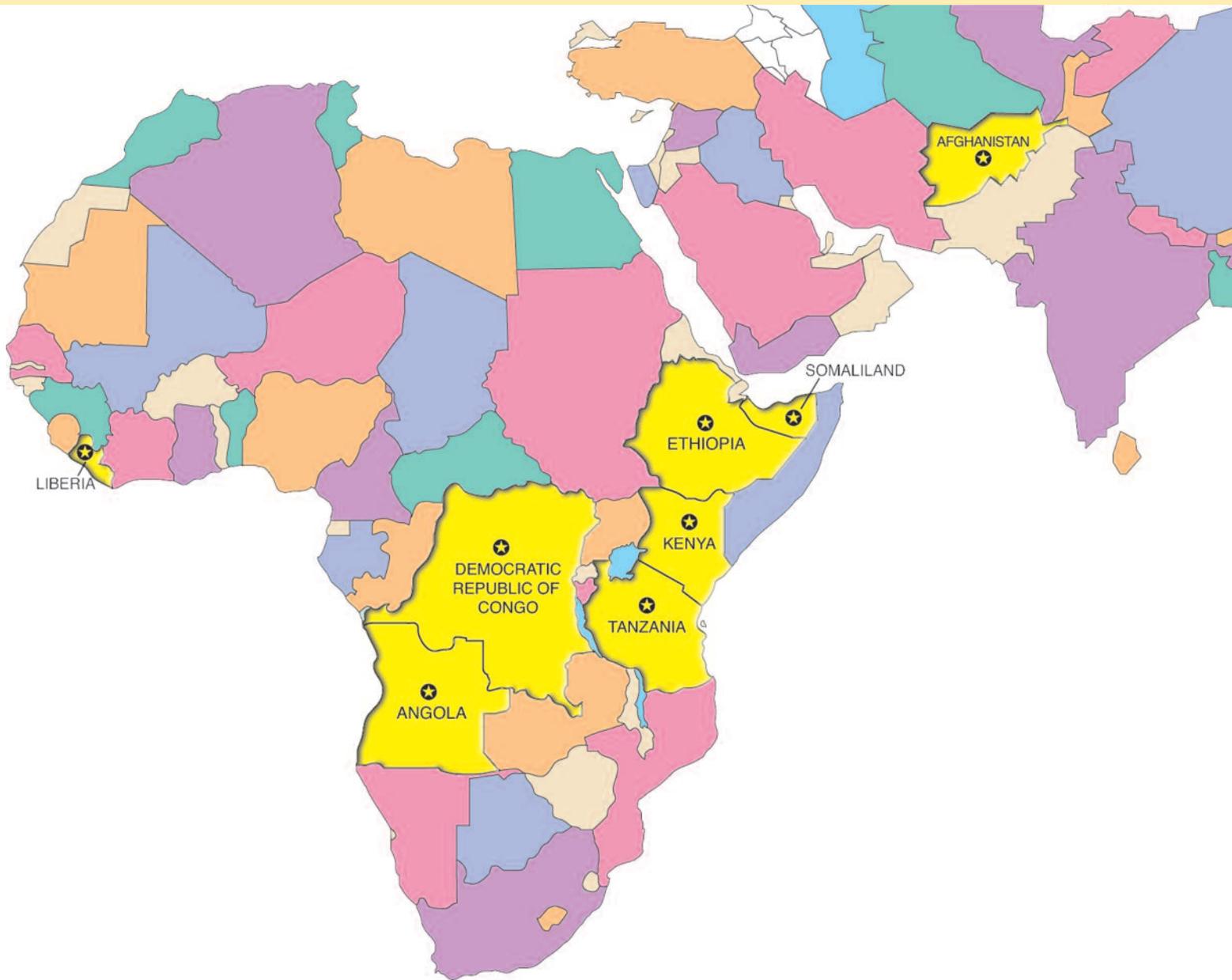


◆ The FISTULA FOUNDATION
from despair to dignity



2009 ANNUAL REPORT

Changing the World One Woman at a Time



The Mission of the Fistula Foundation is to raise awareness of and funding for fistula treatment, prevention and educational programs worldwide.

Letter from Board Chair and Executive Director



To our Contributors, Colleagues and Friends,

2009 was a year of transformation and growth for the Fistula Foundation. We expanded our mission and reach to treat and prevent fistula globally and provided new grants to support hospitals in Congo, Angola, Afghanistan and Somaliland. Our long term goal is to eradicate the scourge of fistula and restore women with childbirth injuries to a state of health and dignity.

The very troubling reality is that fistula is prevalent wherever laboring women lack emergency obstetric care. The majority of women in Sub-Saharan Africa and in Southern Asia give birth at home without a trained attendant. The result is not only high levels of maternal mortality but also devastating maternal injuries such as fistula. Indeed, it's estimated that over two million women in developing countries suffer from untreated fistula.

It was the recognition of the profound need for fistula treatment in countries and communities outside of Ethiopia that lead to our new strategy to fight fistula globally. While we remain the largest financial supporter of the Hamlin Fistula Hospitals in Ethiopia, we expanded our mission to support more largely unsung heroes working to provide needed care to otherwise forgotten women in some of the poorest corners of the world.

Our first and largest grantee outside of Ethiopia is the Panzi Hospital, founded by Nobel Peace Prize Nominee, Dr. Denis Mukwege. The Panzi Hospital treats women who have been victims of sexual violence that are the heartbreaking hallmark of the decade long conflict in Congo. We are also supporting work at the pioneering CURE Hospital in Afghanistan, the CEML Hospital in Angola and the Edna Adan Maternity Hospital in Somaliland and providing supplies for hospitals treating fistula patients in Liberia, Kenya and Tanzania. Countless women in these distant corners of the world are receiving fistula treatment because of your selfless support.

We are inspired by the many dedicated volunteers and donors like you who give so generously of your time and resources to help treat destitute women a world away.

Please accept our heartfelt gratitude for your continuing support. As we move forward to tackle fistula worldwide, we look forward to reporting back to you about further progress.

Sincerely,,

Kassahun Kebede
Board Chair

Kate Grant
Executive Director

"It was the recognition of the profound need for fistula treatment in countries and communities outside of Ethiopia that lead to our new mission to fight fistula globally."

— Kassahun Kebede



Ethiopia

HAMLIN FISTULA HOSPITALS

The Foundation provided over \$1.1 million in support to Hamlin Fistula Hospitals. The Hamlin Hospitals continue to be the largest treatment facility for fistula in the world, treating more than 2,500 women annually. The Foundation was the largest supporter of the Hamlin Fistula Hospitals in 2009.

The largest grant of \$874,149 was used to support the core programs at the main Hospital facility and Rehabilitation Center – Desta Mender -- in

Ethiopia’s capital Addis Ababa. In addition, the Foundation funded a variety of capital goods expenses for materials at the main hospital and each of the four regional hospitals.

DR. HAMLIN CELEBRATES HER 50TH YEAR IN ETHIOPIA



Dr. Hamlin and her late husband, Reginald, arrived in Ethiopia in 1959. They expected to only stay a few years. Destiny had another plan, and fifty years later Dr. Hamlin is still in Ethiopia working daily to heal broken bodies and spirits. She’s widely recognized as a true pioneer in fistula surgery and treatment. An original artwork by California artist Robert Johnson was presented to Dr. Hamlin to commemorate her 50th year in Ethiopia.



“The plight of women continues to be as severe and heart wrenching today as the plight of the first fistula patients we saw half a century ago. For this reason we continue to love and care for them, to alleviate their suffering and to cure them of their physical and psychological injuries.”

— Dr. Catherine Hamlin



The Democratic Republic of Congo

PANZI HOSPITAL

The Democratic Republic of Congo is plagued by violence and killing in a “war of liberation” that started in 1996. Since that time it is estimated that five million people have been killed. Women have been targeted, and rape is used widely as a tool of war.

The Panzi Hospital was founded by Dr. Denis Mukwege in 1999 to confront the injuries of the population of Bukavu in the Eastern side of the country. The maternal death rate increased dramatically in the late 1990s



and a few large donors, including UNICEF and several European nonprofits helped fund the building of the Hospital. The current hospital provides a range of obstetric, gynecological, pediatric and internal medical services treating patients for free. In addition, it provides specialized surgery for fistula patients. In 2009, the Foundation provided over \$250,000 in new grant support to the Panzi Hospital to support treatment of fistula patients in 2009-10. This makes the Foundation one of the largest supporters of the Panzi Hospital.

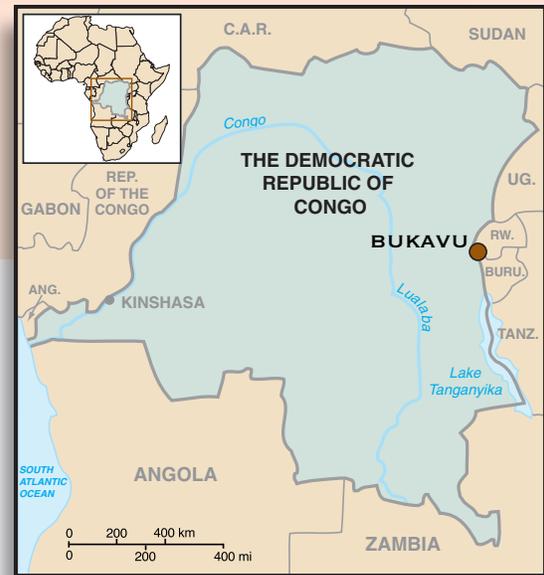
DR. DENIS MUKWEGE - FOUNDER OF THE PANZI HOSPITAL

Dr. Mukwege specializes in treating women and girls who have been victims of sexual violence in Congo’s 14 year war. Dr. Mukwege has evolved to become the world’s leading expert on how to repair the internal physical damage cause by gang rape and brutal sexual violence that is characterizing the conflict in Congo. Since the founding of the Panzi Hospital, Dr. Mukwege has treated 21,000 women, performing up to ten operations a day. Mukwege is the son of a Pentecostal minister who says his reason for studying medicine was that he wanted to heal the sick that his minister father had prayed for his whole life.



“Dr. Mukwege, 54, presides over the 400-bed Panzi Hospital, supported by the European Union and private groups like the Fistula Foundation. He is sometimes mentioned as a candidate for the Nobel Peace Prize for his heroic efforts to fight the war and heal its victims.”

— New York Times





Afghanistan

Afghanistan's health care system was decimated by more than 25 years of war and violence. Sadly, the breakdown of the Afghan health care system had a particularly devastating impact on women and children. The severe shortage of qualified female physicians in Afghanistan limits the government's capacity to address the country's significant maternal and child health problems.

Under the Taliban, teaching about the human reproductive system and female anatomy was prohibited. Afghan physicians who trained during this period, and to some extent during the prior civil war, became doctors

without any education in obstetrics and gynecology or any other female health concerns. Combine that situation with grinding poverty and it is easy to see why fistula is a huge problem in Afghanistan. Indeed, some public health experts believe there is a huge hidden epidemic of fistula there.

The CURE International Hospital in Kabul is a recognized center of excellence for reproductive health care. Support from the Fistula Foundation will provide CURE with resources to expand their treatment for Afghan women suffering from obstetric fistula through specialized training for Afghan health workers. The further development of this expertise is very much in line with CURE International's core vision to teach specialty surgery to improve lives in the developing world.



In addition, CURE has developed an innovative Outreach Campaign with the goal to inform women suffering silently with fistula that treatment is available. CURE launched the community education and outreach effort with a Coordinator responsible for developing referral systems, identifying transportation options and partnering with referring agencies. Foundation support is enabling the development and distribution of information brochures, broadcast TV and radio in both Pashtu and Dari languages. The ads will provide information not only to potential patients, but also to health care workers and NGOs, particularly those in remote areas. With this program CURE takes one more important step to fight fistula in Afghanistan.

"There is a tremendous need for a center of excellence to offer training to Afghan physicians in gynecologic fistulae. I know of no better location for such a facility than the CURE Hospital."

— Dr. Gary David, Office of the Surgeon General of Afghanistan, US Army MD



Angola

Angola is a country devastated by a 27 year civil war that ended in 2002. The peace has contributed to Angola having their own “baby boom”. The country has one of the highest fertility rates in the world, with an average of six births per woman.

To address the critical need for medical care, Dr. Stephen Foster, a second generation missionary doctor, opened the CEML (Centro Evangelico de Medicina de Lubango) in the regional capital of Lubango. The hospital has 43 beds and was initially financed by private donations, USAID and Samaritan’s Purse. It opened in October 2006.

Dr. Foster’s vision, and that of his father, also a lifelong missionary surgeon in Africa, is to establish a stable central hospital with ready access to air transport, and then develop a series of remote clinics in areas not readily accessible by vehicles. This model will enable fistula patients needing care to be transported back to the CEML. Dr. Foster’s vision is now in the early stages of realization. The Mission Aviation Fellowship has committed to provide air transport and two clinics are now operating with nurses capable of identifying fistula patients in need of surgery.

The Fistula Foundation provided grant support in 2009 for the CEML to provide surgery to approximately 75 women. The care involves locating patients, some at these outlying clinics, providing transport, surgery, housing and nutritional assistance.



Photo by: Paula Allen



“If you have a spare \$450 and are thinking about whether to spend it on yourself or to use it to help others, it won’t be easy to find anything that you need nearly as much as a fourteen-year old girl with a fistula needs an operation.”

—Ethicist, Professor Peter Singer, author of The Life You Can Save



Somaliland

Somaliland is viewed internationally as an autonomous region of the country of Somalia, located in the Horn of Africa. The current Republic of Somaliland struggles with many challenges including high levels of poverty and maternal mortality. It is estimated that less than 5% of Somaliland's mothers deliver with help from a trained midwife or doctor. Lack of access to good quality emergency obstetric care contributes to high levels of maternal death and disability including obstetric fistula.

One amazing woman set out to change that. Her name is Edna Adan Ismail, the founder of the Edna Adan Maternity and Teaching Hospital in the capital Hargeysa. She founded the Hospital in 2002 with land donated to her by the regional Government.

Edna comes to this role with ideal skills. She trained as a nurse in the United Kingdom, and served the World Health Organization in key positions advancing maternal health goals. The Hospital she founded is an oasis of healing and care for Somaliland's women.

The Foundation provided \$150,000 grant to fund the building of a new Operating Theater Block dedicated to

fistula treatment that will significantly increase the capacity of the Hospital to treat fistula patients. Foundation partner Direct Relief International, who has been a supporter of the Edna Adan Hospital since 2005, is coordinating this project. The grant also will equip the facility, support training of staff and care of an estimated 144 fistula patients. The Foundation is grateful to Direct Relief International for working with the Edna Adan Hospital to expand their fistula treatment and prevention program.



Foundation Highlights

"I am continually inspired by and grateful for the generosity of our volunteers and donors. Each of you help change the life of an otherwise forgotten woman a world away."

-Kate Grant, Executive Director

CIRCLE OF FRIENDS

Our popular Circle of Friends program assists groups and individuals in holding fundraising or informational events to support the treatment and prevention of fistula. This form of volunteer fundraising helps restore health and dignity to women devastated by fistula.



- While the Foundation is always grateful for the generous gift of time and effort of volunteers who sponsor "Circle of Friends" fundraising events, it is the inspiring individual who sponsors more than one event. In Carmela Knepler the Foundation has that kind of selfless and devoted volunteer. Thanks, Carmela!
- When planning their wedding, rather than registering for china and crystal, Alexandra Lockett had another idea. This generous young couple encouraged their friends and family to make a donation to the

Foundation instead of buying a gift. They were married in July in the countryside of Northern California. We are grateful for their capacious hearts and wish them the best.



A WALK TO BEAUTIFUL

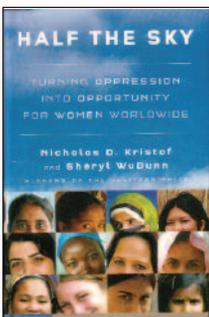
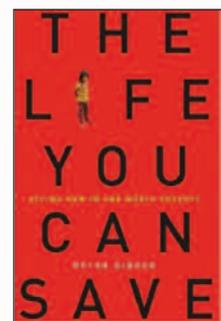
Emmy Win: On September 20, 2009 the masterful film "A Walk to Beautiful" won a coveted Emmy Award for Outstanding Informational Programming. The talented filmmakers at Engel Entertainment and the leadership at Public Television's NOVA accepted the award at the ceremony in New York.

Global Health Council – Best in Media Award: The film also won the Global Health Council's 2009 Excellence in Media award at the Council's annual dinner in Washington, DC in June 2009.

BEST-SELLING BOOKS CITE FOUNDATION

The Life You Can Save

Peter Singer is a philosopher and bio-ethics professor at Princeton University and was named by Time magazine one of "The 100 Most Influential People in the World". In his book, *The Life You Can Save*, Singer argues that Americans – wealthy compared to the world's poor – have a moral responsibility to help alleviate the suffering of the global poor. He demonstrates that relatively small contributions can save and transform lives and uses fistula surgery as an example of how lives can be transformed.



Half the Sky

Pulitzer Prize winning columnists Nick Kristof and Sheryl WuDunn published *Half the Sky: Turning Oppression into Opportunity for Women Worldwide*. The book is nothing short of a manifesto—labeling the oppression of women as the moral issue of our time. The Foundation was honored to be mentioned as one of the organizations Kristof and WuDunn recognize as worthy of support.

**An independent audit of the
Fistula Foundation by
Delagnes, Mitchell & Linder,
LLP attests to the unqualified
strength and integrity of the
Fistula Foundation's financial
control and reporting systems.**

Financial Summary

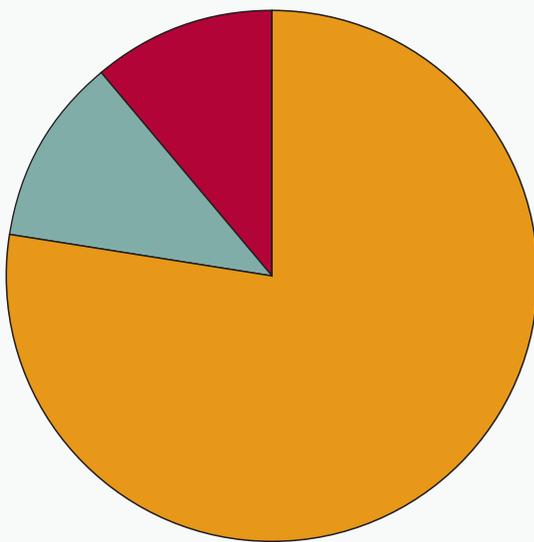
The Fistula Foundation Statements of Activities for the Year Ended December 31, 2009

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues and support:				
Contributions	\$2,230,526	\$379,863	-	\$2,610,389
Net investment income	108,155	-	-	108,155
Net assets released from restriction for purpose	379,863	379,863	-	-
Total revenues and support	2,718,544	-	-	2,718,544
Expenses:				
Program services	\$1,725,695	-	-	\$1,725,695
Management and general	256,340	-	-	256,340
Fundraising	243,766	-	-	243,766
Total expenses	2,225,801	-	-	2,225,801
Change in net assets	492,743	-	-	492,743
Net assets at beginning of year	4,191,201	-	32,155	4,223,356
Net assets at end of year	4,683,944	-	32,155	4,716,099

“The Fistula Foundation consistently executes its mission in a fiscally responsible way, and outperforms most other charities in America. This ‘exceptional’ designation from Charity Navigator differentiates the Fistula Foundation from its peers and demonstrates to the public it is worthy of their trust”.

*-Ken Berger, President and CEO,
Charity Navigator*

EXPENSES



- Program Services
- Management and General
- Fundraising



Grant Committee: left to right Kate Grant (ex-officio), Linda Tripp, Gerald Shefren (chair), Larry William and Steve Saunders



Photo by: Paula Allen

Meeting Best Practice Standards

BETTER BUSINESS BUREAU

The Fistula Foundation is proud to have qualified to use the Better Business Bureau's seal through 2010 for meeting all twenty of the BBB Standards for Charity Accountability.



CHARITY NAVIGATOR

The Fistula Foundation was designated a 4-Star Charity by the charity rating organization Charity Navigator for the 4th year in a row. Only 8% of charities have received at least two consecutive 4-star evaluations.



Charity Navigator strives to help donors make better giving decisions, so that people can give with confidence that their donations are used well. Charity Navigator's aim is to help charities and donors alike by "shining lights on truly effective organizations". Their approach to rating charities is guided by two primary objectives: "helping givers and celebrating the work of charities".

ACCOUNTABILITY

The Foundation Staff and Board work together to ensure that the organization's operations are conducted efficiently and ethically. In order to do so, the Foundation uses the following practices to ensure accountability:

Independent Audit: The Foundation Board has an audit committee, that contains Director Members. The Committee retains an independent public accounting firm who undertake the Foundation's annual audit.

Board Oversight and Governance: The Foundation's annual operating budget is reviewed in detail by the Board's Finance and Investment Committee. Then the budget is reviewed and approved by its 11-member Board. The Board's Finance Committee reviews the Foundation's performance against its goals quarterly. The Board contains a group of talented individuals who are leaders in their chosen fields. The Board contains two physicians, two attorneys, four existing or former non-profit leaders, and three experts in investment and finance.

Employee Compensation: Fistula Foundation staff compensation is determined each year after a rigorous review of a major nonprofit survey conducted amongst more than 15,000 nonprofit employees in nine counties in northern California. The Executive Director's performance is reviewed twice a year by the Board of Directors' Executive Committee.

Transparency: The Foundation makes its audited financial statements and annual tax returns, the so-called 990, available on our website. For those without internet access, the Foundation will send copies of these documents to anyone requesting them.

Charity Navigator Rating



1200 MacArthur Blvd • Mahwah, New Jersey 07430
phone (201) 818-1288 • fax (201) 818-4694
www.charitynavigator.org

February 1, 2010

Kate Grant
The Fistula Foundation
1171 Homestead Road
Suite 265
Santa Clara, CA 95050

Dear Kate Grant:

On behalf of Charity Navigator, I wish to congratulate The Fistula Foundation on achieving our coveted 4-star rating for sound fiscal management.

As the nonprofit sector continues to grow at an unprecedented pace, savvy donors are demanding more accountability, transparency and quantifiable results from the charities they choose to support with their hard-earned dollars. In this competitive philanthropic marketplace, Charity Navigator, America's premier charity evaluator, highlights the fine work of efficient charities such as your own, and provides donors with essential information needed to give them greater confidence in the charitable choices they make.

Based on the most recent financial information available, we have calculated a new rating for your organization. We are proud to announce The Fistula Foundation has earned our fourth consecutive 4-star rating for its ability to efficiently manage and grow its finances. Only 8% of the charities we rate have received at least 4 consecutive 4-star evaluations, indicating that The Fistula Foundation consistently executes its mission in a fiscally responsible way, and outperforms most other charities in America. This "exceptional" designation from Charity Navigator differentiates The Fistula Foundation from its peers and demonstrates to the public it is worthy of their trust.

Forbes, *Business Week*, and *Kiplinger's Financial Magazine*, among others, have profiled and celebrated our unique method of applying data-driven analysis to the charitable sector. We evaluate ten times more charities than our nearest competitor and currently attract more visitors to our website than all other charity rating groups combined, thus making us the leading charity evaluator in America. Our irrefutable data shows that users of our site gave more than they planned to before viewing our findings, and in fact, it is estimated that last year Charity Navigator influenced over \$10 billion in charitable gifts.

We believe our service will enhance your organization's fundraising and public relations efforts. Our favorable review of The Fistula Foundation's fiscal health will be visible on our website as of February 1st.

We wish you the best in all of your charitable endeavors.

Sincerely,

Ken Berger
President & Chief Executive Officer



Photo by: Paula Allen

“Maternal health is woefully neglected and those suffering fistulas are completely voiceless – young, female, poor, rural, and ostracized. They are the 21st century’s lepers.”

–Nicholas D. Kristof, New York Times

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Management Services, Inc.
Foster City, California

STAFF



Kate Grant
Executive Director,
Ex-Officio Board Member



Anne Ferguson
Operations Director



Terry Rodriguez
Donor Relations Manager

Partners and Supporters

The Fistula Foundation could not do the work of supporting fistula treatment and prevention without the participation and support of our Corporate, Nonprofit, Media and Congressional partners. These organizations have joined in the effort to treat and prevent fistula by donating necessary medical supplies, sharing knowledge and heightening awareness. We are honored to collaborate with the following organizations:

DIRECT RELIEF



In 2009 the Foundation deepened our partnership with Direct Relief International. Direct Relief is one of the largest and most respected suppliers of donated medical supplies to hospitals all over the world. The Foundation provided grant support to ship medical supplies to hospitals in Ethiopia, Tanzania, Liberia, Kenya and Somaliland, and to fund the building of a new fistula treatment facility at the Edna Adan Hospital in Somaliland.

JOHNSON & JOHNSON



Johnson & Johnson continues to be our most loyal, generous and trusted corporate partner. J & J has done more to fight fistula than any company in the world. The Foundation is indebted to J & J for consistently demonstrating their commitment to helping women with fistula.



DEDICATED VOLUNTEERS



Jerry Goldstein



Kevin Cameron



Doris Apel

Front cover: patient at Panzi Hospital, D.R. Congo by John Paul Doguin

Back cover: Dr. Denis Mukwege, founder of the Panzi Hospital, pictured with patients, by Paula Allen

Many thanks to Dr. Larry William whose photographs are featured in the report.



*“When spiders unite you can bind a lion”
— African Proverb*



*A Special Thank You to
The Milner Family Foundation
Whose Generous Support Enabled the Printing of the Report*

THE FISTULA FOUNDATION

1900 The Alameda, Suite 500, San Jose, CA 95126-1427 • info@fistulafoundation.org
Ph: (408) 249-9596 or Ph: (866)756-3700 • Fax: (408) 244-7328 • www.fistulafoundation.org

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