

Annual Report 2015



The Leprosy
Mission
New Zealand



Vision

Leprosy Defeated, Lives Transformed.

Mission Statement

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

Values

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

Our commitment to you

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

In the first instance, please contact us:

Website: leprosymission.org.nz

Phone: +64 9 630 2818

Freephone: 0800 862 873 (NZ Only)

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

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

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

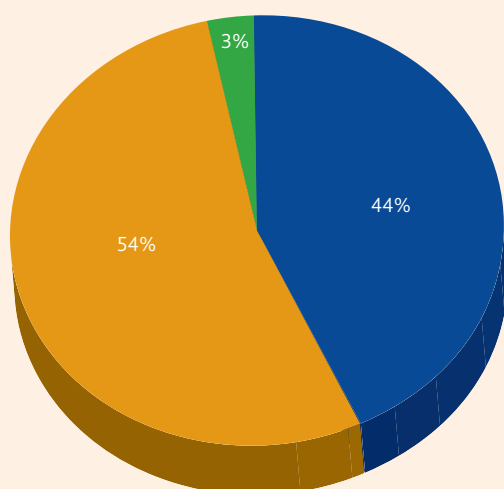
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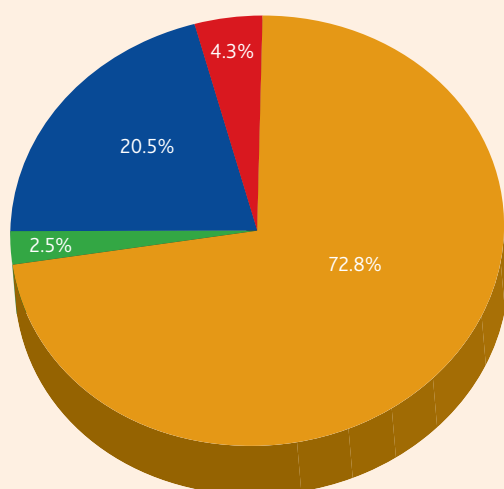
Cover photo © Michael Bradley

Income Received



| | | |
|-----------------------|-------------|--------------------|
| NZ Government Grants | 44% | \$2,054,370 |
| Private Income | 54% | \$2,543,060 |
| Interest/Other Income | 3% | \$124,276 |
| Total | 100% | \$4,721,706 |

Expenditure



| | |
|---------------------|-------------|
| Overseas Ministries | 72.8% |
| Education | 2.5% |
| Marketing Expenses | 20.5% |
| Administration | 4.3% |
| Total | 100% |

The Year in Figures

This financial information summary is for the 12 months from 1 January to 31 December 2015, and is from the fully audited accounts. A full audited Annual Report for 2015 was available at the Annual General Meeting held in May 2016. The Annual Report is also available on www.leprosymission.org.nz.

Thank you for your generosity

Our sincere thanks to all our wonderful supporters. Your commitment to our mission makes such a difference every day to the leprosy-affected communities we work with in the Pacific, northern Africa and Asia.

To our many volunteers, who contributed more than 22,750 hours of your invaluable time in 2015 – thank you! Your loyalty and devotion as Moneybox collectors, Board and committee members, prayer partners, community volunteers, as well as office, stamp and mailout volunteers, is extraordinary.

Our grateful thanks also go to our field partners, members of the Leprosy Mission Fellowship and The New Zealand Aid Programme, the New Zealand Government's official aid for developing countries.

We are also thankful to those supporters who kindly remembered the work of the Leprosy Mission in their Will.



The Leprosy Mission New Zealand

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Welcome

Annual Report of The Leprosy Mission New Zealand Incorporated

Love is a universal gift, inspired by God. Love hopes for all things, and endures all things, love is eternal and never fails. And for now only three things remain; faith, hope and love. But the greatest of these is love.

1 Corinthians 13:13

It is a pleasure to bring you the Annual Report for The Leprosy Mission New Zealand Incorporated for 2015.

The year has been blessed with wonderful times of success in our work and through God's grace we have seen changes in the lives of many people and communities affected by leprosy. With passion, dedication and a strong commitment to faith we collectively work toward curing, caring for and restoring leprosy-affected people, families and communities.

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

We are forever grateful to all of you who support The Leprosy Mission New Zealand (LMNZ) for your continued donations, prayer and guidance.

This report is a review of our work and achievements over the past year and outlines the key focus for LMNZ for 2016 and beyond.

Financials

Income for the year ending 31 December 2015 was \$4,721,706.

Operating expenditure for the year was \$1,169,899 and the amount committed to Overseas Ministry was \$3,102,634.

This resulted in an overall surplus for the year of \$449,173 which will be used to fund operations and future remittances.

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 2015, Brent Morgan and I attended the members meeting of The Leprosy Mission Global Fellowship which was held in London. This brought together the thirty-one member countries of the global fellowship. At this meeting we reported on progress toward our global vision of seeing "Leprosy Defeated and Lives Transformed".

There are many exciting developments; member countries like India now raise more than half their own funds, reducing their dependency on western members. Promising new work has started to prevent or interrupt the leprosy bacteria being transmitted from one person to another. But there are also significant obstacles; fundraising across all member countries continues to be challenging, and maintaining the priority of leprosy with developing country governments is often difficult when there are so many other competing priorities.

In April, the devastating earthquake that hit Nepal caused havoc with those most vulnerable including people affected by leprosy. Our hospital in Kathmandu, Anandaban, was able to provide emergency services to many thousands affected, this work being funded through emergency response appeals by Global Fellowship Member countries.

The New Zealand Focus

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

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

Total income was up over 2014 as was the number of donors financially supporting our work. We continue to work in partnership with the NZ Aid Programme (New Zealand Government's official aid for developing countries) in Bangladesh, Papua New Guinea and Bougainville.

In 2016 we will be saying farewell to our Executive Director, Brent Morgan, who will be moving to London to take up the role of International Director of The Leprosy Mission Global Fellowship. Brent has been our Executive Director for seven years and I want to take this opportunity to congratulate him, to thank him for his outstanding service to LMNZ and to wish him and his wife Tracy every blessing as they move to London to take up this exciting new opportunity.

I am thrilled to inform you that Gillian Whitley will be taking over as our new Executive Director from 1st August 2016. Gillian has been one of LMNZ's senior managers and has worked with the Mission for nine years bringing a wealth of experience and skill to the Mission. Please join us in congratulating her as our new Executive Director.

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



Anne Ratliff
BOARD CHAIR
The Leprosy Mission New Zealand Incorporated

Board

Anne Ratliff PostGradDipBus, P.M.E.R – Board Chair

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GradDip (Biblical Studies/Theology)

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Dip Clinical/Pastoral Counselling

Dr Ramon Pink MBChB, MPH, FNZCPHM

Andrew Stott BCom/BA, MBA

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

Executive Director

Brent Morgan BA, MBA

Auditor

Peter Conaglen PP, BMS, Dip Min

Hon-Solicitors

Gaze Burt

Bangladesh



Chittagong People-led Development Project Bangladesh (CPDP)

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 |
|---|--|
| <p>Objective One: Self-help groups functioning under a sustainable Federation and Association structure - to support economic and social development of their members.</p> | <ul style="list-style-type: none"> • Total membership of SHGs grew to 2,859 with an average of 14 members per group and 70% female. • There are 9 Federation Field Officers (FFOs) who implement and manage the Federation activities in the field, which includes supporting and facilitating the effective self-management of the SHGs. • Multiple training sessions (including micro-finance management) have been provided to these FFOs in 2015 so they can share this knowledge with SHG members. |
| <p>Objective Two: Increased incomes - through sustainable income generation activities.</p> | <ul style="list-style-type: none"> • The project delivered a range of Income Generation Activity training such as: basic farming and growing crops, weaving, simple business plan development and vocational training. • Project assessment of income levels undertaken at the end of 2015, found that 74% of SHGs members reported that their income had increased and the remaining members sustained their income. • Loans were given to SHG members to start small businesses and saving levels have grown beyond what was originally planned. |
| <p>Objective Three: Increased social inclusion and engagement in the broader community.</p> | <ul style="list-style-type: none"> • By the end of 2015 two thirds of group members felt confident and knowledgeable enough in their rights to be able to successfully approach local decision-makers (e.g. government, community leaders, NGOs and others) to gain assistance and advice. • The project conducted a survey and the results show 100% of members affected by leprosy can now participate in wedding ceremonies, 92% in worship services, 81% in shopping and 75% in state services. • The project-supported Disabled People's Association (DPA) achieved registration with the Social Welfare Department of the Bangladesh Government. This registration provides legal entity and will provide access to Government funds and services, promoting closer collaboration with, and support from, the Government. |

Bangladesh



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 |
|--|--|
| <p>Objective One: Reduced incidence and prevalence of leprosy.</p> | <ul style="list-style-type: none"> • 611 new cases of leprosy have been detected through the project life and are in various stages of treatment. • The rate of disability from leprosy has reduced to 12.5% as more people are being diagnosed early. |
| <p>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.</p> | <ul style="list-style-type: none"> • 23 community wells were installed or repaired, this with the support from the project staff, has impacted the use of safe water and incident of diarrheal disease has decreased. • The Project gave nutritional education presentations to 39,643 people. |
| <p>Objective Three: Sustainable, self-managing self-help groups (SHG) operating to support the economic and social development of people (and families) affected by leprosy and physical disabilities.</p> | <ul style="list-style-type: none"> • 793 leaders and members were given training on how to manage SHGs and the groups are taking more responsibility for conducting meetings, recording financial transactions and general management. • The levels of savings for all groups are increasingly rising and plans for the use of these savings are impressively aspirational. |
| <p>Objective Four: Self-help group members' family incomes increase through engagement in sustainable income generation activities.</p> | <ul style="list-style-type: none"> • Over 893 members (85%) have been helped to identify and implement income generation activity. • 95% of group members who received income generation activity skill development training have used their skills and increased their income. • All SHGs have now received seed funding to distribute loans to members. |
| <p>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 entitlements and how to access them.</p> | <ul style="list-style-type: none"> • 12,029 leaders from grassroots level to Upazilla (regional administration) level have been oriented on Human Rights and disability rights of people affected by leprosy. • Females now constitute 58% of SHG membership and are well represented in leadership training and are as equally active as males in all rights-based and advocacy activities. |

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 style="list-style-type: none"> • The project has continued to expand and is currently working in 773 village communities in 11 out of 13 districts. • There is an increased proportion of Bougainville rural communities with improved health as a result of participating in all components of the healthy communities programme. |
| Objective Two: Stronger village governance and leadership. | <ul style="list-style-type: none"> • Increased proportion of village leadership are engaged in the programme. 1,595 of 2,100 have been actively involved in establishing Village Authorities and Health Communities. • Increased proportion of village communities with active Village Authorities, there are currently 461 out of 597 villages reporting. |
| Objective Three: Improved health practices in rural communities. | <ul style="list-style-type: none"> • The number of communities with a safe water supply has increased from under 30% to over 90% at the end of 2015. • Increased proportion of families with a toilet and other sanitation provisions. |
| Objective Four: Improved community demand for, access to, and use of, basic health services in rural Bougainville. | <ul style="list-style-type: none"> • 324 new cases of leprosy and TB were reported from 597 reporting communities and those diagnosed with leprosy are now undertaking a managed treatment programme using multi-drug therapy. • 1,853 out of 2,190 pregnant mothers are now attending antenatal clinics. |
| 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 style="list-style-type: none"> • Increased proportion of District Facilitators and Village Health Volunteers are involved in field activities with local health teams and facilities. This included a range of activities, such as leprosy tracking orientation and health awareness. |
| Objective Six: Village leaders utilising village and government resources to implement village development plans. | <ul style="list-style-type: none"> • All Government health facility staff from 32 Government health facilities were involved in the project field activities. • 270 out of 597 villages now have Chief-led Village Action Plans. • Increasing numbers of village communities are accessing resources from Government and political members including vital resources like water tanks and roads. |
| 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 style="list-style-type: none"> • A total of 6,798 health awareness activities were conducted in 597 villages. • Increased proportion of villages with active Health Committees. |
| Objective Eight: Village leaders understand village government requirements, the value of strong village leadership and have the skills, support and motivation to develop strong village governance. | <ul style="list-style-type: none"> • By the end of 2015 a total of 2,100 leaders had been trained at the basic level. • Advanced leadership training has been developed in 2015 and all community leaders that received basic training will be given advanced training during the period 2016-2018. |

Papua New Guinea



The Papua New Guinea Leprosy Control Partnership

Project Goal: Reduced leprosy burden in Papua New Guinea.

| OBJECTIVES | ACHIEVEMENTS |
|---|---|
| Objective One: Reduced leprosy burden in Papua New Guinea. | <ul style="list-style-type: none"> • 66 villages were visited in 5 leprosy hotspot areas to give leprosy awareness talks, reaching a total of 10,327 listeners, of which 4,915 were adults and 5,412 were children. • In 8 Elementary and 8 Primary schools, 4,727 students were educated about leprosy. 102 teachers from 14 schools were given in-service training on basics of leprosy. • Awareness raising included radio coverage, nationwide media coverage and publications and advocacy in churches. |
| Objective Two: Undertake active leprosy case finding in high prevalence locations. | <ul style="list-style-type: none"> • 6 contact tracing and family screening clinics were conducted in leprosy hotspot areas of a high endemic district in Gulf province. New leprosy cases were found and defaulted leprosy cases were restarted on treatment. • After intensive screening of communities in Gulf, Bougainville and Western provinces new leprosy cases were found and treatment was started. • In total, 540, (Female – 189 and Male - 351) new leprosy cases found in 2014. <i>Results for 2015 were not available at time of printing.</i> |
| Objective Three: Improve the national leprosy control case management, review and monitoring system. | <ul style="list-style-type: none"> • Two National Leprosy Program Reviews were held in 2015 – at 6 months and at year end. • The end-of-5 year program review was held in October 2015 and included all 22 provinces. Achievements and challenges of leprosy disease management in the provinces were presented and discussed. At this meeting, the National Leprosy Strategic Planning for 2016-2020 was conducted. • The project assists the PNG Government with the delivery of leprosy multi-drug therapy (MDT) treatment supplies to the provinces and districts. This support is ongoing and minimises the issue with delay in patients receiving treatment. |
| Objective Four: Leprosy control and management training provided for health staff nationwide, specific to the level of health facility. | <ul style="list-style-type: none"> • 3 Senior National Department of Health staff have received Specialist Leprosy Management Training in India in 2015. These trained Government staff are now a resource for leprosy training in learning institutes and health facilities throughout the country. • 136 health care workers received 1 week of leprosy training. This brings the cumulative total to 237 and they are working in 158 health facilities in the provinces of PNG. • The number of new identified cases has increased from 380 in 2013, to 540 in 2014 and is expected to increase for 2015. This reflects improved diagnosis which could lead to a reduction in leprosy related disability. |
| Objective Five: Targeted activities carried out in high leprosy prevalence locations to: <ul style="list-style-type: none"> • raise awareness and mobilise communities to seek treatment • promote prevention of disability • promote inclusion of leprosy affected people | <ul style="list-style-type: none"> • 8 stakeholder meetings and volunteer training sessions were conducted in 5 leprosy high endemic provinces by project staff to raise awareness about leprosy in 'hot-spot' communities. • 139 participants were trained in the 5 high endemic provinces. |
| Objective Six: Network of government and civil society organisations established to facilitate their role in addressing leprosy through inclusive development. | <ul style="list-style-type: none"> • 19 new partnership links were developed in the 5 high leprosy endemic provinces. • Networking and partnerships are established through the stakeholder meetings and integrated with other activities of the project. |

China



Reuters – Athit Perawongmetha 2015

Partner: HANDA Rehabilitation and Welfare Association.

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 | ACHIEVEMENTS |
|---|---|
| Objectives One and Two: Improved integration into society, and improved self-confidence. | <ul style="list-style-type: none"> • 44 students from leprosy affected families accepted for the first time in their local schools. • A further 8 students from leprosy affected families integrated into mainstream classes – before this they had to study in a class of their own. • 1,000 people from leprosy villages participated in 27 recreational activities/outings. • 3 leprosy villages lobbied their local governments for housing and road improvements. • 53 people from leprosy villages taken on city tours – this was the first time they had visited a city. • 76 people affected by leprosy participated in awareness raising activities. |
| Objective Three: Improved public understanding of leprosy and reduced prejudice. | <ul style="list-style-type: none"> • 7 video clips of HANDA's work posted online with 450,000 views. • 10 online appeals for specific needs in leprosy villages resulting in 3,836 donations equivalent to NZ\$68,000. |
| Objective Four: Develop positive attitudes to overcoming adversity for leprosy affected people. | <ul style="list-style-type: none"> • The project team helped 18 leprosy affected people from villages visit their families – in some cases for the first time in 50 years. |
| Objective Five: Improved economic conditions in targeted leprosy villages. | <ul style="list-style-type: none"> • A range of goods produced and sold in five leprosy villages including honey, walnuts, mushrooms and tea. The income generated was equivalent to NZ\$18,000. • Five bee keepers from leprosy villages gave the equivalent of NZ\$700 from their profits to support disabled and elderly people in their villages. |
| Objective Six: People affected by leprosy have improved physical function and mobility. | <ul style="list-style-type: none"> • 850 pairs of protective shoes distributed to people in leprosy villages. • 15 wheelchairs, 20 pairs of crutches, 4 sliding boards for movement, 30 walking sticks and 25 hearing aids were distributed. • Prosthetic technicians visited leprosy villages and fitted 127 patients with custom-made prostheses. |

China



Partner: HANDA Rehabilitation and Welfare Association.

HANDA Eyesight Saving Project

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

ACHIEVEMENTS

- In 2015, the mobile eye clinic team had visited 35 villages in remote provinces.
- Conducted eye examinations and eye care training for 756 people.
- 122 cataract surgeries were performed.
- Distributed 237 pairs of protective glasses and 149 pairs of reading glasses.
- The project also dispensed prescription medicines to 150 people.



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.

The earthquakes in 2015 resulted in extensive damage to the hospital and a shift in immediate priorities. The hospital was able to respond to patients from the community who needed immediate medical care and there was a huge need for shelter and aid for leprosy-affected and other disadvantaged people.

In addition to the project achievements the Leprosy Mission Youth Advocates fundraised for a second generator for Anandaban Hospital to provide consistent and efficient power supply when the mains electricity is not available for significant periods during the day.

| OBJECTIVES | ACHIEVEMENTS |
|--|--|
| <p>Objective One: To provide tertiary level leprosy health services.</p> | <ul style="list-style-type: none"> • 661 ulcer patients received outpatient visits, 261 ulcer patients received inpatient services and 143 received septic surgery. • 167 reconstructive surgeries were performed including hand, foot and eye surgery. • 1,173 patients received protective footwear, 36 received prosthesis and 416 received disability aids. • 110 new leprosy cases and 84% completion rate for multi-drug therapy. |
| <p>Objective Two: To provide general health services to people in the Lalpur district. <i>This objective is shown through the emergency response detailed here.</i></p> | <ul style="list-style-type: none"> • 1,555 people affected by the earthquake have been treated in the five districts where 15 emergency medical camps were conducted. • In total 4,945 people affected by the earthquake have had treatment in communities and at Anandaban Hospital. • 131 major surgeries have been conducted and 929 physiotherapy sessions have been conducted. • 239 people have been provided with counselling at Anandaban Hospital and 386 people have received counselling from LMNZ counsellors in the community. • Distributed 2,351 tarpaulins for use as temporary shelters to people affected by the earthquakes. • Emergency food and non-food items were distributed to 1,416 households in the local communities. |

India



Leprosy Mission Hospital in Muzaffarpur

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

| OBJECTIVES | ACHIEVEMENTS |
|---|--|
| Objective One: Provide high quality, comprehensive specialist leprosy services. | <ul style="list-style-type: none"> • 1,557 new cases of leprosy were diagnosed and treated with multi-drug therapy. • 85 reconstructive surgeries were conducted including hand, foot and eye surgery. • 629 pairs of protective footwear were provided to patients who had lost the feeling in their feet. • 439 patients were admitted for ulcers. • 226 leprosy reaction and neuritis patients were treated. |
| Objective Two: Provide secondary care services in Dermatology and primary care in Ophthalmology. | <ul style="list-style-type: none"> • 42,010 people came for dermatology consultations and treatments were undertaken. |
| Objective Three: Identify students for, and implement the Catch Them Young (CTY) education project in association with the other LM Centres across India. | <ul style="list-style-type: none"> • This year 1,653 children have been supported with financial assistance to continue their education through the CTY project. This assistance will pay for school fees, books, uniforms and other related costs. • 204 new candidates were identified this year by project staff and were accepted to the CTY project. • The project has offered counselling services to 868 children and 74% of CTY children have passed their exams with 1st and 2nd grades (Distinctions). • 35 school awareness programs were conducted with 3,804 children and 233 teachers participating. |



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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 |
|--|---|
| <p>Objective One: Impart marketable vocational skills to people affected by leprosy and disability.</p> | <ul style="list-style-type: none"> • 127 students enrolled in the Vocational Training Centre (VTC) for vocational courses including computing, electronics, mechanics and tailoring. • 354 enrolled in community based vocational courses including weaving, beauty and tailoring. |
| <p>Objective Two: Enhance the socio-economic status of people affected by leprosy and disability through skills training and employment.</p> | <ul style="list-style-type: none"> • 38 students went for on the job training to at TLM Hospital, Coco Cola and Parak Dairy Faizabad. • Of those that attended courses through the project 98.5% of students were successfully trained in academic exams and 75.8% now employed. |
| <p>Objective Three: Enrich the lives of people affected by leprosy and disability through provision of additional activities such as counselling and life-skill training.</p> | <ul style="list-style-type: none"> • A range of extracurricular activities were conducted including daily devotions, sports and music, literary studies and life-skill training. |
| <p>Objective Four: Encourage people affected by leprosy and disability to be self-sufficient.</p> | <ul style="list-style-type: none"> • All students at the VTC learn vital life-skills such as cooking, cleaning and general care and wellbeing. • Awareness programs on leprosy, gender, advocacy, and human rights were conducted. • 100% of the graduates employed are working under fair trade conditions. |

Ethiopia



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

ENAPAL - Building self-reliant communities through economic development.

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 |
|---|--|
| <p>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.</p> | <ul style="list-style-type: none">• Three new grain milling machines provided to the Tulema Association of ENAPAL to supplement the two grain milling machines they currently have operational.• The Grain Mill established at the Enjibara Association of ENAPAL and operating 5 milling machines since 2014 generated a profit for association members of NZ\$7,000 in 2015. 100kg of grain was also given to association members.• The Addis Kadem Association of ENAPAL's Grain Mill generated a profit of NZ\$4,000 in 2015. Part of this was distributed to leprosy affected members with the balance being reinvested in income generating activities.• A new Grain Mill enterprise was constructed by the Ambo Association of ENAPAL with 5 grain milling machines. This is expected to be operational in 2016. |

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 and the external auditor has access to this committee. 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 2015. 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.

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The Leprosy Mission New Zealand Incorporated



STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2015

| Incoming Resources | Notes | 12 months 2015 \$ | 12 months 2014 \$ |
|---|---------|-------------------------|-------------------------|
| Donations | 4f(i),8 | 1,971,337 | 1,852,675 |
| Trusts/Corporates | 4f(i) | 139,113 | 68,400 |
| Bequests | 4f(ii) | 432,610 | 297,460 |
| Interest and Other revenues | 4f(iii) | 124,276 | 118,131 |
| NZ Government Grants from MFAT ¹ | 4f(i),9 | 2,054,370 | 2,168,930 |
| TOTAL Incoming Resources | | 4,721,706 | 4,505,596 |
| Resources Expended | | | |
| Overseas Ministry | 9 | 3,102,634 | 3,923,473 |
| Education | | 106,332 | 131,648 |
| Fundraising and Public Engagement | | 855,350 | 952,523 |
| Administration | | 181,125 | 189,881 |
| Depreciation | 4b | 27,092 | 25,624 |
| TOTAL Resources Expended | | 4,272,533 | 5,223,149 |
| Surplus/(Deficit) for the year | | 449,173 | (717,553) |
| | | | |
| General Funds carried forward | | 449,173 | (717,553) |

1. Ministry of Foreign Affairs and Trade

The accompanying notes form an integral part of these financial statements

The Leprosy Mission New Zealand Incorporated

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

| | Notes | 12 months 2015 \$ | 12 months 2014 \$ |
|--------------------------------|-------|-------------------------|-------------------------|
| Balance at beginning of year | | 664,870 | 1,382,757 |
| General Fund | 14a | 96,610 | 326,882 |
| Lend n Mend | 14b | - | - |
| Leprosy Social Research Fund | 14c | - | - |
| Bequest Reserves | 14d | - | (250,456) |
| Project Reserves | 14e | - | (76,760) |
| (Deficit)/Surplus for the year | | 449,173 | (717,553) |
| Balance at end of year | | 1,210,653 | 664,870 |

The accompanying notes form an integral part of these financial statements


The Leprosy Mission New Zealand Incorporated




STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

| | Notes | 12 months 2015 \$ | 12 months 2014 \$ |
|---|-------|-------------------------|-------------------------|
| Current Assets | | | |
| Bank Accounts, Cash and Deposits | 10 | 1,899,899 | 2,304,310 |
| Accounts Receivable & Prepayments | 4d | 155,469 | 176,239 |
| Inventory | | 5,059 | 4,469 |
| | | 2,060,427 | 2,485,018 |
| Current Liabilities | | | |
| Less Current Liabilities – Accounts Payable | 4e | 109,662 | 167,586 |
| Less Funds committed for future remittances | 11 | 1,250,930 | 2,174,134 |
| WORKING CAPITAL | | 699,835 | 143,298 |
| Non Current Assets | | | |
| Equipment, Furniture & Fixtures, Motor Vehicles | 12 | 37,763 | 53,317 |
| Advances (Share of Partnership) | 13 | 463,437 | 458,637 |
| Investments | 4c | 9,618 | 9,618 |
| TOTAL NON CURRENT ASSETS | | 510,818 | 521,572 |
| TOTAL ASSETS | | 1,210,653 | 664,870 |
| Equity | | | |
| General Funds | 14a | 858,973 | 313,190 |
| Lend n Mend Fund (Restricted) | 14b | 37,345 | 37,345 |
| Restricted Capital Fund | 14c | 314,335 | 314,335 |
| Bequest Reserves | 14d | | |
| Project Reserve | 14e | | |
| TOTAL EQUITY | | 1,210,653 | 664,870 |

The accompanying notes form an integral part of these financial statements


Grant Pollock CA
TREASURER


Brent Morgan
EXECUTIVE DIRECTOR

The Leprosy Mission New Zealand Incorporated



© Michael Bradley

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

| | 12 months 2015 \$ | 12 months 2014 \$ |
|---|-------------------------|-------------------------|
| Cash flows from operating activities | | |
| Donations and bequests | 2,563,831 | 2,313,423 |
| Government Grants | 2,054,370 | 2,168,930 |
| Payments | | |
| Remittances made to overseas ministries | (4,025,838) | (2,884,382) |
| Payment to suppliers & employees | (1,201,322) | (1,270,772) |
| Net cash from operating activities | (608,959) | 327,199 |
| | | |
| Cash flows from investing activities | | |
| Net cash from operating activities | 204,548 | 78,597 |
| | | |
| Net increase in cash and cash equivalents | (404,411) | 405,796 |
| Cash and cash equivalents at beginning of period | 2,304,310 | 1,898,514 |
| Cash and cash equivalents at end of period | 1,899,899 | 2,304,310 |
| | | |
| Reconciliation with reported operating surplus | | |
| Reported surplus/(loss) | 449,174 | (717,553) |
| Depreciation | 27,092 | 25,624 |
| Less (Increase)/Decrease in Inventory | (590) | 2,986 |
| Interest and Other Income | (124,276) | (118,131) |
| (Increase)/Decrease in Accounts Receivables and Prepayments | 20,770 | 94,889 |
| Increase/(Decrease)in Accounts Payable | (57,925) | 293 |
| Increase/(Decrease)in funds committed to remittances | (923,204) | 1,039,091 |
| Net cash inflow from operating activities | (608,959) | 327,199 |

The accompanying notes form an integral part of these financial statements



Notes to the Financial Statements

© Michael Bradley

For the year ended 31 December 2015

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 2015. These statements will be authorised for issue after the board meeting on 14 May 2016.

3. Basis of Preparation

Statement of Compliance

The financial statements have been prepared in accordance with the requirements of the rules of the Society as stated in Section 12 and these comply with the Accounting Standards Framework (Not-For-profit Entities). Under this framework, the Leprosy Mission Incorporated is classified as a Tier 2 reporting entity and is required to apply public sector Public Benefit Entity Accounting Standards with Reduced Disclosure Requirements (RDR). Leprosy Mission New Zealand is a public benefit entity that raises funds together with NZ government grants for leprosy related work done overseas.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. The effective date for the new standards for public sector entities is for reporting periods beginning on or after 1 July 2014. 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.

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.

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 2015 the last sale listed on the New York Stock Exchange was USD 53.19 per share. Dividends with an average of US .48 cents per share were paid out in 4 instalments for the 12 month period to December 2015, totalling NZ\$ 573.20. .
- (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 2015 \$ | 12 months 2014 \$ |
|---------------------|-------------------------|-------------------------|
| Appeal Donations | 1,349,281 | 1,339,060 |
| Partner's Programme | 483,539 | 344,312 |
| Money Boxes | 70,969 | 73,471 |
| General Donations | 67,548 | 95,832 |
| TOTAL | 1,971,337 | 1,852,675 |

9. Overseas Ministry & Grants

| | 12 months 2015 \$ | 12 months 2014 \$ |
|---------------------------|-------------------------|-------------------------|
| NZAID Grants ¹ | 2,054,370 | 2,168,930 |
| Private Funds | 1,048,264 | 1,754,543 |
| TOTAL | 3,102,634 | 3,923,473 |

¹ New Zealand Aid

It is TLMNZ'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

NZ Aid grants for 2016 received from MFAT (Ministry of Foreign Affairs and Trade) totalled \$639,960 and will be remitted after balance date.

12. Equipment, Furniture and Motor Vehicles

| | Cost | Current Period | Accumulated | Written Off | Carrying |
|----------------|----------------|----------------|----------------|-------------|---------------|
| | | Depreciation | | Amount | |
| 2015 | | | | | |
| Equipment | 366,123 | 17,488 | 349,116 | | 17,007 |
| Furniture | 76,155 | 2,246 | 66,862 | | 9,292 |
| Motor Vehicles | 36,847 | 7,359 | 21,471 | | 15,376 |
| | 479,125 | 27,092 | 437,449 | | 41,676 |
| 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 |

13. Advances – Share of Partnership

| | 12 months 2015 \$ | 12 months 2014 \$ |
|--|-------------------------|-------------------------|
| Balance at beginning of year | 458,637 | |
| TLMNZ share of original purchase price | | 220,000 |
| The cost of subsequent improvements | | 72,500 |
| Balance as per Restricted Capital | | 292,500 |
| <i>Add Other Advances:</i> | | |
| 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 | 4,800 | 17,600 |
| TOTAL Advances | 463,437 | 458,637 |

- A valuation of the building was carried out by Seagar & Partners (Auckland) Ltd in September 2015 and the market value was estimated to be \$ 2,115,000.
- A valuation from the Auckland City Council web site had the following values.

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

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 | 2015 | 2014 |
|---|----------------|----------------|
| | \$ | \$ |
| Balance at beginning of year | 313,190 | 703,862 |
| Add: Surplus/(Deficit) for the year | 449,173 | (390,672) |
| Add: Transfer to general funds | 96,610 | - |
| Balance at end of year | 858,973 | 313,190 |
| (b) Lend n Mend Fund | 2015 | 2014 |
| | \$ | \$ |
| 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 |
| (c) Restricted Capital Fund | 2015 | 2014 |
| | \$ | \$ |
| Balance at beginning of year | 314,335 | 314,335 |
| Short term deposits | - | - |
| Advances to Mission Centre Partnership | - | - |
| Balance at end of year | 314,335 | 314,335 |
| (d) Bequest Reserves | 2015 | 2014 |
| | \$ | \$ |
| Balance at beginning of year | - | 250,456 |
| Add: Transferred 5% of bequest received | - | - |
| Add: interest earned on deposits- | - | - |
| Less: Transferred to General Funds | - | (250,456) |
| Balance at end of year | - | 0 |
| (e) Programme Reserves | 2015 | 2014 |
| | \$ | \$ |
| Balance at beginning of year | - | 76,759 |
| Less: Transferred to General Funds | - | (76,759) |
| Balance at end of year | 0 | 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 (9 to 12). 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 2015. This information is stated in accordance with the accounting policies set out on pages (13 to 17).

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 2015.

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 (9 to 12) 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 2015 and the results of its operations for the 12 month period ended on that date.

My audit was completed on 5 March 2016 and my qualified opinion is expressed at that date.



Peter Conaglen, PP, BMS, Dip Min.
AUCKLAND





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Thank You

On behalf of people and families affected by leprosy we would like to thank every single one of you 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: The David Ellison Charitable Trust and the Danesmead Charitable Trust.

Over the last 12 months our volunteers have donated a staggering 22,500 hours of their time, and we cannot begin to express just how much of a difference this has made to our work. The time commitment and skill of our supporters who knit babywear for Little Angels Knitwear is very appreciated. 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 global Leprosy Mission Network for all of their hard work and support.



Cure One
today

A world without leprosy
tomorrow

The Leprosy Mission New Zealand
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Registered Charity Number CC 37638



The Leprosy
Mission
New Zealand