

Annual Report

2017



The Leprosy
Mission
New Zealand



Vision

Leprosy Defeated, Lives Transformed.

Mission Statement

Following Jesus Christ, the Leprosy Mission strives to break the chains of leprosy, empowering people to attain healing, dignity and life in all its fullness.

Values

Because we follow Jesus we value: Compassion, Justice, Integrity, Inclusion and Humility.

Our commitment to you

While The Leprosy Mission New Zealand holds itself to the highest standards in all activities it undertakes, there may be times when this standard cannot always be achieved or be perceived to be achieved. In the event of a complaint being received by The Leprosy Mission New Zealand, we will endeavour to investigate, put things right and learn from the experience.

In the first instance, please contact us:

Website: leprosymission.org.nz

Phone: +64 9 630 2818

Freephone: 0800 862 873 (NZ Only)

If you have raised a complaint with The Leprosy Mission New Zealand and are unsatisfied with the response to that complaint you may contact;

The Council for International Development (CID), a sector organisation which The Leprosy Mission New Zealand is a member of and must adhere to its code of conduct. Website: cid.org.nz

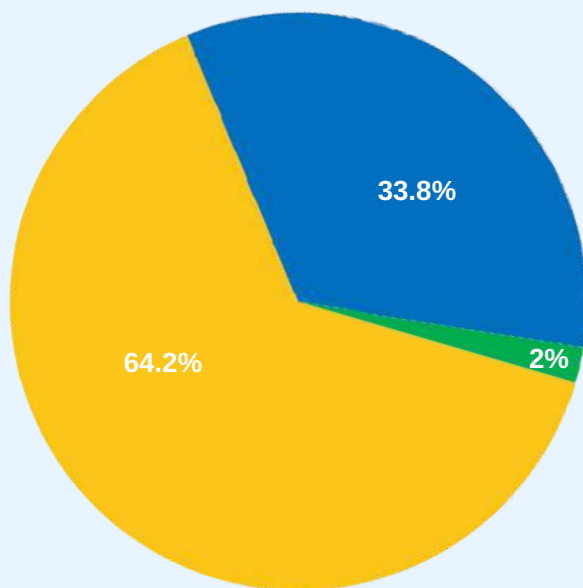
Or you can contact the Charity Services. Website: charities.govt.nz



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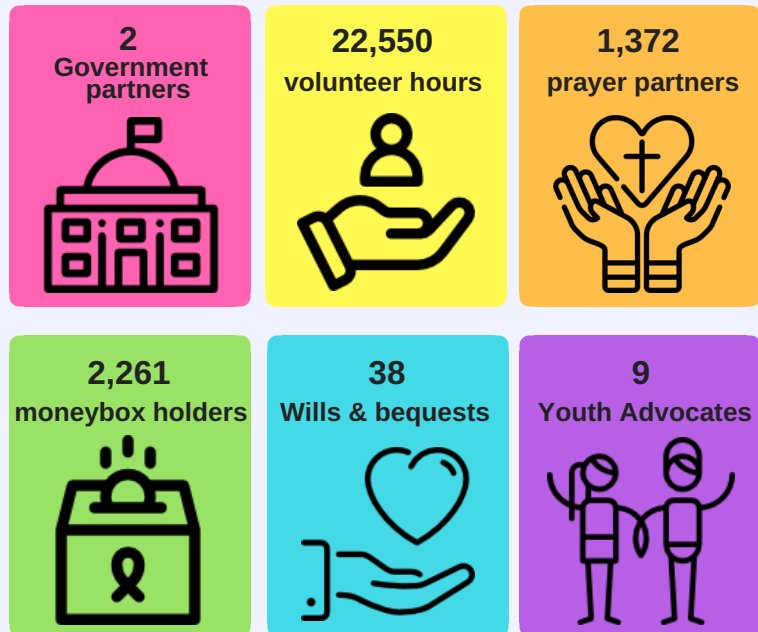
Income Received



NZ Government Grants	33.8%	\$1,463,639
Private Income	64.2%	\$2,776,851
Interest/ Other Income	2%	\$87,175
Total	100.0%	\$4,327,665

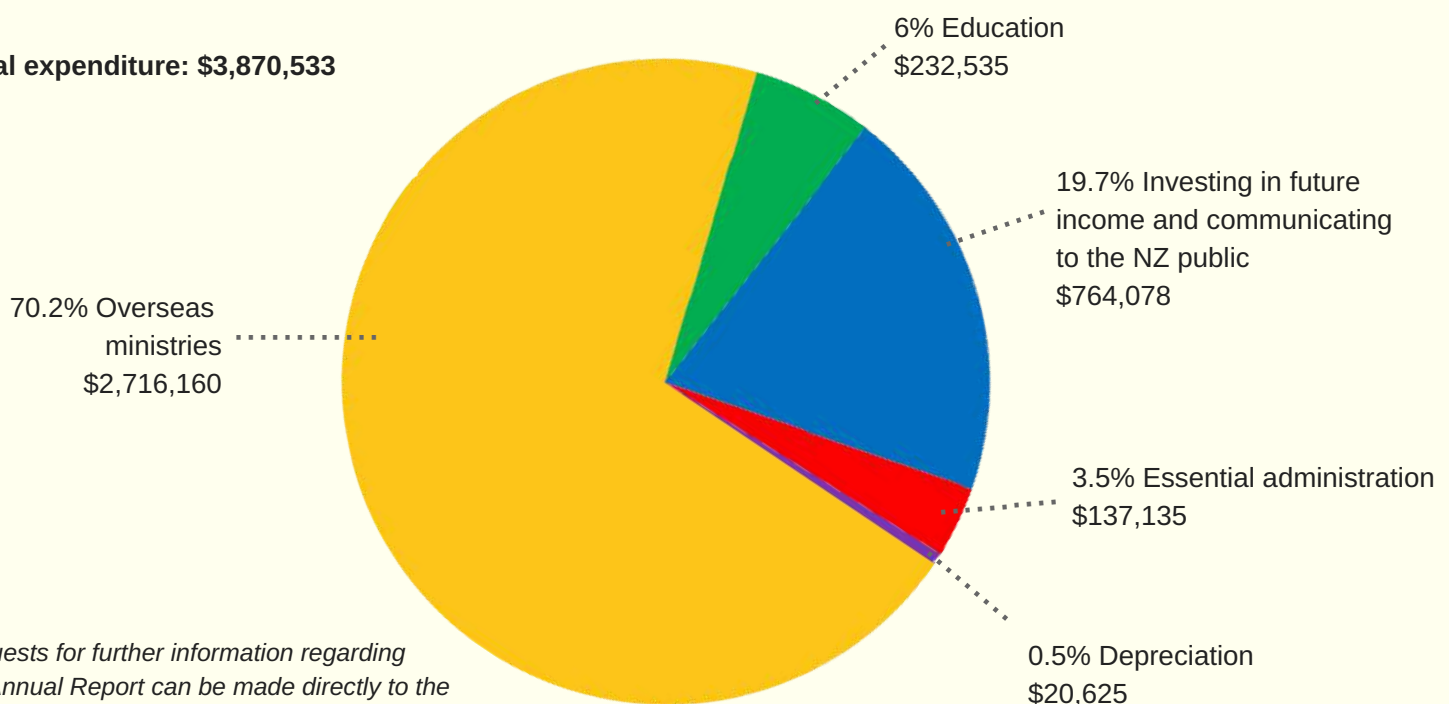
Thank you for your generosity

Our sincere thanks to all our wonderful supporters. Thanks to the commitment to our mission, we are able to make a difference to the lives of leprosy-affected communities we work with in the Pacific, Asia and Africa.



Where the money goes

Total expenditure: \$3,870,533



Requests for further information regarding the Annual Report can be made directly to the Executive Director, The Leprosy Mission New Zealand.



Annual Report of The Leprosy Mission New Zealand Incorporated

Praise the Lord! Praise God in his sanctuary; praise him in his mighty heavens! Praise him for his mighty deeds; praise him according to his excellent greatness! Praise him with trumpet sound; praise him with lute and harp!

Psalm 150:1-6

On behalf of the Board, I am delighted to bring you the Annual Report of The Leprosy Mission New Zealand Incorporated for 2017.

This year we have seen exciting success in our work and God has blessed us abundantly. It is the financial supporters and prayer partners of LMNZ who enable this success. In our projects we see the changes in the lives of many people and communities affected by leprosy.

Preparing the Annual Report is an opportunity to step back, reflect and appreciate the contribution of so many people at many levels both globally and locally to make this work possible. We are inspired by supporters, volunteers, and staff in supporting and implementing countries who work with such passion toward our goal of defeating leprosy and transforming lives.

This report is a review of our work and achievements over the past year and outlines the key focus for LMNZ for 2018 and beyond.

Financials

Income for the year ending 31 December 2017 was \$4,327,665.

Operating expenditure for the year was \$1,154,373 and the amount committed to Overseas Ministry was \$2,716,160.

The overall surplus for the year of \$457,132 which will be used to fund future remittances and the effective running of the organisation.

I would like to thank the financial and prayer supporters and the management team, all employees and volunteers for their contribution to these excellent results.

Leprosy Mission Global Fellowship

There are 28 member countries of the Global Fellowship joining together in a global vision to see Leprosy Defeated and Lives Transformed. Gillian Whitley, Executive Director, and I attended the Global Fellowship meetings held in

London in September. One of the exciting developments was the ratification by members of a Zero Transmission of Leprosy by 2035 goal. This goal sees us put a line in the sand and strive towards a goal that has eluded us in recent years.

In the 1980s Multi-Drug Therapy was introduced and we made huge progress in eradicating the disease in many countries. However, in the last 10 years the number of leprosy cases has remained static. We have renewed vigour for a holistic approach to overcome these challenges working in partnership with like-minded associations. But there are also significant obstacles; fundraising continues to be challenging and our work is in some of the most difficult places on earth.

The New Zealand Focus

LMNZ continued to implement its Strategic Plan 2014-18 focusing on three key strategic priorities:

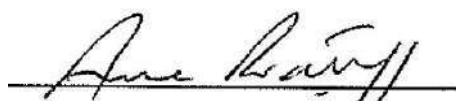
- Engage New Zealanders in ending leprosy and transforming lives.
- Resource and support field programmes that cure, care for and restore people with leprosy.
- Actively partner with the Leprosy Mission Global Network to end global leprosy.

Financially LMNZ has been successful in increasing its supporter base, welcoming over 1000 new supporters in 2017. Donations have increased over 2016 driven by generous giving from our existing supporters and by reaching new supporters. We continue to work in partnership with the NZ Aid Programme (New Zealand Government's official aid for developing countries) in Bangladesh, Papua New Guinea and Bougainville.

The focus for 2018 will be on developing a new strategic plan for 2019-2023 that will progress the Global Fellowship towards Zero Transmission of Leprosy by 2035. We are already developing a project in Indonesia which has the third highest number of new leprosy cases each year, after India and Brazil.

On behalf of the LMNZ Board, I would like to thank our supporters, members and volunteers for their gifts and prayers over the last twelve months. Without this, and the continued provision of our Lord, nothing we do would be possible.

God bless you all,



Anne Ratliff

BOARD CHAIR

The Leprosy Mission New Zealand Incorporated

Board

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Grant Pollock BBS, CA - Treasurer

Jo Burnett BNurs

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GradDip (Biblical Studies/ Theology)

Phil Johnstone BA (Hons), Dipjour

Dr Susan Maiava BSc (Hons) MA (Distinction), PhD

Rev. Kathleen Gavin Dip Physio, Dip Biblical Studies,
Dip Clinical/ Pastoral Counselling

Andrew Stott BCom/BA, MBA

Dr. Peter McGhee NDA, MBus (Hons), MEd (Hons), PhD

Executive Director

Gillian Whitley MBS(HR Management),
PGDipArts(Psych)

Auditor

Peter Conaglen PP, BMS, Dip Min

Hon-Solicitors

Gaze Burt

Bangladesh



Chittagong People-led Development Project Bangladesh (CPDP)

Leprosy Mission New Zealand through its supporters and in partnership with the NZ Government's Aid Programme is the lead country supporting the Chittagong People Led Development Project.

This five year project showcases a truly community led approach to meeting the income, stigma reduction and health needs of leprosy and disability affected populations.

2017 was the fourth year of the project and we can celebrate its numerous successes and achievements.

Project Goal: Improved quality of life for disadvantaged people, particularly those affected by leprosy and disability, through social and economic development facilitated through Self-Help Groups (SHGs).

OBJECTIVES

ACHIEVEMENTS

Objective One:

Self-Help Groups functioning under a sustainable Federation and Association structure - to support economic and social development of their members.

- The Federations achieved financial sustainability (111%), more than the target (100%) and Disabled People's Association (DAPA) reached the planned 2017 target of 20% sustainability.
- Total membership of SHGs grew to 225 comprising 3451 members with an average of 15 members per group.
- The project-supported DAPA achieved registration with the Social Welfare Department of the Bangladesh Government. This registration promotes closer collaboration with, and support from, the Bangladesh Government.
- Multiple training sessions (including micro-finance management) have been provided by Federation officers to SHGs.

Objective Two:

Increased incomes - through sustainable income generation activities.

- 3,375 people in Self-Help Groups across the project are supported and trained in skills to pursue new employment and business opportunities.
- Increased income Generating Activities such as: small businesses; tailoring; grocery shop; cow rearing; clothing business; tea stall and vegetable gardening; quail bird rearing; and vermi compost production.
- Project assessment of income levels undertaken at the end of 2017, found that 74% of SHG members reported that their income had increased and the remaining members sustained their income.
- The current cost-effective micro-finance system comprises loan funds from two sources: from SHG members' own savings (known as Group loans); and from those provided by Activity funds (known as Federation Seed loans). In 2017 a total amount of Tk 35,755,000 was distributed from Federation (seed) loan funds to 2,118 members (with females comprising 81%).

- The loan repayment rate is 100% and saving levels continue to grow, which will increase the level of funds available for the rotating SHG (Group) and Federation (Seed) loans, as well as leading to the financial sustainability of DAPA.

Objective Three:

Increased social inclusion and engagement of group members in the broader community.

- By the end of 2017 two thirds of group members felt confident and knowledgeable enough in their rights to be able to successfully approach local decision-makers (e.g. government, community leaders, NGOs and others) to gain assistance and advice.
- Accessing state safety nets by eligible members has grown to 88%, compared with the base level of 25%. The safety nets now being accessed include: disability, widow and elderly grants. These were previously not being accessed.
- As people with anaesthetic feet newly joined the SHGs, they have been orientated on how to self-care for this condition. By the end of 2017, only 12% of them (4 out of 33 new members) had developed ulcers.
- The percentage of female members is 79% which is higher than the target of 60%. The female members now occupy 74% of all leadership positions in the SHGs.
- The project conducted a survey on participation in community life and found an increase in participation in wedding ceremonies, to 99%; religious worship, to 95%; and shopping, to 87%.



Bangladesh



Education Grant

LMNZ funds a separate education grant to assist children from leprosy affected families across the 9 federations covered by the Self-Help Groups.

Students in the Grades 1-5 area of school are chosen and this rotates every year. The Grant is used to supply a school bag, provide notebooks and pencils, and to partially assist with the cost of school uniforms.

It is regarded as highly important in motivating the poorest families to send their children to school. Moreover, by having these very poor and vulnerable children in school, it reduces the number of children exposed to child labour practices.

Impact – leprosy and disability affected people and their families are accepted and valued members of their communities in the Chittagong Development Project area.

Nazifa's Story

In Bangladesh, primary school is free and compulsory but the dropout rate is very high as parents simply cannot afford school supplies for their children.

Nazifa's father, Mr Nasiruddin, joined a self-help group in his village after he was cured of leprosy. He works as a carpenter to support his family but it is still difficult for him to afford a school bag and other school materials for Nazifa.

In 2017, through the support of New Zealand supporters, 270 Back to School Kits were distributed to children in Bangladesh, including Nazifa.



Nazifa proudly wears her schoolbag gifted through the Back to School Kit.

Nazifa was overwhelmed with joy and said "I never thought that one day I will be able to carry a school bag. I am very happy because I have my own school bag like the others."

Papua New Guinea



Bougainville Healthy Communities Programme (BHCP)

Leprosy Mission New Zealand through its supporters and in partnership with the NZ Government's Aid Programme is the lead country supporting the Bougainville Healthy Communities Programme. It is now in year 4 of a 5 year project and has successfully delivered its outcomes to date.

BHCP has a holistic view of a healthy community, it is about both health awareness and community development. With BHCP as the catalyst, cross cutting issues have also improved, such as gender, peace/reconciliation and the environment.

Project Goal: Healthier Bougainville communities through village and government sharing responsibility for good health.

OBJECTIVES

ACHIEVEMENTS

Objective One:

Reduced incidence and severity of disease and illness.

- All communities reporting in 2017 (801 from 823 BHCP communities) reported improved health conditions:
 - A total of 224 suspected leprosy cases were identified, with 203 of these referred and 120 confirmed and moved into a treatment phase.
 - 1725 babies born under safe circumstances out of 1975 total babies born in 2017.

Objective Two:

Stronger village governance and leadership.

- Increased proportion of village leadership are engaged in the programme. 659 (80%) Communities have active village authorities, at the start this was only 10%.
- Increasing number of females (26%) leaders are trained and the project is making progress to identify and train more.
- Females represent 52% of trained Village Health Volunteers (VHVs) in line with the policy of training 1 male and 1 Female in each community. Males are culturally accepted as traditional leaders and this project is making progress to identify more female leaders in the communities to improve the proportion of female leaders to attend the training.

Objective Three:

Improved health practices in rural communities.

- Village Health Volunteers (VHVs) have raised a lot of awareness in the communities on issues like tuberculosis, malaria, leprosy, water & sanitation, safe motherhood and immunisation. This is reflected in increased TB, malaria and leprosy referrals to the health facilities in 2017.
- 120 new cases of leprosy were detected in 2017 through BHCP's referral process with the help of village health volunteers (VHVs).
- Safe water supplies remain a challenge due to weather-related events with water sources affected by floods and landslides. Despite these challenges 70% of the communities (30% at the start) now have access to safe water.

Objective Four:

Improved community demand for, access to, and use of, basic health services in rural Bougainville.

- The strong focus on safe motherhood seeks to ensure safety and security for all women during the pregnancy and delivery phase, as well as involvement of fathers in the antenatal and other care phases.
 - Over 75% of mothers attending antenatal clinics and now well over 90% of mothers are delivering babies in safe circumstances.
-

Objective Five:

BHCP Healthy Communities model, and its funding and management, integrated into government health system with growing collaboration between village communities, local health facilities, their staff and health programmes, with support from local level government.

- Village Health Workers and District Facilitators have been working in collaboration with local government, and are trusted to participate in community mobilisation, immunisation and other health initiatives.
 - In collaboration with Unicef, the Village Health Workers played a key role in implementing the Vitamin A supplement and deworming distribution project.
-

Objective Six:

Village leaders utilising village and government resources to implement village development plans.

- Over 385 Village Treasuries have been established in communities throughout Bougainville with varying levels of effectiveness. Village Treasuries allows communities to invest in their village to improve water supply and standard of living.
 - 509 villages out of 801 have Chief-led village action plans.
-

Objective Seven:

Village-based knowledge on preventing illness and disease, identifying its occurrence, and promoting referral to, and use of health facilities for diagnosis and treatment.

- By the end of 2017 over 70% of village communities had active Health Committees.
 - A total of 9074 health awareness activities were conducted in the 801 communities reporting—ranging from individual to group activities. Health awareness activities were being carried out by BHCP on a monthly basis in all participating communities.
-

Objective Eight:

Village leaders understand village government requirements, the value of strong village leadership and have the skills, support and motivation to develop strong village governance.

- In 2017, over 90% of BHCP community leaders completing basic level leadership and governance training, and 20% had completed the newly developed advanced level training.
- The skills being received especially in those who have progressed to advanced level training are reflected in the growing proportion of functioning village authorities, village treasuries and delivery of village action plans.

A New Melody for Boniface

Boniface is 14 years old. Two years ago, Boniface's face started to itch, then he developed painful swelling on his face. Leprosy also gave Boniface a painful ulcer on his leg which was causing him to lose feeling in his foot.

He often struggled even to get out of bed. Because of his illness and lack of energy, Boniface could no longer go to school. He became sad and withdrawn.

Thankfully, because of the support of New Zealander supporters, there is new hope in his life.



"I am now cured of leprosy!" Boniface declares with joy.

Boniface received regular check-ups from village health volunteers and he has completed the full course of multi-drug therapy.

Boniface enjoys playing the guitar and singing praise songs to God!

"I want to be a gospel singer in the future!"



Papua New Guinea



Sustainable Livelihoods Development (SLD)

Leprosy Mission New Zealand through its supporters and in partnership with the NZ Government's Aid Programme is the lead country supporting the Sustainable Livelihoods Development Project. It is now in the first year of a five year project and has successfully delivered its outcomes to date. It is a community led and developed project and 2017 has focused on setting up the project.

Project Goal: Sustainable livelihoods and health for individuals, families and communities affected by leprosy and disability in PNG.

OBJECTIVES

Objective One:

Individuals, families and communities affected by leprosy and disability, have enhanced income through effective training and well-managed savings and micro-credit support

ACHIEVEMENTS

- A Market Analysis and Gender and Development Analysis was conducted in 13 sample communities. This was used to identify potential income generation activities, clarify local market understanding, identify market challenges and as well be used as baseline data for the project.
- CEFI (Centre for Excellence in Financial Inclusion) – a training arm of the Bank of PNG was identified as the major support training partner for the NDB's micro-credit component. Draft plans have been developed for their respective roles in micro-credit management for the project and in the provision basic financial, savings and entrepreneurial training for project participants in the target communities.
- PNG Assembly of Disabled Persons partnership enabled planning to begin which would help identify people with non-leprosy related disabilities in the target communities.

Objective Two:

Target communities trained and supported in nutrition, sanitation, hygiene, disability prevention and self-care

- A total of 44 Community Facilitators (CFs) from 22 of 26 target communities, with 1 female and 1 male CF from each community were selected. In addition, 32 Community Leaders (CLs) were identified from the target communities in National Capital District (NCD) and Central Province (CP).
- This was followed by Introductory Training for CF's and CL's including all 26 target communities. This training covered the roles of the CF and CL, basic health and hygiene, leprosy awareness, rights training, livelihoods development, micro credit introduction, community governance and community leadership.
- Contact tracing of leprosy cases in partnership with The National Department of Health (NDOH) resulted in identifying 5 children living with leprosy who had dropped out of school, commencing treatment and allowing their planned return to school in 2018.

Objective Three:

People with leprosy and disability understand and advocate for their rights.

- Introductory Training implemented in 2017 for CFs and CLs, which included awareness on advocacy and rights and roles for CFs and CLs.
- The project has intentionally focused on promoting female entrepreneurs in the project. Project has continued networking with likeminded agencies to address gender based discrimination and violence in the target communities.
- The first year of the project has built a strong base from which to continue the project in the coming years.

Their smiles say it all!



Eurisder



Pokana



Augustine

In PNG, village health volunteers are trained to detect leprosy. They visit leprosy-affected patients regularly to encourage them not only to seek diagnosis but to make sure they complete their treatment.



Jeconiah

And because of early detection, leprosy-affected patients can be cured of leprosy without any disability.

Nepal



Anandaban Hospital Support Project

The Leprosy Mission New Zealand is a supporting partner of the work of The Leprosy Mission Nepal's Anandaban Hospital.

Project Goal: Provide comprehensive quality care for leprosy affected patients and basic medical services to the catchment community.

OBJECTIVES

Objective One:

To provide tertiary level leprosy health services.

ACHIEVEMENTS

- 793 new leprosy cases identified.
- 816 ulcer patients received care.
- 199 reconstructive surgeries were performed including hand, foot and eye surgery.
- 2,337 patients received protective footwear.
- 1,782 received prosthesis or orthopaedic and disability aids.

In addition to the hospital achievements the Leprosy Mission New Zealand Youth Advocates fundraised for a digital X-ray machine to improve the medical facilities delivered by TLM Nepal.

The Leprosy Mission Nepal is one of the largest NGOs in Nepal serving a population with technical assistance to the government public health programme.

Apart from hospital support, every year The Leprosy Mission New Zealand send a group of Youth Advocates to Nepal for a mission trip. In 2017, they raised \$27,000 for a digital X-ray machine for Anandaban Hospital.



"I want to be a youth advocate because I think it is a wonderful opportunity to make a difference as a Christian. Reading up about people affected by leprosy and also living with stigma made me passionately frustrated, so I want to get involved, speak up and help those affected by leprosy."
-- Kaleb Grant, 2017 Youth Advocate

Nepal



In August 2017, flash floods and landslides triggered by heavy rainfall resulted in 134 deaths and 60,000 homes left underwater. New Zealand supporters joined with Leprosy Mission supporters around the world to provide emergency relief.

OUTCOMES

- Improve physical and mental health status of people affected by the flood and landslides.
- Health camps were provided using Annadaban Hospital staff which included the provision of medicine and medical supplies.
- 500 Tarpaulins were provided to affected people identified by The Leprosy Mission Nepal in the working districts.
- Cash support was provided to those most in need who were connected to the Leprosy Mission's community based support.

DilKumari, Sushmita and Apsara Mahato opened up about the impact of the floods during a Leprosy Mission Nepal flood victim group counselling session.

"The flood started at 9 pm and went on for 3 days straight. Every year the river swells up and enters our fields but this year was like a dam had burst and the water would not stop. We are currently living in this temporary shelter and we are thankful that our school is nearby and so we have been able to continue our studies".



India



Leprosy Mission Hospital in Muzaffarpur

The Leprosy Mission New Zealand is a supporting partner of the Leprosy Mission hospital in Muzaffarpur. In 2017, 105,669 people from within Bihar state and adjacent states for medical consultation and treatment.

The facilities provided by the hospital include consulting rooms, in-patient rooms, operating theatre, laboratory services, ECG services, X-ray services, counselling, physiotherapy, pharmacy, MCR protective footwear and artificial limbs.

Project Goal: Enhanced comprehensive quality care for people affected by leprosy.

OBJECTIVES

Objective One:

Provide high quality, comprehensive specialist leprosy services.

Objective Two:

Provide secondary care services in Dermatology and primary care in Ophthalmology.

ACHIEVEMENTS

- 9,638 leprosy related consultations were provided free of charge with 588 new cases of leprosy diagnosed and treated with multi-drug therapy.
 - 131 reconstructive surgeries were conducted including hand, foot and eye surgery.
 - 737 pairs of protective footwear were provided to patients who had lost feeling in their feet.
 - 482 patients were admitted for long term treatment
 - 312 leprosy reaction and neuritis patients were treated.
-
- The project is working towards sustainability and has seen a significant increase in number of consultations in 2017 to 105,669 (2016-74,644). These include non-leprosy patients who pay for their services which contributes to the running of the hospital.
 - Ophthalmology for non-leprosy patients started in August 2016 and in 2017 there were 1,850 consultations, and 46 Eye Surgeries completed on a fee-based assisting towards the sustainability of the hospital.





Vocational Training Centre in Faizabad

Project Goal: Families affected by leprosy and disability achieve enhanced earning capacity on a sustainable basis and are in the mainstream of society.

OBJECTIVES

Objective One:

Impart marketable vocational skills to people affected by leprosy and disability.

Objective Two:

Enhance the socio-economic status of people affected by leprosy and disability through skills training and employment.

Objective Three:

Enrich the lives of people affected by leprosy and disability through provision of additional activities such as counselling and life-skill training.

Objective Four:

Advocacy - to equip and enhance the capabilities of graduates to access fair labour conditions, and to reduce stigma against people affected by leprosy and disability.

ACHIEVEMENTS

- 95 students enrolled in the Vocational Training Centre (VTC) for vocational courses including computing, electronics, mechanics and tailoring.
- 42 enrolled in community based vocational courses including weaving, beauty and tailoring.
- 66 students from Computer, Refrigeration and AC and Electronic and Mechanic Diesel and Welding undertook on the job training at TLM Hospital, Coca-Cola, Vilal Electronic Faizabad, SK Agency and Amit Motors.
- No one dropped out of the courses they undertook and 65 students were successful in passing academic exams and graduating.
- 80% of students are now placed in employment and a further 2% are self-employed.
- The students are provided medical care and daily self-care exercises are done under the guidance of VTC warden & physiotherapists at TLM Hospital.
- A range of extracurricular activities were conducted including daily devotions, sports and art exhibitions.
- Awareness programs on leprosy, gender, advocacy, and human rights were conducted.
- 100% of the graduates employed are working under fair trade conditions.



Ethiopia



Educational Support for Children Affected by Leprosy

Partner: ENAPAL (Ethiopian National Association of Persons Affected by Leprosy).

New Zealand Leprosy Mission supporters provided a grant to the Ethiopian National Association of Persons Affected by Leprosy (ENAPAL) to undertake an Education Support Project.

It was implemented in four regional states of Ethiopia namely, Amhara, Southern Nation & Nationalities, Western Hararge and Oromiya and a total of 280 school age children from low income families of people affected by leprosy and living with disabilities were provided educational support.

Project Goal: Educational support grants for children affected by leprosy

OBJECTIVES

Objective One:

Providing scholarship support to children from impoverished families of people affected by leprosy.

ACHIEVEMENTS

- 109 Girls and 171 Boys were provided;
 - exercise books, pens and pencils
 - Cash support for school uniforms and registrar fee
 - Follow up attendance support for the children
- A local school committee was set up at each project area and a national coordinating committee to encourage children in their studies, this meant regular follow up of the 280 school children and resulted in no drop outs and the passing of their studies in the project year.

DR Congo



The Leprosy Mission New Zealand provided a small grant to The Leprosy Mission Congo which is part of the Global Fellowship. The grant was towards a project based in the Sankuru Province and for an electricity generator for their local office.

The Leprosy Mission Congo works in health districts that are endemic with leprosy (Kasai Occidental, Kongo Central, Maniema, Sankuru and South Kivu) within the Sankuru Province which has a high incidence of leprosy cases. It partners with a local faith based organisation and the local general hospital. Its activities include leprosy identification, coordinating self care groups for those with leprosy related disabilities and awareness raising.

Sankuru Project

OBJECTIVES	ACHIEVEMENTS
Project Goal: Leprosy and its complications are well managed in the Dibele and Kole health zones	<ul style="list-style-type: none">• 59 people were referred by health workers and community leaders for leprosy diagnoses in the Ndjoka health area and 27 cases of leprosy were confirmed by nurses holding health centres.• 35 new cases were screened during the 2 mini-screening campaigns organised in the Nkombaswe and Ndjoka health area in the Intola village in Sankuru among whom 23 people practice self-care.• Prevention of Disability materials (30 pairs of shoes, 21 pools, 24 bands) and anti-reaction medications improved the management of disabilities and cases reported by nurses. The total of new cases was 52.

Generator

A new generator was provided to TLM DR Congo for their Country Office. The electricity supply is erratic and there can be a lack of mains electricity for several days at a time. The existing generator was a manual start, noisy and could only provide enough electricity for priority work. The new generator is sufficiently powerful to provide all the needs for the office and reduces disruption to their work. The generator has an automatic start which reduces staff time for a manual start, is quiet which provides a more comfortable working environment and is fuel efficient.

Financial Statements

Statement on Corporate Governance

The Board is responsible for preparing financial statements that give a true and fair view of the financial position of The Leprosy Mission New Zealand at the end of a financial year and the operating results for that year. The external auditor is responsible for expressing an opinion on the financial report, based on a review and assessment of the conclusions drawn from evidence obtained in the course of the audit.

The general purpose financial statements set out in this report have been prepared by management in accordance with generally accepted accounting practice under the Financial Reporting Act 2013. The Leprosy Mission New Zealand has taken early adoption of the NZ International Public Sector Accounting Standards [NZ IPSAS] tier 2. They are based on appropriate accounting policies which have been consistently applied and supported by reasonable judgements and estimates.

The Board

The Board retains full and effective control over the society, monitors executive management and ensures that decisions on material matters are in the hands of the Board.

Audit Committee

The audit committee is composed of members of the Resources committee. The external auditor has access to this committee and has met with the committee following completion of the audit for the 12 months ended 31 December 2017. Matters considered included a review of the financial statements and accounting policies, the effectiveness of management information and other systems of internal control and the auditor's findings. The auditor is appointed each year based on recommendations of the audit committee.

Internal Control

To fulfil its responsibilities, management maintains adequate accounting records and a system of internal controls which is monitored periodically. No breakdowns were identified in the systems of internal control for the 12 months ended 31 December 2017. After reviewing internal financial reports and budgets, the Board believe that The Leprosy Mission New Zealand Incorporated will continue to be a going concern in the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.



The Leprosy Mission New Zealand Incorporated



STATEMENT OF COMPREHENSIVE REVENUE & EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2017

Incoming Resources	Notes	2017 \$	2016 \$
Donations	4f(i),8	2,005,575	1,865,082
Trusts/Corporates/Major Gifts	4f(i)	140,254	184,546
Bequests	4f(ii)	631,022	1,401,959
Interest and Other revenues	4g(i),(ii)	87,175	67,817
NZ Government Grants from MFAT ¹	4f(iii),9	1,463,639	1,527,299
TOTAL Incoming Resources		4,327,665	5,046,703
Resources Expended			
Overseas Ministry	9	2,716,160	2,746,977
Education		232,535	130,633
Marketing and Promotion		764,078	860,595
Administration		137,135	115,575
Depreciation	4b	20,625	26,071
TOTAL Resources Expended		3,870,533	3,879,851
Surplus/(Deficit) for the year		457,132	1,166,852
Transfer to Reserves	17d,17e	(250,000)	(1,185,000)
General Funds carried forward		207,132	(18,148)

¹Ministry of Foreign Affairs and Trade

The accompanying notes form an integral part of these financial statements

The Leprosy Mission New Zealand Incorporated



STATEMENT OF CHANGES IN EQUITY / NET ASSETS FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 \$	2016 \$
Balance at beginning of year		2,376,480	1,210,653
General Fund	17a		(25)
Lend n Mend Fund	17b		(1,000)
Restricted Capital Fund	17c		
Bequest Reserves	17d		
Project Reserves	17e		
Working Capital Reserves	17f		
Holiday Pay Reserve	17g		
Surplus/(Deficit) for the year		457,132	1,166,852
Balance at end of year		2,833,612	2,376,480

The accompanying notes form an integral part of these financial statements

The Leprosy Mission New Zealand Incorporated



STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Notes	2017 \$	2016 \$
Current Assets			
Bank Accounts, Cash and Deposits	10	2,865,290	2,305,166
Accounts Receivable & Prepayments	4d	255,190	213,533
Inventory		4,152	2,651
		3,124,632	2,521,350
Current Liabilities			
Less Current Liabilities – Accounts Payable	4e	124,596	108,117
Less Funds committed for future remittances	11	702,233	558,841
WORKING CAPITAL		2,297,803	1,854,392
Non Current Assets			
Equipment, Furniture & Fixtures, Motor Vehicles	15	53,154	44,233
Advances (Share of Partnership)	16	473,037	468,237
Investments	4c	9,618	9,618
TOTAL NON CURRENT ASSETS		535,809	522,088
TOTAL ASSETS		2,833,612	2,376,480
Equity			
General Funds	17a	1,047,932	840,800
Lend n Mend Fund (Restricted)	17b	36,345	36,345
Restricted Capital Fund	17c	314,335	314,335
Bequest Reserves	17d	0	500,000
Project Reserve	17e	850,000	100,000
Working Capital Reserve	17f	485,000	485,000
Holiday Pay Reserve	17g	100,000	100,000
TOTAL EQUITY		2,833,612	2,376,480

The accompanying notes form an integral part of these financial statements

Grant Pollock CA
TREASURER

Gillian Whitley
EXECUTIVE DIRECTOR

The Leprosy Mission New Zealand Incorporated



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 \$	2016 \$
Cash flows from operating activities		
Donations and bequests	2,735,193	3,393,523
Government Grants	1,463,639	1,527,299
Payments		
Remittances made to overseas ministries	(2,572,768)	(3,439,066)
Payment to suppliers & employees	(1,118,769)	(1,105,939)
Net cash from operating activities	507,295	375,817
Cash flows from investing activities		
Net cash from investing activities	52,829	29,450
Net increase/(decrease) in cash and cash equivalents	560,124	405,267
Cash and cash equivalents at beginning of period	2,305,166	1,899,899
Cash and cash equivalents at end of period	2,865,290	2,305,166
Reconciliation with reported operating surplus		
Reported surplus/(loss)	457,132	1,166,852
Depreciation	20,625	26,071
Less (Increase)/Decrease in Inventory	(1,500)	2,409
Interest and Other Income	(87,175)	(67,817)
(Increase)/ Decrease in Accounts Receivables and Prepayments	(41,658)	(58,064)
Increase/ (Decrease) in Accounts Payable	16,479	(1,545)
Increase/ (Decrease) in funds committed to remittances	143,392	(692,089)
Net cash inflow from operating activities	507,295	375,817

The accompanying notes form an integral part of these financial statements



Notes to the Financial Statements

For the year ended 31 December 2017

1. Reporting Entity

The Leprosy Mission New Zealand Incorporated is a charitable organisation, based in Auckland, incorporated under the Charitable Trusts Act 1957 and registered under the Charities Act 2005 as Charities Registration No. CC37638. It provides essential services and support to people experiencing the causes and consequences of leprosy. The Leprosy Mission New Zealand is represented on the Leprosy Mission International Board based in Brentford, UK.

Physical address:

The Leprosy Mission New Zealand Incorporated
591 Dominion Road
Balmoral
AUCKLAND 1041

2. Date of Authorisation

The current financial statements of The Leprosy Mission New Zealand are for the year ended 31 December 2017. These statements will be authorised for issue after the Board meeting on 19th May 2018.

3. Basics of Preparation

Statement of Compliance

The general purpose financial statements have been prepared in accordance with the requirements of the rules of the Society as stated in Section 12 and these comply with the Accounting Standards Framework (Not-For-Profit Entities).

The financial statements of The Leprosy Mission NZ have been prepared in accordance with Generally Accepted Accounting Practices [NZ GAAP]. They comply with the Public Benefit Entity NZ International Public Sector Accounting Standards [NZ IPSAS], with application of Reduced Disclosure Requirements (RDR), as authorised by the External Reporting Board under the Financial Reporting Act 2013.

Under this framework, The Leprosy Mission New Zealand Incorporated is classified as a Tier 2 reporting entity. The Leprosy Mission New Zealand is a public benefit entity that raises funds together with the NZ government grants for leprosy related work done overseas.

The stated accounting framework and accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements are presented in New Zealand Dollars (NZD) rounded to the nearest dollar.

The financial statements are prepared on the historical cost basis.

4. Accounting Policies

(a) Owned Assets

Assets comprise furniture and fixtures, office equipment and vehicles in addition to an interest in the Missions Centre Partnership of which The Leprosy Mission New Zealand owns a 50% share at 591 Dominion Road. Except for interest in the Missions Centre Partnership, all assets have been recorded at cost less accumulated depreciation.

(b) Depreciation

Depreciation is calculated so as to write off the cost of furniture and fixtures, office equipment and vehicles, on a straight-line basis over the expected useful economic lives of the assets concerned.

The estimated useful lives of assets are as follows:

- Computers and software 3 years
- Furniture and Fixtures 5 years
- Motor vehicles 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

(c) Investments

- The policy of The Leprosy Mission New Zealand is to make available all possible funds for immediate leprosy work. Specific funds are invested so as to only utilise the interest when received.
- Investments are shown in the Statement of Financial Position at the lower of cost or market value.
- The Leprosy Mission New Zealand's investments comprise cash together with 300 shares in Pacific Gas & Electric Company which were bequeathed to The Leprosy Mission New Zealand by a supporter. The fair value of quoted securities is determined based on bid prices at the balance sheet date. The book value of this investment remains unchanged from 2003. However as at 31 December 2017 the last sale listed on the Nasdaq Exchange was USD 44.83 per share. Dividends with an average of US 1.7438 cents per share were paid out in 4 instalments for the 12 month period to December 2017, totaling NZ\$712.03.
- The Leprosy Mission New Zealand has a third share of a 5 share interest in freehold land in the Maori Freehold Land known as Anakiwi No. 10 Block. We received dividends of NZ\$13,102.14 from the Pukeroa Oruawhata Trust.

(d) Receivables

Receivables are recognised at the original invoice amount less impairment losses. This balance is made up of a current account balance with the Leprosy Mission International, prepayments and GST.

(e) Payables

Trade and other payables represent liabilities for goods and services provided to The Leprosy Mission New Zealand and which have not been paid at the end of the financial year. Given their short term nature, the

carrying values of trade and other payables are considered a reasonable approximation of their fair values. An accrual for Holiday Pay reflects the balances owing to staff at balance date and is measured at the amounts expected to be paid when the liabilities are settled. Sick leave requests greater than any annual entitlement are considered insignificant and have not been accrued into employee end of year entitlements.

(f) Revenue *NON-EXCHANGEABLE TRANSACTIONS*

(i) *Grants and Donations*

Grant and donation income is recognised as income when it becomes receivable unless The Leprosy Mission New Zealand has a liability to repay the grant if the requirement of the grant or donation is not fulfilled. A liability is recognised to the extent that such conditions are unfulfilled at the end of the reporting period.

(ii) *Bequests*

Bequests are recognised in the statement of Comprehensive Revenue when received.

(iii) *Government Grants*

Contracts with the Ministry of Foreign Affairs and Trade [MFAT] are based on 3 to 5 year terms with a schedule of annual payment dates. The contracts have performance reporting dates along with a financial accountability reporting inclusive of any unspent balance. Formal negotiations take place with the MFAT on any unspent project funds as to repayment, or an application to apply the unspent funds to an extension of project(s). On this basis, the revenue recognition policy is to treat government contracts as a current liability until the funds are expended on the authorised project, and the administration of the project.

(g) Revenue *EXCHANGE TRANSACTIONS*

(i) *Finance Income (Interest and other Income)*

Interest is recognised in the statement of financial performance as it accrues, using the effective interest method. Dividend income is recognised in the statement of financial performance when the right to receive payments is established.

(ii) *Sale of Books*

Revenue from the traded goods and services are recognised when the agreed goods & services have been delivered and the amount of revenue can be reliably measured. At this stage, the benefits of the service and products has been delivered to the respective client.

Currency gains (if any) is recognised as "Other Income" at the end of the financial period after providing for currency gains of NZAID funded projects to future remittances.

5. Emergency Grants

Grants made for emergency purposes are recognised as expenses when approved and the recipient has met all necessary conditions to be entitled to the payment.

6. Income Tax

The Leprosy Mission New Zealand is wholly exempt from New Zealand income tax and gift duty having fully complied with all statutory conditions for these exemptions.

7. Goods and Services Tax

The statement of comprehensive revenue and expenses has been prepared so that all components are stated exclusive of GST. All items in the statement of financial position are stated net of GST, with the exception of receivables and payables, which are stated inclusive of GST.

8. Donation Income

This income is made up of the following

	2017 \$	2016 \$
Appeal Donations	1,450,683	1,304,706
Partner's Programme	467,025	450,343
Money Boxes	55,236	68,740
General Donations	32,631	41,293
TOTAL	2,005,575	1,865,082

9. Overseas Ministry & Grants

	2017 \$	2016 \$
Grants ¹	1,463,639	1,527,299
Private Funds	1,252,521	1,219,678
TOTAL	2,716,160	2,746,977

¹ New Zealand Aid

It is The Leprosy Mission New Zealand's policy to advise The Leprosy Mission International office of donations received for specified purposes.

10. Cash and Cash Balances

Cash comprises deposits with The Bank of New Zealand.

11. Funds Committed For Future Remittances

NZAID grants for 2017 received from MFAT (Ministry of Foreign Affairs and Trade) totaled \$702,233 and will be remitted after balance date.

12. Changes in Accounting Policies

There have been no material changes in accounting policies by the entity during the period covered by these financial statements. All policies have been applied on a basis consistent with those used in previous years.

13. Related Party Transactions

There have been no material related party transactions during the financial year for which these financial statements are prepared.

14. Accounting for Events After Balance Date

No significant events have occurred since balance date that would require a change to these Financial Statements.

15. Equipment, Furniture and Motor Vehicles

	Cost	Current Period	Accumulated	Written Off	Carrying
		Depreciation		Amount	
2017					
Equipment	410,045	13,275	378,989		31,056
Furniture	76,155	2,308	73,803		2,352
Motor Vehicles	25,260	5,042	5,514		19,746
	516,460	20,625	458,307		53,154
2016					
Equipment	380,500	16,598	365,713		14,787
Furniture	77,738	2,307	73,081		4,657
Motor Vehicles	52,954	7,166	28,165		24,789
	511,192	26,071	466,959		44,233

16. Advances – Share of Partnership

	2017 \$	2016 \$
Balance as per Restricted Capital	468,237	463,437
Add Other Advances:		
Advance towards maintenance fund	4,800	4,800
TOTAL Advances	473,037	468,237

- A reinstatement valuation of the building was prepared by Seagars (Auckland) Ltd in October 2016 and the valuation was estimated to be \$2,300,000.
- A valuation from the Auckland City Council website had the following values

Land Value	\$3,500,000
Value of Improvements	\$300,000
Capital Value	\$3,800,000

These advances are repayable in the event of The Leprosy Mission New Zealand withdrawing from the partnership.

17. Equity

The equity of TLMNZ comprises the following:

(a)

General Funds

	2017	2016
	\$	\$
Balance at beginning of year	840,800	858,973
Add: Surplus/ (Deficit) for the year after transfers	207,32	(18,148)
Add: Transfer to general funds		(25)
Balance at end of year including funds committed to future remittances	1,047,932	840,800

(b)

Lend n Mend Fund

	2017	2016
	\$	\$
Balance at beginning of year	36,345	37,345
Less: Monies paid back or transferred to bequests		(1000)
Balance at end of year	36,345	36,345

(c)

Restricted Capital Fund

	2017	2016
	\$	\$
Balance at beginning of year	314,335	314,335
Short term deposits		
Advances to Mission Centre Partnership		
Balance at end of year	314,335	314,335

(d)

Bequest Reserve

	2017	2016
	\$	\$
Balance at beginning of year	500,000	
Add: Transferred to Bequest Reserve		500,000
Less: Transferred to General Reserve	(500,000)	
Balance at end of year	0	500,000

(e)

Project and Other Reserve

	2017	2016
	\$	\$
Balance at beginning of year	100,000	0
Add: Transferred from Project Reserve	750,000	100,000
Less: Transferred to General Funds		
Balance at end of year	850,000	100,000

(f)

Working Capital Reserve

	2017	2016
	\$	\$
Balance at beginning of year	485,000	0
Add: Transferred to Working Capital Reserve		485,000
Less: Transferred to General Funds		
Balance at end of year	485,000	485,000

(g)

Holiday Pay Reserve

	2017	2016
	\$	\$
Balance at beginning of year	100,000	0
Add: Transferred to Project Reserve		100,000
Less: Transferred to General Funds		
Balance at end of year	100,000	100,000

INTEGRITYAUDIT



Independent Auditor's Report

To Board of The Leprosy Mission for the year ended 31st December 2017

Opinion

We have audited the financial statements of The Leprosy Mission, which comprises the statement of comprehensive income, the statement of changes in equity, the statement of financial position as at 31 December 2017, the statement of cash flows for the year then ended, and notes 1 to 17 to the financial statements, which include a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Leprosy Mission as at 31 December 2017 and its financial performance and its cash flows for the year then ended, in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described below in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of The Leprosy Mission in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners 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.

Other than in our capacity as auditor we have no relationship with, or interests in, The Leprosy Mission.

Restriction on Responsibility

This report is made solely to the Board, as a body, in accordance with section 42F of the Charities Act 2005, the Financial Reporting Act 2013, and their constitution. Our audit work has been undertaken so that we might state to the Board those matters 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 Board as a body, for our audit work, for this report, or for the opinions we have formed.

Other information

The Board is responsible for the other information in the annual report. The other information comprises the financial overview, board chair report, and project achievements.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Board Responsibility for the Financial Statements

The Board is responsible for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards NZ IPSAS with the Reduced Disclosure Regime, (as issued by the External Report Board (XRB) under the Financial Reporting Act 2013) and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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) 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, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx



Integrity Audit
15 March 2018



Thank You

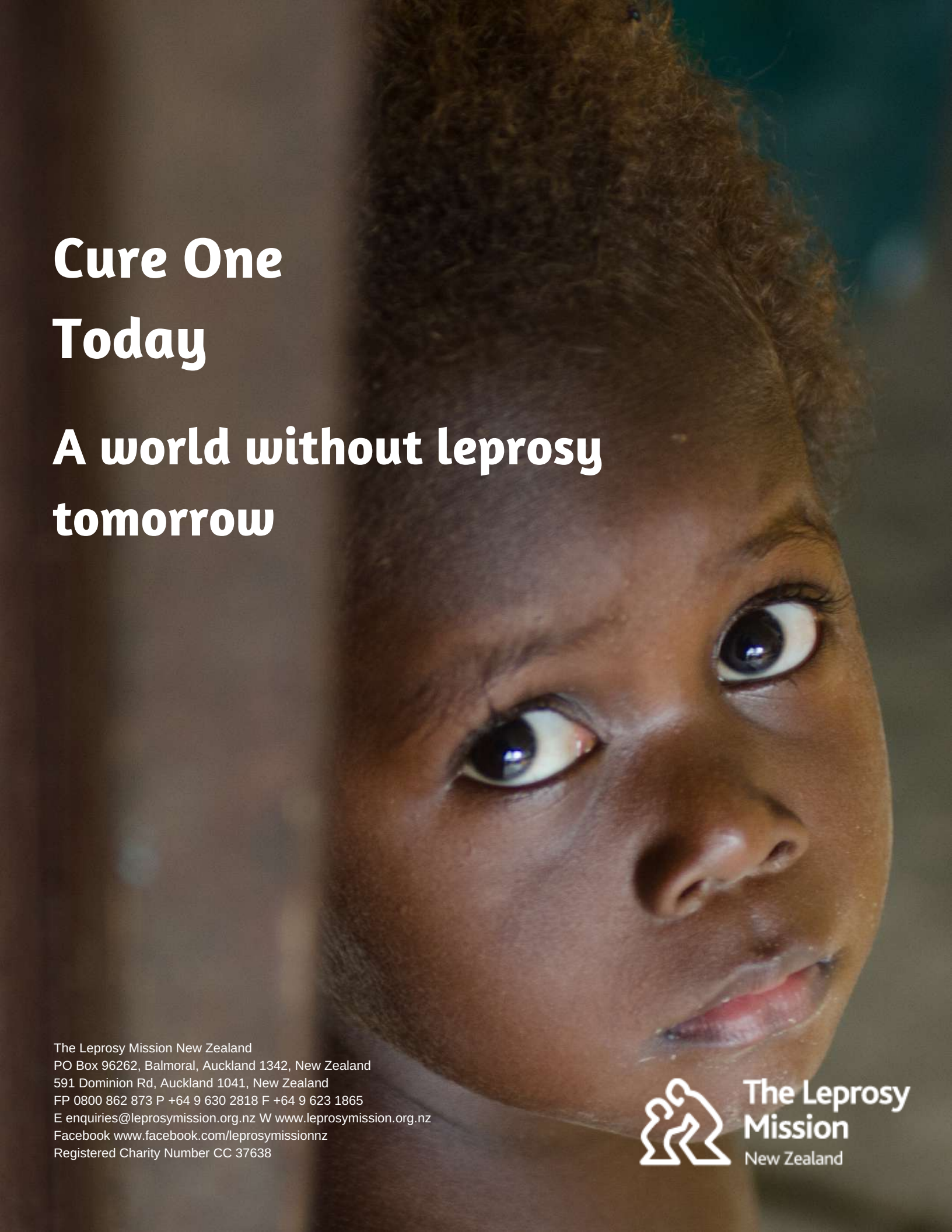
On behalf of people and families affected by leprosy we would like to thank every single one of you who have supported us on our mission.

We would like to acknowledge all of our financial supporters including individual donors, those who have passed away and so thoughtfully remembered us in their Will, The New Zealand Aid Programme (Ministry of Foreign Affairs and Trade), businesses and suppliers, and The David Ellison Charitable Trust and Danesmead Charitable Trust.

Over the last 12 months our volunteers have donated a staggering 22,550 hours of their time, and we cannot begin to express just how much of a difference this has made to our work. We would also like to thank our Prayer Partners for continuing to remember our work in their prayers.

We are very thankful for the ongoing commitment of our Committee members, our Society members and our dedicated Board members who give their time and support us willingly.

Finally we would like to thank our field partners and the Leprosy Mission Global Fellowship for all of their hard work and support. We would also like to say a heartfelt thank you to Bruce Millar, Jane Walker, Michael Bradley, Phil Johnstone, Richard Ashim Mondal, Ronne D'Souza and Tom Bradley for the amazing photographs being featured in this annual report.



Cure One Today

A world without leprosy tomorrow

The Leprosy Mission New Zealand
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**The Leprosy
Mission**
New Zealand