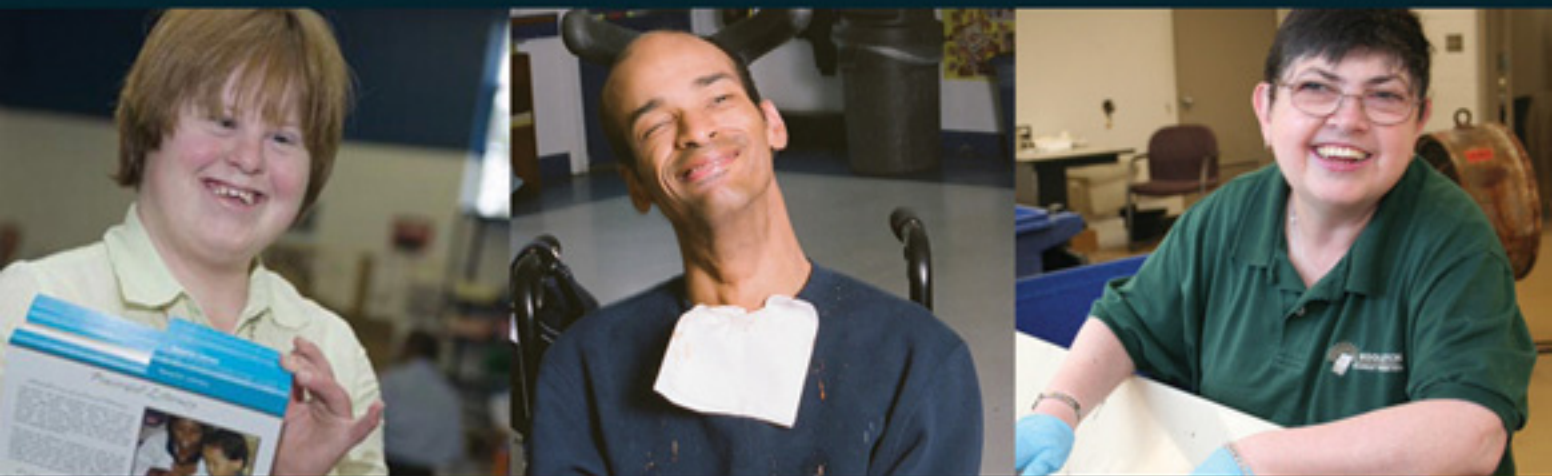


eggleston



2010 ANNUAL REPORT

Creating education, training and employment opportunities.

MISSION

Creating Education, Training and
Employment Opportunities.

VISION

Eggleston Services envisions a community
which values the abilities of all persons and
endeavors to improve quality of life at
home, work and at play.

VALUES

Integrity, Choice, Empowerment and
Quality.

QUALITY STATEMENT

Excellence in Action.



Letter from the President/CEO



For more than 50 years, Eggleston Services has endeavored to create a better quality of life for persons with disabilities and by extension, the community at large.

This past year has been one filled with action.

Our leadership developed a comprehensive strategic plan that outlines the company's direction for the next five years. This plan offers specific guidance on ways the company will achieve excellence, sustainability and innovation while improving on the quality of life and experience for the population we serve.

We completed a company wide effort at corporate rebranding, introducing a new logo for the company. We expanded our reach into the community with local events like our inaugural OK5K race.

There were significant financial challenges as funding we traditionally rely on through programs like Medicaid were cut 5% beginning July 1, 2010. Additionally, other funding decreased and the local and national economy slumped. But through the challenges Eggleston has remained strong, continuing to serve the needs of persons with disabilities in our region and in some cases even expanding programs.

Existing properties are regularly being improved or renovated. At our Civitan Acres property in Chesapeake we have made an extensive improvement by connecting into the city sewage system rather than continuing to rely on the freestanding septic tank system that was used for many years.

We opened The Child Development Academy, a full inclusion children's learning center in Hampton that accommodates children with disabilities as well as non-disabled children.

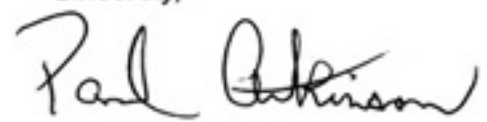
In June, Eggleston purchased a new facility in Norfolk at the corner of Military Highway and Azalea Garden Rd. This three building complex spans four acres and will allow us to expand existing operations currently housed at our Tidewater Drive facility as well as add new jobs for people with disabilities.

Acquiring this property is part of our push towards innovation in the types of employment opportunities we can offer participants. Expansion of our document shredding operations has allowed us to create full document management services including scanning, conversion and storage of records. Entry into this industry allows us to offer better types of jobs for our associates, jobs that offer skills that would enable them to more effectively integrate into work opportunities in the community. Strategic partnerships with private companies like DOMA Technologies and Canon Virginia help us create these opportunities and expand our core competencies.

Staff, families, donors and other supporters of Eggleston must work together to ensure our long term success. With the continued support of the community and the businesses that have partnered with us we are making a difference in the lives of those we serve and in the community in which we live.

We thank you for your support.

Sincerely,


Paul Atkinson

Introduction

The company we know as Eggleston Services was started in 1955 by a group of concerned parents who wanted a better life for their adult children with disabilities. Creating what was first called the Tidewater Vocational Center, these determined parents set out to find work for their children, and they found success. Some of our first work contracts were simple tasks like sorting coat hangers for a local drycleaner. Rapid growth followed these early successes, and the organization eventually came to be known as Eggleston Services after the donation of a building by a local philanthropist, Louise W. Eggleston.

Now over 50 years later we have grown to include over 26 programs in 13 locations. Eggleston has grown from a single sheltered workshop serving 5 individuals in 1955 to a major employer in Virginia; in fact Eggleston is one of the largest employers of persons with disabilities in the State of Virginia, and through the years we have helped tens of thousands of persons with disabilities.

Eggleston Services has been dedicated to the idea that everyone in our community has the right to pursue a full and rewarding quality of life and that employment is one way people can find fulfillment.

We seek to facilitate meaningful individual growth for persons with disabilities and we do it in a wide variety of ways. Our company provides jobs, residential services, day support programs, life enhancement and much more for individuals with disabilities in Hampton Roads. Eggleston Services envisions a community which values the abilities of all persons and endeavors to improve quality of life for every individual.



Since 1955 Eggleston has provided services and programs to help improve the quality of life for persons with disabilities.

Linen Services

Our first industrial laundry service began in a building donated to us by Louise Eggleston. Formerly a grocery store, the building met our early needs. An initial commitment from the US Navy under the federal AbilityOne program was a large factor in helping us secure a 1.2 million dollar loan. Our first contract was an agreement to wash linens for the Portsmouth Naval Hospital. Since then our business has expanded exponentially.

Since those early days we have created over 100 jobs and the majority of these positions are filled by people with significant disabilities. The work can be physically and mentally demanding and our employees take great pride in delivering quality work.

The pride our people take in their work continues to bring us new clients because it is evident in the quality of our service.

In 2001, we moved into our current facility at Ingleside Road, twice the size of the original location. Business from the all branches of the military, local hospitals and other private businesses have taken our laundry production up from 1.7 million pounds to nearly 7 million pounds a year. On any given work day, our washers clean 1200 pounds of linens every hour, our dryers dry 22000 pounds of linens, sleeping bags, mattress covers, hospital scrubs, uniforms and more each day. And our workers hand fold and bundle up to 50,000 individual articles every day.



Eggleston continually invests in new equipment and technology to ensure we meet growing demands and satisfy our customers.

In the last few years we have expanded our laundry services by adding a half million pounds of laundry from the Army at Fort Eustis and Fort Lee. We added services for the Navy Bachelor Housing, and established a Linen rental program with Langley Air Force Base hospital.

As we continue to grow, we recognize the importance of the continuous development of our facilities. We are constantly investing in new equipment and technology where it can improve our processes and satisfy our customers. Improvement to our

work processes also improves our efficiency and output. By constantly seeking to improve we are positioned to pursue new opportunities, satisfying our customers and adding more work.

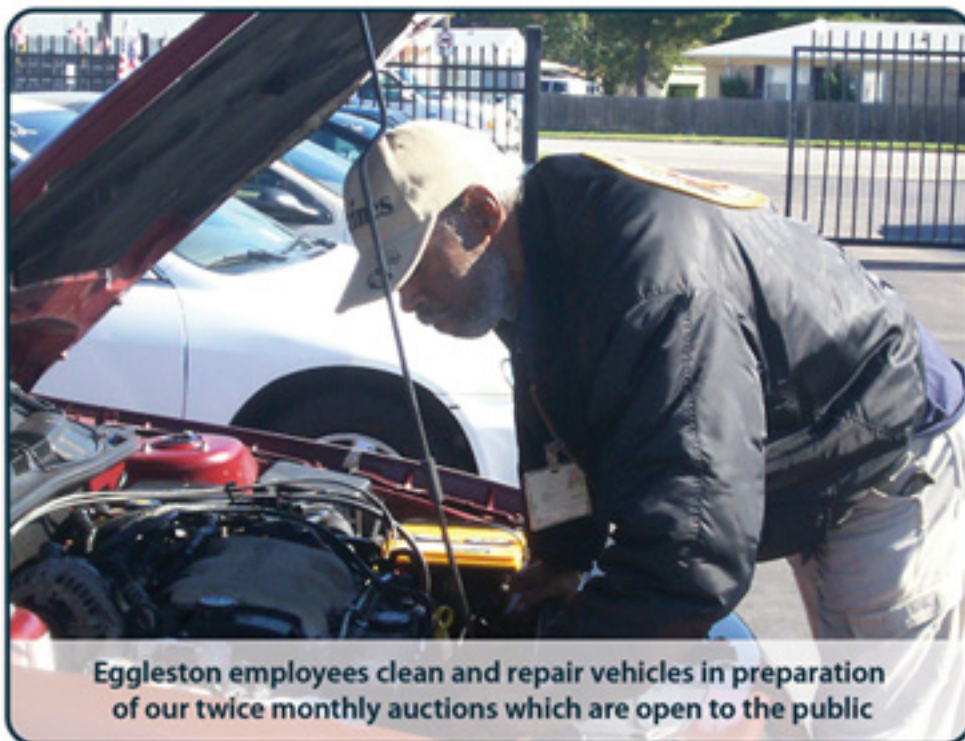
Eggleston Automotive Center

Thousands of Hampton Roads citizens have found that donating a car or truck to Eggleston is an easy and rewarding way to make the most of a vehicle they no longer need.

This past year we were pleased that vehicle donations continued at a steady pace in spite of a recessionary economy. Nationally the donation of vehicles to organizations like Eggleston dropped, but for Eggleston this drop was not significant. One way we help our automotive operation is by maximizing the resale value of the vehicles we receive. To do this we work hard to clean, detail and repair to the best of our best ability the vehicles we receive before auctioning them to the public at one of our auctions which are held every other Saturday at 9AM at the EAC facility on Sewell's Point Rd.

And we strive to make the experience of donating a car or truck easier for our donors. Our continuous goal is to offer quality vehicles and maximize their value. For buyers at auctions, there are great opportunities for purchasing quality vehicles at low prices. Our continual efforts to streamline procedures, provide better customer service, and present attractive vehicles to buyers ensure that donors get maximum tax benefit from their donation, and we use the proceeds to support our mission.

We know we are successful because we continue to have a very high sell-through rate for vehicles we receive, and the average resale value remains relatively high.



Eggleston employees clean and repair vehicles in preparation of our twice monthly auctions which are open to the public

As we continue to expand work opportunities for persons with disabilities we anticipate further growth for our automotive operations and are evaluating the possibility of establishing a retail sales lot as part of our move into a newly acquired facility at Military Highway and Azalea Garden Rd. in Norfolk.

Since 1999, Eggleston Services has been providing an array of services at Civitan Acres. Located on Cedar Road in Chesapeake, this 14-acre property provides a year-round wellness program for adults with intellectual and/or physical disabilities as well as vacation opportunities during the summer through an 8 week vacation camp program.

The Civitan Acres facility is home to some individuals with some of the most significant support needs. The program is CARF accredited and our goal is to provide activities that help develop and balance their physical, social, emotional, and intellectual well-being.

During summer camp, everyone has the opportunity to relax and enjoy themselves in a positive and therapeutic environment. The weeklong camps allow individuals with disabilities to experience a fun summer vacation while giving their caregivers a break. Our camp counselors are international students from all over the world who join us as part of their educational experience. These counselors come from universities in countries such as England, South Africa and Australia for an educational and rewarding camp counseling experience and exposure to our country.

Demands for camperships continue to grow, thanks in part to greater exposure and money raised by fundraising events such as our OK5K race, fall golf classic and a poker run sponsored by local motorcycle enthusiasts.



Civitan Acres Summer Camp provides a fun vacation and a chance to give families and caretakers a needed break



OK5K event – Hundreds of area runners participated in the inaugural OK5K event to support Civitan Acres Summer Camp

Eggleston made a major capital improvement to the property in 2010 by moving from an older septic system. This effort required extensive construction but ensures the long term stability of a key aspect of the camp's infrastructure.



Business Fulfillment

Our business fulfillment operation located on Tidewater Drive offers a broad array of services for persons with special needs. The extended employment program at this location provides job opportunities for more than 40 people with disabilities.

In recent years we added a custom embroidery business, servicing all internal embroidering needs of our company as well as the needs of many external companies. We also added equipment that allows us to do heat sublimation printing, producing custom advertising specialty products such as caps and mugs, and add design elements to screen printed apparel.

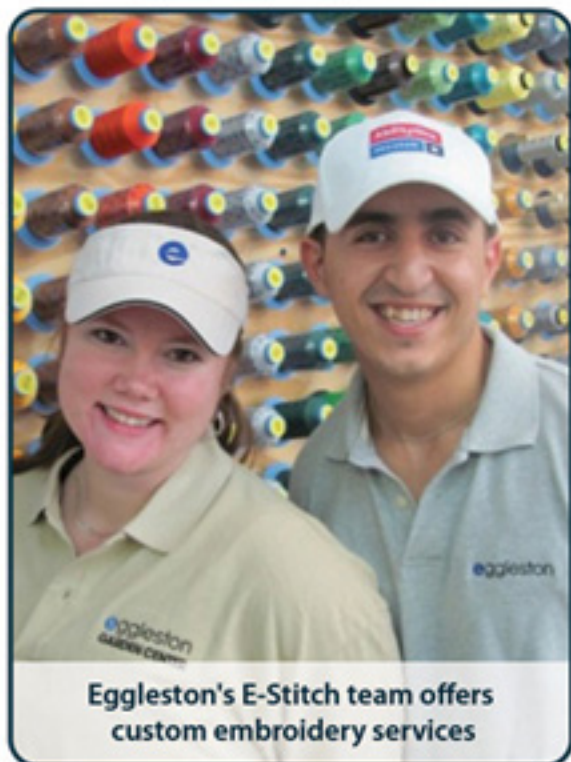
This year we helped a young author with publishing efforts for a children's book, "Oh Where Oh Where is My Swallowtail". As the book is introduced to the public, Eggleston will handle shipping and distribution.

One significant project this year was the athlete participant bag assembly for the National AAU Junior Olympics which were held in Norfolk. Bags for over 15,000 participants were assembled by our workers.

In coming months we expect some workers and operations to move into our recently purchased facility on

Military Highway, expanding our current services and adding document conversion and shredding.

Tidewater Drive also offers a day support program for individuals with significant needs as well as a Senior's program for retirement age individuals.



Eggleston's E-Stitch team offers custom embroidery services



Eggleston employees will fulfill online orders for a recently published children's book

Eggleston Garden Center at Tanners Creek

Eggleston Services partnered with the Virginia Zoo to open Tanners Creek Garden Center in 1999. Continuing to develop a shared vision, the program now employs over 80 people spanning all levels of ability. Our HANDS (Helping Adults Navigate Daily Skills) program helps to guide people through the use of therapeutic horticultural activities.

Four greenhouses provide room for a wide variety of bedding and water garden plants suited to the unique climate of Hampton Roads. Trees and shrubs grow around the greenhouses, and a head house nearby accommodates workers with special needs. We also offer landscaping and ground maintenance services, with two work crews mowing, trimming and landscaping for a variety of clients in Hampton Roads.

The Growing Team at the greenhouses supply plants to the Tanners Creek Garden Center located just up the street at 110 LaValette Avenue, (corner of 38th St. and Granby St.) where the community benefits from our quality garden products.



There is always something growing in the greenhouses at Tanners Creek

This year, Eggleston workers volunteered their services to the Zoo in programs that not only serve the community but also the animals that reside on the grounds.

Zoo horticulturalist Mark Schneider had the idea to have Eggleston associates create a garden on Zoo grounds as a co-operative project with a local Eagle Scout.



Eggleston Associates riding the train at the Virginia Zoo

The Eagle Scout came to the Eggleston nursery several times giving him the opportunity to work with the nursery crew; and together they planted corn, beans, and sunflowers. The garden bed design was drawn up and then implemented to coincide with Earth Day. All of the items planted were designed to serve as organic food for some of the zoo animals.

Our landscaping and ground maintenance division also operates out of this facility. Two crews provide mowing, trimming and landscaping services to a variety of commercial and residential customers throughout Hampton Roads.

Sarah Bonwell Hudgins Center

In 2003, Eggleston began the management of program operations at the Sarah Bonwell Hudgins Foundation 40 acre campus in Hampton, VA. Started in 1967, the Sarah Bonwell Hudgins foundation's goal has been to bring a better living and working experience to people with intellectual and physical disabilities on the Peninsula.



Since that time, we've developed a number of job opportunities at the facility. In February of 2006, we started Eggleston Document Destruction, a full service shredding operation. Our shredding service is safe, secure, reliable and affordable. Eggleston workers also provide sub-contracted assembly work for the Reison Corporation.

This year, Eggleston was pleased to form a partnership with DOMA, an established Document management and conversion company. Located in Virginia Beach, DOMA sorts, indexes and converts paper records for a variety of companies in industries such as medical, legal, and the Department of Defense. Through our partnership with DOMA, Eggleston employees will be used in the processing of these conversions.

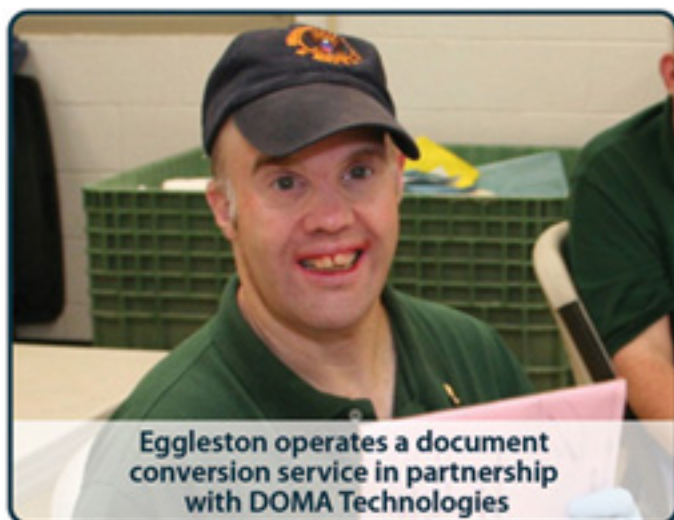
We continue to see success in offering community employment in our enclave setting at Canon Virginia where Eggleston workers disassemble Canon products at their facility.



The Child Development Academy provides an enriching environment for both disabled and non-disabled children

One significant new initiative was the opening of The Child Development Academy, a child care and education. The Academy is a special place where children from infants to school age find a nurturing and enriching environment that encourages them to learn and discover. The academy uses state of the art classroom technology and has a staff of caring and experienced professional instructors. The facility and curricula are design as an inclusive model that can accommodate both disabled and non-disabled children.

The Sarah Bonwell Hudgins location also offers a year-round day support program providing meaningful day time activities for individuals with significant needs. The campus also has four residential homes on the campus which are managed by Eggleston Services and provide independent living for 22 people.



Eggleston operates a document conversion service in partnership with DOMA Technologies

Community Employment

The community employment department provides vocational assessments, training, and job placement assistance to adults with disabilities and other barriers to employment.

Through Eggleston programs, associates are taught various career related skills to help them transition to the workplace in careers that include administrative support, customer service, hospitality/custodial services, auto cleaning/detailing, horticulture, retail and the medical job markets. Our ultimate goal is to help each person be successful in the community and find employment that best utilizes their strengths and abilities. After a placement is made, our employment specialists gauge the satisfaction of both the employer and the employee. Our goal is to enhance the employment experience and position clients to have a successful work experience with future career advancement opportunities. For employers, we help cultivate productive and effective employees.

Food Service

Since 1990, Eggleston has been providing food service for the military in Hampton Roads. Beginning at the Portsmouth Naval Hospital Cafeteria and at the Naval Station Galley two years later, the AbilityOne sponsored program has grown dramatically over the years.

Today we not only provide workers for these two dining facilities but we also serve as the prime contractor overseeing operations in six other Navy galleys all over Eastern Virginia as well as the turnkey sub-contractor to the Sodexo Corporation for the Marine Corp Mess Hall at Camp Allen.

Through the AbilityOne program, Eggleston has helped create hundreds of jobs in military food service here in Hampton Roads. The Regional Food Service mission is to provide wholesome, nutritious quality meals in a sanitary environment to patrons at the lowest cost practical. Our employees are trained culinary professionals and food service attendants who value customer service over all else. We seek to maintain the highest standards of food service and achieve the most efficient meal service possible. In 2010 our military dining facilities will have served over one million meals.



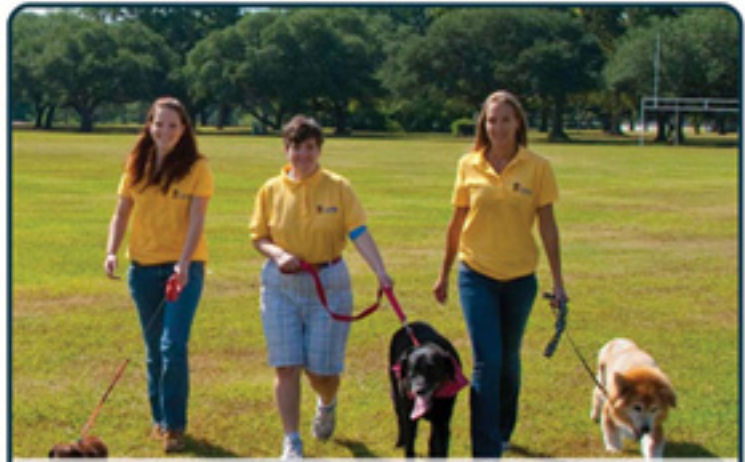
Eggleston's rebranding efforts introduced a new company logo

New Initiatives

In an effort to innovate and ensure the long term success of our organization we are launching several significant new programs.

Tapping into the significant growth in the pet services field, we launched Let's Go! Pet Care, a pet sitting and dog walking company that cares for pets and integrates Eggleston employees with disabilities as helpers.

Following a trend pursued by many non-profits, Eggleston purchased a for-profit franchise, LINK Staffing, with the goal of using profits generated by business operations to augment Eggleston's core non-profit operational revenue. LINK staffing provides temporary staffing of industrial, light industrial skilled labor and general labor employees.



Let's Go! Pet Care offers pet sitting and dog walking

Many Ways to help

In the past year, the people of Hampton Roads have helped Eggleston in a variety of ways.

- Over 2000 individuals and companies donated a vehicle to our automotive center
- Over 200 runners participated in our OK5K fundraising race
- Several individuals made monetary donations and charitable bequests.
- Various Civic organizations gave thousands of dollars as cash donations to support and improve our programs.

- Hundreds of individuals and businesses have supported by using our products and services. It could be a purchase at our garden center, the

use of our business fulfillment services or secure document destruction, or our custom embroidery service. Using Eggleston Services gives people quality products and services while helping Eggleston meet its mission.



Eggleston employees have fun and take pride in their work

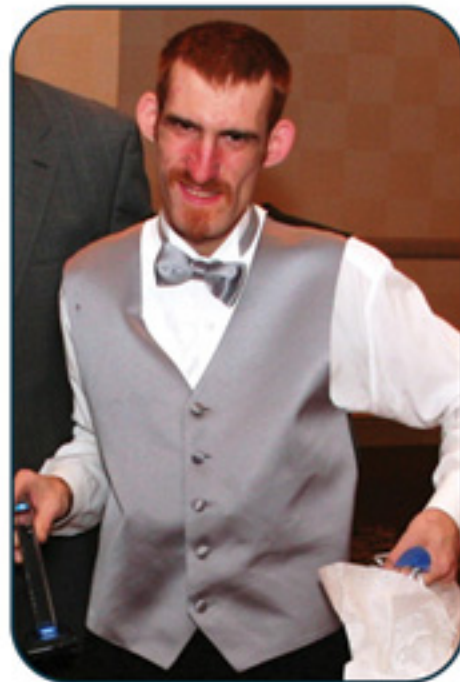
Awards and Recognitions



President's Award
ANGELINA SMITH
Corporate

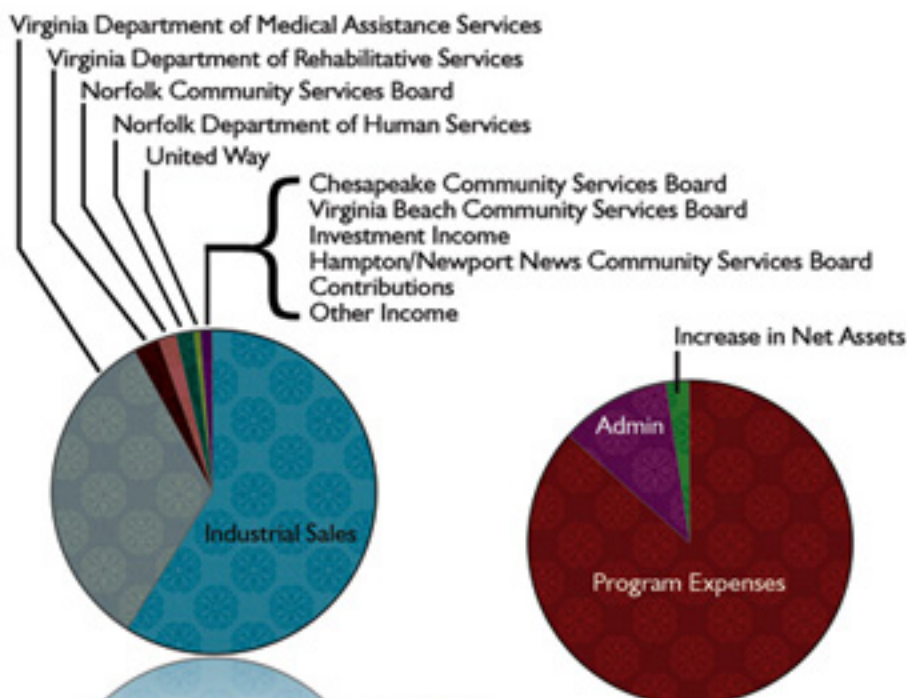


Employee of the Year
TRACEY JAMES
Little Creek Custodial



Associate of the Year
NEIL MORRIS
Civitan Acres

2009-2010 Financial Results



Financial Summary Year Ended June 30, 2010

REVENUE

Industrial Sales	13,331,192
Virginia Dept. Medical Assistance (Medicaid)	5,237,359
Contributions	562,504
Virginia Dept. of Rehabilitative Services	520,964
Norfolk Community Services Board	294,259
Chesapeake CSB	135,538
Other Income	114,579
United Way	102,762
Investment Income	77,616
Hampton/ NN CSB	17,850
Virginia Beach CSB	8,584
Total Revenue	20,403,207

EXPENSES

Total Program Expenses	18,207,611
Total Administrative Expenses	1,811,671
	20,019,282
Revenue	20,403,207
Expenses	20,019,282
Increase in Net Assets	383,925

Eggleston Programs and Services

Corporate Offices

1161 Ingleside Road
Norfolk, VA 23502-5608
Phone: (757) 858-8011
Toll Free: (800)722-5831
Fax: (757) 627-4760
TTY: (757) 852-9310
Job Hotline: (757) 858-8011 x250

Eggleston Automotive Center

7427-7433 Sewells Point Road
Norfolk, VA 23513
Phone: (757) 963-8393
Fax: (757) 965-4936

Business Fulfillment Center

6431 Tidewater Drive
Norfolk, VA 23509-1699
Phone: (757) 858-8011
Fax: (757) 858-8057

Eggleston Document Management and Shredding Services

51 Battle Rd.
Hampton, VA
757-224-9680

The Child Development Academy

60 Battle Road
Hampton, VA 23669
Phone: 757.224.5635
Fax: 757.224.5638

Civitan Acres for the Disabled

2210 Cedar Road
Chesapeake, VA 23323-6303
Phone: (757) 487-6062
Fax: (757) 487-4143

Sarah Bonwell Hudgins Center

51 Battle Road
Hampton, VA 23666
Phone: (757) 224-9680
Fax: (757) 224-9715

Tanners Creek Nursery

249 LaValette Ave
Norfolk, VA 23504-1067
Phone: (757) 961-5090
Fax: (757) 625-3692

Tanners Creek Garden Center

110 LaValette Ave
Norfolk, VA 23504
Phone: (757) 625-2044
Fax: (757) 625-3692

Let's Go! Pet Care

110 LaValette Ave
Norfolk, VA 23504
Phone: (757) 321-6840
Fax: (757) 627-4760

AFFILIATED BUSINESSES :

Link Staffing

5812 Poplar Hall Drive, Suite C
Norfolk, VA 23502
P: 757-351-6323
F: 757-226-0722
www.linkstaffing.com

Designed by Priya Goel
www.priyasdesigns.com



Accredited Organization



Eggleston Services has been accredited by CARF for the following services:
Community Housing, Community Integration, Job Development, Job Supports,
Job-Site Training, and Organizational Employment services