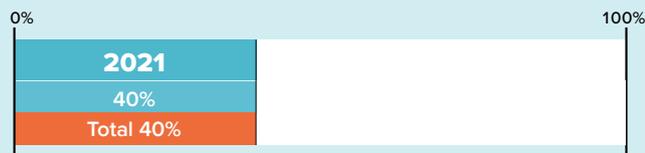


Tool for Assessment of Diabetic Retinopathy and Diabetes Management Systems (TADDS) Papua New Guinea

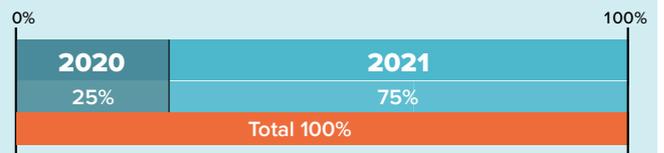


SUPPORT FOR EVALUATION AND RESEARCH

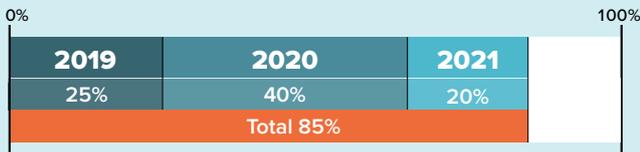
Gender Analysis for Eye Health Papua New Guinea



Community Health Workers Diabetic Retinopathy Awareness Impact Fiji



Mobile Eye Clinic Evaluation Fiji

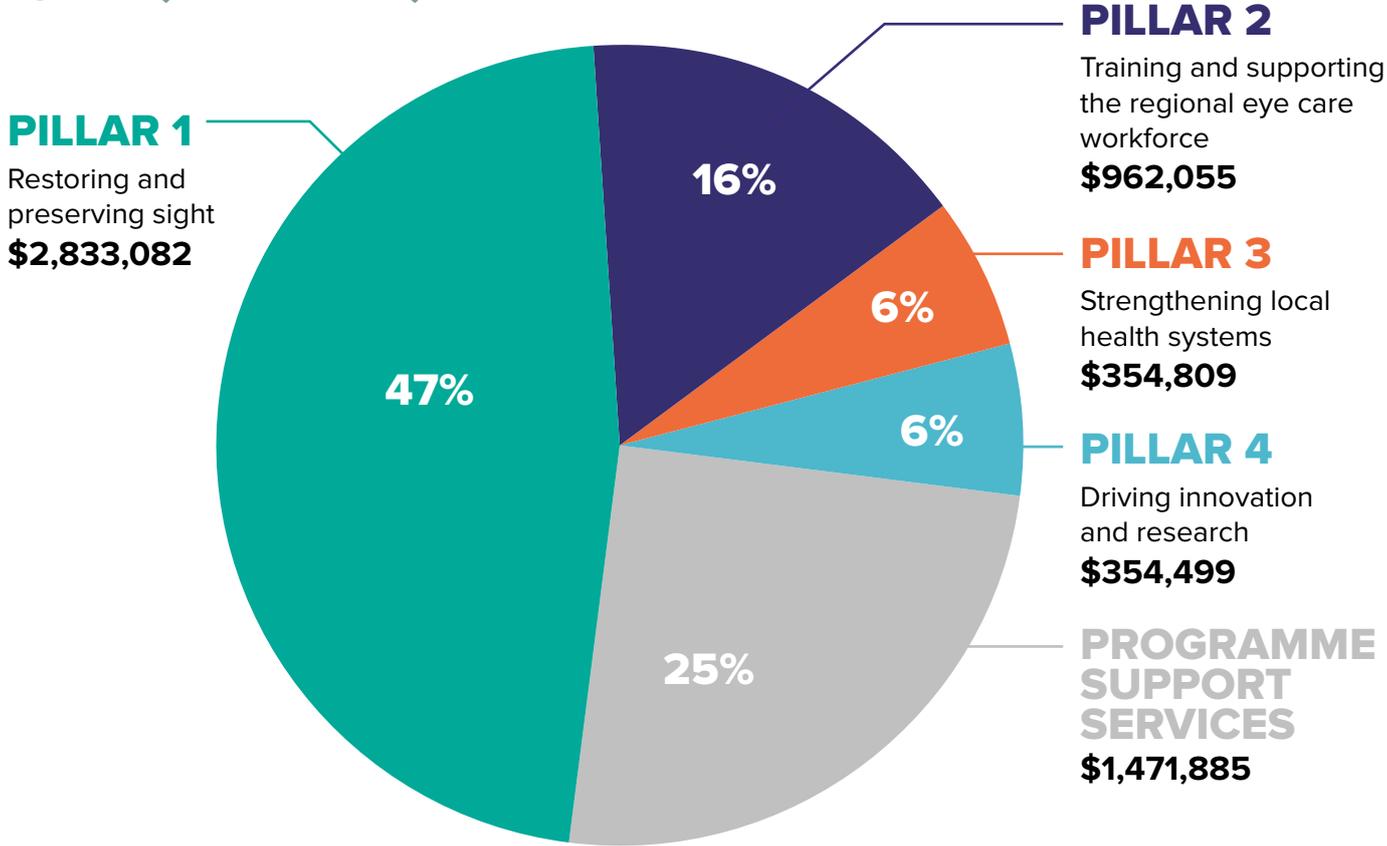


Patient being prepared for bilateral cataract surgery, Tonga

PROGRAMME EXPENSES

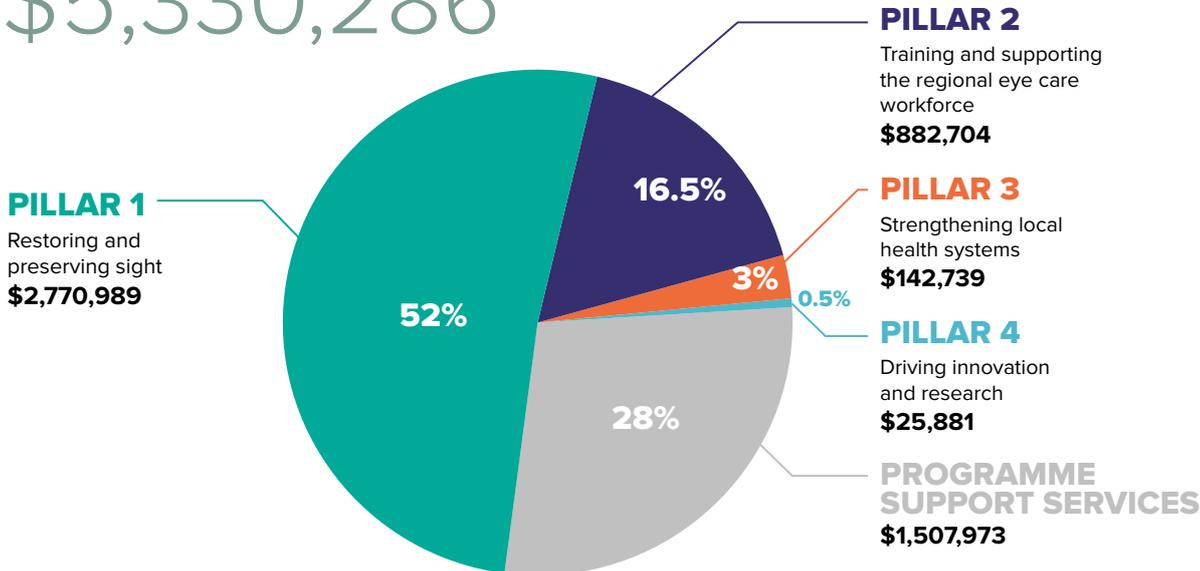
2021 PROGRAMME EXPENSES

\$5,976,330



2020 PROGRAMME EXPENSES

\$5,330,286



FUNDS SOURCE AND DESTINATION

WHERE THE MONEY CAME FROM

TOTAL 2021 REVENUE AND OTHER INCOME

\$13,809,351



TOTAL 2020 REVENUE AND OTHER INCOME

\$11,431,141



WHERE THE MONEY WENT

TOTAL 2021 EXPENSES

\$10,078,935



TOTAL 2020 EXPENSES

\$8,809,946



The challenges presented by COVID-19 in both 2020 and 2021 meant that planned outreaches, surgeries and programmes were necessarily deferred. Although we were able to repurpose part of this budgeted expenditure to other impact areas such as procuring

medical equipment and COVID-19 response supplies for the eye clinic teams, an underspend resulted for both years in 'Eye Care Programmes and Public Education' expenditure. **We have reallocated this underspend into the 2022 year which includes one of the largest**

programme expenditure budgets on record of \$11.6 million. This will include increased outreaches, surgeries and programme delivery to help tackle the massive backlog of patients that has resulted as a direct impact of COVID-19.

CONSOLIDATED STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

FOR THE 12 MONTHS ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Revenue			
Revenue from Exchange Transactions		50,677	63,813
Revenue from Non-Exchange Transactions	5.1	13,391,733	11,021,510
Total Revenue		13,442,410	11,085,323
Less Cost of Goods Sold			
Cost of Spectacles and Medical Supplies – Exchange Transactions		30,494	34,897
Total Cost of Goods Sold		30,494	34,897
Gross Surplus		13,411,916	11,050,426
Less Other Expenses			
Engagement Expenses	6	3,472,029	2,850,235
Programme Expenses	7	5,976,330	5,330,286
Shared Services Expenses	8	616,444	533,785
Total Other Expenses		10,064,803	8,714,306
Total Surplus before Net Finance Income		3,347,113	2,336,120
Net Finance Income			
Finance Income	10	366,941	345,818
Less Finance Expenses		24,577	7,946
Net Finance Income		342,364	337,872
Total Surplus for the Year		3,689,477	2,673,992
Other Comprehensive Revenue and Expenses			
Exchange differences in translation of foreign operations		40,939	(52,797)
Total Comprehensive Revenue and Expenses for the year		3,730,416	2,621,195

The above consolidated statement of comprehensive revenue and expenses should be read in conjunction with the notes on pages 43 to 60.

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS / EQUITY

FOR THE 12 MONTHS ENDED 31 DECEMBER 2021

	Note	Accumulated Comprehensive Revenue and Expenses \$	Contingency Reserve \$	Foreign Currency Translation Reserve \$	Total Net Assets / Equity \$
Opening Balance 1 January 2020		5,358,477	2,500,000	-	7,858,477
Total Comprehensive Revenue and Expenses for 2020		2,673,992	-	(52,797)	2,621,195
Transfer to Contingency Reserve	24	(743,377)	743,377	-	-
Closing Net Assets / Equity 31 December 2020		7,289,092	3,243,377	(52,797)	10,479,672
Opening Balance 1 January 2021		7,289,092	3,243,377	(52,797)	10,479,672
Total Comprehensive Revenue and Expenses for 2021		3,689,477	-	40,939	3,730,416
Transfer to Contingency Reserve	24	(3,791,565)	3,791,565	-	-
Closing Net Assets / Equity 31 December 2021		7,187,004	7,034,942	(11,858)	14,210,088

The above consolidated statement of changes in net assets / equity should be read in conjunction with the notes on pages 43 to 60.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Current Assets			
Cash and Cash Equivalents	11	5,566,371	3,270,871
Goods and Services Tax Receivable	12	139,715	136,497
Inventory and Goods in Transit	13	744,890	548,343
Prepayments from Exchange Transactions	14	575,413	261,172
Receivables from Exchange Transactions	15	319,971	26,711
Receivables from Non-Exchange Transactions	15	855	-
Short-term Investments	16	1,000,000	3,500,000
Total Current Assets		8,347,215	7,743,594
Non-Current Assets			
Investments at Fair Value	17	7,034,942	3,243,377
Property, Plant and Equipment	18	1,389,606	924,564
Total Non-Current Assets		8,424,548	4,167,941
Total Assets		16,771,763	11,911,535
Current Liabilities			
Deferred Revenue from Non-Exchange Transactions	19	1,329,606	619,547
Employee Entitlements	20	425,675	334,638
Other Payables and Accruals	21	200,088	177,434
Trade Payables from Exchange Transactions	22	606,306	300,244
Total Current Liabilities		2,561,675	1,431,863
Total Liabilities		2,561,675	1,431,863
Net Assets		14,210,088	10,479,672
Equity			
Accumulated Comprehensive Revenue and Expenses	23	7,187,004	7,289,092
Contingency Reserve	24	7,034,942	3,243,377
Foreign Currency Translation Reserve		(11,858)	(52,797)
Total Equity		14,210,088	10,479,672

The above consolidated statement of financial position should be read in conjunction with the notes on pages 43 to 60.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE 12 MONTHS ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Cash Flows from Operating Activities			
Inflows from:			
– Grants, donations and bequests received		13,759,052	10,536,637
– Other cash receipts from operating activities		63,286	172,771
– Interest Received		44,350	79,268
Outflows for:			
– Payments to Suppliers and Employees		(9,751,599)	(8,295,824)
– Net GST Paid		(3,218)	(9,969)
Net Cash Inflows from Operating Activities		4,111,871	2,482,883
Cash Flows from Investing Activities			
Inflows from:			
– Redemption of Short-term Investments		2,500,000	-
– Disposal of Property, Plant and Equipment		3,107	5,260
Outflows for:			
– Purchase of Investments at fair value		(3,500,000)	(3,000,000)
– Purchase of Short-term Investments		-	(1,000,000)
– Purchase of Property, Plant and Equipment		(834,842)	(335,628)
Net Cash Outflows from Investing Activities		(1,831,735)	(4,330,368)
Net Increase/(Decrease) in Cash and Cash Equivalents		2,280,136	(1,847,485)
Effect of Exchange Rate Fluctuations on Cash Held		15,364	(17,730)
Cash and Cash Equivalents at Beginning of Year		3,270,871	5,136,086
Cash and Cash Equivalents at End of Year	11	5,566,371	3,270,871

The above consolidated statement of cash flows should be read in conjunction with the notes on pages 43 to 60.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 12 MONTHS ENDED 31 DECEMBER 2021

1. REPORTING ENTITY

The Fred Hollows Foundation (NZ) (FHFNZ) was incorporated as a charitable trust under the Charitable Trusts Act 1957 on 5 November 1992 and registered as a charitable entity under the Charities Act 2005 (CC23722) on 30 April 2008. FHFNZ is incorporated and domiciled in New Zealand and is a Public Benefit Entity (PBE) for the purpose of financial reporting in accordance with the Financial Reporting Act 2013.

FHFNZ, its subsidiary The Fred Hollows Foundation NZ Pacific Eye Institute Limited (FHFNZ-PEI) and its controlled entities The Fred Hollows Foundation PNG Inc. (FHF-PNG) and The Fred Hollows Foundation NZ SI Trust Board Inc. (FHFNZ-SI), comprise 'the Group' within these consolidated financial statements.

FHFNZ-PEI was incorporated as a company limited by guarantee on 18 May 2009 under the Fiji Companies Act 1983 (Cap. 247). The company is incorporated and domiciled in the Republic of Fiji. The composition of the members and directors of FHFNZ-PEI has been set up by FHFNZ for FHFNZ to have control over FHFNZ-PEI. Accordingly, FHFNZ-PEI is considered a subsidiary.

FHF-PNG was incorporated as an association under Section 7 of the Associations Incorporation Act 1966 (Chapter 142) on 17 August 2004 in Papua New Guinea. The composition of the members and committee of FHF-PNG has been set up by FHFNZ for FHFNZ to have control over FHF-PNG. Accordingly, FHF-PNG is considered a controlled entity.

FHFNZ-SI was incorporated as an association under the Charitable Trusts Act 1964 (Cap. 115) on 27 February 2014 in the Solomon Islands. The composition of the

members and committee of FHFNZ-SI has been set up by FHFNZ for FHFNZ to have control over FHFNZ-SI. Accordingly, FHFNZ-SI is considered a controlled entity.

The Group exists to end avoidable blindness and vision impairment primarily by restoring and preserving sight, training and supporting the regional eye care workforce, strengthening local health systems and driving innovation and research in the Pacific.

The Group operates under a Trade Mark Licence Agreement with The Fred Hollows Foundation in Australia which expires on 31 December 2026.

We both agree that, by working collaboratively and in a coordinated way, organisations operating under the name of 'The Fred Hollows Foundation', or under a name including 'Fred Hollows', can be more effective in furthering his work and to end avoidable blindness and vision impairment. We further both agree that such collaboration and coordination will bring significant benefit to the full range of our respective activities. The agreement clarifies our rights and obligations of the Trade Marks.



The Group also operates under a Collaboration Agreement with The Fred Hollows Foundation in Australia, which expires on 23 November 2026, the purpose of which is to set out a shared ideal of what the parties can realise together through enhanced cooperation. This agreement aims to capture both the spirit of collaboration that is being

sought and the potential benefits to both parties. This agreement also articulates where working together requires some form of compliance or risk management by the other party in order to give assurance in working together.

Certain prior year comparatives have been reclassified to aid

comparability with the Consolidated Statement of Service Performance, Consolidated Statement of Comprehensive Revenue and Expenses, Consolidated Statement of Changes in Net Assets / Equity, Consolidated Statement of Financial Position and Consolidated Statement of Cash Flows.

2. BASIS OF PREPARATION

2.1 Measurement basis

The consolidated financial statements have been prepared on the basis of historical cost except investments at fair value through surplus or deficit.

2.2 Statement of compliance

The consolidated financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). The Group is a public benefit entity for the purpose of financial reporting and complies with the Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR) as appropriate for Tier 2 not-for-profit public benefit entities as it does not have public accountability and is not large (i.e. does not have total expenses over \$30 million). All reduced disclosure regime exemptions have been adopted.

2.3 Functional and presentation currency

The consolidated financial statements are presented in New Zealand Dollars (\$) which is the controlling entity's functional and the Group's presentation currency, rounded to the nearest dollar.

There has been no change in the functional currency of the Group or any significant foreign operations of the Group during the year.

2.4 Basis of consolidation

Controlled entities

Controlled entities are entities controlled by the Group, being where the Group has power to govern the financial and operating policies of another entity so as to benefit from that entity's activities.

PBE IPSAS 35 Consolidated Financial Statements introduces a single 'Control Model' for all entities whereby control exists when all the following conditions are present:

- power over investee;
- exposure, or rights, to variable returns from the investee; and
- ability to use power over investee to affect the entity's returns from investee.

The Group has an entitlement to a significant level of current or future ownership benefits which arise from the activities of its related entities.

The operations of controlled entities namely FHFNZ-PEI, FHF-PNG and FHFNZ-SI have been consolidated into these financial statements.

Subsequent changes in a controlled entity that do not result in a loss of control are accounted for within net assets / equity.

Transactions eliminated on consolidation

Intra-group balances and transactions, and unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. Exchange differences on foreign currency balances are recognised in the Consolidated Statement of Comprehensive Revenue and Expenses.

Assets and liabilities of the subsidiary and controlled entities are translated to New Zealand dollars 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 rate differences arising from these transactions are taken to the foreign currency translation reserve and are recognised in the Consolidated Statement of Changes in Net Assets / Equity.

2.5 Changes in accounting policies

There have been no changes to accounting policies during the reporting period.

3. SIGNIFICANT JUDGEMENTS AND ESTIMATES

In the preparation of the Group's consolidated financial statements, Management is required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Judgements

Revenue Recognition – Non-Exchange Revenue (Note 5.1)

The Group is required to make a judgement as to the existence of any conditions and restrictions and the impact on revenue recognition for non-exchange revenue transactions.

Statement of Service Performance

In compiling the Group's Statement of Service Performance report, Management has made judgements in relation to which outcomes and outputs best reflect the achievement of our performance for the Group's vision.

The Group delivers targeted outputs in accordance with its programme strategy and budget. These outputs are designed to achieve intermediate and long-term outcomes that will enable the Group to achieve its vision of a world in which no person is needlessly blind or vision impaired, and ultimately contribute towards specific global goals and initiatives.

These outcomes and global goals are included within the Programme Results Framework. All outcomes and outputs are grouped by our four guiding pillars which are described under Programme Results Framework.

Our current focus is reporting on key outputs and intermediate-term outcomes and as our monitoring and evaluation systems mature, we will report on achievement of our targeted long-term outcomes.

The performance measures are designed to inform:

- our efficiency and effectiveness in supporting local teams to provide sight-saving surgeries, treatments and spectacles at partner eye clinics and on outreaches to locations that would otherwise not have access to eye care;
- our work with our partners, where together, we provide postgraduate eye care training to local doctors and nurses followed by ongoing professional development so that these specialists can meet the eye care needs of their own country in a sustainable way;

- our commitment to partner with local health authorities to promote local ownership of eye care and to strengthen health management and referral systems;
- our support for research to better understand and deliver on meeting current and future eye care needs; and
- our commitment to adopt innovative solutions to ensure that our eye care programmes are locally appropriate and meet international best practice standards.

Outputs and outcomes are aggregated from information reported across the Pacific.

Operating lease commitments

The Group has entered into leases for an office tenancy and office equipment. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the equipment that it does not retain all the significant risks and rewards of ownership of this equipment and it accounts for the contracts as operating leases.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and have been applied consistently by the Group, except where stated otherwise.

5. REVENUE

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Group and revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable. The following specific recognition criteria must be met before revenue is recognised.

5.1. Revenue from non-exchange transactions

Non-exchange transactions are those where the Group receives an inflow of resources (i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

Apart from services-in-kind, inflows of resources from non-exchange transactions are only recognised as assets where both:

- it is probable that the associated future economic benefit or service potential will flow to the Group; and
- fair value is reliably measurable.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect of the same inflow.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- it is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation; and
- the amount of the obligation can be reliably estimated.

	2021 \$	2020 \$
Engagement		
Bequests	3,876,314	2,348,424
Corporate Donations	375,474	330,624
Direct Marketing and Other Donations	4,905,890	4,862,930
Future Fund	384,813	243,785
Major Donations, Trusts and Foundations	1,311,645	1,409,253
Total Engagement Revenue	10,854,136	9,195,016
Grants		
Ministry of Foreign Affairs and Trade	1,458,747	1,170,680
The Fred Hollows Foundation* ¹	389,439	-
The Queen Elizabeth Diamond Jubilee Trust	560,124	307,932
Other Grants	119,402	335,976
Total Grants Revenue	2,527,712	1,814,588
Other		
Other Non-Exchange Revenue	9,885	11,906
Total Other Non-Exchange Revenue	9,885	11,906
Total Revenue from Non-Exchange Transactions	13,391,733	11,021,510

*¹ Refers to The Fred Hollows Foundation as described in Note 31 below.

The Group engages in a number of fundraising activities to acquire donations including multimedia campaigns, direct mail appeals, face-to-face fundraising, tele-fundraising, community fundraising, major donor stewardship, bequest cultivation, and trust and foundation stewardship. In addition the Group receives grant funding from development partners who support our work in the Pacific.

The following specific recognition criteria in relation to the Group's non-exchange revenue transactions must also be met before revenue is recognised.

Bequests

Bequests are recognised as non-exchange revenue when they are received unless they are subject to conditions being met and being returnable if those conditions are not met. Such bequests are initially recognised as a non-exchange liability and subsequently recognised as non-exchange revenue as and when the conditions are satisfied. Bequests which have been recognised as non-exchange revenue and which subsequently become the subject of a possible claim under the Family Protection Act 1955 are recognised as a non-exchange liability until such time as the claim is settled.

Donations

Revenue includes one-off and regular donations from individuals, trusts, foundations and corporate entities. Donations from non-exchange revenue are recognised at the point they are received. Donations in-kind include donations of services and goods and are



Dr Audrey Aumua, Chief Executive Officer, The Fred Hollows Foundation NZ and Anton Ojala, Divisional Manager, Pacific Development Group, Ministry of Foreign Affairs and Trade signing the Grant Funding Arrangement between The Fred Hollows Foundation NZ and Ministry of Foreign Affairs and Trade for Phase 1: Feasibility Study for the Centre of Excellence for Ophthalmology in Papua New Guinea.

recognised when the services or goods are received. Donations in-kind are measured at their fair value as at the date of the donation, ascertained by reference to the expected cost that would otherwise be incurred by the Group.

Future Fund

Revenue for the Future Fund is recognised as non-exchange revenue depending on the nature of any stipulations attached to the revenue received, and whether this creates a liability rather than the recognition of revenue. The initiative is aimed at middle to high-value donors and looks to support specific activities across the programme including the backing of significant infrastructure projects such as the upgrade and expansion of eye centres in the Pacific and to secure essential equipment and training to empower our Pacific leaders to restore sight in the region.

Grants

Grants are recognised as non-exchange revenue depending on the nature of any stipulations attached to the grant received, and whether this creates a liability rather than the recognition of revenue. Stipulations that are conditions specifically require the Group to return the grant if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the conditions are satisfied. Stipulations that are restrictions do not specifically require the Group to return the grant if they are not utilised in the way stipulated, and therefore do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

6. ENGAGEMENT EXPENSES

Engagement expenses are those relating to the fundraising, marketing and communications team who manages the public fundraising operations within New Zealand.

	2021 \$	2020 \$
Communications	260,667	207,801
Fundraising	2,445,097	2,008,830
Public Education	766,265	633,604
Total Engagement Expenses	3,472,029	2,850,235

7. PROGRAMME EXPENSES

Programme expenses are those relating to the management and service delivery of programme activity across the Group.

	2021 \$	2020 \$
FHFNZ (New Zealand and smaller Pacific Islands)		
Administration	915,051	1,012,197
Regional Programmes	1,145,761	714,056
Regional Programmes - Kiribati	60,668	29,306
Regional Programmes - Samoa	152,139	11,078
Regional Programmes - Tonga	157,968	88,317
Regional Programmes - Vanuatu	97,020	92,576
Workforce Support	65,576	104,388
Total FHFNZ	2,594,183	2,051,918
FHFNZ-PEI (Fiji)		
Administration	324,416	306,477
Clinic	512,921	332,961
Diabetic Retinopathy	207,783	247,455
Mobile Eye Clinic	432,078	488,159
Outreach	-	127,238
Regional Programmes	217,208	32,466
Scholarships and Training	433,160	414,339
Workforce Support	12,538	11,451
Total FHFNZ-PEI	2,140,104	1,960,546
FHF-PNG (Papua New Guinea)		
Administration	427,891	314,429
Clinic	236,901	301,915
Outreach	-	10,075
Port Moresby Office	4,358	15,594
Regional Programmes	1,680	-
Scholarships and Training	266,029	286,478
Workforce Support	6,567	65,935
Total FHF-PNG	943,426	994,426

	2021 \$	2020 \$
FHFNZ-SI (Solomon Islands)		
Administration	71,092	104,639
Clinic	155,503	160,169
Diabetic Retinopathy	7,379	37,115
Outreach	22,497	14,861
Scholarships and Training	2,890	-
Workforce Support	39,256	6,612
Total FHFNZ-SI	298,617	323,396
Total Programme Expenses	5,976,330	5,330,286

8. SHARED SERVICES EXPENSES

Shared Services expenses are those relating to the operations of the finance and executive teams in the New Zealand office of the Group. At the end of the reporting period, one-third of the total Shared Services expenses are reallocated to each of Programmes and Engagement on the basis that the services provided are for the shared benefit of those teams. Other operating expenses are net of those reallocations.

	2021 \$	2020 \$
Depreciation	59,802	69,131
IT Support	130,853	133,942
Office Rent	200,745	196,218
Other Operating Expenses	225,044	134,494
Total Shared Services Expenses	616,444	533,785

9. AUDITORS REMUNERATION

BDO Auckland, BDO Fiji and BDO Papua New Guinea provide audit services to the Group on a fee basis.

	2021 \$	2020 \$
Audit Fees	51,504	54,983
Audit Related Expenses	6,777	9,269
Total Auditors Remuneration	58,281	64,252

10. FINANCE INCOME

Finance income comprises interest income on cash and cash equivalents and short-term investments, and realised and unrealised gains/losses on long-term investments. Interest revenue is recognised as earned on a time-proportion basis using the effective interest method. Investment income is recognised as the realised and unrealised gains/losses on investments at fair value through surplus or deficit.

	2021 \$	2020 \$
Interest income received on Cash and Cash Equivalents	24,156	66,274
Interest income received on Short-term Investments	26,643	28,221
Investment income at fair value through surplus or deficit	316,142	251,323
Total Finance Income	366,941	345,818

11. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include bank balances, funds held at call with financial institutions, other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

	2021 \$	2020 \$
Future Fund	385,251	243,979
NZ Foreign Currency Accounts	476,699	609,788
NZ Operating Accounts	2,177,490	305,975
Pacific Operating Accounts	147,254	95,404
Petty Cash	567	651
Short-term Deposit Accounts	2,379,110	2,015,074
Total Cash and Cash Equivalents	5,566,371	3,270,871

12. GOODS AND SERVICES TAX (GST)

Except for FHFNZ-PEI and FHFNZ-SI, revenues, expenses and assets are recognised net of GST except for receivables and payables, which are stated with GST included. FHFNZ-PEI is not registered for the in-country equivalent of Valued Added Tax (VAT) and therefore all revenue,

expenses, assets and liabilities are recognised inclusive of VAT. FHFNZ-SI is not registered for the in-country equivalent of Goods Tax and Sales Tax and therefore all revenue, expenses, assets and liabilities are recognised inclusive of Goods Tax and Sales Tax where applicable.

13. INVENTORY AND GOODS IN TRANSIT

Inventory comprises student equipment and literature, medical supplies and spectacles and is recognised at the lower of cost and net realisable value. The cost includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Goods in Transit comprise inventory for which payment has been made in advance and title to the goods is passed to the Group. Title is passed when the terms as set out in the supplier's terms of trade are met.

	2021 \$	2020 \$
Goods in Transit	217,700	141,041
Inventory	527,190	407,302
Total Inventory and Goods in Transit	744,890	548,343

14. PREPAYMENTS

Prepayments comprise expenditure which has been paid for in one accounting period, but for which the underlying asset will not be consumed until a future period. Prepayments are charged to expenses in the period in which the asset is consumed.

15. RECEIVABLES

Receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. Collectability of accounts receivable is reviewed on an on-going basis.

Receivables which are known to be uncollectable are written off. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows. The amount of the provision is recognised in the consolidated statement of comprehensive revenue and expenses.

16. SHORT-TERM INVESTMENTS

Short-term investments comprise term deposits which have a term of greater than three months and up to one year and therefore do not fall into the category of cash and cash equivalents. A low risk appetite is adopted for all short-term investments.

	2021 \$	2020 \$
Term Deposit Accounts	1,000,000	3,500,000
Total Short-term Investments	1,000,000	3,500,000

Term deposits are held with Kiwibank. Current term deposits are for a 9-month period and are earning interest of 1.1% p.a.

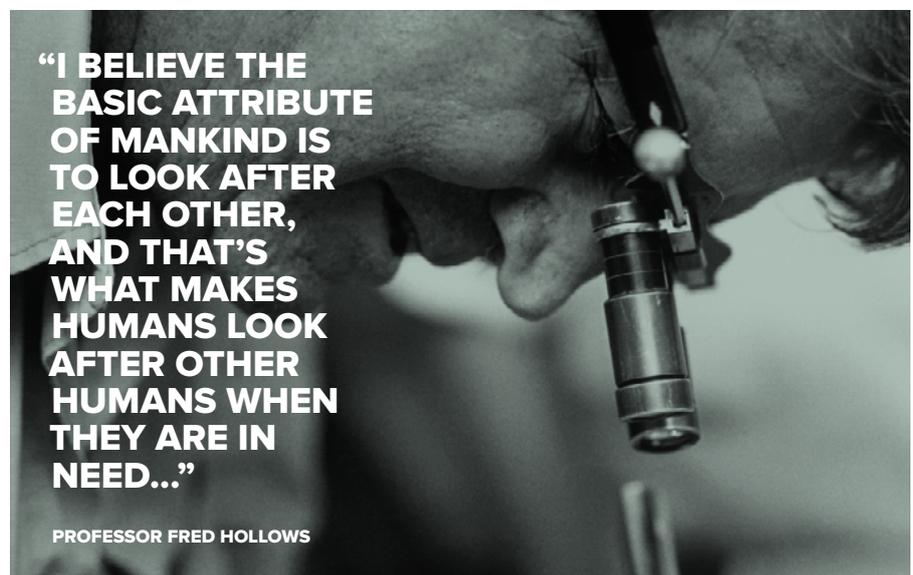
17. INVESTMENTS AT FAIR VALUE

The carrying amounts of investments, as stated below, is their fair value. The investments are managed by JBWere (NZ) Pty Limited pursuant to a discretionary investment management service. The portfolio is pursuant to and complies with the Group's Investment Policy and JBWere Investment Mandate which specifies asset allocations, risk exposures and prohibited investments in accordance with the Group's responsible investment framework. The fair value of the various unit funds financial assets is determined as follows:

- cash funds – at face value of the amounts deposited or drawn; and
- equity and bond funds – by reference to a quoted bid price.

The funds are evaluated on a fair value basis at a portfolio level.

	2021 \$	2020 \$
Australian Equities	865,598	290,716
Cash	819,308	824,218
NZ Bonds	1,254,749	679,317
NZ Equities	841,380	272,699
Offshore Bonds	676,784	590,862
Offshore Equities	2,545,078	566,109
Property	32,045	19,456
Total Investments at Fair Value	7,034,942	3,243,377



18. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is initially recorded at cost and subsequently measured at cost less accumulated depreciation and impairment loss. When the asset is acquired through a non-exchange transaction, the cost is measured at its fair value at date of acquisition. Depreciation is charged on a straight-line basis over the useful life of the asset and commences once the asset is ready for use. Leasehold improvements are depreciated over the lease term or their expected useful life, whichever is shorter.

Depreciation methods, useful lives, and residual values are reviewed at the reporting date and adjusted if appropriate. Those assets which have no future economic benefit are derecognised. Gains and losses on disposal of assets are considered in determining the operating result for the year.

In addition, the Group builds clinic infrastructure and procures medical and computer equipment and donates these to the local ministries of health throughout the Pacific. These items are expensed upon donation.

Computer Equipment	12.5% - 67.0%
Office Equipment and Furniture and Fittings	8.5% - 30.0%
Leasehold Improvements	6.0% - 21.0%
Medical Equipment	12.5% - 30.0%
Motor Vehicles (including Mobile Eye Clinic)	12.5% - 20.0%

	Computer Equipment	Furniture & Fittings	Leasehold Improvement	Medical Equipment	Motor Vehicles	Office Equipment	Capital Work in Progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$

Cost

As at 31 Dec 2020	526,011	90,363	26,793	1,004,141	1,188,497	15,036	-	2,850,841
Foreign Currency Translation Gain/(Loss)	(9,591)	(242)	-	27,753	23,895	(905)	-	40,910
Additions – Exchange	131,241	2,268	-	439,339	-	7,653	254,341	834,842
Disposals	(15,109)	(929)	-	-	-	(1,600)	-	(17,638)
As at 31 Dec 2021	632,552	91,460	26,793	1,471,233	1,212,392	20,184	254,341	3,708,955

Accumulated Depreciation

As at 31 Dec 2020	(310,163)	(30,331)	(12,691)	(584,656)	(978,922)	(9,514)	-	(1,926,277)
Foreign Currency Translation Gain/(Loss)	15,393	301	(1)	(14,350)	(17,610)	931	-	(15,336)
Depreciation	(102,570)	(9,511)	(3,649)	(156,468)	(110,201)	(5,907)	-	(388,306)
Disposals	9,199	391	-	-	-	980	-	10,570
As at 31 Dec 2021	(388,141)	(39,150)	(16,341)	(755,474)	(1,106,733)	(13,510)	-	(2,319,349)

Net Book Value

As at 1 Jan 2020	112,388	65,129	17,751	427,841	393,259	3,542	-	1,019,910
As at 31 Dec 2020	215,848	60,032	14,102	419,485	209,575	5,522	-	924,564
As at 31 Dec 2021	244,411	52,310	10,452	715,759	105,659	6,674	254,341	1,389,606

19. DEFERRED REVENUE FROM NON-EXCHANGE TRANSACTIONS

Deferred revenue is made up of grants, bequests and/or donations revenue which are tied to a specific purpose where there is a requirement to repay funds if that purpose is not met. A liability is recognised to the extent that such conditions are unfulfilled at the end of the reporting period.

	2021 \$	2020 \$
Latter-day Saint Charities – Tied Funds	619,183	118,662
Ministry of Foreign Affairs and Trade – Tied Funds	559,071	194,242
The Queen Elizabeth Diamond Jubilee Trust – Tied Funds	-	38,946
Other Tied Funds	151,352	267,697
Total Deferred Revenue from Non-Exchange Transactions	1,329,606	619,547

20. EMPLOYEE ENTITLEMENTS

Liabilities for salaries and leave entitlements are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities are measured at the amounts expected to be paid when the liabilities are settled. Some employees of the Group become eligible for long service leave after a certain number of years of employment, depending on their contract. The liability for long service leave is recognised and measured as the present value

of expected future payments to be made in respect of services provided by employees up to the reporting date.

	2021 \$	2020 \$
Annual Leave	258,715	230,955
Long Service Leave	34,735	25,534
Other Employee Entitlements	132,225	78,149
Total Employee Entitlements	425,675	334,638

21. OTHER PAYABLES AND ACCRUALS

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

22. TRADE PAYABLES

Trade payables 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.

23. EQUITY

Equity is the community's interest in the Group, measured as the difference between total assets and total liabilities. Equity is comprised of accumulated comprehensive revenue and expenses, foreign currency translation reserve and the contingency reserve.

Accumulated comprehensive revenue and expenses is the Group's accumulated surplus or deficit since its formation, adjusted for transfers to/from specific reserves including the contingency reserve.

The assets and liabilities of foreign operations are translated to New Zealand dollars at exchange rates at the reporting date. The revenue and expenses of foreign operations are translated to New Zealand dollars at exchange rates at the dates of the transactions. Foreign currency differences are recognised in other comprehensive revenue and expenses and presented in the foreign currency translation reserve in net assets/equity.

The Group maintains a contingency reserve primarily to protect itself against any catastrophic event resulting in cessation or significant reduction in income to meet the contractual, legal and ethical obligations to partners, suppliers and employees. Full details of the purpose of the contingency reserve are included in Note 24 below.

24. CONTINGENCY RESERVE

As a prudent financial governance approach, the Group's Reserves Policy allows for a contingency reserve which provides for the following:

- to ensure short-term financial stability so that the Group can continue to achieve its vision, purpose and programmes by providing a framework within which reserves are managed;
- to provide a source of internal funds for organisational priorities such as infrastructure repair and improvement, programme opportunity and capacity building (such as the proposed Centre of Excellence for Eye Health as described in Note 29 below);
- to provide an internal source of funds for situations such as a sudden and substantial increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding and uninsured losses;
- in a wind down scenario, the Group should have sufficient resources to settle all debts, liabilities and professional service fees that arise from its contractual, legal and ethical obligations including to partners, suppliers and workers; and
- to ensure that the Group complies with all applicable laws.

25. INCOME TAX

Due to its charitable nature, the Group is exempt from income tax.

26. IMPAIRMENT OF NON-FINANCIAL ASSETS EXCEPT INVENTORY

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or its related cash-generating unit (CGU) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows (for cash-generating assets) or future

remaining service potential (for non-cash-generating assets) are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Cash-generating assets and non-cash-generating assets are distinguished by the purpose designated for the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest

group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in surplus or deficit. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

27. LEASES

Payments on operating lease agreements, where the lessor retains all the risks and rewards of ownership of an asset, are recognised on a straight-line basis over the lease term.

As at the reporting date, the Group has entered into non-cancellable operating leases in respect of the Group's Auckland office being the tenancy, basement storage facility and a printer.

The Group leases office premises on Level 5, The AIG Building, 41 Shortland Street, Auckland. The lease commenced on 1 August 2017 for a period of six years with the right of renewal for two further periods of three years each (final expiry date 31 July 2029). Notice to advise the Group wishes to exercise the first right of renewal must be provided by at least nine months and no more than twelve months prior to the expiry on 31 July 2023 (i.e. between

31 July and 31 October 2022). Rent reviews occur every three years. Trustees received a verbal commitment from an anonymous donor that an amount equivalent to the monthly lease payments for the office premises will be donated to the Group on a monthly basis for a period of six years from the commencement of the lease. The lease is at market value, the cost of which is recognised as an expense under shared services expenses (refer Note 8 above) while the lease donation is recognised as revenue under corporate donations (refer Note 5.1 above).

No longer than one year

Longer than one year but not longer than five years

Total Lease Commitments

The Group leases storage facilities in the basement of The AIG Building. The initial lease of one year expired on 1 August 2018 and was renewed until the agreement is terminated by either party giving the other, at least six months' written notice of its intention to terminate the lease. It is assumed for purposes of future lease obligations, that the term of the agreement will be aligned to the lease for the office premises above. The liability for the unexpired term of the leases is as follows:

	2021 \$	2020 \$
No longer than one year	189,864	192,144
Longer than one year but not longer than five years	117,101	322,411
Total Lease Commitments	306,965	514,555

28. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the financial instrument. The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. The Group also derecognises financial assets and financial liabilities when there have been significant changes to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the Consolidated Statement of Financial Position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. The Group classifies all its financial assets at amortised cost, or financial assets at fair value through surplus or deficit. The classification of the financial assets are determined at initial recognition and comprise:

- financial assets at fair value through surplus or deficit; and
- loans and receivables.

The Group classifies all its financial liabilities as financial liabilities at amortised cost. Financial instruments are initially measured at fair value plus directly attributable transaction costs. Subsequent measurement is dependent on the classification of the financial instrument and is specifically detailed in the accounting policies below.

Financial assets at fair value through surplus or deficit

Financial assets classified as fair value through surplus or deficit are subsequently measured at fair value with gains or losses being recognised in surplus or deficit. Financial assets at fair value through surplus or deficit include managed portfolio investments.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise:

- cash and cash equivalents;
- receivables from non-exchange transactions;
- receivables from exchange transactions; and
- short-term investments.

The Group considers evidence of impairment for financial assets measured at amortised cost at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics. In assessing collective impairment, the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for Management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in surplus or deficit and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through surplus or deficit.

Financial liabilities at amortised cost

Financial liabilities classified as amortised cost are non-derivative financial liabilities that are not classified as fair value through surplus or deficit financial liabilities. Financial liabilities classified as amortised cost are subsequently measured at amortised cost using the effective interest method. Financial liabilities classified as amortised cost comprise trade payables and other payables and accruals.

The tables below show the carrying amount of the Group's financial assets and liabilities presented in the Consolidated Statement of Financial Position.

	Carrying amount			
	Financial Assets at fair value through surplus or deficit	Financial Assets at amortised cost	Financial Liabilities at amortised cost	Total
	\$	\$	\$	\$
2021				
Cash and cash equivalents	-	5,566,371	-	5,566,371
Short-term investments	-	1,000,000	-	1,000,000
Investments at fair value	7,034,942	-	-	7,034,942
Receivables from exchange transactions	-	319,971	-	319,971
Receivables from non-exchange transactions	-	855	-	855
Trade payables from exchange transactions	-	-	(606,306)	(606,306)
Other payables and accruals	-	-	(200,087)	(200,087)
Total Financial Instruments	7,034,942	6,887,197	(806,393)	13,115,746
2020				
Cash and cash equivalents	-	3,270,871	-	3,270,871
Short-term investments	-	3,500,000	-	3,500,000
Investments at fair value	3,243,377	-	-	3,243,377
Receivables from exchange transactions	-	26,711	-	26,711
Trade payables from exchange transactions	-	-	(300,244)	(300,244)
Other payables and accruals	-	-	(177,433)	(177,433)
Total Financial Instruments	3,243,377	6,797,582	(477,677)	9,563,282

29. CAPITAL COMMITMENTS

During the reporting period, the Group entered into binding agreements for capital commitments and as at the reporting date, the outstanding balance of those capital commitments which have not been recognised as a liability in the Consolidated Statement of Financial Position totalled \$210,965 (2020: \$2,430).

The Group is involved in the development of a significant new teaching facility in Papua New Guinea. The proposed Centre of Excellence for Eye Health, to be based in Port Moresby, aims to provide a long-term sustainable solution to Papua New Guinea's chronic shortage of eye care doctors and nurses to address the very high prevalence of avoidable blindness

in the country. The feasibility stage was completed during the reporting period. In 2022, we will see the development of detailed design drawings and contractor procurement. While no capital commitment has yet been entered into, the feasibility report indicated that this will be a significant capital development for the Group over the next three to four years.



30. CONTINGENT ASSETS AND LIABILITIES

The Group has been named as a beneficiary of several deceased estates one of which is subject to a claim under either the Law Reform (Testamentary Promises) Act 1949 or the Family Protection Act 1955. Until such time as the claims are settled and the estates are distributed, the revenue has not been recognised.

There are no other contingent assets or liabilities at the reporting date.

31. RELATED PARTIES

The Fred Hollows Foundation

The Group operates under a Trade Mark Licence Agreement with The Fred Hollows Foundation, an independent Australian registered charity with whom we have a shared vision. This was renewed during the reporting period for a further five years ending 31 December 2026. This agreement formalises the rights and obligations regarding the alignment and consistent use of 'The Fred Hollows Foundation' name and other trademarks and acknowledges that by working collaboratively and in a coordinated

way, our organisations can be more effective in furthering the work of the late Professor Fred Hollows and to end avoidable blindness and vision impairment. In addition during the reporting period the Group entered into a new Collaboration Agreement with The Fred Hollows Foundation for a five year period ending 23 November 2026 which aims to capture both the spirit of collaboration that is being sought and the potential benefits to both parties. During the reporting period, the Group recognised \$560,124 of income received from The Fred

Hollows Foundation via The Queen Elizabeth Diamond Jubilee Trust Closure Grant to fund diabetic retinopathy activities in the Pacific, (2020: \$307,932) and \$389,439 via the Australian NGO Cooperation Program (ANCP) for Pacific programme activity funding, (2020: \$NIL).

Other related parties

There were no other material related party transactions recorded (2020: \$NIL).

32. KEY PERSONNEL

Key personnel are classified as members of the governing body of FHFNZ (Board of Trustees) and Executive Officers, some of whom are responsible for reporting to the governing body.

The Board of Trustees provides governance services on an honorary basis. Trustees have been reimbursed for travel expenses where they have attended meetings related to the Group's activities.

Executive Officers include the Chief Executive Officer, senior leadership team, and senior medical personnel, all of whom are engaged as employees on normal employment terms. In the case of the Executive Officers, the remuneration reflects the aggregate paid during the reporting period and FTE reflects the number of full-time equivalent employees employed during the reporting period.

In the case of the Board of Trustees, the FTE reflects the number of current Trustees on the FHFNZ Board as at the end of the reporting period.

	2021		2020	
	Remuneration	FTE	Remuneration	FTE
	\$		\$	
Board of Trustees	-	7.0	-	8.0
Executive Officers	1,285,317	9.1	1,138,341	8.0
Total Key Personnel	1,285,317	16.1	1,138,341	16.0

33. BANK CREDIT FACILITY

FHFNZ has credit card facilities with Kiwibank with a total available group credit limit of \$30,000 however the three cards in use as at the reporting date have a total available credit limit of \$27,500, all of which

are held by Executive Officers. The outstanding balance of the credit card facilities as at the reporting date was \$779 (2020: \$523).

FHFNZ has a payroll letter of credit with Kiwibank in favour of iPayroll

Limited for \$110,000 to cover the payroll direct debit. The letter of credit is the subject of a guarantee by FHFNZ however Kiwibank does not hold any security for this facility.

34. GOING CONCERN

These consolidated financial statements have been prepared on a going concern basis.

The Group currently enjoys the support of, and is reliant on, donations and funding from a variety of sources such as the New Zealand public and corporates, the Ministry of Foreign Affairs and Trade and a variety of other funding bodies in order to carry out its charitable work. The Group also has agreements in place for the ongoing training provided in the Pacific.

FHFNZ-PEI has an agreement with the Ministry of Health and Medical Services of the Republic of Fiji to continue with our partnership, responsibilities, cooperation and contribution towards the delivery of eye care services in Fiji, for a period of four years expiring 31 December 2022. Negotiations to renew the agreement have commenced.

FHFNZ-PEI also has an agreement with Fiji National University expiring on 31 December 2022 which describes the respective roles and responsibilities of the parties in continuing to implement the Pacific Regional Eye Health Training

Programme and postgraduate eye care education. Negotiations to renew the agreement have commenced.

FHF-PNG is party to a Memorandum of Understanding with the National Department of Health (Department) of the Independent State of Papua New Guinea evidencing FHFNZ's commitment to continue its work in Papua New Guinea, in partnership with the Department, to find and implement solutions to meet the eye care needs of Papua New Guinea. In addition, FHFNZ seeks to work with the Department and other stakeholders to improve ophthalmology training in Papua New Guinea, which is currently delivered through the University of Papua New Guinea. The agreement expires in September 2023.

Following the completion of the construction and fitout of the Regional Eye Centre (REC) in Honiara, by FHFNZ, the REC was gifted to the Solomon Islands Ministry of Health and Medical Services (MHMS) in 2015. The MHMS assumed responsibility for the operation of the REC. To ensure

that there was sufficient funding for the operational costs, FHFNZ, MHMS and the National Referral Hospital entered into a Maintenance Agreement in June 2014 whereby FHFNZ provides funding, oversight, guidance and other assistance for the operations of the REC. The parties together seek to progress their goal of eliminating avoidable blindness, reducing visual impairment and strengthening health systems in the Pacific region.

With better than expected fundraising revenues due to large bequest windfalls and lower than expected expenditures due to the impact of COVID-19, our financial position remains strong with good liquidity and working capital ratios supporting a healthy balance sheet for the Group including strong reserves. The Board of Trustees believes that the Group will be able to meet its financial and regulatory obligations for the foreseeable future and as such the going concern assumption adopted in the preparation of these financial statements is appropriate.

35. SUBSEQUENT EVENTS

Subsequent to the reporting period, the market value of the investment portfolio has experienced down-ward pressure given recent global events including the Russia-Ukraine war affecting equity markets. Trustees have assessed the Group's risk and are committed to the longer-term strategic goals of the investment.

Trustees believe it is not appropriate to adjust for short-term impairment given the long-term outlook for the markets and the portfolio.

An agreement was signed with the Ministry of Foreign Affairs and Trade commencing 15 April 2022 to provide grant funding to the Group of \$7,500,000 over a five-year period to support quality, inclusive

and sustainable eye care needs across the Pacific.

There are no other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of the Group.

36. COVID-19

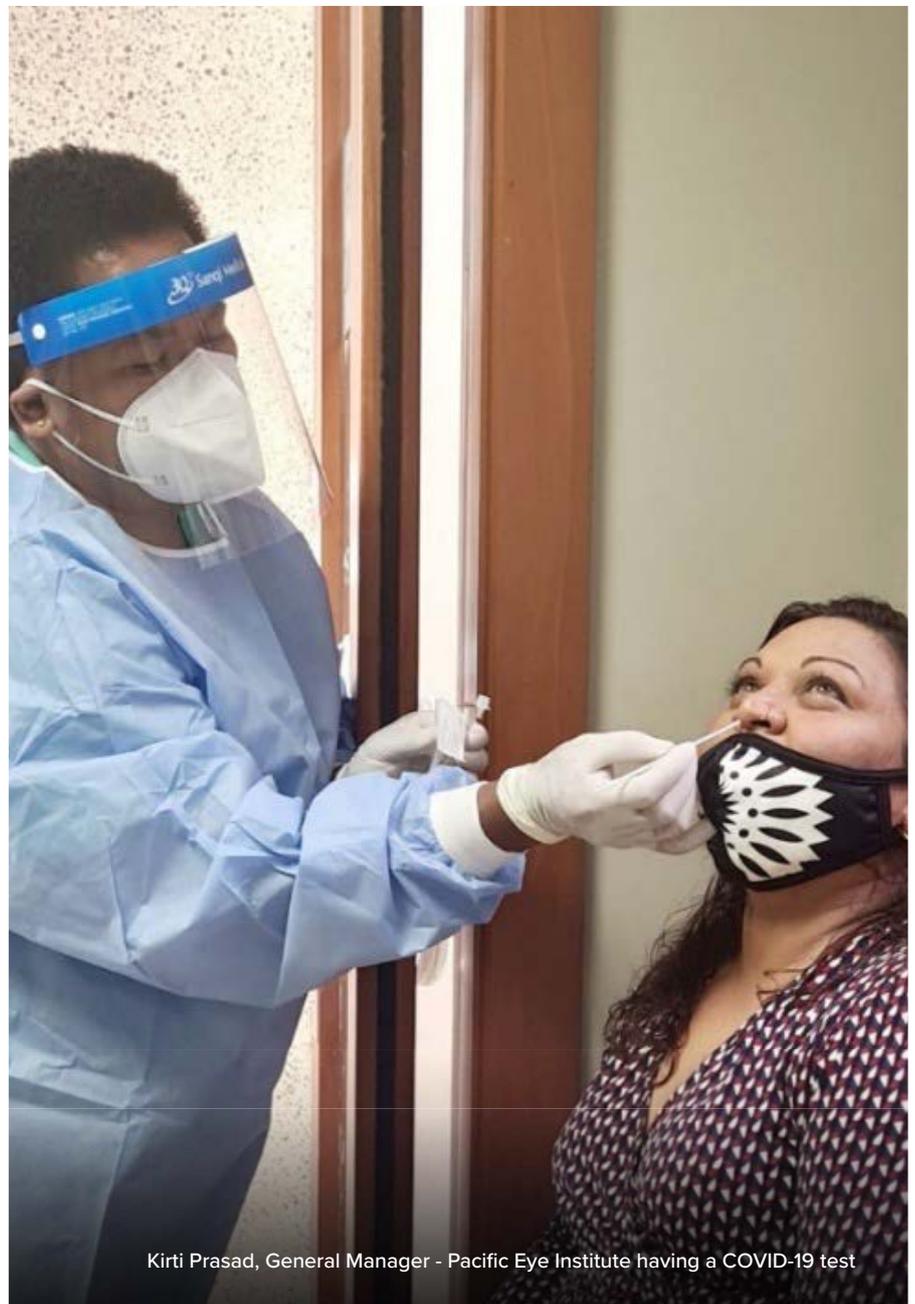
The global COVID-19 pandemic continued to dominate global events including our ability to deliver programme activity in some parts of the Pacific. The Delta variant was widespread and governments reacted accordingly with the implementation of continued states of emergency, curfews, extended periods of repurposing of facilities to a COVID-19 response, as in Fiji, and the introduction of a 'no jab, no job' policy across many areas of the Pacific public service. Low vaccination rates in Papua New Guinea resulted in outreach calendars being severely curtailed. Working from home where possible and roster rotations during these lockdown periods became the norm. Additional expenditure on computer equipment was incurred to enable the workforce to transition to working from home. Academic programmes faced interruption with student learning being largely delivered online. Large components of the clinical attachment programmes for our eye nurses and doctors were deferred to semester one of the 2022 academic year. International travel was severely limited resulting in students from countries outside of Fiji having to complete the theoretical studies remotely and clinical studies working alongside graduate eye doctors and nurses within their home countries. The Group's achievement of having at least one fully qualified eye doctor in each of the seven countries in which we work since 2019 facilitated this alternative learning arrangement. Shipping and supply chain shortages resulted in extended delays in goods being delivered across the Pacific. A substantial portion of the grant funding was successfully repurposed to other programme activity that met the criteria of the grant but which had not been originally planned. This included the provision of COVID-19 safety equipment, medical equipment for our Group-supported eye clinics and remotely-delivered workforce support and mentoring.

Planned research activities and sub specialist support were deferred to 2022 due to the international travel restrictions limiting the ability for overseas research and sub specialist support teams.

Grant funders accommodated our many requests for either funding repurposing or extended delivery dates for our commitments for programme activity.

The New Zealand public remained loyal and generous in continuing to provide ongoing support despite our public face-to-face fundraising

suppliers being put on hold for extended periods throughout the year. Extreme vigilance continues over the financial position and cashflows of the Group. Both 2020 and 2021 resulted in unexpected surpluses due to the disruption to programme activities, however a significant portion of the accumulated surplus has been committed to be spent in 2022 to address the backlog that ensued as a result of COVID-19. The Group remains in a position to meet its obligations as and when they fall due.



Kirti Prasad, General Manager - Pacific Eye Institute having a COVID-19 test

POLICIES AND PROCEDURES

The Group has a comprehensive suite of policies and procedures based on New Zealand legislation to guide the activities of the Group.

Key public facing policies include:

CHILD SAFEGUARDING POLICY

The Group is always committed to acting in the best interest of the children and young people to whom the Group and its partners provide a service. The Group therefore has a robust Child Safeguarding Policy in place to protect the rights and safety of all children who may come into contact with the Group during the course of our work.

The Policy and associated Code of Conduct apply to all staff, representatives, and partners of the Group.

The Group works closely with donors and partners to ensure that its child safeguarding standards are reflected in relevant contracts and funding arrangements and that all relevant personnel are aware of their responsibilities relating to child safeguarding.

Where relevant, our Child Safeguarding Policy recognises and follows principles and procedures described in the Vulnerable Children Act 2014 and subsequent amendments thereto, including procedures relating to screening and vetting our workforce and implementing child protection policies.

EXTERNAL COMPLAINTS POLICY

The Group has an External Complaints Policy which provides a means of dealing with any complaints in a fair, prompt and understanding manner. We take expressions of dissatisfaction by partners, supporters, government agencies, other non-government organisations, other external bodies, affiliates and individuals very seriously.

The Group provides an open and effective process for handling any grievance or complaint received. Complaints may be received verbally or in writing, but if made verbally are recorded and logged in writing. Any person may lodge a complaint with the Group about any matter over which the Group has control and that they consider gives grounds for a complaint. All complaints are treated confidentially.

All investigations into complaints received will take into account the rights of the complainant and any staff or partner that the complaint involves. Complaints are also an important component of supporter feedback and welfare. We will ensure that all feedback is communicated to the appropriate staff, and individual, appropriate actions are taken. Your support is vital to every aspect of our work. That is why we are committed to openness and transparency. Should you have any feedback or complaints, please contact us at feedback@hollows.nz or on 0800 227 229.

PRIVACY & INFORMATION HANDLING POLICY

The Group is committed to ensuring that it handles personal information following best practice and current legislation in a way that respects the privacy rights of individuals. The policy applies to all staff, representatives, partners and direct patients of the Group and outlines the position with regard to the collection, use, retention and disclosure of personal information.

We have a designated Privacy Officer who is responsible for investigating any complaints or concerns any person may have about our protection of their privacy. If we become aware of any ongoing concerns or problems concerning our privacy practices, we will take these issues seriously and work to address these concerns.

Please provide as much detail about the facts surrounding your complaint so we can resolve it accordingly, and allow us at least seven days to respond to your complaint. If we fail to resolve your complaint, you may refer the matter to the New Zealand Privacy Commissioner. Should you have any feedback or complaints relating to privacy, please contact our Privacy Officer on privacy@hollows.nz or call us on 0800 227 229.

MEMBERSHIP ORGANISATIONS

Key public facing relationships with influential member organisations include:



The International Agency for the Prevention of Blindness

The International Agency for the Prevention of Blindness (IAPB) is the overarching alliance for the global eye care sector. They have over 150 members worldwide drawn from non-government organisations and civil society, corporate organisations, professional bodies, and research and eye care institutions.

IAPB was founded in 1975 to lead international efforts in blindness

prevention activities. They work towards a world in which no one is needlessly visually impaired, where everyone has access to the best possible standard of eye health, and eye care is a core part of Universal Health Coverage.

IAPB promotes 2030 In Sight: Ending Avoidable Sight Loss, its joint initiative with the World Health Organization (WHO).

2030 In Sight brings together the WHO World Report on Vision, the Lancet Global Health Commission on Global Eye Health and the landmark UN Resolution, Vision for Everyone. This work guides the actions we take over the next decade to ensure that 2030 will be in sight for all.

The Fred Hollows Foundation (NZ) is a Tier 3 member of IAPB.



COUNCIL for INTERNATIONAL DEVELOPMENT

The Council for International Development (CID) is the national umbrella agency for New Zealand organisations working in international development. They are the guardians of professional standards, by promoting learning, innovation, the principles of good development, and shared practice.

CID connects and strengthens a dynamic network of international non-governmental organisations (NGOs) and their partners by creating opportunities for organisations to come together for training, debates, analysis and events.

CID's work is done on behalf of and with the support of their members, and also with support from the government, the New Zealand public and business. CID's Code of Conduct provides a self-regulatory sector code of good practice that aims to improve international development and humanitarian outcomes and increase stakeholder trust by enhancing the transparency and accountability of signatory organisations.

The Fred Hollows Foundation (NZ) is a member of CID and a signatory to the CID Code of Conduct which

requires members to meet high standards of corporate governance, public accountability and financial management. Complaints relating to alleged breaches of the Code of Conduct by any signatory member can be made to the CID Code of Conduct Committee if no resolution can be reached from the above external complaints policy process.

More information about the CID Code of Conduct can be obtained from The Fred Hollows Foundation (NZ) and from CID at www.cid.org.nz or on code@cid.org.nz.



FUNDRAISING INSTITUTE OF NEW ZEALAND
MATATIKA MĀTAURANGA KAIAUTOKO

The Fundraising Institute of New Zealand (FINZ) is the professional membership body that represents fundraising in New Zealand. In delivering its mission, FINZ is concerned with developing standards of practice to enhance

the integrity and professionalism of fundraisers and the fundraising sector and advocating the value of fundraising to society and government in order to empower fundraisers in their work in and with communities.

The Fred Hollows Foundation (NZ) is a member of FINZ and a signatory to the FINZ Code of Conduct which requires members to abide by ethical fundraising practices.

THANK YOU

The Trustees and staff would like to sincerely thank all our supporters for their assistance and encouragement in 2021.

PACIFIC ISLAND GOVERNMENT PARTNERS

Fiji Ministry of Health and Medical Services

Kiribati Ministry of Health and Medical Services

Papua New Guinea National Department of Health

Samoa Ministry of Health

Solomon Islands Ministry of Health and Medical Services

Tonga Ministry of Health

Vanuatu Ministry of Health

CORPORATE PARTNERS



DEVELOPMENT PARTNERS



Australian Aid



Digicel Foundation PNG



Divine Word University, PNG



Fiji National University



Latter-day Saint Charities



Lions Clubs International Foundation



Mercy Hospital



Ministry of Foreign Affairs & Trade – NZ Aid Programme



The Fred Hollows Foundation



The Pacific Development and Conservation Trust



The University of Papua New Guinea



Volunteer Service Abroad

ORGANISATIONS THAT SUPPORT OUR WORK

Adtollo Consulting

Bossley Architects

Confide

DLA Piper New Zealand

Eyewear Design

Hearts & Science

Imperium Technologies

John Hannan, Barrister, Bankside Chambers

Kerikeri Woodchoppers

Kiwibank

Madang Star International Hotel, Papua New Guinea

Mark Crawford Ltd

Mediscope International

Morris & Sojnocki, Chartered Accountants, Solomon Islands

OptiMed NZ

PwC, Port Moresby, Papua New Guinea

Ricoh New Zealand Limited

Rotary Club of Honiara, Solomon Islands

Royal Australian and New Zealand College of Ophthalmologists

SmoothPay

TCS International Construction Development

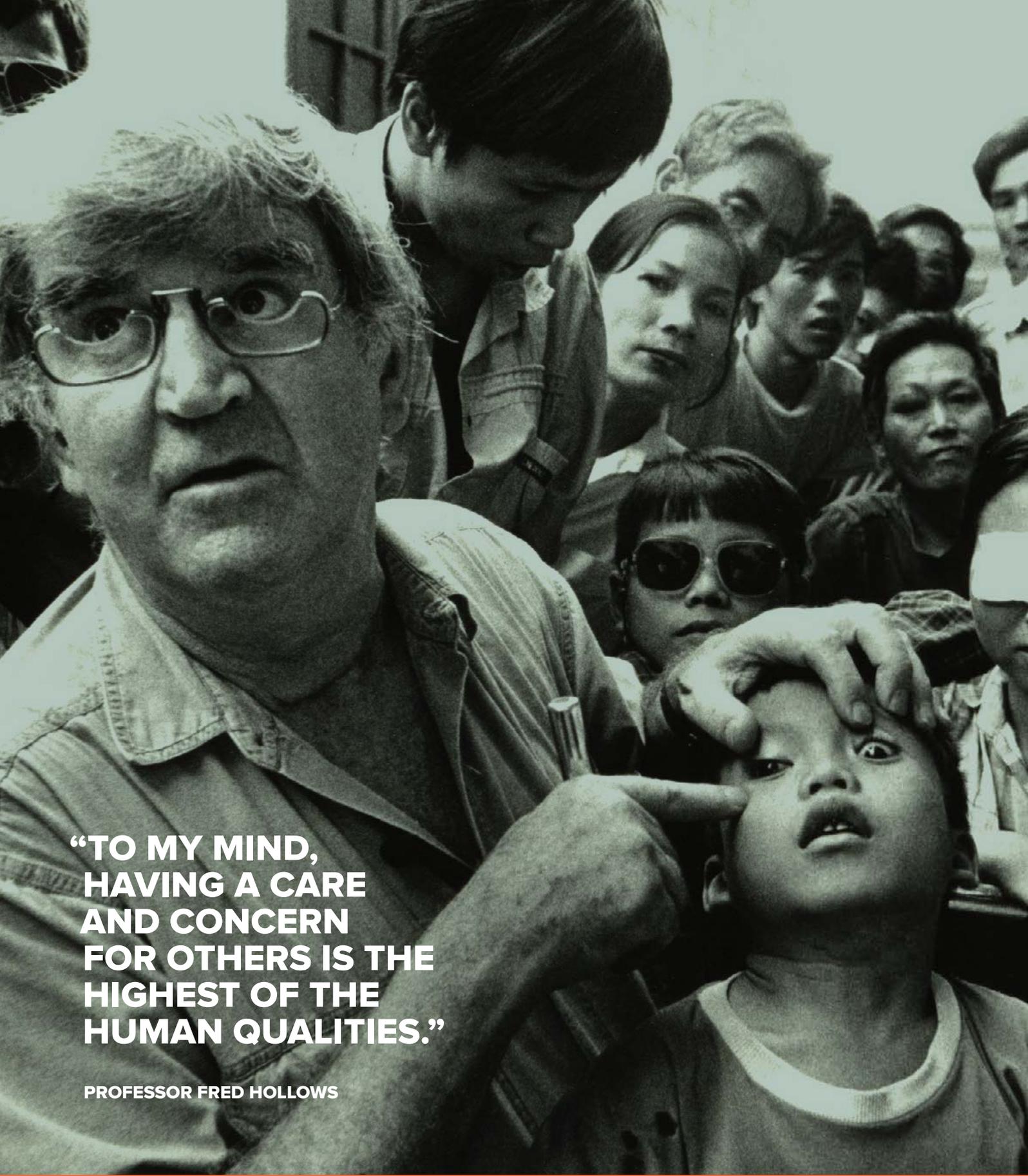
The University of Auckland

Tier4

TSA Management

Unleashed Software

Viva Magazine



**“TO MY MIND,
HAVING A CARE
AND CONCERN
FOR OTHERS IS THE
HIGHEST OF THE
HUMAN QUALITIES.”**

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Photo: Michael Amendolia