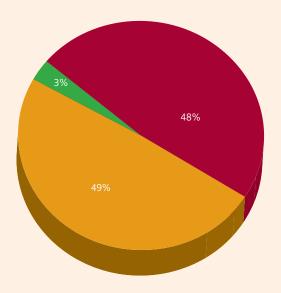


Financial Overview	3
Welcome	4
Project Achievements 2014	6
Financial Statements	18
Notes to the Financial Statements	23
Auditor's Report	28
Thank You	29

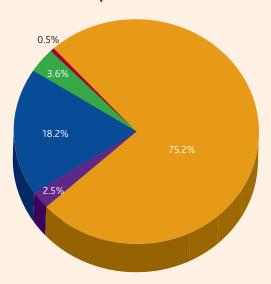
Cover photo – Nutan, India. Cure One representative

# Income Received



Total	100%	\$4,505,596
Interest/Other Income	3%	\$118,131
Private Income	49%	\$2,218,535
NZ Government Grants	48%	\$2,168,930

# **Expenditure**



Overseas Ministries	75.2%
Education	2.5%
Marketing Expenses	18.2%
Administration	3.6%
Depreciation	0.5%

# The Leprosy Mission New Zealand Incorporated Te Mihana Tuwhenua o Aotearoa

# **Board**

Anne Ratliff PostGradDipBus, P.M.E.R – Board Chair Grant Pollock BBS, CA – Treasurer Odele Habets BHSc, PostGradDipDev (Distinction), GradDip (Biblical Studies/Theology)

Phil Johnston BA (Hons), DipJour

Vincent Naidu BA(Psych), LLB, MA(Hons)

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

Dr Yeri Ahn (MBChB)

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

Dr Ramon Pink MBChB, MPH, FNZCPHM

# **Executive Director**

Brent Morgan BA, MBA

# Auditor

Peter Conaglen PP, BMS, Dip Min

# **Hon-Solicitors**

Gaze Burt



The Leprosy Mission New Zealand
PO Box 96262, Balmoral, Auckland 1342, New Zealand
591 Dominion Rd, Auckland 1041, New Zealand
FP 0800 862 873 P +64 9 630 2818 F +64 9 623 1865
E enquiries@leprosymission.org.nz W www.leprosymission.org.nz
Facebook www.facebook.com/leprosymissionnz Twitter @LeprosyNZ



# Annual Report of The Leprosy Mission New Zealand Incorporated

"Give of your hands to serve and your hearts to love" Mother Teresa of Calcutta

It is again a pleasure to bring you the 2014 Annual Report for the Leprosy Mission New Zealand Incorporated.

The year has been filled with joyous times of success along with many challenges. We are dedicated to curing, caring for and restoring leprosy-affected people, families and communities. We constantly seek God's grace, love and guidance in order to fulfil our global vision of "Leprosy defeated, lives transformed."

It is also an opportunity to reflect on the deep commitment of so many people who give tirelessly of their time and professional skills, contributing at many levels both globally and locally to make our work possible.

This report is a review of our work and achievements over the past year and outlines the key focus for The Leprosy Mission New Zealand (LMNZ) for 2015 and beyond.

#### **Financials**

Income for the year ending 31 December 2014 was \$4,505,596.

Operating expenditure for the year was \$1,299,676 and the amount committed to Overseas Ministry was \$3,923,473. This resulted in an overall deficit for the year of \$717,553 which was funded from reserves.

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

# **Leprosy Mission Global Fellowship**

In September 2014, Brent Morgan and I attended the International Assembly of the Leprosy Mission Global Fellowship which was held in New Delhi, India. This was an opportunity to bring together the thirty-one countries which are part of a global network. At this meeting we reported on progress toward the strategic vision of seeing "Leprosy defeated and Lives transformed". A key challenge is the need to generate new funds in new ways with limited resources in order to achieve our goals in a competitive environment. This means continuing to gain a greater profile and grow partnerships with governments, private funders and others in order to see our vision achieved. The Global Fellowship is committed to these goals and continues to evaluate progress in all areas of its work.

#### The New Zealand Focus

This year LMNZ launched its 2014 to 2018 Strategic Plan. Over the last 25 years, 15 million people have been cured from leprosy, but there are still 5 million people affected by leprosy today. LMNZ in partnership with our supporters and the Global Fellowship is working positively in the final push towards a world without leprosy, something that can happen in our life-time.

Our three key strategic priorities define what we will do over the next five years.

- 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.

Generating funding is a key challenge for our organisation and while Government funding is a significant part of our total income, growing private funding is the key focus for us. Our intent is to broaden our income from a range of different sources and find new ways of engaging with current and new supporters. We continue to fund and support projects in several countries, and specialist programmes employees from the New Zealand office regularly visit field projects funded by New Zealand supporters.

This is an opportunity for me on behalf of the LMNZ Board to thank our supporters and members for their ongoing generosity, support and prayers over the last twelve months. Without you our vision cannot be fulfilled. We look forward to partnering with you over the coming year and we pray for God's continued love and blessings on our work.

Anne Ratliff BOARD CHAIR

The Leprosy Mission New Zealand Incorporated

Ine thany



# Bangladesh



# Chittagong People-led Development Project, Bangladesh

**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.	<ul> <li>Total membership of Self-help groups grew to 1,921, at an average of nearly 12 members per group.</li> <li>Project staff provided advice to 194 SHG members to strengthen management of their business activities. This has helped to create scope for raising income for individual members.</li> <li>The employment of 9 Federation Field Officers that support and facilitate the effective self-management of Groups.</li> </ul>
Objective Two: Increased incomes - through sustainable income generation activities.	<ul> <li>Provided loans to 236 members through the Association and Federations to start or expand existing small businesses.</li> <li>Supported SHGs to issue loans to another 505 members from members' saved funds. All of these loans were used to help members either start new or expand existing small businesses.</li> <li>The Project provided training for members on a range of Income Generation Activities and related skills training.</li> </ul>
Objective Three: Increased social inclusion and engagement in the broader community.	<ul> <li>The new Group members with leprosy are learning from the Federation Officers about their stake in their family and community.</li> <li>Survey results show 100% of members affected by leprosy can now participate in wedding ceremonies, 97% in worship services, 85% in shopping and 60% in state services.</li> <li>In order to make the target beneficiaries more competent, and confident, in voicing their rights and gaining access to state services, the Project provided orientation training to 161 SHG members and 32 leaders of the Association and Federations.</li> <li>Advocacy workshops for 175 Government high officials, community leaders and NGO staff were arranged and this has impacted on the inclusion and access of people affected by leprosy and disability to state services.</li> </ul>

# Bangladesh

entitlements and how to access them.



# **Chittagong Hill Tracts Leprosy and Economic Development Project**

**Project Goal:** Reduced poverty in the Chittagong Hill Tracts through elimination of leprosy as a public health issue and the improved health, economic and social situation of people (and communities) affected by leprosy and physical disability.

OBJECTIVES	ACHIEVEMENTS
Objective One: Reduced incidence and prevalence of leprosy.	<ul> <li>14,598 people living in 'high risk' areas for leprosy transmission in the Chittagong Hill Tracts were screened for leprosy.</li> <li>636 days of special leprosy clinics were run in the Chittagong Hill Tracts to treat people with leprosy and for those experiencing leprosy reaction.</li> <li>The leprosy prevalence rate in the Chittagong Hill Tracts has reduced from 10 per 100,000 in 2012 to 6.6 per 100,000 people in 2014.</li> </ul>
Objective Two: Improved health of people and communities affected by leprosy and disabilities through: targeted general public health education aiming at better overall community health in areas with high levels of leprosy; improved treatment of leprosy and leprosy-related ill-health; improved care for leprosy-related and general disability with a focus on improved self-care practices.	<ul> <li>More than 76,000 people in the Chittagong Hill Tracts were reached in leprosy awareness raising activities such as community group education and street plays.</li> <li>The Project gave nutritional education presentations to 39,322 people.</li> <li>To increase the skill of government health staff and improve the integration of leprosy into the government health system, the project provided training to 351 health staff.</li> <li>The Project has provided 341 pairs of ulcer protective shoes, 3 crutches, 3 artificial limbs and 2 wheel chairs to these people.</li> <li>The project provided self-care training and support to 127 people and ulcer care management to 84 people.</li> </ul>
Objective Three: Sustainable, self-managing self-help groups (SHGs) operating to support the economic and social development of people (and families) affected by leprosy and physical disabilities.	<ul> <li>51 students were given educational support to build skills for future income-generating activities.</li> <li>297 group leaders received training on group management and leadership.</li> </ul>
Objective Four: Self-help group members' family incomes increase through engagement in sustainable income generation activities.	<ul> <li>48 groups issued loans to 178 members from Group savings.</li> <li>247 group members received training on income-generating activities and 225 members were supported to develop and choose appropriate income-generating activities.</li> <li>1,042 Members of all 125 project groups received orientation on seed money policy and management.</li> </ul>
Objective Five: Increased social inclusion and engagement of group members in the broader community through: improved physical fitness for work; pursuit of new social and economic opportunities; increased awareness of rights and state/social	<ul> <li>8,452 leaders from grassroots level to Upazilla (regional administration) level have been oriented on Human Rights and disability rights of people affected by leprosy.</li> <li>995 group members from 114 groups received an orientation on general human rights and disability rights.</li> </ul>

village governance.

# Papua New Guinea



# **Bougainville Healthy Communities Programme**

**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.	<ul> <li>Project has been expanded and now working in 750 village communities in 10 districts.</li> <li>Increased proportion of Bougainville rural communities with improved health as a result of participating in all components of the healthy communities programme.</li> </ul>
Objective Two: Stronger village governance and leadership.	<ul> <li>1,394 of 1,863 leaders have been active in establishing Village Authorities and Health Committees.</li> <li>Increased proportion of village communities with active Health Committee and Village Authorities.</li> </ul>
Objective Three: Improved health practices in rural communities.	<ul> <li>Increased proportion of communities with safe water supply and proportion of families with toilet and other sanitation provisions.</li> <li>Improved individual and community cleanliness (with rubbish pits and fencing animals etc.) and improved hygiene practices.</li> <li>A total of 507 Village Health Volunteers (VHV's) (295 Female and 212 Male) were provided with Community Health Development training, bringing the total of VHV's trained to 2,157.</li> </ul>
Objective Four: Improved community demand for, access to and use of, basic health services in rural Bougainville.	<ul> <li>A total of 193 suspected cases of leprosy were referred by Village Health Volunteers (VHVs), with new cases confirmed and now undertaking a managed treatment program using Multi Drug Therapy (MDT).</li> <li>2,100 VHVs in 880 villages; and staff of 30 health facilities to implement village health development plans and ensure effective referral, treatment and health service delivery.</li> </ul>
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.	<ul> <li>Increased proportion of District Facilitators and VHVs involved in field activities with local health teams and facilities. This included a range of activities, such as orientation and health awareness.</li> </ul>
Objective Six: Village leaders utilising village and government resources to implement village development.	<ul> <li>Over half of village leaders (including Chiefs) are now leading the development of Village Action Plans.</li> <li>Increased proportion of village leaders (including Chiefs) able to organise and access village resources.</li> <li>Governance and development training extended into Bougainville's remaining 5 districts to 360 new village leaders; 1,800 village leaders advanced training.</li> </ul>
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.	<ul> <li>There is now an increased proportion of villages with active Health Committees.</li> <li>4,531 health awareness activities were conducted in the 371 communities reporting—ranging from individual to group.</li> </ul>
Objective Eight: Village leaders understand village government requirements, the value of strong village leadership and have the skills, support and motivation to develop strong	<ul> <li>Proportion of village leaders (including Chiefs) being trained at basic and advanced levels is now over 90%.</li> <li>An increase of village leaders employing skills learned in training to promote village governance structures and systems.</li> </ul>





# The Papua New Guinea Leprosy Control Partnership

Project Goal: Reduced leprosy burden in Papua New Guinea.

OBJECTIVES	ACHIEVEMENTS
Objective One: Develop and deliver a nationwide leprosy awareness & mobilisation program.	<ul> <li>Four awareness raising events took place in Western Province in 2014 involving a total of 84 people.</li> <li>New leprosy awareness-raising information, education and communication resources (posters, self-care leaflets and DVDs) were developed for schools and churches.</li> <li>NBC Sandaun Province has been broadcasting short leprosy messages during their health programs to all districts of Sandaun from May until August 2014.</li> <li>NBC Western Province started putting short messages on leprosy on radio to all districts of Western from December 2014.</li> </ul>
Objective Two: Undertake active leprosy case finding in high prevalence locations.	<ul> <li>Active case finding activity conducted in Central Province in Nov 2014 by using mobile skin clinic approach.</li> <li>16 new cases detected among 60 skin cases within 2 days in high leprosy prevalence village.</li> <li>The system of active case finding (health volunteers visiting villages to detect leprosy) led to 104 more cases identified in 2014 compared to the 195 cases the previous year (a total of 299 people).</li> </ul>
Objective Three: Improve the national leprosy control case management, review & monitoring system.	<ul> <li>2,000 Leprosy Manual of Operations revised and printed by September 2014 and distributed to all provinces by December 2014.</li> </ul>
Objective Four: Provide leprosy control & management training to all health staff nationwide.	<ul> <li>37 (84%) senior staff from 19 provinces received leprosy training.</li> <li>All 105 district health facility staff in five provinces with the highest prevalence of leprosy received training in leprosy diagnosis, treatment and the referral system.</li> </ul>
Objective Five: Carry out targeted activities in high leprosy prevalence locations to: Raise awareness & mobilise communities to seek treatment; promote prevention of disability & promote inclusion of leprosy affected people.	<ul> <li>23 leprosy ambassadors (11 from Sandaun Province and 12 from Western Province) appointed.</li> <li>4 awareness raising activities conducted.</li> </ul>
Objective Six: Establish a network of government & civil society organisations to address leprosy through inclusive development.	• The Leprosy Mission PNG country leader has attended a range of national and local government and non-government organisations' meetings to raise awareness about leprosy, the PNG Leprosy Control Partnership between Leprosy Mission PNG and the NDOH and to start developing an understanding how government and other organisations can play their part in supporting leprosy control and people affected by leprosy.

# China



Partner: HANDA Rehabilitation and Welfare Association.

# **HANDA Eyesight Saving Project**

# **OBJECTIVES**

# **Objective One:**

Provide high quality medical and ophthalmic care to remote leprosy-affected villages in Guangdong, Guangxi, Fujian and Jiangsu provinces.

### **ACHIEVEMENTS**

- In 2014, HANDA's Mobile Eye Surgery team visited 20 remote leprosy-affected villages in Guangdong, where they:
- Gave eye examination to 454 people affected by leprosy and 147 were prescribed with prescriptions. Performed 38 cataract surgeries, with the vision of 92% of these people improving.
- Trained people from 20 villages in basic eye care.
- Distributed 260 pairs of reading glasses and 189 sunglasses to protect eyes.
- Performed 150 cataract surgeries for the more vulnerable people living in communities close to leprosy villages.



# China



Partner: HANDA Rehabilitation and Welfare Association.

# HANDA Socio-Psychological Empowerment Project in Guangdong, Guangxi and Yunnan Provinces

**Project Goal:** Improved social integration of leprosy affected people living in isolated 'leprosy villages' in Southern China through the implementation of social, economic and physical rehabilitation activities.

# **OBJECTIVES**

### **Objective One:**

Improved self-confidence of people affected by leprosy together with improved public understanding/support.

#### **ACHIEVEMENTS**

- 3,000 'Introduction to HANDA Projects' brochures have been printed out and distributed.
- 5,000 copies were of pamphlet of leprosy knowledge were printed and they have been handed out to the local supporters, NGO partners, and public who participated in HANDA activities, pamphlets have been also distributed to middle school and primary students and villagers living in rural area. It helped people to have an understanding of leprosy.
- More than 2,350 people affected by leprosy and family members participated in organized events and celebrations. This is to ensure leprosy affected people are included in the community.
- Public Education activities 30 times in universities and communities were organised, more than 20,000 people from the public and 3,000 college students were reached with the messages about leprosy.
- Approximately 10,000 students participated indirectly, acted as advocates and spread their leprosy knowledge to their families, friends and relatives.
- 770 volunteers paid 59 visits to leprosy villages for social activities.

### **Objective Two:**

Improved economic conditions for people through new income generation activities.

- Provided funds in Shanshiping, Jiudaoyakou, Maowangdong and Yuer villages for people to start income generating activities such as: raising pigs, goat, organic rice and other produce.
- Trainings on how to manage funds and financial management was given to
  management groups in 4 villages who were elected by villagers. They were all clear with
  their roles and responsibilities to supervise the use of the funds and the proceeds for
  community development funds.
- Organised participation in farmer's market in Guangzhou and Kunming.
- We also provided one micro-cultivator, colter, 3 saws, 4 hoes etc to the villagers who are starting sun-flower planting in Boluo village. The provision of micro-cultivator has greatly improved the work efficiency and reduced labour input.
- A HANDA senior staff member visited villages in Yunnan and shared his skills and experience on bee keeping including how to improve the quality and harvest.

### **Objective Three:**

People affected by leprosy have improved physical condition and mobility ability.

- 2,308 pairs of shoes were distributed to 1,319 villagers from 82 leprosy villages.
- To improve mobility the aids distributed included 13 wheelchairs, 25 pedestal pans, 30 walking sticks, 24 pairs of crutches, 69 walking stick heads, 12 arm pads, 4 tailor made sliding boards for movement, 8 hand pads and one eating-assistive tool.
- Technicians produced 164 new prostheses in a year, enabled 151 leprosy affected people to stand up again.

# Nepal

Partner: The Leprosy Mission Nepal.

# **Anandaban Hospital Support Project**

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

OBJECTIVES	ACHIEVEMENTS
Objective One: To provide tertiary level leprosy health services to 4,500 people every year.	<ul> <li>376 surgeries for leprosy affected patients.</li> <li>435 treatments for leprosy ulcer management.</li> <li>137 treatments for leprosy reactions and other medical management.</li> <li>Prosthetics and orthotics for 1,871 patients.</li> <li>Pastoral care and counselling for 810 patients.</li> </ul>
Objective Two: To provide general health services to 25,000 people in the Lalitpur district.	<ul> <li>Anandaban Hospital provided care and treatment for 24,678 people through in-patient and out-patient services including:         <ul> <li>4,096 patients receiving diagnosis and treatment for skin conditions.</li> <li>Medical consultations for 19,416 outpatients.</li> </ul> </li> </ul>



# India



Partner: The Leprosy Mission Trust India

# **Empowerment of Village Women in Rural Uttar Pradesh**

Project Goal: Socio-economic and political empowerment of rural women affected by leprosy, disability and other forms of marginalisation in the districts of Allahabad, Barabanki, Sitapur and Rae Bareli in Uttar Pradesh.

#### **OBJECTIVES ACHIEVEMENTS Objective One:** • 33 awareness rallies in the villages which resulted in

Awareness and advocacy: the women in the targeted community will gain legal and political awareness and organisational strength to deal with gender and other critical issues in the communities.

### **Objective Two:**

Health and Education: the women in the targeted communities will improve their knowledge, attitude and skills • 27 adult literacy classes were managed during the project to seek better health care and education services thereby making improvements in their overall health and education.

• 24 new cases of leprosy were diagnosed and referred for multi-drug therapy for treatment.

• 5,902 legal literacy sessions which helped approximately

re-enrolment of 8 drop out children and 115 new

admissions in the villages.

2,000 women.

period in which 276 women participated.

### **Objective Three:**

Income Generation: the women and their children in the targeted community will effectively make use of local resources, public services and opportunities for creating assets and improving their livelihoods.

- · 25 women have also started business of agarbatti making in the villages during the project period.
- 52 community women who have been supported for business development plans are now successfully progressing in their businesses with profitability.



# India



# **Empowering Communities to Address their Own Issues in Andhra Pradesh**

**Project Goal:** Enhanced socio-economic and political empowerment of vulnerable communities, especially affected by leprosy and disability in the Vizianagaram and Vishakhapatnam districts of Andhra Pradesh.

OBJECTIVES	ACHIEVEMENTS
Objective One: Advocacy: the targeted communities become conscious of the critical issues including leprosy and disability in the communities plus gain organisational strength with efficient and effective local leadership by 2014.	<ul> <li>21 Self Help Group leadership trainings were conducted for 364 members (228 male &amp; 136 female).</li> <li>Federation meetings were conducted for 40 members.</li> </ul>
Objective Two: Women's Empowerment: the women in the targeted communities will gain legal and political awareness and organisational strength to deal with gender and other critical issues in the community.	<ul> <li>22 programs on women's rights and schemes available to women were conducted. 584 women have attended and benefitted from information.</li> <li>10 mass awareness programs were conducted for 538 members with 216 male &amp; 322 female.</li> </ul>
Objective Three: Health and Education: the people in the targeted community gain access and improve their knowledge, attitude and skills to seek better health care and education services thereby making improvement in their overall health and education by 2014.	<ul> <li>Improved education about rights meant that 6 individuals affected with disability received pensions.</li> <li>Assistance in accessing government entitlements benefitted people affected by leprosy to obtain wheelchairs, tricycles and hearing aids.</li> <li>9 individuals got wheelchairs, 10 got tricycles and 2 got hearing aids from Government through accessing entitlements.</li> </ul>
Objective Four: Income generation: the people in the targeted villages effectively make use of local resources, public services and opportunities for creating assets and improving their livelihoods by 2014.	<ul> <li>21 income generation guidance programs were conducted for Self Help Group members.</li> <li>104 Self Help Groups strengthening and planning meetings were conducted for 1,237 members. These meetings helped SHG members to plan their activities and also plan for income generation activities.</li> </ul>

# India



# Leprosy Mission Hospital in Muzaffarpur

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

OBJECTIVES	ACHIEVEMENTS
Objective One: Provide high quality, comprehensive specialised leprosy services.	<ul> <li>1,225 new cases of leprosy were diagnosed and treated with multi-drug therapy (MDT).</li> <li>47 leprosy surgeries were completed including reconstructive hand, foot and eye surgeries.</li> <li>222 leprosy reaction cases were treated.</li> <li>555 protective sandals were given to patients who have lost feeling in their feet.</li> </ul>
Objective Two: Provide secondary care services in Dermatology and primary care in Ophthalmology.	<ul> <li>25,310 dermatology consultations and treatments were undertaken.</li> <li>29 patients were treated in the general physiotherapy clinic.</li> </ul>



# India



# **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 main stream of society.

OBJECTIVES	ACHIEVEMENTS
Objective One: Impart marketable vocational skills to people affected by leprosy and disability.	<ul> <li>Eight vocational courses were conducted for 118 students.</li> <li>The courses covered training in computing, electronics, car mechanics and tailoring.</li> </ul>
Objective Two: Enhance the socio-economic status of people affected by leprosy and disability through skills training and employment.	<ul> <li>120 students completed training in July 2014 and 90 graduates are employed.</li> <li>40 students went for on job training to Computer, Refrigeration and Air-Conditioner and Electronic at TLM.</li> </ul>
Objective Three: Enrich the lives of people affected by leprosy and disability through provision of additional activities such as counselling and life-skills training.	<ul> <li>A range of extracurricular activities were conducted including spiritual camps, student retreats, sports and music, literary studies and daily devotions.</li> </ul>
Objective Four: Encourage people affected by leprosy and disability to be self-sufficient.	<ul> <li>Families of persons affected with leprosy and other disabilities gain increased earning capacities on a sustainable basis to cope with emergencies and are part of mainstream society.</li> </ul>



# Ethiopia



**Partners:** ENAPAL (Ethiopian National Association of Persons Affected by Leprosy). The Leprosy Mission Ethiopia.

# ENAPAL - Building self-reliant communities through economic development project.

**Project Goal:** Contribute towards enhancement of integrated "stigma free" communities with increased livelihoods for persons affected by leprosy who have self-reliance and social dignity.

OBJECTIVES	ACHIEVEMENTS
Objective One: Grain milling, grain selling and injera selling businesses are sustainable for local branch associations in three years' time generating wider business activities, providing income, employment and social interaction.	<ul> <li>Five grinding mills purchased and ready for installation for Ambo Cooperative.</li> <li>Mill houses are now in place and installation of equipment is underway. Electric power installation is planned and procurement is under process.</li> <li>Enjibara Grain mill started operating in July 2014. In addition to providing employment the income generated provides support for elderly leprosy affected people.</li> </ul>
Objective Two: National association capacity building: awareness raising and organisational strengthening.	<ul> <li>Education support initiatives were carried out during the reporting period to enable people affected by leprosy to send their children to school.</li> <li>300 Children drawn from poor leprosy affected families were provided with exercise books, pens and pencils as well as school registration fees and uniforms.</li> <li>Capacity building support through community trainings, workshops plus executive board and general assembly meetings.</li> <li>Radio and TV broadcasts were carried this year to help the national leprosy awareness initiatives. Radio programs consisted of interviews with professionals and people affected by leprosy aimed at improving community awareness on leprosy and people affected by leprosy.</li> <li>5,000 The Truth Magazines were produced.</li> </ul>

# 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 financial statements set out in this report have been prepared by management in accordance with generally accepted accounting practice. 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 2014. 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 2014. After reviewing internal financial reports and budgets, the Board believe that The Leprosy Mission New Zealand 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.





STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2014

Incoming Resources	Notes	12 months 2014 \$	12 months 2013
Donations Income	4f(i),8	1,852,675	1,627,507
Trusts/Corporates	4f(i)	68,400	98,056
Bequests	4f(ii)	297,460	994,139
Interest and Other Income	4f(iii)	118,131	167,301
NZ Government Grants from MFAT <sup>1</sup>	4f(i),9	2,168,930	2,286,393
TOTAL Incoming Resources		4,505,596	5,173,396
Resources Expended			
Overseas Ministry	9	3,923,473	4,347,487
Education		131,648	157,847
Marketing and Promotion		952,523	827,279
Administration		189,881	185,660
Depreciation	4b	25,624	13,729
TOTAL Resources Expended		5,223,149	5,532,002
Surplus/(Deficit) for the year		(717,553)	(358,606)
Less: Transfer to Bequest Reserves	14d		56,672)
General Funds carried forward		(717,553)	(415,278)

<sup>1.</sup> Ministry of Foreign Affairs and Trade

The accompanying notes form an integral part of these financial statements



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	12 months 2014 \$	12 months 2013 \$
Balance at beginning of year		1,382,757	1,664,604
General Fund	14a	326,882	-
Lend n Mend	14b	-	-
Leprosy Social Research Fund	14c	-	-
Bequest Reserves	14d	(250,456)	56,672
Project Reserves	14e	(76,760)	76,759
(Deficit)/Surplus for the year)		(717,553)	(415,278)
Balance at end of year		664,870	1,382,757

The accompanying notes form an integral part of these financial statements



STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	Notes	12 months 2014 \$	12 months 2013 \$
Current Assets			
Bank Accounts, Cash and Deposits	10	2,304,310	1,898,514
Accounts Receivable & Prepayments	4d	176,239	271,127
Inventory		4,469	4,763
		2,485,018	2,174,404
Current Liabilities			
Less Current Liabilities – Accounts Payable	4e	167,586	164,600
Less Funds committed for future remittances	11	2,174,134	1,135,043
WORKING CAPITAL		143,298	874,761
Non Current Assets			
Equipment, Furniture & Fixtures, Motor Vehicles	12	53,317	39,506
Advances (Share of Partnership)	13	458,637	453,037
Investments	4c	9,618	15,453
TOTAL NON CURRENT ASSETS		521,572	507,996
TOTAL ASSETS		664,870	1,382,757
Equity			
General Funds	14a	313,190	703,862
Lend n Mend Fund (Restricted)	14b	37,345	37,345
Restricted Capital Fund	14c	314,335	314,335
Bequest Reserves	14d		250,456
Project Reserve	14e		76,759
TOTAL EQUITY		664,870	1,382,757

The accompanying notes form an integral part of these financial statements

**Grant Pollock CA** TREASURER Brent Morgan
EXECUTIVE DIRECTOR

Brant J. M.



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

	12 months 2014	12 months 2013
Cash flows from operating activities	\$	\$
Donations and bequests	2,313,423	2,529,112
Government Grants	2,168,930	2,286,393
Payments		
Remittances made to overseas ministries	(2,884,382)	(3,961,378)
Payment to suppliers & employees	(1,270,772)	(1,180,071)
Net cash from operating activities	327,199	(325,944)
Cash flows from investing activities		
Net cash from operating activities	78,597	220,529
Net increase in cash and cash equivalents	405,796	(105,415)
Cash and cash equivalents at beginning of period	1,898,514	2,003,929
Cash and cash equivalents at end of period	2,304,310	1,898,514
Reconciliation with reported operating surplus		
Reported surplus/(loss)	(717,553)	(358,606)
Depreciation	25,624	13,729
Less Interest and Other Income	(118,131)	(167,301)
(Increase)/Decrease in Accounts Receivables and Prepayments	94,889	(190,590)
Increase/(Decrease) in funds committed to remittances	1,039,091	386,109
Increase/(Decrease) in Accounts Payable	293	(4,763)
(Increase)/Decrease in Inventory	2,986	(4,522)
Net cash inflow from operating activities	327,199	(325,944)

The accompanying notes form an integral part of these financial statements



# For the year ended 31 December 2014

#### 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 2014. These statements will be authorised for issue after the board meeting on 23 May.

### 3. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with New Zealand equivalents to IFRSs (NZ IFRSs) and other applicable Financial Reporting Standards, as appropriate for public benefit entities that qualify for, and apply, differential reporting concessions.

The Leprosy Mission New Zealand is a public benefit entity that raises funds together with NZ government grants for leprosy related work done overseas. The Leprosy Mission New Zealand is required by its constitution to prepare general purpose financial statements.

The Leprosy Mission New Zealand qualifies for differential reporting concessions as it does not have public accountability and it is not large. All available differential reporting exemptions allowed under the Framework for Differential Reporting for Entities Applying New Zealand Equivalents to IFRSs Reporting Regime have been applied, except for:

- NZ IAS 12.NZ5.3: the Leprosy Mission New Zealand has not used the rates of depreciation permitted for income tax purposes because we are a tax exempt entity.
- NZ IAS 18.NZ6.1: the Leprosy Mission New Zealand's financial statements are prepared on a GST exclusive basis.
- NZ IAS 18.35(b): the Leprosy Mission New Zealand has disclosed each significant category of revenue.

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.

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

### 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) The policy of the Mission is 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. However as at 31 December 2014 the last sale listed on the New York Stock Exchange was USD 53.24 per share. Dividends with an average of US .45 cents per share were paid out in 4 instalments for the 12 month period to December 2014, totalling NZ\$538.96.

A gift of \$5,432 (original investment of \$5,000 together with accrued interest) invested with a financial institution on the instructions of the donor has now been written off.

A gift of \$5,000 (2010-\$5,000) is invested with a financial institution on the instructions of the donor.

(iv) The Mission has a third share of a 5 share interest in freehold land in the Maori Freehold Land known as Anakiwi No. 10 Block.

### (d) Receivables

Receivables are recognised at the original invoice amount less impairment losses. This balance is made up of 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.

# (f) Income

(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 financial performance when received.

(iii) 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.

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 financial performance 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:

	12 months 2014 \$	12 months 2013 \$
Appeal Donations	1,339,060	1,109,028
Partner's Programme	344,312	342,343
Money Boxes	73,471	81,530
General Donations	95,832	94,606
TOTAL	1,852,675	1,627,507

### 9. Overseas Ministry & Grants

	12 months 2014 \$	12 months 2013 \$
NZAID Grants <sup>1</sup>	2,168,930	1,192,643
Bilateral Grants	0	1,093,750
Private Funds	1,754,543	2,061,094
TOTAL	3,923,473	4,347,487

New Zealand Aid Programme (Ministry of Foreign Affairs and Trade)

It is LMNZ'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 2015 received from MFAT (Ministry of Foreign Affairs and Trade) totalled \$1,062,611 and will be remitted after balance date.

# 12. Equipment, Furniture and Motor Vehicles

	Cost	<b>Current Period</b>	Accumulated	Written Off	Carrying
		Depre	ciation	Amo	ount
2014					
Equipment	366,123	18,206	331,628		34,495
Furniture	64,617	59	64,617		0
Motor Vehicles	32,934	7,359	14,112		18,822
	463,674	25,624	410,357		53,317
2013					
Equipment	323,797	7,368	313,423		10,374
Furniture	64,617	573	64,557		60
Motor Vehicles	68,464	5,788	6,753	(32,639)	29,072
	\$ 456,878	\$ 13,729	\$ 384,733	\$ (32,639)	\$ 39,506

# 13. Advances – Share of Partnership

	2014 \$	2013 \$
Balance at beginning of year	453,037	
TLMNZ share of original purchase price		220,000
The cost of subsequent improvements		72,500
Balance as per Restricted Capital		292,500
Add Other Advances:		
Capital purchases		19,670
Advance towards windows replacement		32,639
Advance towards roof consultancy and signage		9,245
Advance of 50% cost of roof		86,983
Advance towards maintenance fund	5,600	12,000
TOTAL Advances	458,637	453,037

- A valuation of the building was carried out by Seagar & Partners (Auckland) Ltd in September 2012 and the market value was estimated to be \$ 1,875,000.
- A valuation from the Auckland City Council web site had the following values.

Capital Value	\$2,800,000
Value of Improvements	\$400,000
Land Value	\$2,400,000

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

# 14. Equity

The equity of TLMNZ comprises the following:

(a)	General Funds	2014	2013
• •		\$	\$
	Balance at beginning of year	703,862	1,119,140
	Add: Surplus/(Deficit) for the year	(390,672)	(415,278)
	Balance at end of year	313,190	703,862
(b)	Lend n Mend Fund	2014	2013
		\$	\$
	Balance at beginning of year	37,345	37,345
	Less: Monies paid back or transferred to bequests	-	
	Balance at end of year	37,345	37,345
(6)	Postricted Capital Fund	2014	2013
(c)	Restricted Capital Fund	2014	
	Delenge at haringing of year	214 225	\$
	Balance at beginning of year	314,335	314,335
	Short term deposits	-	-
	Advances to Mission Centre Partnership	-	- 24 4 225
	Balance at end of year	314,335	314,335
(d)	Bequest Reserves	2014	2013
(0)	bequest reserves	\$	\$
	Balance at beginning of year	250,456	193,784
	Add: Transferred 5% of bequest received	230,430	49,707
	Add: interest earned on deposits-		6,965
	Less: Transferred to General Funds	(250,456)	0,505
	Balance at end of year	(230,430)	250,456
	batance at end of year		250,450
(e)	Programme Reserves	2014	2013
• •	-	\$	\$
	Balance at beginning of year	76,759	0
	Less: Transferred to General Funds	(76,759)	76,759
	Balance at end of year	Ó	76,759



# Auditor's Report

# To the readers of the Financial Report of The Leprosy Mission New Zealand Incorporated

I have audited the Financial Report on pages (19 to 22) The Financial Report provides information about the past financial performance of The Leprosy Mission New Zealand Incorporated and its financial position as at 31 December 2014. This information is stated in accordance with the accounting policies set out on pages (23 to 27).

#### **Governing Body Responsibilities**

The Board, as the governing body, is responsible for the preparation of a financial report which fairly reflects the financial position of The Leprosy Mission New Zealand Incorporated as at 31 December 2014.

### **Auditor's Responsibilities**

It is my responsibility to express an independent opinion on the financial report presented by The Leprosy Mission New Zealand Incorporated and report my opinion to you.

#### **Basis of Opinion**

An audit includes examining, on test basis evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- \* the significant estimates and judgements made by The Leprosy Mission New Zealand Incorporated in the preparation of the financial report, and
- \* whether the accounting policies are appropriate to The Leprosy Mission New Zealand Incorporated's circumstances, consistently applied and adequately disclosed.

I conducted my audit in accordance with generally accepted auditing standards in New Zealand except that my work was limited as explained below. I planned and performed my audit so as to obtain all the information and explanations which I considered necessary. I obtained sufficient evidence to give reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial report.

Other than in my capacity as auditor I have no relationship with or interest in The Leprosy Mission New Zealand Incorporated.

#### Qualified Opinion

The Leprosy Mission New Zealand Incorporated's income included donations from money boxes. Owing to the nature of this source of income there were no satisfactory procedures which I could adopt to confirm independently that all amounts to The Leprosy Mission New Zealand Incorporated were properly received.

# In my opinion

- \* Proper accounting records have been kept by The Leprosy Mission New Zealand Incorporated as appears from my examination of their records.
- \* Except for the inability of being able to independently confirm the money box donations received, the financial report in pages (19 to 22) complies with generally accepted accounting practice and gives a true and fair view of the financial position of The Leprosy Mission New Zealand Incorporated as at 31 December 2014 and the results of its operations for the 12 month period ended on that date.

My audit was completed on 17 April 2015 and my qualified opinion is expressed at that date.

Peter Conaglen, PP, BMS, Dip Min.

Donaglen

**AUCKLAND** 







# Thank You

On behalf of all people and families affected by leprosy we would like to thank every single person who has 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 International Development Group of MFAT (formally known as NZAID), businesses and suppliers, and the following trusts: Danesmead Annual Trust, PC & HPW Green Charitable Trust, The David Ellison Charitable Trust and Zelda Roberts Charitable Trust.

Over the last 12 months our volunteers have donated a staggering 22,750 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 so willingly.

Finally we would like to thank our field partners and the members of the Leprosy Mission global fellowship for all of their hard work and support.

