

The Leprosy Mission
New Zealand
Te Mihana Tūwhenua o Aotearoa

Annual Report 2022


"The thief comes only to steal and kill and destroy; I have come that they may have life, and have it to the full." John 10:10

Our Story

- For over 100 years the Leprosy Mission New Zealand (LMNZ) has been creating life-changing connections between New Zealanders and people affected by leprosy throughout the world.
- We are dedicated to curing, caring for and restoring leprosy-affected people, families and communities.
- There are more than 200,000 newly diagnosed each year and still 5 million people affected by leprosy around the world today.
- LMNZ, in partnership with our supporters, the Leprosy Mission Global Fellowship and implementing partners are dedicated to transforming lives and ending leprosy.

LMNZ is a member of the Leprosy Mission Global Fellowship, and we share the following Vision, Mission and Values:

Vision:

Leprosy Defeated, Lives Transformed.

Mission Statement:

Following Jesus Christ, The Leprosy Mission seeks to bring about transformation; breaking the chains of leprosy, empowering people to attain healing, dignity and life in all its fullness.

Our Values:

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



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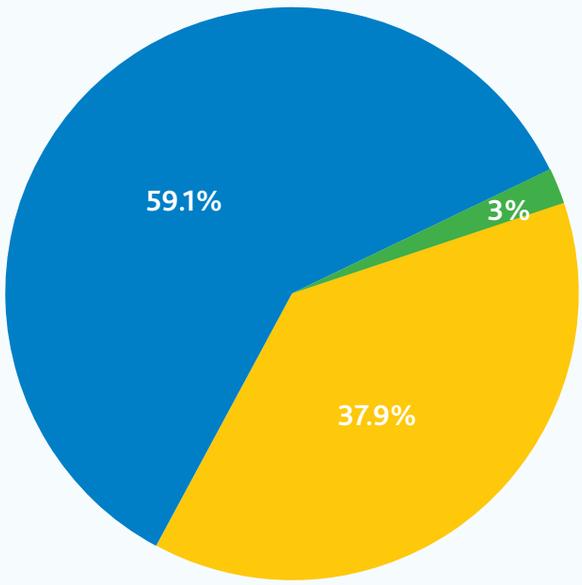
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We would like to say a heartfelt thank you to Atakia Jeffrey, Bruce Millar, Kate Gent, Phil Johnstone, Ruth Towell and Sabrina Dangol for the amazing photographs featured in this annual report.

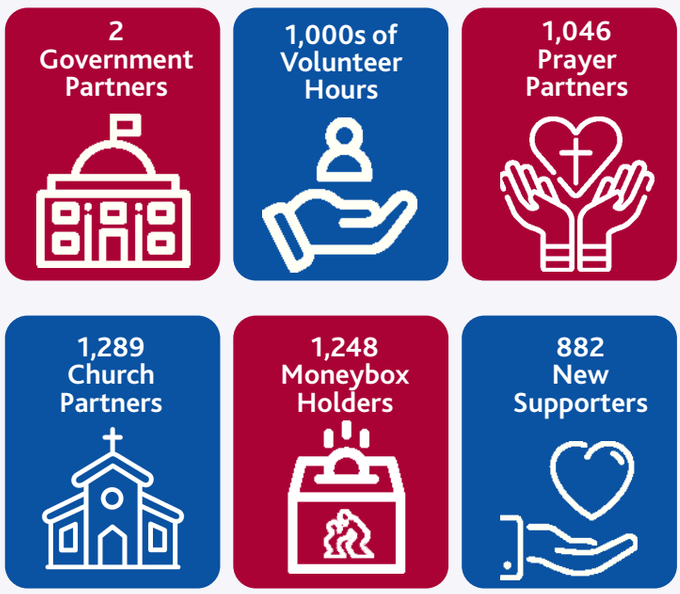
Income Received



NZ Government Grants	37.9%	$2,354,939
Private Income	59.1%	$3,675,722
Interest/ Other Income	3%	$186,113
Total	**100.0%**	**$6,216,764**

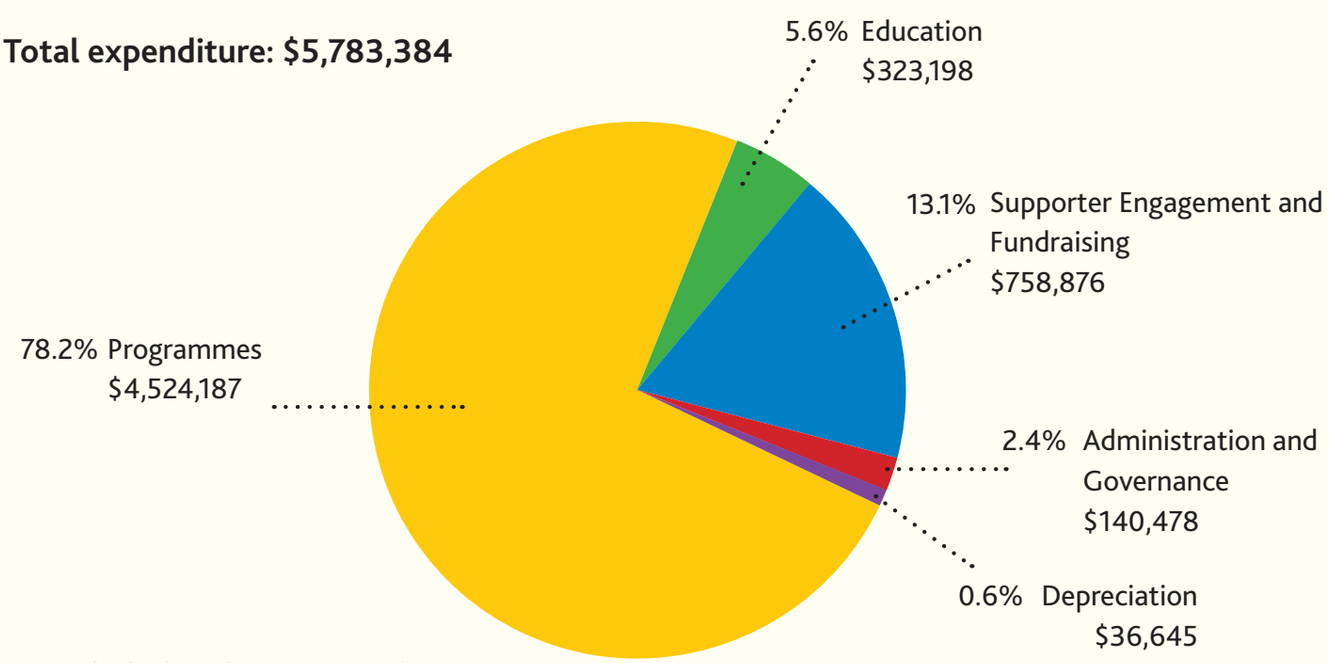
Thank you for your generosity

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



Where the money goes

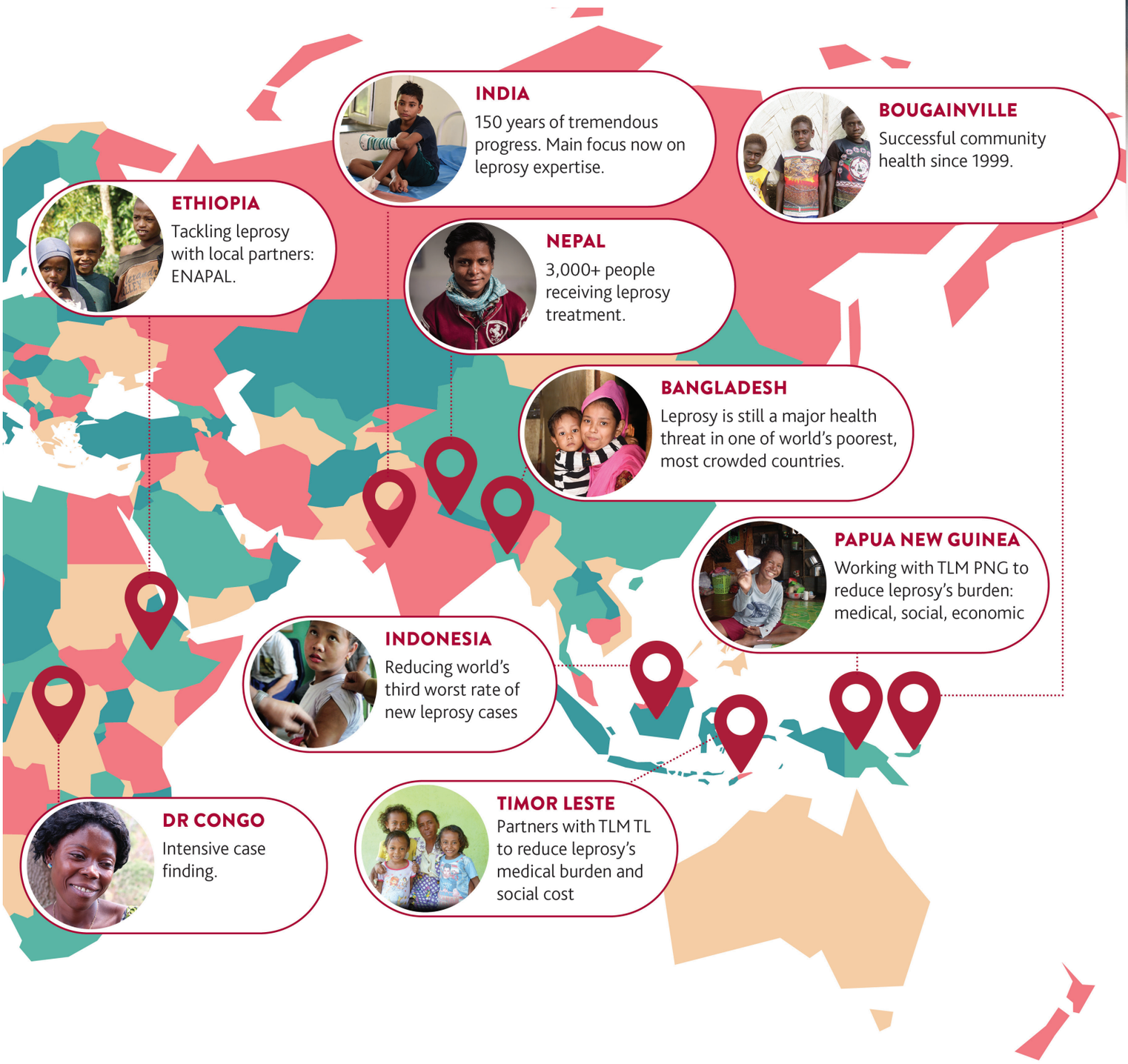
Total expenditure: $5,783,384



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

Countries that You Support

With your support, the Leprosy Mission NZ was able to work in some of the poorest and remote areas in the world. We work hand-in-hand with governments, local communities, partner health organisations, the World Health Organization, and many others to provide and evaluate a range of different projects in 9 key locations in 2022.



INDIA

150 years of tremendous progress. Main focus now on leprosy expertise.

BOUGAINVILLE

Successful community health since 1999.

ETHIOPIA

Tackling leprosy with local partners: ENAPAL.

NEPAL

3,000+ people receiving leprosy treatment.

BANGLADESH

Leprosy is still a major health threat in one of world's poorest, most crowded countries.

PAPUA NEW GUINEA

Working with TLM PNG to reduce leprosy's burden: medical, social, economic

INDONESIA

Reducing world's third worst rate of new leprosy cases

DR CONGO

Intensive case finding.

TIMOR LESTE

Partners with TLM TL to reduce leprosy's medical burden and social cost



Who we are

New Zealand

Board Chair

Blair Matheson MBA

Board

Graham Mills Bcom, CA - **Treasurer**
Andre Stuart BE
Andrew Stott BCom/BA, MBA
Jo White BNurs
Rev. Kathleen Gavin Dip Physio, Dip Biblical Studies, Dip Clinical/ Pastoral Counselling
Dr. Peter McGhee NDA, MBus (Hons), MEd (Hons), PhD
Grant Pollock BBS (Completed four terms in 2022)
Odele Habets BHSc, PostGradDipDev (Distinction), GradDip (Biblical Studies/ Theology) (Completed four terms in 2022)

Executive Director

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

Auditor

Peter Conaglen PP, BMS, Dip Min
Charity Integrity Audit

Hon-Solicitors

Gaze Burt

Global Fellowship

The Leprosy Mission NZ is part of a Global Fellowship of 30 Leprosy Mission national organisations around the world.

Welcome from Board Chair

Annual Report of The Leprosy Mission New Zealand Incorporated

On behalf of the Board it is my privilege and pleasure to present to you the Annual Report for 2022.

2022 was the year when Covid and its repercussions eased In Aotearoa New Zealand. Sadly, for many others around the world and in Leprosy Mission projects they have continued to experience difficult times due to unrest, lack of healthcare and ongoing certainty in their lives.

With the faith of our Leprosy Mission family of supporters we have kept our promises made to our partners. Even more so due to the generosity we have been able to contribute and partner with infrastructure, community healthcare and research projects around the world.

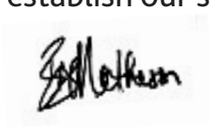
As a Board acknowledging the dedicated staff under the leadership of Gillian Whitley is most important. Their dedication to people whose lives are affected by leprosy, to the triple zero strategy of the global leprosy team and to the supporters across Aotearoa New Zealand is second to none. The annual results in terms of what has been achieved speak for themselves.

One key area which has taken so much time, effort and resources has been the finalising of the Negotiated Partnership with Ministry of Foreign Affairs. This provides us with key funding over the next five years to maintain and establish community development through healthcare and in particular care for those affected by leprosy.

I would also like to acknowledge all the Board members who give freely of their time, skills, and enthusiasm in a voluntary capacity. Their guidance supports the Leprosy Mission in achieving our shared vision of *Leprosy Defeated, Lives Transformed*.

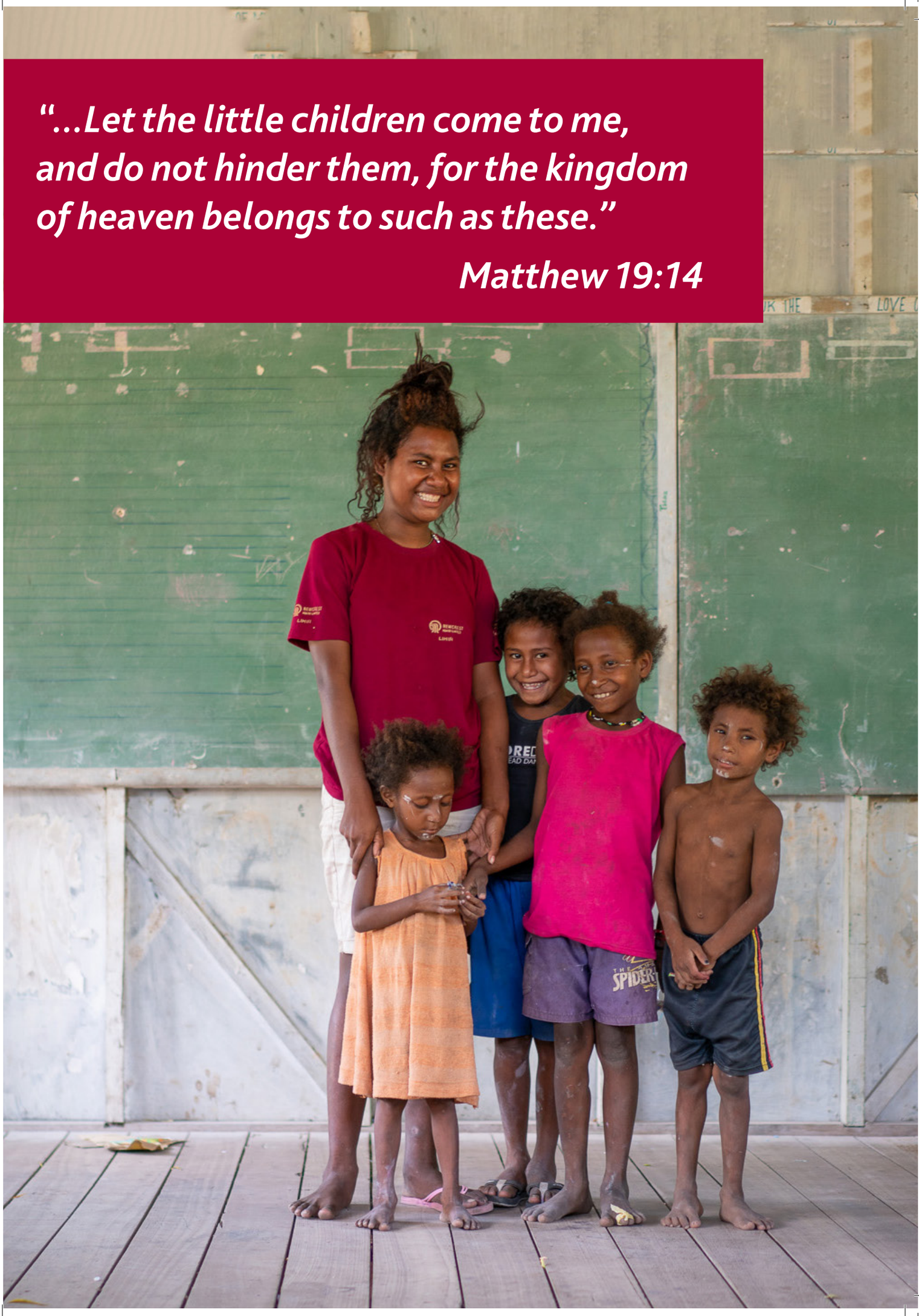
One of the several exciting areas we were able to commit funds to is an investing in research and innovation. We are utilising our field presence to develop, investigate and trial research innovations related to understanding and reducing transmission and early diagnosis. We are supporting these activities with the infrastructure and staffing required to ensure the most effective outcomes. It will help provide practical pathways to achieve the 2035 goal of zero transmission of *No Child with Leprosy*.

Please enjoy reading through the highlights and challenges overcome last year. Your prayers, gifts and support are touching the lives of people affected by leprosy. It is through God's love that we are creating a world where leprosy is defeated, and lives are transformed. May God continue to establish our steps towards this.



Blair Matheson
BOARD CHAIR
The Leprosy Mission New Zealand Incorporated





"...Let the little children come to me, and do not hinder them, for the kingdom of heaven belongs to such as these."

Matthew 19:14

Welcome from Executive Director

Blessings and welcome to the 2022 Annual Report. This verse from Romans beautifully sums up the last few years with the exciting hope of ending leprosy, the continuing challenges of an uncertain world and the constancy of our God that hears our prayer.

As you journey with us towards No Child with Leprosy by 2035, we have much to celebrate, be thankful for and to have hope for in the future. The expertise, experience, and dedication of our staff around the world are bringing hope to individual people affected by leprosy, their families, and communities. We are hopeful that investment in researching early diagnostic tools, ulcer care and leprosy transmission prevention will reduce the number of people contracting leprosy, minimise leprosy-related disability and discrimination. *"Now faith is the assurance of things hoped for, the conviction of things not seen." Hebrews 11:1*

We have needed patience in tribulation, as project activities have been hampered by lockdowns, supply chains, increasing costs and global instability. Despite these challenges, the successes are many. In Bougainville, in partnership with the Ministry of Foreign Affairs and Trade (MFAT) NZ Aid Programme, preventative health training was facilitated with smaller groups adapting to local restrictions.

Bougainville had good rankings against other provinces in Papua New Guinea (PNG) in Health Key Result Areas: indicative of the programme's support and contribution to this achievement. Building on this impact, in PNG, the pilot preventative health project was successfully scaled-up in PNG and further expanded into Timor Leste again in partnership with the NZ Aid Programme.

In Bangladesh the savings and loans project continued with excellent repayment rates and increased household level of savings despite the challenges posed by Covid 19, and progress made towards the ongoing sustainability of the project. "*Let us not become weary in doing good, for at the proper time we will reap a harvest if we do not give up*." *Galatians 6:9*

You have joined us in being constant in prayer with over 1,046 prayer partners utilizing our NZ Prayer & Praise diary and Leprosy Mission Global Fellowship ASK prayer diary. Each day our staff team start the day in prayer. Each May we join as a global family in prayer to acknowledge God as Jehovah Jirah, as our provider - to bring prayers and petitions to God, listen to what He is saying to the Global Fellowship and to be encouraged by hearing what God is doing across the Global Fellowship. *"But truly God has listened; he has attended to the voice of my prayer." Psalm 66:19*

We are grateful and humbled by the commitment and compassion of our supporters and the partnership of MFAT in Bougainville, PNG and Timor Leste which enables the vital work of the Leprosy Mission to reach towards our vision of **Leprosy Defeated, Lives Transformed**.



With blessings,



Gillian Whitley
EXECUTIVE DIRECTOR
The Leprosy Mission New Zealand Incorporated

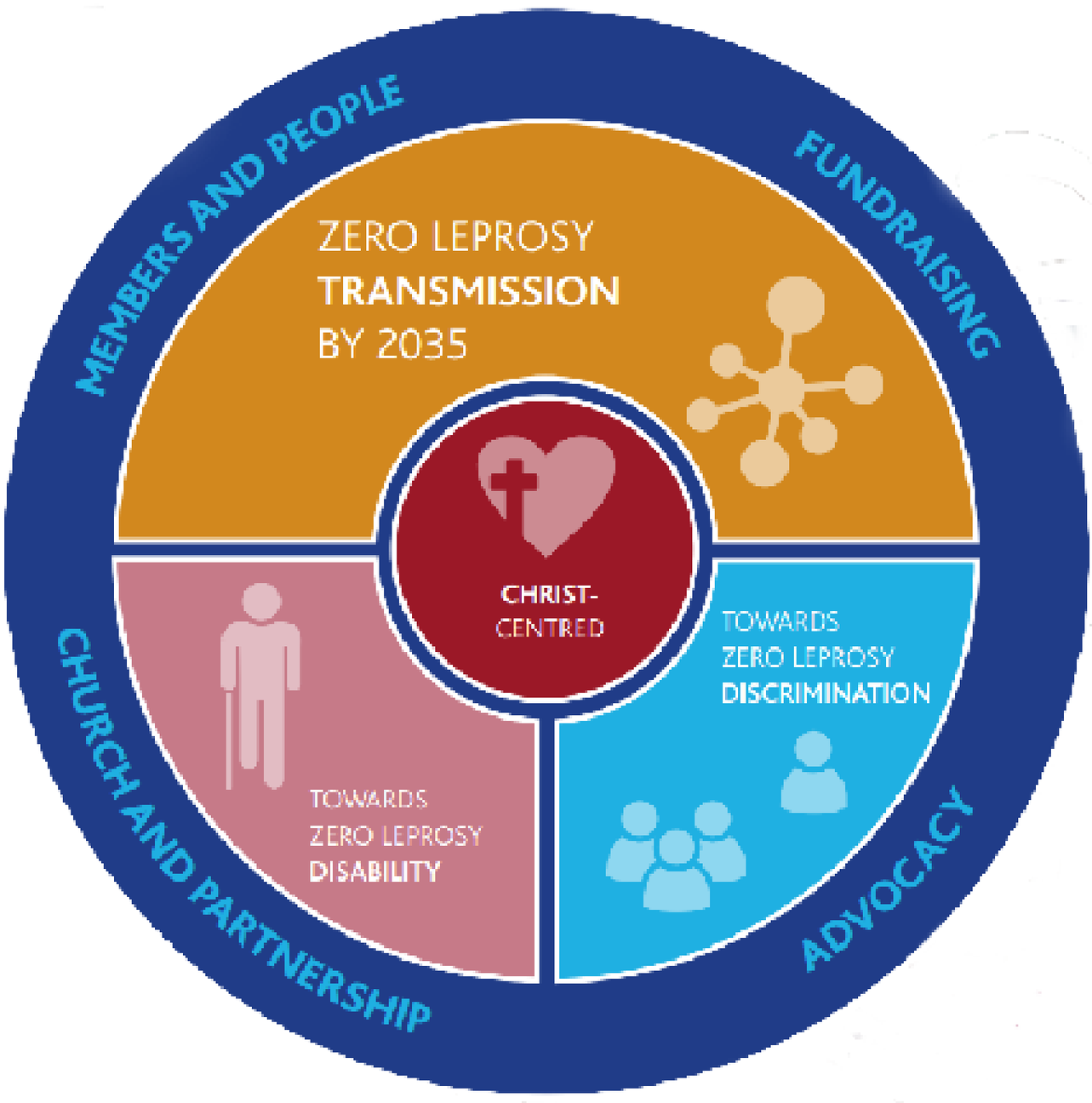


"Rejoice in hope, be patient in tribulation, be constant in prayer."

Romans 12:12

Triple Zero Leprosy Strategy

The Leprosy Mission New Zealand has been creating life-changing connections between New Zealanders and people affected by leprosy throughout the world. We are dedicated to curing, caring for and restoring people, families and communities affected by leprosy.



Cure

Towards Zero Transmission

Preventing:
- Improving health and hygiene practices
- Improving water and sanitation facilities and waste management

Finding and Diagnosing:
- Raising awareness of leprosy
- Improving health seeking behaviour
- Strengthening health referral pathways and systems

Being treated:
- Ensuring leprosy assessment available and accessible
- Ensuring MDT medication given and taken



Breaking transmission:
- Contact tracing of leprosy cases
- Supplying close contact and preventative medication

Care

Towards Zero Disability



Hospital and Clinic Healthcare:
- Providing reconstructive surgery and ulcer treatment
- Providing counselling and physiotherapy

After treatment Care:
- Supplying protective and assistive devices
- Providing self-care training to people affected by leprosy and their families
- Providing follow-up health services

Restore

Towards Zero Discrimination



Sustainable livelihood development:
- Providing vocational training and employment placement
- Providing business training on income generation activities
- Providing training on saving and loans
- Facilitating self-help groups

Breaking stigma:
- Training community leaders and members in advocacy and human rights
- Advocating for the removal of discriminatory legislation



Contact Tracing

In recent years, we have heard about contract tracing in relation to stopping the spread ofCovid-19. The same is true for leprosy. If we are to end the transmission of leprosy by 2035,contact tracing will be a key tactic to find undiagnosed leprosy and reduce the risk of contacts to develop leprosy.

With your faithful support, funding is provided to support contact tracing preventative programmes in Bangladesh, D.R. Congo, Indonesia, and Nepal. These are called 'PEP' projects as they target households and communities with Post-Exposure to leprosy and administer a Prophylaxis treatment to prevent the disease.

The people most likely to develop leprosy are those who are living with, or close to, an untreated infectious person. Mobile health clinics and skin camps are facilitated to seek out undiagnosed leprosy along with community awareness programmes in high leprosy endemic communities.

When we diagnose a person affected by leprosy, we work with them to create a list of their household and community contacts who can then be screened for symptoms of leprosy. Contacts who are not diagnosed with leprosy can receive a single dose of preventative medicine in the form of an antibiotic, rifampicin.

Studies have shown that PEP treatment using single-dose-rifampicin can significantly reduce new cases of leprosy. Further clinical trials are being developed for testing other antibiotic treatments for improved effectiveness.

Thanks to you, in NZ supported projects during 2022, there were 10,453 people identified as contacts of people diagnosed with leprosy and they received the single- dose rifampicin treatment.

You may remember Abish from Bangladesh whom story we shared with you last year. Abish contracted leprosy at a very young age and thankfully was diagnosed and receivedtreatment through a Leprosy Mission mobile health clinic in his village. Contact tracing, diagnosis and treatment of leprosy or provision of preventative treatment in his community will further support reducing transmission towards the ultimate goal of ***No Child with Leprosy by 2035***.



Cure *Zero Transmission*

Leprosy is easily curable. It affects individuals with weakened immune systems. The disease often spreads in poorer areas due to poor sanitation and nutrition.

Your support has helped find and diagnose those affected by leprosy, it has helped them start multi-drug-therapy treatment and has ensured they followed this treatment consistently to be fully cured.

Zero Transmission of leprosy can be achieved by:

- Early detection of leprosy and treatment of new leprosy cases, which helps interrupt the transmission of leprosy.
- Reducing infection risk through Post-Exposure Prophylaxis (PEP), one dose of Rifampicin to people who are close contacts.
- Improving water, sanitation and hygiene to reduce contamination and to prevent secondary infections for people affected by leprosy.

Indonesia

Indonesia has the third highest number of new leprosy cases in the world. Leprosy Mission New Zealand is a supporting partner of NLR - Indonesia to support the **PEPCOM project** in Indonesia.

The project specifically targets the district of Indramayu - a high leprosy endemic region in West-Java to stop transmission. Through active case finding, new leprosy cases are detected to receive treatment.



10,453

people identified as closed contacts of people diagnosed with leprosy and received one dose of rifampicin in NZ supported projects.

Bougainville

Bougainville is an island that has been ravaged by civil war and poverty. It is one where leprosy hotspots still exist today. Leprosy Mission New Zealand through its supporters and in partnership with the Autonomous Bougainville Government and the NZ Government's Aid Programme, supports the **Bougainville Healthy Communities Programme**. Covering more than 95% of the population, this project strengthens communities by improving their health, hygiene and governance practices.

The staff training team delivers training to Village Health Volunteers on general health, leprosy, water, sanitation, rights and community governance.

Village Health Volunteers and the Leprosy Control Officers assist in the detection, diagnosis and treatment of leprosy and other diseases; the project also educates and empowers preventive actions to improve community water facilities and waste management.

The people of Bougainville, empowered by you, are creating healthy communities to live in and a future free of leprosy.

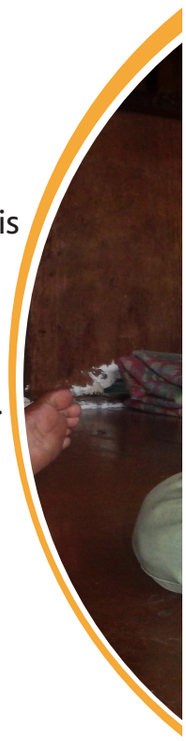


715 people affected by leprosy received multi-drug therapy treatment in NZ supported projects.



1,231 new leprosy cases were diagnosed in NZ supported projects.

Charlie is cured of leprosy



Charlie and his small family live in a makeshift village in Papua New Guinea. The village is so poor, there is no land at all - they live on stilts over filthy water off the shore of the capital city.

With no soil to grow healthy food, sickness is rife. Diabetes, Tuberculosis... and leprosy...

Malnourished children like Charlie have few defences against leprosy. His first symptom was the tell-tale patches of numb skin on his back. Soon his face was swollen, almost beyond recognition. Disfiguring lumps called nodules peppered his bloated cheeks.

"They get cross. They bully me."

His friends started to tease him. Devastetd, Charlie stopped playing his beloved football and going to school altogether.

Thankfully, Charlie's story didn't stop there.



With your loving support and the tireless Village Health Volunteers you support in PNG, Charlie completed his year-long course of leprosy medication.

Charlie uses a bright pink scarf to exercise every day to strengthen leprosy-weakened muscles and the dangerous dropfoot that leads to stumbling, injuries and infections.

Charlie has been cured of leprosy. Thank you for making his cure possible so he can dream and hope again!



Charlie is so happy to be dreaming about his future again.

"I am amazed by how planes fly, and I want to become a pilot when I grow up."

Most of all, Charlie dreams of flying. He wants to be a pilot. For now, a paper plane must do, but Charlie has his heart set on returning to school and one day learning to fly!

Your love and kindness has helped trained Village Health Volunteers in Papua New Guinea to find hidden leprosy cases like Charlie's.

Village Health Volunteers travel to remote areas in PNG, and are working to end leprosy and the heartache surrounding it. Each day they walk hand in hand with people affected by leprosy like Charlie on the journey to being cured.

Care *Zero Disability*

Leprosy is one of the leading cause of preventable disability in the world, and yet disability is not an inevitable consequence of leprosy. That's why the Leprosy Mission is committed to seeing zero disability because of the disease.

Hospitals that you support provide reconstructive surgery, physiotherapy and ulcer treatment. In our projects, people affected by leprosy are taught self-care for ulcers to prevent disability and provided with assistive equipment, crutches and wheelchairs as well as prosthetics.

Nepal

The Leprosy Mission New Zealand is a supporting partner of the **Leprosy Mission's Anandaban Hospital** in Kathmandu which provides comprehensive quality care for people affected by leprosy including clinical diagnosis, physiotherapy, ulcer care, surgery, and prosthetics. As a hospital close to local communities, there is provision of general and emergency medical services to the catchment community for fee-paying patients to support long term sustainability.



2,164
people received treatment of leprosy-related ophthalmological problems in NZ supported projects.

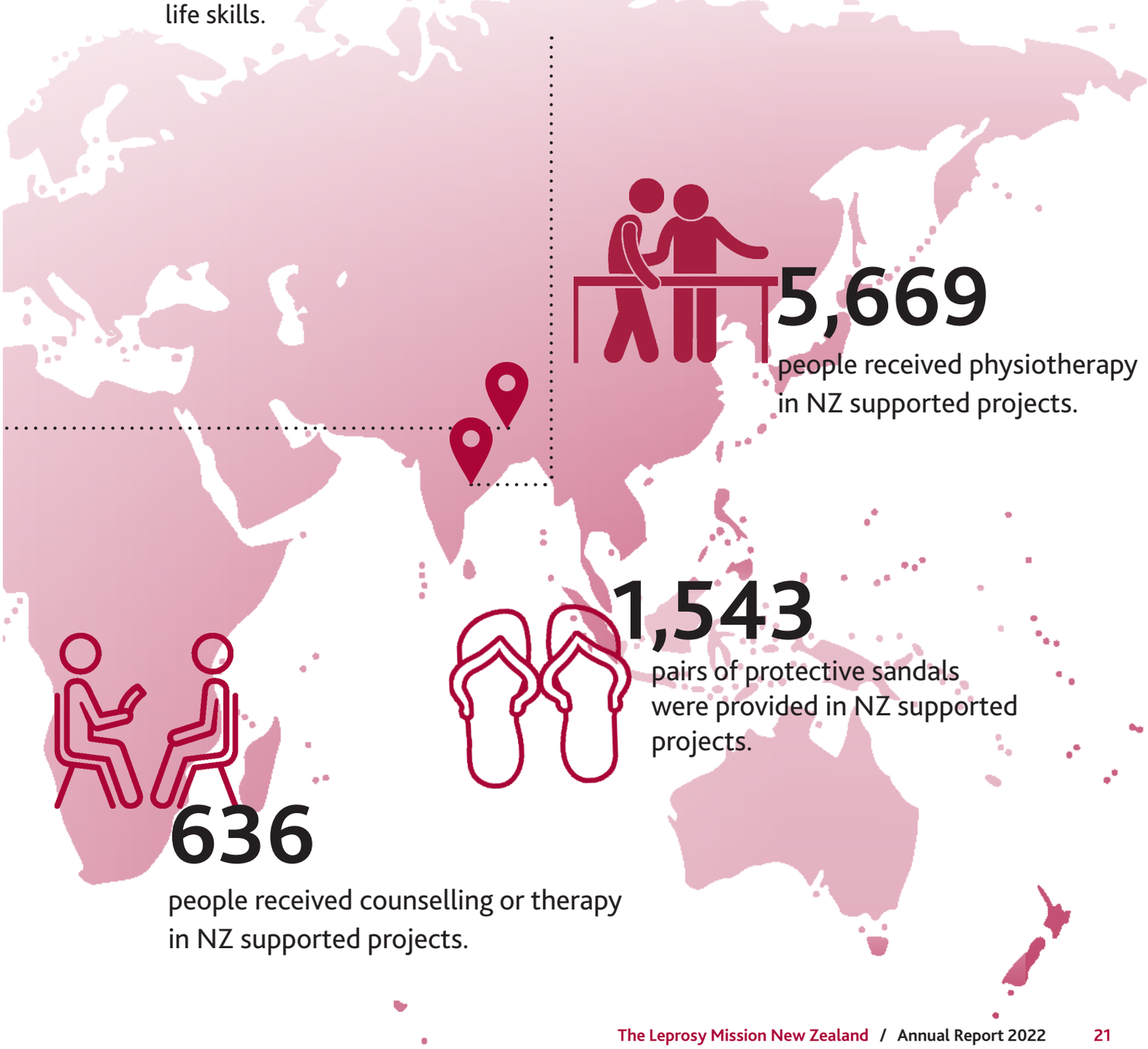


526 people received ulcer treatment and reconstructive surgery in NZ supported projects.

India

LMNZ has been supporting Muzaffapur Hospital over an extended period of time and are delighted that the hospital is now fully sustainable for their everyday operational costs. Financial support has transferred to the Leprosy Mission's **Salur Hospital in Andhra Pradesh (south-east India)** aiming to partner with them towards sustainability.

The connection with Muzaffapur Hospital has been significant and links with the surrounding villages strong. As a result, a new community project was developed to support these local communities impacted by leprosy to be more resilient through children's education, youth preparedness for work, health awareness and life skills.



5,669
people received physiotherapy in NZ supported projects.

1,543
pairs of protective sandals were provided in NZ supported projects.

636
people received counselling or therapy in NZ supported projects.

Hossian's Fancy Footwork

Hossian is a young boy in Bangladesh. Leprosy attacked his body at a young age and might have cost him the ability to walk. Thanks to supporters like you, today he loves showing off his fancy footwork and playing football with his friends.

Hossian's story was featured in our World Leprosy Day appeal last year. Three years ago when he was 9 years old, Hossian tripped, fell and found he couldn't bear weight on his foot. He cried out to his dad.

After many days searching for answers at a local hospital, he was finally referred to the Leprosy Mission clinic where he was diagnosed with leprosy.

At the Leprosy Mission clinic, Hossian was given a plaster and a splint on his foot and the much needed multi-drug therapy to cure his leprosy.



Clinic staff visited Hossian regularly to ensure he completed his medication and did his physio exercise to ease the stiffness in his feet.

Hossian is testament to what is achieved through your support.

The physiotherapist said that if Hossian had arrived just six months later, the diagnosis could have been very different.

Because of the early diagnosis, Hossian did not suffer from long-term disabilities.







You have helped to cure and care for children and freed them from a lifetime of disability - thank you!

"All I want is to play football again with my friends. Thank you for caring about my life and my future." Hossian declares.

With your support, in 2022, 359 people affected by leprosy were supplied with assistive devices (prosthetics, crutches and wheelchairs etc) in NZ supported projects.

Restore *Zero Discrimination*

In the projects you support, people affected by leprosy are restored back to their communities and empowered to challenge injustice and self-advocate for their rights and entitlements.

New Zealand supports livelihoods development in a diverse range of projects. This involves livelihoods training and opportunities for income generating activities, that people affected by leprosy need in order to lift themselves out of poverty and build a better future for themselves and their families.

Together with your support we will see leprosy-affected people enjoy full participation in public, social, economic and cultural life.

India

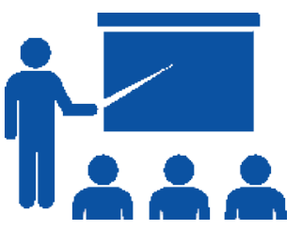
As part of the **Children Unite for Action** programme, the Leprosy Mission assits meeting the educational needs of children and youth in communities affected by leprosy. Over the course of five years, the project will work with 1,200 young boys and girls affected by leprosy & other disabilities and ensure these children have the necessary skills and knowledge to access quality education and attain desired careers.

Ethiopia

287 children affected by leprosy received **educational support** through the grassroot organisation ENAPAL.

3,644 people in self-help groups in New Zealand supported projects.





1,261 people were trained in advocacy , leadership and rights in New Zealand supported projects.

Bangladesh

The Chittagong People Led Development programme gives people affected by leprosy and disability the skills and support they need to become fully self-reliant and active members of their communities.

Self-help groups have been the key to the project's success. In the self-help group, members receive training, collectively develop savings and together with seed funding are then able to access loans to start up new businesses. The businesses people affected by leprosy have opened are wide-ranging including: tailoring, cow rearing, vegetable gardening, vermicomposting, grocery and clothing businesses.

As members' economic independence and confidence grow, so too does their ability to pursue their rights as equal members of society.



660

people were trained in income generating activities in New Zealand supported projects.

1,354



Village Health Volunteers were trained in Health Development in New Zealand supported projects.

Papua New Guinea

Strongim Helt Long Kommuniti (SHLK) Programme was completed in July 2022 and now has transitioned in **Preventative Health and Community Empowerment (PHACE) Programme.**

As part of the PHACE Project, Community Development Facilitators and Village Health Volunteers visit communities. They follow up on those affected by leprosy to encourage them to take their medication and they aim to improve case detection among the communities.

Luthfar's life is transformed

Luthfar was only 12 years old when she noticed strange patches on her arm. She was diagnosed with leprosy. She married but sadly, before she had her first child, she began to lose sensation in her hands. Within a few years, she had lost several fingers.

Luthfar was forced to stop going out to work and she struggled to take care of her children. Her neighbours refused to talk to her because of her leprosy. They were afraid they would catch it from her.



Thank you for your kind support and the incrredible response to our Really Good Gifts Christmas Appeal in 2022 Luthfar received help from the local Leprosy Mission team in Bangladesh to cure her leprosy. She was also able to join a self-help group where she took a small loan.

With this loan, Luthfar set up a small business of breeding pigeons.

Luthfar could only dream of earning a living, because of you, she now has a successful business!

The support from New Zealanders like you is a lifeline to Luthfar and her family in Bangladesh.





Luthfar bought some pigeons which she now raises and sells locally.

Her pigeon business is thriving and she's able to support her young family through education and ensure future generations have the best start in life - all thanks to wonderful supporters like you.

Confidence to speak up for others

Despite the pain she has gone through, Luthfar's heart is full of love and she advocates for and helps others who are affected by leprosy in her comunity.

Luthfar started attending workshops about leprosy and is trying to share the knowledge with people in her community that leprosy is not a curse, and it is not something to be afraid of.

She educates other people affected by leprosy about the importance of early diagnosis and encourages them to speak up and seek help.

Your prayer and support bring radical transformation to the lives of people affected by leprosy like Luthfar and her family - thank you!



Research & Innovation

Despite there being a cure for leprosy since the 1980s, there remains more than 200,000 cases of leprosy diagnosed and treated each year. Research suggests that for every person treated there are a hidden 20 who need the cure.

The Leprosy Mission New Zealand had the opportunity to support **pioneering research in screening and diagnosing leprosy by a smartphone.**

Spectral screening has been used successfully to detect melanoma, the deadliest form of skin cancer. Digital technology has meant that suspect lesions can be immediately screened against a database. The database provides scoring factors that significantly increase accuracy of initial clinician decisions.

This one-year research is now underway at The Leprosy Mission's Anandaban Hospital in Nepal to test the efficacy of multi-spectral screening on leprosy lesions. A baseline scoring of digital images of leprosy classifications can then be developed and cross-referenced with other common skin conditions, such as dermatitis.

The next step is to apply a screening device to a smartphone. This will enable volunteers and health workers to have in their hands the ability to diagnose a leprosy lesion in minutes.

Pioneering diagnostic tools such as multi-spectral screening is vital in diagnosing leprosy quickly and accurately in the remote areas where leprosy is found. Communities often don't have access to hospital-based skin smears and biopsies, which are costly and invasive.

With the success of this research and innovation, health workers with the technology can accurately diagnose leprosy with a scanner on a smartphone, which means a person affected by leprosy can be treated immediately and spared a lifetime of disability.

Such a device would be an immensely valuable tool in our mission to find the many people affected by leprosy and stop its transmission.



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 during 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 took early adoption of the NZ International Public Sector Accounting Standards [NZ IPSAS] Tier 2 in 2021. 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 2022. 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 2022. 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.

Charity INTEGRITY AUDIT CHARTERED ACCOUNTANTS

Statement of Service Performance

Leprosy Mission New Zealand
For the year ended 31 December 2022

Outcomes

The Leprosy Mission New Zealand's vision is ***leprosy defeated, lives transformed***. Our work focuses on the strategic goals of Zero Transmission, Zero Disability and Zero Discrimination.

Outputs

Bougainville Healthy Communities Programme, Bougainville

	2022	2021
Village and ward support visits	763	868
Participants in Health Management training	1,202 (728 male and 474 female)	1,407 (875 male and 532 female)
New confirmed leprosy cases	72	91

**Note - The support visits and training rollouts were disrupted in 2022 due to National elections.*

Chittagong People-led Development Programme, Bangladesh

	2022	2021
Members in Self-Help Groups (SHG)	3,644	3,465
Participants received income generating support	149 (53 male and 96 female)	319 (112 male and 207 female)
Loans issued to SHG members	1,645 (345 male and 1,300 female)	1,786 (318 male and 1,468 female)

Strongim Helt Long Kommuniti (SHLK) Programme, Papua New Guinea

	April 2021 - March 2022	April 2021 - July 2022
Community leaders have attended training on Leadership, Governance (for health) and cross-cutting issues	46 (29 male and 17 female)	13 (9 male and 4 female)
Community Health Volunteers have recevied training on preventative community health and cross-cutting issues	107 (56 male and 51 female)	45 (21 male and 24 female)

**SHLK project was completed in July 2022 and now has transitioned in PHACE Programme.*

The Leprosy Mission New Zealand Incorporated



STATEMENT OF COMPREHENSIVE REVENUE & EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2022

All figures are in NZ dollars $

Income Resources	Notes	2022	2021
Revenue From Non-Exchange Transaction			
Donations	4f(i), 8	2,733,089	2,887,842
Trusts/Corporates/Major Gifts	4f(i)	213,409	195,319
Bequests	4f(ii)	729,224	544,541
NZ Government Grants from MFAT[1]	4f(iii), 9	2,354,939	2,246,158
		6,030,661	**5,873,860**
Revenue From Exchange Transactions			
Interest and Other revenues	4g(i), (ii)	186,113	91,660
TOTAL Incoming Resources		**6,216,774**	**5,965,520**
Resources Expended			
Programmes	9	4,524,187	3,717,026
Education		323,198	319,397
Supporter Engagement and Fundraising		758,876	702,553
Administration and Governance		140,478	109,333
Depreciation	4b	36,645	38,954
TOTAL Resources Expended		**5,783,384**	**4,887,263**
Surplus/(Deficit) for the year		**433,390**	**1,078,257**
Transfer to Reserves		**0**	**(905,000)**
Prior year MFAT recognised Grant revenue attributed to currency gains now classified as future remittances		**0**	**(163,494)**
		433,390	**9,764**

[1]Ministry of Foreign Affairs and Trade

The accompanying notes form an integral part of these financial statements.

Charity Integrity Audit Chartered Accountants

The Leprosy Mission New Zealand Incorporated



STATEMENT OF CHANGES IN EQUITY/ NET ASSET
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022	2021
Balance at beginning of year		5,471,134	4,556,370
General Fund	17a	(1,275,792)	
Lend n Mend Fund	17b		
Restricted Capital Fund	17c		
Project Reserves	17d		500,000
Board Designated Project Funding	17e	1,340,000	
Working Capital Reserve	17f		390,000
Holiday pay Reserve	17g		15,000
Surplus/(Deficit) for the year		433,390	9,764
Balance at end of year		**5,968,732**	**5,471,134**

The accompanying notes form an integral part of these financial statements.

Charity INTEGRITY AUDIT CHARTERED ACCOUNTANTS

The Leprosy Mission New Zealand Incorporated



STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Notes	2022	2021
Current Assets			
Bank Accounts, Cash and Deposits	10	6,592,450	5,932,818
Accounts Receivable & Prepayments	4d	125,143	27,955
Inventory		1,784	2,649
		6,719,377	**5,963,422**
Current Liabilities			
Less Current Liabilities - Accounts Payable	4e	228,022	181,911
Less Funds committed for future remittances	11	1,131,455	931,707
		1,359,477	**1,113,618**
WORKING CAPITAL		**5,359,900**	**4,849,804**
Non Current Assets			
Equipment, Furniture & Fixtures, Motor Vehicles	15	103,377	120,675
Advances (Share of Partnership)	16	495,837	491,037
Investments	4c	9,618	9,618
TOTAL NON CURRENT ASSETS		**608,832**	**621,330**
TOTAL ASSETS		**5,968,732**	**5,471,134**
Equity			
General Funds	17a	288,052	1,130,454
Lend n Mend Fund (Restricted}	17b	36,345	36,345
Restricted Capital Fund	17c	314,335	314,335
Project and Other Reserves	17d	3,000,000	3,000,000
Board Designated Project Funding	17e	1,340,000	0
Working Capital Reserve	17f	875,000	875,000
Holiday Pay Reserve	17g	115,000	115,000
TOTAL EQUITY		**5,968,732**	**5,471,134**

The accompanying notes form an integral part of these financial statements.

Charity Integrity Audit
Chartered Accountants

Graham Mills CA
TREASURER

Gillian Whitley
EXECUTIVE DIRECTOR

The Leprosy Mission New Zealand Incorporated



CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
Cash flows from operating activities		
Donations and Bequests	3,675,722	3,627,702
Government Grants	2,354,939	2,246,158
Payments		
Remittances made to overseas ministries	(4,324,440)	(3,601,804)
Payment to suppliers & employees	(1,175,577)	(1,130,441)
(Increase)/ Decrease in Accounts Receivable	(97,189)	50,630
Net cash from operating activities	**433,456**	**1,192,245**
Cash flows from investing activities		
Net cash from investing activities	**226,176**	**44,289**
Net increase/(decrease) in cash and cash equivalents	659,632	1,236,534
Cash and cash equivalents at beginning of period	5,932,818	4,696,284
Cash and cash equivalents at end of period	**6,592,450**	**5,932,818**
Reconciliation with reported operating surplus		
Reported surplus/(loss)	433,390	1,078,257
Depreciation	36,645	38,954
Less: Interest and Other Income	(186,113)	(91,660)
(Increase)/ Decrease in Inventory	865	366
(Increase)/Decrease in Accounts Receivables and Prepayments	(97,189)	50,630
Increase/(Decrease) in Accounts Payable	46,110	476
Increase/(Decrease) in funds committed to remittances	199,748	115,222
Net cash inflow from operating activities	**433,456**	**1,192,245**

The accompanying notes form an integral part of these financial statements.

Charity INTEGRITY AUDIT CHARTERED ACCOUNTANTS



Notes to the Financial Statements

For the year ended 31 December 2022

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.

Physical address: The Leprosy Mission New Zealand Incorporated
591 Dominion Road,
Mount Eden,
AUCKLAND 1041.

2. Date of Authorisation

The current financial statements of the Leprosy Mission New Zealand are for the year ended 31 December 2022. These statements will be authorised for issue after the Board meeting on 27th May 2023.

3. Basis 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 Public Benefit Entity Accounting Standards Framework (Not-For-profit Entities).

Charity INTEGRITY AUDIT CHARTERED ACCOUNTANTS

The financial statements of the Leprosy Mission New Zealand 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 is classified as a Tier 2 reporting entity. 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

(i) Leprosy Mission New Zealand endeavours to make available all possible funds for immediate leprosy work. Specific funds are invested so as to only utilise the interest when received.

(ii) Investments are shown in the Statement of Financial Position at the lower of cost or market value.

(iii) 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. PG&E filed for Chapter 11 on 29 January 2019 and as of 31 December 2022 the last sale listed on the Nasdaq Exchange was USD 12.14 per share. There were no PG&E dividends received in 2022.

(iv) 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. Dividends of NZ$20 were received in 2022.

(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-EXCHANGE 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 the 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 comprehensive revenue and expenses as it accrues, using the effective interest method. Dividend income is recognised in the statement of comprehensive revenue and expenses 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.

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

	2022	2021
Appeal Donations	1,998,230	2,232,026
Partner's Programme	697,360	595,078
Money Boxes	14,122	17,916
General Donations	13,561	40,909
Community Programme	9,816	1,914
Trust and Major Donors	213,409	195,319
TOTAL	**2,946,498**	**3,083,162**

9. Programmes

	2022	2021
Development	4,287,236	3,508,391
Humanitarian	236,951	208,635
TOTAL	**4,524,187**	**3,717,026**

The total programmes expenditure includes development programmes and humanitarian response activities in 2021 and 2022.

10. Cash and Cash Balances

Cash comprises deposits with The Bank of New Zealand.

11. Funds Committed For Future Remittances

NZAID grants for 2022 received from MFAT (Ministry of Foreign Affairs and Trade) along with currency gains held over for final remittance totalled $1,131,455 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 year.

13. Related Party Transactions

There were no related party transactions in 2022.
Leprosy Mission New Zealand conducts an internal audit every year for the Bougainville

Charity INTEGRITY AUDIT CHARTERED ACCOUNTANTS

Healthy Communities Programme (BHCP) project. The internal audit comprises a desk-audit followed by a site visit to PNG to complete a full internal audit which is required for reporting to MFAT. Graham Mills CA, a member of The Leprosy Mission NZ Board conducts this audit and paid a fee which is determined and agreed in the BHCP project budget with MFAT. All travel, accommodation and incidentals for the site visit are covered under the agreed budget.

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 Depreciation	Accumulated Depreciation	Written Off	Carrying Amount
2022					
Equipment	618,085	36,645	514,708	-	103,377
Furniture	83,939	-	83,939	-	-
Motor Vehicles	25,260	-	25,260	-	-
	727,284	**36,645**	**623,907**	-	**103,377**
2021					
Equipment	598,739	33,218	478,064		120,675
Furniture	83,939	1,114	83,939		-
Motor Vehicles	25,260	4,621	25,260		-
	707,938	**38,954**	**587,263**		**120,675**

16. Advances - Share of Partnership

	2022	2021
Balance as per Restricted Capital	491,037	486,237
Add Other Advances:		
Advance towards maintenance fund	4,800	4,800
TOTAL Advances	**495,837**	**491,037**

- 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. While insuring the building through Rothbury Insurance Brokers, we have allowed for inflation each year since the valuation was carried out.

Charity Integrity Audit Chartered Accountants

- A valuation from the Auckland City Council web site had the following values

Land Value	$3,600,000
Value of Improvements	$700,000
Capital Value	**$4,300,000**

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

17. Equity

(a) The equity comprises of the following:

General Funds	2022	2021
Balance at beginning of year	1,130,454	1,120,690
Add: Surplus/(Deficit) for the year after transfers	433,390	1,078,257
Prior period adjustment to Funds Committed to Future Remittances	64,208	(163,493)
Less: Transfer to specified funds	(1,340,000)	(905,000)
Balance at end of year (including funds committed to future remittances)	**288,052**	**1,130,454**

(b)

Lend n Mend Fund	2022	2021
Balance at beginning of year	36,345	36,345
Balance at end of year	**36,345**	**36,345**

(c)

Restricted Capital Fund	2022	2021
Balance at beginning of year	314,335	314,335
Balance at end of year	**314,335**	**314,335**

(d)

Project and Other Reserves	2022	2021
Balance at beginning of year	3,000,000	2,500,000 500,000
Balance at end of year	**3,000,000**	**3,000,000**

(e)

Board Designated Project Funding	2022	2021
Balance at beginning of year		
Add: Transfer from General Funds	1,340,000	
Balance at end of year	**1,340,000**	**0**

(f)

Working Capital Reserve	2022	2021
Balance at beginning of year	875,000	485,000
Add: Transfer from general funds		390,000
Balance at end of year	**875,000**	**875,000**

(g)

Holiday Pay Reserve	2022	2021
Balance at beginning of year	115,000	100,000
Add: Transfer from general funds		15,000
Balance at end of year	**115,000**	**115,000**

Charity INTEGRITY AUDIT CHARTERED ACCOUNTANTS



Independent Auditor's Report

To the Board of The Leprosy Mission New Zealand (NZ) for the year ended 31st December 2022

Opinion

We have audited the financial statements of The Leprosy Mission NZ, which comprises the statement of comprehensive income, the statement of changes in equity, the statement of financial position as at 31 December 2022, 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 reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable,

- the financial statements present fairly, in all material respects, the financial position of The Leprosy Mission NZ as at 31 December 2022 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)) and statement of service performance in accordance with the International Standard on Assurance Engagements (NZ) ISAE (NZ) 3000 (Revised). 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 other relationship with, or interests in, The Leprosy Mission NZ.

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.

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

Charity Integrity Audit Ltd
Director: Peter Conaglen
Chartered Accountants – South Auckland
17th April 2022





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. The Leprosy Mission New Zealand has policies and a Safeguarding Code of Conduct addressing child and vulnerable adult protection. 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:
General concerns: supporterservices@leprosymission.org.nz
Safeguarding concerns: safeguarding@leprosymission.org.nz
Or call Freephone: 0800 862 873 (NZ Only) or +64 9 630 2818

If you have raised a complaint with The Leprosy Mission New Zealand and are not satisfied with the response to that complaint you may contact:
Fundraising Institute of New Zealand, a sector organisation of which The Leprosy Mission New Zealand is a member and which commits to ethical and best practice fundraising.
Website: finz.org.nz
You can also contact Charities Services, part of the Department of Internal Affairs.
Website: charities.govt.nz
The Council for International Development (CID), the national umbrella agency for NZ organisations working in International Development.
Website: cid.org.nz

We would like to acknowledge and thank our partners who are truly invested in our goal of No Child with Leprosy by 2035.

2035 NO CHILD WITH LEPROSY

Autonomous Bougainville Government

CHARITIES SERVICES
Ngā Ratonga Kaupapa Atawhai

Supporting charities
— in New Zealand —
for stronger communities

COUNCIL for INTERNATIONAL DEVELOPMENT MEMBER

ENAPAL

FUNDRAISING INSTITUTE OF NEW ZEALAND
MATATIKA MĀTAURANGA KAITAUTOKO

Global Partnership for Zero Leprosy

IDEA
International Association for Integration Dignity and Economic Advancement

ilep

NEW ZEALAND FOREIGN AFFAIRS & TRADE

NLR

World Health Organization

LIFE FM

RHEMA

Star

PMN

531pi



The Leprosy Mission
New Zealand

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