

Annual Report 2021

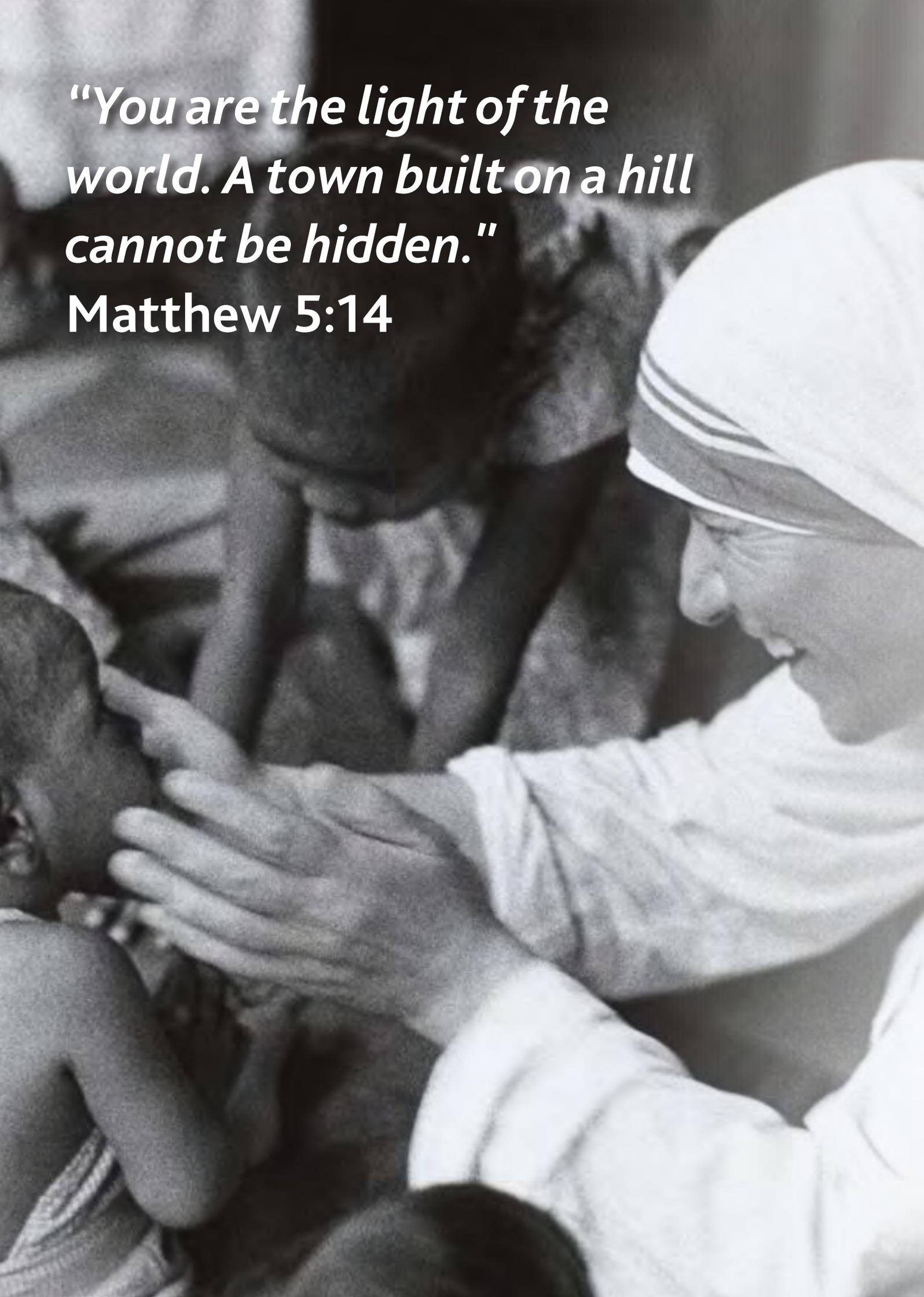


The Leprosy
Mission
New Zealand

Te Mihana Tūwhenua o Aotearoa

“You are the light of the world. A town built on a hill cannot be hidden.”

Matthew 5:14



Our Story

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

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

Vision: Leprosy Defeated, Lives Transformed.

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

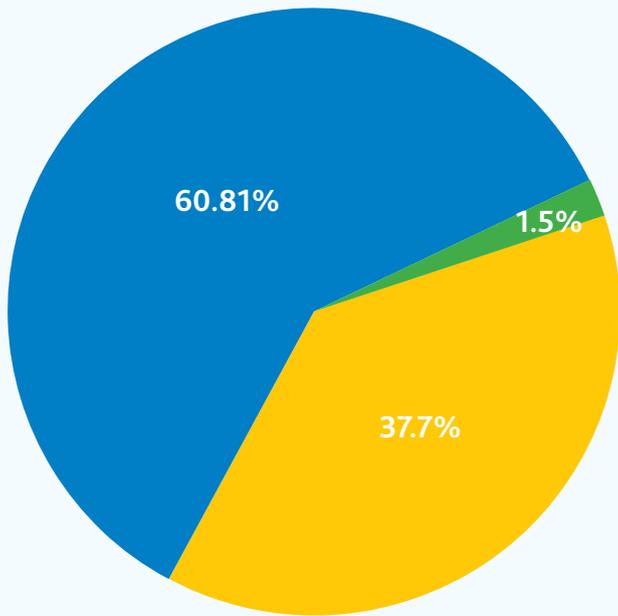
Our Values: Because we follow Jesus Christ, we value Compassion, Justice, Integrity, Inclusion and Humility.

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

Income Received



■ NZ Government Grants	37.7%	\$2,246,158
■ Private Income	60.81%	\$3,627,702
■ Interest/ Other Income	1.5%	\$91,660
Total	100.0%	\$5,965,520

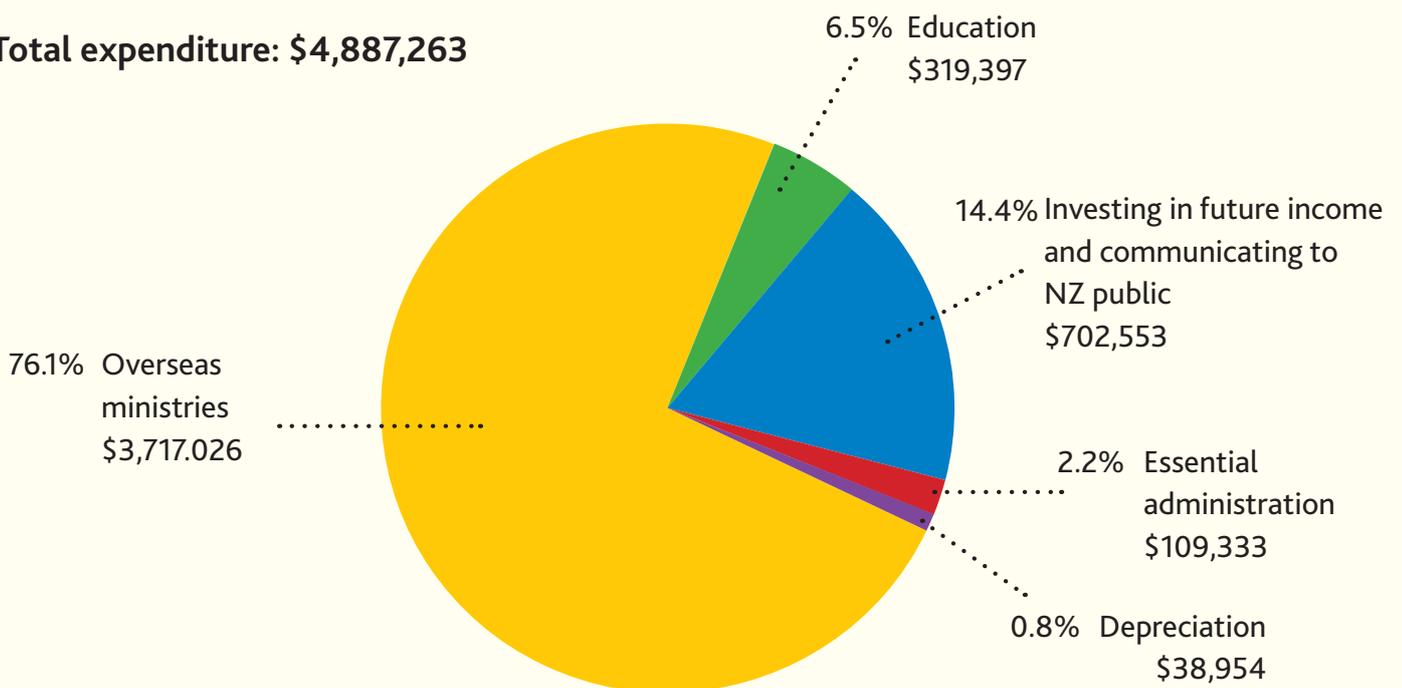
Thank you for your generosity

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



Where the money goes

Total expenditure: \$4,887,263



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

Countries that You Support

With your support, the Leprosy Mission NZ was able to work in some of the poorest and remote areas in the world. We work hand-in-hand with governments, local communities, partner health organisations, the World Health Organization, and many others to provide and evaluate a range of different projects in 9 different countries in 2021.





Who we are

New Zealand

Board Chair

Odele Habets BHSc, PostGradDipDev (Distinction), GradDip (Biblical Studies/ Theology)

Board

Grant Pollock BBS, CA - Treasurer

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

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

Andrew Stott BCom/BA, MBA

Jo White BNurs

Blair Matheson MBA

Andre Stuart BE

Executive Director

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

Auditor

Peter Conaglen PP, BMS, Dip Min

Charity Integrity Audit

Hon-Solicitors

Gaze Burt

Global Fellowship

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

Welcome from Board Chair

Annual Report of The Leprosy Mission New Zealand Incorporated

"In their hearts humans plan their course, but the Lord establishes their steps." Proverbs 16:9

On behalf of the Board it is my privilege and pleasure to present to you the Annual Report for 2021.

2021 was a year in which Covid, mandates, vaccine passes, lockdowns, and traffic light systems continued to dominate our lives in New Zealand, while others around the world and in our projects experienced even more difficult times.

And yet there is so much to thank the Lord for. During this time of challenges and new "normals" Proverbs 16: 9 springs to mind 'In their hearts humans plan their course, but the Lord establishes their steps.' Praise the Lord he does establish our steps amidst uncertain times.

With the faith of our Leprosy Mission family of supporters who upheld the work, we stepped forward to keep our promises made to our partners. Our cup overflowed and you will see how we were able to provide over and beyond with an emergency Covid response in our projects around the world.

As a Board we would like to acknowledge our dedicated staff. Having the opportunity to personally attend several staff morning devotions gave me a deeper appreciation of the love and care our staff have for people affected by leprosy, and the highest value they place on our supporters who enable this work.

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

One of the exciting areas we were able to commit funds to, and you will find highlighted in this report, is an investment in prevention and research. The focus of this investment is Post-Exposure Prophylaxis (PEP) projects in DR Congo, Bangladesh and Indonesia. These projects will enable us to break through barriers in reaching our Zero Transmission 2035 goal of no child with leprosy.

As you read through the highlights and challenges overcome in the past year may you feel blessed. Your prayers, gifts and support are touching the lives of people affected by leprosy. As we continue on our course, it is through God's love that we are creating a world where leprosy is defeated and lives are transformed. May the Lord continue to establish our steps towards this.



Odele Habets
BOARD CHAIR
The Leprosy
Mission New
Zealand
Incorporated



Post-Exposure Prophylaxis (PEP) prevents disease by providing antibiotic treatment for those who have been in close, long-term contact with a leprosy case but do not yet have signs and symptoms of disease.



Welcome from Executive Director

"But those who wait on the Lord shall renew their strength. They shall mount up with wings like eagles..."
Isaiah 40:31

Greetings and welcome to the 2021 Annual Report. As I reflect on the year past, we continued to see the impact of the pandemic as waves of new variants passed over countries we support.

I distinctly remember the heart-breaking situation in India as Covid hit the country and they set world records for number of cases and deaths from the virus.

We were able to bring the needs and plight of our colleagues in India directly to our supporters. The response was overwhelming, we were able to provide oxygen machines and PPE to Leprosy Mission hospitals and emergency medical and food supplies to people affected by leprosy.

Since then, India as a country has administered more than 1.8 billion doses of the vaccine, fully vaccinating 80% of its adults. Some 94% have received the first dose.

Your support helped people affected by leprosy, their families and communities to survive today and to find strength and hope for tomorrow.

New Zealand Leprosy Mission works in partnership with Leprosy Mission implementing countries and grassroots

organisations in Bangladesh, Bougainville, India, Nepal and PNG, DR Congo, Ethiopia, Myanmar and with NLR (until No leprosy Remain) in Indonesia.

Each story shared with you from these partner countries during 2021 had the added impact of Covid. Each person is precious in the sight of God.

The lives of Rima and her son from Bangladesh, the children of Bougainville, Rose from PNG, Shabnam from India and Surayakala and Satendra from Nepal have been blessed through your love and care, as each of them overcome leprosy their lives become an inspiration to us all.

Rose's story in particular struck a chord with me as I was able to speak to her over the phone from New Zealand to PNG. She is a young child that has suffered both physically and emotionally because of leprosy. Despite all the teasing and abuse, Rose shows tremendous grace. She wants to bring hope to others that are affected by leprosy.

"I would tell them that Leprosy is not sorcery. There is treatment! I'm better now. I got it and I'm cured now. You can too!"

Because of kindness like yours, Rose is back in school, working towards her greatest dream. One day, she wants to be a pilot, flying cargoes of healing and hope to the remote villages of Papua New Guinea.

I wanted you to know how high a child can soar, when you help them overcome leprosy!

We are grateful that the Leprosy Mission supporters through the pandemic, have still considered it absolutely vital to financially support the work to defeat leprosy. This investment means that we are still on track to No Child with Leprosy by 2035.

In 2021 the New Zealand Government's NZ Aid Programme, through the Ministry of Foreign Affairs and Trade (MFAT), provided funding for projects in Papua New Guinea and Bougainville. Their continued support and our trusted relationship of matched funding is a powerful enabler of our work.

Together through serving selflessly, having faith and taking action we will each play our small part in transforming the lives of people affected by leprosy.

With blessings,



Gillian Whitley
EXECUTIVE DIRECTOR
The Leprosy Mission New Zealand
Incorporated



Kia ora, Greetings, Heita, Bula Vinaka, Neih hou, Namaste, kumusta kayo and Da duit. Our staff pictured above with Leprosy Mission International Director Brent Morgan hail from many areas around the world. We thank you for your support in 2021.



Your Urgent Covid Response

2021 was a year in which Covid 19 posed a deep crisis in the lives of people living in poverty and the marginalized throughout the world.

The call went out to our Leprosy Mission family throughout New Zealand, and you responded generously to this crisis.

Together in 2021, we were able to help those most in need in Bougainville, India, Myanmar and Nepal during the global pandemic.

Bougainville

Bougainville Health Community Programme (BHCP) has played a significant part in the **Autonomous Bougainville Government's Covid response**; by providing Covid awareness in field-based training and awareness activities on behalf of the Department of Health (DoH).

A combined church and women leaders training on COVID-19 was organised by BHCP and conducted by DoH to support the roll out of COVID 19 awareness and vaccination throughout the region.

With the knowledge gained, the communities were empowered with COVID-19 information to support the drive for advocacy.



India

You supported **The Leprosy Mission Hospital in Salur** in the Covid-19 Emergency Response.

107,075 Personal Protective Equipment (Gloves, Masks, Face shields, PPE Gowns) provided.

680 people affected by leprosy received comprehensive COVID Care (COVID tests, vaccination, medicine).

196 emergency Ventilators and Oxygen Cylinders purchased.

23 elderly residents affected by leprosy were given essentials such as food, medicine, constant health check-ups and help with vaccination.

210 students continued remote education and training through Vocational Training Centers (VYC) in order to gain employment and become self-sufficient.

As a result, 90% of VTC graduates were employed in industries across India and have reported job security and a steady source of income even during Covid times.

Myanmar

Emergency Food parcels and cash to people affected by leprosy as part of their Covid -19 emergency response.

5 laptops were donated to the Leprosy Mission Myanmar office as staff were working from home due to Covid lockdown and political situations.

Nepal

Anandaban Hospital was able to modify and improve their infrastructure to take care of highly infectious Covid patients.

The Mycobacterial Research Laboratories at Anandaban Hospital received permission to conduct Covid testing. The hospital also assigned 20 percent of their beds for isolating Covid patients.

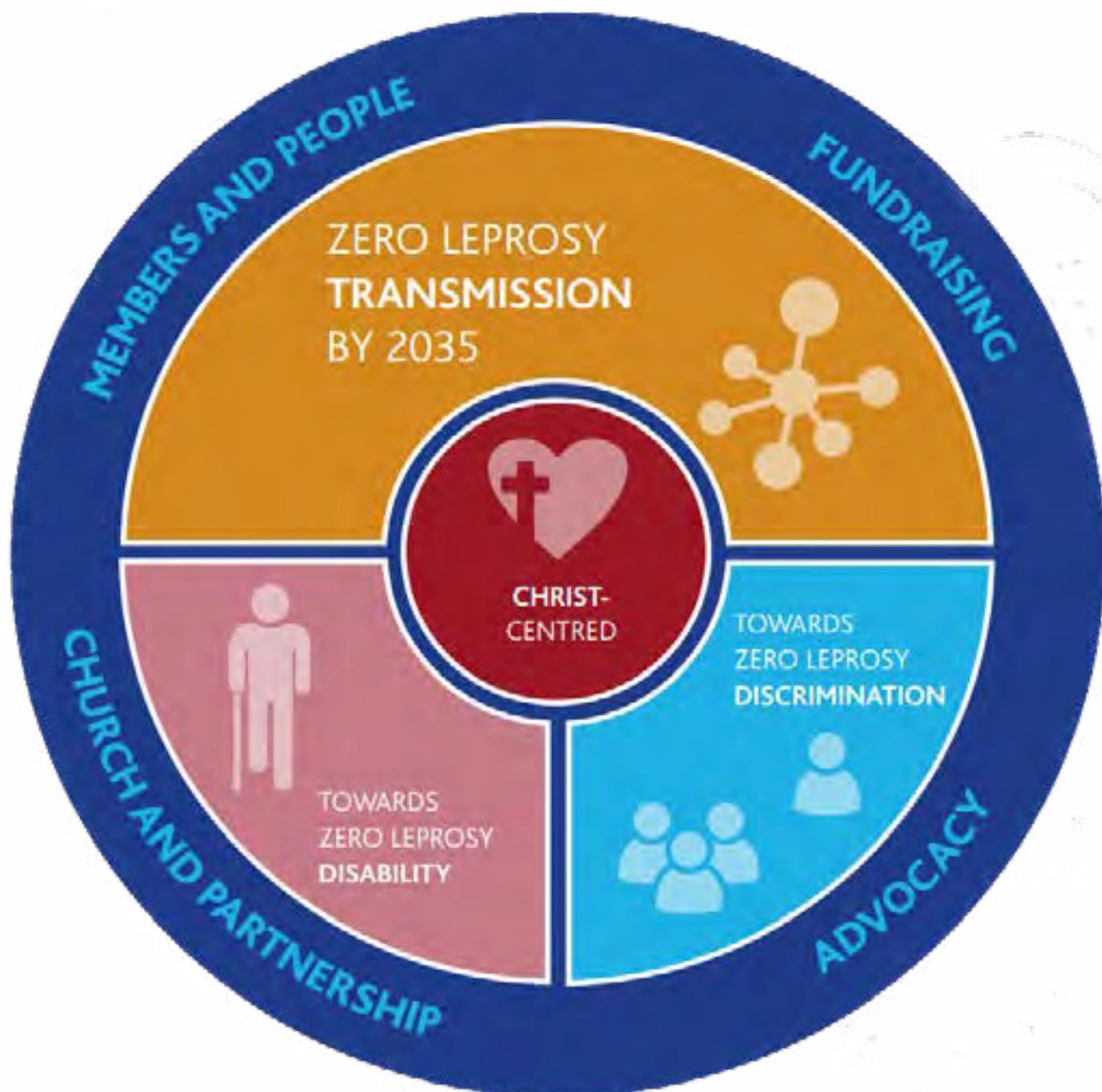
The team pivoted to telemedicine and telecounselling. The hospital staff worked tirelessly to ensure multi-drug therapy, the cure for leprosy, remains available and accessible.

The major success is, as a primarily leprosy hospital, it could go beyond leprosy work at times of emergency like the COVID pandemic, which strengthened the relationship with different stakeholders and addressed the need of local communities.



Triple Zero Leprosy Strategy

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



Cure

Towards
Zero
Transmission

Preventing:

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

Finding and Diagnosing:

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

Being treated:

- Ensuring leprosy assessment available and accessible
- Ensuring MDT medication given and taken

Breaking transmission:

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



Care

Towards
Zero
Disability



Hospital and Clinic Healthcare:

- Providing reconstructive surgery and ulcer treatment
- Providing counselling and physiotherapy

After treatment Care:

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

Restore

Towards
Zero
Discrimination



Sustainable livelihood development:

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

Breaking stigma:

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

Cure *Zero Transmission*

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

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

Zero Transmission of leprosy can be achieved by:

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

Indonesia

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

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



4,870

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

Bougainville

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

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

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

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



1,103

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



1,188

new leprosy cases were diagnosed in NZ supported projects.

Rose is cured of leprosy

For Rose, the worst thing about leprosy was not the physical effects but the heart-breaking bullying and teasing.

For generations, leprosy had been wrapped around their family tree, like the sapping poison of a parasitic vine – from the oldest to the youngest.

"We are discriminated by all the villagers," Rose said. Then she said something that haunts me: ***"We lived in shame!"***

Rose's suffering began with the physical effects of leprosy.

But she says the pain and the scarring are not the worst thing about her leprosy.

"The worst thing is being teased at school."

In the picture Rose drew for us and in her poem, Rose is all alone at school while other children play together. She writes:

"Why can't they stop pushing me out, with their mocking words and their teasing?"

She always came home crying, isolating herself. ***"I had to leave school."***

Rose loves learning and she knows education is the key to her future, but she couldn't bear the bullying...

And yet, with tremendous grace, Rose's family has turned their suffering into ministry for others.





Rose's uncle and her cousin are Village Health Volunteers (VHV), being supported in their work by your gifts.

Rose is very proud of her cousin.

"She is helping people like me. She takes them to the hospital and the Doctor diagnoses them. She always encourages, comforts and supports me. She helps me get to the hospital, which is far away. She collects my MDT. She checks to make sure I take my medication. She organised training that helped my mother grow her stall at the market."

It is thanks to you that Rose's future is back on track. In the time she was too afraid to go to school, Rose received leprosy medication. Thank you so much for curing Rose!

Rose is back at school and the good work of the Village Health Volunteers is breaking down discrimination in her village.

Rose's story shows the shadow leprosy can cast over generations of a family. That is why we must achieve the goal of No Child with Leprosy by 2035. Together, we will.

Care *Zero Disability*

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

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

Nepal

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



1,658

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



465

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

India

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

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



5,616

people received physiotherapy in NZ supported projects.



1,806

pairs of protective sandals were provided in NZ supported projects.



726

people were supplied with assistive devices (prosthetics, crutches and wheelchairs etc) in NZ supported projects.

Miracle Ulcer Treatment

Dr. Indra Napit is an Orthopaedic and Reconstructive Surgeon at the Leprosy Mission's Anandaban Hospital in Nepal.

He works tirelessly with the team to ensure leprosy patients receive top quality leprosy and orthopaedic services.

He has pioneered a brand new life-changing treatment. It heals deep ulcers and cuts down healing time significantly for leprosy patients. It's called the Leukocyte & Platelet Rich Fibrin (LPRF) procedure.

Doctors take a sample of the patient's own blood, spin it in centrifuge to extract the plasma and red cells, then allow it to clot before flattening it into a thin "patch". This is then applied to the surface of the ulcer. Staff then bandage the patient's ulcer and the process is repeated weekly.

With this new treatment, hospital admission time is reduced drastically from six to eight months to only eight weeks!

It also means Anandaban Hospital can have greater capacity to treat more leprosy patients, and continue to offer a lifeline to people affected by leprosy.

"It is a real joy to see the happiness in the faces of leprosy patients after surgery," Dr Indra says.



The 'wonder-working power' of blood to treat leprosy ulcers - a ground-breaking development!



Fast facts about this new ulcer treatment:

- Chronic ulcers typically require hospital treatment ranging from days to years. But the new LPRF procedure is quick, simple and painless.

Advantages include:

- Using the patient's own blood which reduces the chance of infection
- Taking only minutes to apply the procedure
- Causing no discomfort to the patient

Praise God - and thank you for your kindness and support for the laboratory at Anandaban Hospital.

Restore *Zero Discrimination*

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

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

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

India

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

Ethiopia

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

3,824 people in self-help groups in New Zealand supported projects.



6,068 people were trained in advocacy, leadership and rights in New Zealand supported projects.

Bangladesh

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

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

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



1,294

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



1,152

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

Papua New Guinea

The **Sustainable Livelihoods Development Programme's** goal is: sustainable livelihoods and health for individuals, families and communities affected by leprosy and disability in PNG.

2021 was the fifth year the Leprosy Mission New Zealand worked in partnership with The Leprosy Mission PNG. Communities received training on income generation, gender issues, health and managing micro-credit. 93 Community Facilitators raised awareness of leprosy in 50 communities and referred patients to health clinics.

Suryakala's life is transformed

At just 8 years old, Suryakala began to lose feeling in her hands and feet. Gradually the bones crumbled, and she began to lose her fingers and toes. Soon she was diagnosed with leprosy.

Her family were forced by their village to banish Suryakala to a cowshed for many months. Isolated, alone, she had nobody to turn to.

'Nobody used to look at us or care for our problems. We were the first to have leprosy in our village, so we were highly discriminated against by everyone and they blamed us that it is because of our sin,' Suryakala recalls.



Thankfully, Suryakala was referred to Anandaban Hospital where she received the much needed cure and treatment for her leprosy.

Through your love and kindness, Suryakala has been able to have reconstructive surgery for her dropfoot.

Suryakala was able to secure a job at the Nepal Leprosy Trust workshop where she



makes leather handicrafts for a living, with other people affected by leprosy. This is a place where she found acceptance and a purpose for her life. She is able to earn a living to support herself and her family.

"I am now self-dependent and feel proud that I am able to earn for myself and my children. Thank you!" Suryakala rejoices.

With the support from New Zealanders like you, Leprosy Mission have been able to support Suryakala's daughter, Esther, into a programme to study medicine at university.

"I am very grateful. Thank you to kind New Zealanders who supported us and prayed for us," says Suryakala.



It is only thanks to amazing supporters like you and God's grace, Suryakala has undergone this radical transformation - thank you!

Your prayers and support bring lasting hope and a brighter future to people affected by leprosy, like Suryakala and her daughter, Esther and Elizabeth.



Global Advocacy

New Zealand is part of the Global Fellowship of members active in 30 countries across the world working closely with governments, local communities, UN agencies and many others to achieve our vision of *'leprosy defeated, lives transformed'*.

There are still 130 laws in 29 countries that deny the fundamental human rights of people affected by leprosy, meaning that a leprosy diagnosis itself can strip a person of their basic rights. In fact, these discriminatory laws are, in many cases, just as damaging as or even worse than the disease itself.

One of the Leprosy Mission's triple Zero goals is Zero Discrimination. In 2021 along with other partners, Leprosy Mission NZ started a petition to reduce the number of countries with legislation allowing discrimination on the basis of leprosy to zero.

We helped start the petition calling on UN member nations to repeal all legislation that discriminates against persons affected by leprosy and their families.

Between April to October 2021, many thousands of people from 58 countries signed the petition.

Our Leprosy Mission representative in Switzerland presented the petition in person to the Permanent Mission of Hungary, Bangladesh, Brazil and Namibia and Nepal.

The meetings were very successful with good discussions and they received the petition and assured their support.

Our petition coincided with a presentation on this issue to the UN General Assembly on 21st October by the UN Special Rapporteur on the elimination of discrimination against persons affected by leprosy and their family members, Alice Cruz and was well received.

The Leprosy Mission will continue to take every opportunity to advocate so that we see people affected by leprosy having equal access to political rights, economic equality and social justice.



***Financial
Statements***

Statement on Corporate Governance

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

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

The Board

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

Audit Committee

The audit committee is composed of members of the Resources committee. The external auditor has access to this committee and has met with the committee following completion of the audit for the 12 months ended 31 December 2021. 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 2021. After reviewing internal financial reports and budgets, the Board believe that The Leprosy Mission New Zealand Incorporated will continue to be a going concern in the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Statement of Service Performance

Leprosy Mission New Zealand

For the year ended 2021

Outcomes

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

Outputs

Bougainville Healthy Communities Programme, Bougainville

	2020	2021
Village and ward support visits	898	868
Participants in Health Management training	1,913 (1063 male and 850 female)	1,407 (875 male and 532 female)
New confirmed leprosy cases	123	91

Chittagong People-led Development Programme, Bangladesh

	2020	2021
Members in Self-Help Groups (SHG)	3,917	3,465
Participants received income generating support	244	319 (112 male and 207 female)
Loans issued to SHG members	1,476 (296 male and 1,180 female)	1,786 (318 male and 1,468 female)

Sustainable Livelihoods Development Programme, Papua New Guinea

	2020	2021
Community Facilitators trained and supported	106 (53 male and 53 female)	107 (53 male and 54 female)
Participants trained in savings and livelihood	1,033 (377 male and 656 female)	2,777 (1,243 male and 1534 female)
Income generating activities developed	1,353 (407 male and 946 female)	1,817 (619 male and 1,198 female)

The Leprosy Mission New Zealand Incorporated



STATEMENT OF COMPREHENSIVE REVENUE & EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2021

All figures are in NZ dollars \$

Income Resources	Notes	2021	2020
Revenue From Non-Exchange Transaction			
Donations	4f(i), 8	2,887,842	2,595,688
Trusts/Corporates/Major Gifts	4f(i), 8	195,319	111,259
Bequests	4f(ii)	544,541	585,099
NZ Government Grants from MFAT ¹	4f(iii), 9	2,246,158	2,314,904
		5,873,860	5,606,950
Revenue From Exchange Transactions			
Interest and Other revenues	4g(i), (ii)	91,660	127,758
TOTAL Incoming Resources		5,965,520	5,734,708
Resources Expended			
Overseas Ministry	5, 9	3,717,026	3,716,177
Education		319,397	299,170
Fundraising and Promotion		702,553	758,342
Administration		109,333	82,696
Depreciation	4b	38,954	35,348
TOTAL Resources Expended		4,887,263	4,891,733
Operating Surplus/(Deficit) for the year		1,078,257	842,975
Other Comprehensive Expenses			
Prior year MFAT recognised Grant revenue attributed to currency gains now classified as future remittances	11	(163,494)	-
Transfer to Reserves		(905,000)	(500,000)
General Funds carried forward		9,764	342,975

¹Ministry of Foreign Affairs and Trade

The accompanying notes form an integral part of these financial statements

The Leprosy Mission New Zealand Incorporated



STATEMENT OF CHANGES IN EQUITY/ NET ASSET FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021	2020
Balance at beginning of year		4,556,370	3,713,395
General Fund	11, 17a		
Lend n Mend Fund	17b		
Restricted Capital Fund	17c		
Programme and other Reserves	17d	500,000	500,000
Working Capital Reserve	17e	390,000	
Holiday pay Reserve	17f	15,000	
Surplus/(Deficit) for the year		9,764	342,975
Balance at end of year		5,471,134	4,556,370

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 2021

	Notes	2021	2020
Current Assets			
Bank Accounts, Cash and Deposits	10	5,932,818	4,696,284
Accounts Receivable & Prepayments	4d	27,955	78,584
Inventory		2,649	3,015
		5,963,422	4,777,883
Current Liabilities			
Less Current Liabilities - Accounts Payable	4e	181,911	181,435
Less Funds committed for future remittances	11	931,707	631,342
		1,113,618	812,777
WORKING CAPITAL		4,849,804	3,965,106
Non Current Assets			
Equipment, Furniture & Fixtures, Motor Vehicles	4a, 15	120,675	95,409
Advances (Share of Partnership)	16	491,037	486,237
Investments	4c	9,618	9,618
TOTAL NON CURRENT ASSETS		621,330	591,264
TOTAL ASSETS		5,471,134	4,556,370
Equity			
General Funds	17a	1,130,454	1,120,690
Lend n Mend Fund (Restricted)	17b	36,345	36,345
Restricted Capital Fund	17c	314,335	314,335
Programme and Other Reserves	17d	3,000,000	2,500,000
Working Capital Reserve	17e	875,000	485,000
Holiday Pay Reserve	17f	115,000	100,000
TOTAL EQUITY		5,471,134	4,556,370

The accompanying notes form an integral part of these financial statements

The Leprosy Mission New Zealand Incorporated



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
Cash flows from operating activities		
Donations and Bequests	3,678,332	3,375,377
New Zealand Government Grants	2,246,158	2,314,905
Payments		
Overseas Ministries Remittances	(3,601,804)	(3,498,801)
Payment to suppliers & employees	(1,130,441)	(1,104,911)
Net cash from operating activities	1,192,245	1,086,570
Cash flows from investing activities		
Net cash from investing activities	44,289	41,082
Net increase/(decrease) in cash and cash equivalents	1,236,534	1,127,652
Cash and cash equivalents at beginning of period	4,696,284	3,568,632
Cash and cash equivalents at end of period	5,932,818	4,696,284
Reconciliation with reported operating surplus		
Reported surplus/(loss)	1,078,257	842,975
Add: Depreciation	38,954	35,348
Less: Interest and Other Income	(91,660)	(127,758)
(Increase)/ Decrease in Inventory	366	(508)
(Increase)/Decrease in Accounts Receivables and Prepayments	50,630	83,331
Increase/(Decrease) in Accounts Payable	476	35,806
Increase/(Decrease) in funds committed to remittances	115,222	217,376
Net cash inflow from operating activities	1,192,245	1,086,570

The accompanying notes form an integral part of these financial statements



Notes to the Financial Statements

For the year ended 31 December 2021

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 2021. These statements will be authorised for issue after the Board meeting on 21st May 2022.

3. Basis of Preparation

Statement of Compliance

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

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

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

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

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

The financial statements are prepared on the historical cost basis.

4. Accounting Policies

(a) Owned Assets

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

(b) Depreciation

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

The estimated useful lives of assets are as follows:

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

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

(c) Investments

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

- (ii) Investments are shown in the Statement of Financial Position at the lower of cost or market value.
- (iii) The Leprosy Mission New Zealand's investments comprise cash together with 300 shares in Pacific Gas & Electric Company which were bequeathed to the Leprosy Mission New Zealand by a supporter. The fair value of quoted securities is determined based on bid prices at the balance sheet date. The book value of this investment remains unchanged from 2003. PG&E filed for Chapter 11 on 29 January 2019 and as of 31 December 2021 the last sale listed on the Nasdaq Exchange was USD 12.14 per share. There were no PG&E dividends received in 2021.
- (iv) The Leprosy Mission New Zealand has a third share of a 5-share interest in freehold land in the Maori Freehold Land known as Anakiwi No. 10 Block. Dividends of NZ\$20 were received in 2021.

(d) Receivables

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

(e) Payables

Trade and other payables represent liabilities for goods and services provided to the Leprosy Mission New Zealand and which have not been paid at the end of the financial year. Given their short term nature, the carrying values of trade and other payables are considered a reasonable approximation of their fair values.

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

(f) Revenue NON-EXCHANGE TRANSACTIONS

(i) *Grants and Donations*

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

(ii) *Bequests*

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

(iii) *New Zealand Government Grants*

Contracts with the Ministry of Foreign Affairs and Trade [MFAT] are based on 3-to-5-year terms with a schedule of annual payment dates. The contracts have

performance reporting dates along with a financial accountability reporting inclusive of any unspent balance. Formal negotiations take place with the MFAT on any unspent project funds as to repayment, or an application to apply the unspent funds to an extension of the project(s). On this basis, the revenue recognition policy is to treat government contracts as a current liability until the funds are expended on the authorised project, and the administration of the project.

(g) Revenue EXCHANGE TRANSACTIONS

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

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

(i) *Sale of books*

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

Currency gains (if any) is recognised as “Other Income” at the end of the financial period.

5. Emergency Grants

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

6. Income Tax

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

7. Goods and Services Tax

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

8. Donation and Trust Income

This income is made up of the following

	2021	2020
Appeal Donations	2,232,026	1,981,156
Partner's Programme	595,078	547,996
Money Boxes	17,916	28,305
General Donations	40,909	9,156
Community Programme	1,914	29,075
Trust and Major Donors	195,319	111,259
TOTAL	3,083,162	2,706,947

9. Overseas Ministry & New Zealand Government Grants

	2021	2020
NZ Government Grants ¹	2,246,158	2,314,905
Private Funds	1,470,868	1,401,272
TOTAL	3,717,026	3,716,177

¹ New Zealand Aid Programme administered through MFAT

It is Leprosy Mission New Zealand's policy to advise the 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

New Zealand Government grants for 2021 received from MFAT (Ministry of Foreign Affairs and Trade) along with currency gains held over for final remittance totalled \$931,707 and will be remitted after balance date. The MFAT contracts require accountability reporting by LMNZ on the expenditure applied to the New Zealand Government grants. LMNZ will discuss with MFAT at the end of a New Zealand Government project as to either returning unspent grant funds, or with MFAT approval these unspent funds may be applied to that project as a "No Cost Extension". Currency gains have been recognised over the term of the MFAT contracted \$NZ funding, given the projects budgets were in foreign currencies.

12. Changes in Accounting Policies

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

13. Related Party Transactions

Leprosy Mission New Zealand conducts an internal audit every year for the Bougainville Healthy Communities Programme (BHCP) project which is required for reporting to MFAT. The internal audit comprised a desk-audit for 2021 due to Covid-19 travel restrictions. Grant Pollock CA, a member of The Leprosy Mission NZ Board conducts this audit and is paid a fee which is determined and agreed in the BHCP project budget with MFAT.

14. Accounting For Events After Balance Date

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

15. Equipment, Furniture and Motor Vehicles

	Cost	Current Period	Accumulated	Written Off	Carrying
		Depreciation		Amount	
2021					
Equipment	598,739	33,218	478,064		120,675
Furniture	83,939	1,114	83,939		-
Motor Vehicles	25,260	4,621	25,260		-
	707,938	38,954	587,263		120,675
2020					
Equipment	534,519	26,442	444,864		89,673
Furniture	76,738	3,864	75,624		1,114
Motor Vehicles	25,260	5,042	20,639		4,621
	636,517	35,348	541,109		95,408

16. Advances - Share of Partnership

	2021	2020
Balance as per Restricted Capital	486,237	481,437
<i>Add Other Advances:</i>		
Advance towards maintenance fund	4,800	4,800
TOTAL Advances	491,037	486,237

- A reinstatement valuation of the building was prepared by Seagars (Auckland) Ltd in October 2016, and the valuation was estimated to be \$ 2,300,000. Due to the frequent disruptions to normal business activities, we have had to delay a valuation done by the valuers coming on site. However, in insuring the building through Rothbury Insurance Brokers, we have allowed for inflation each year since the last valuation was carried out.

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

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

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

17. Equity

The equity comprises of the following:

(a)

General Funds	2021	2020
Balance at beginning of year	1,120,690	777,716
Add: Surplus/(Deficit) for the year	1,078,257	842,975
Less: Prior period adjustment	(163,493)	-
Add: Transfer to/(from) general funds	(905,000)	(500,000)
Balance at end of year including funds committed to future remittances	1,130,454	1,120,690

(b)

Lend n Mend Fund	2021	2020
Balance at beginning of year	36,345	36,345
Balance at end of year	36,345	36,345

(c)

Restricted Capital Fund	2021	2020
Balance at beginning of year	314,335	314,335
Balance at end of year	314,335	314,335

(d)

	2021	2020
Programme and Other Reserves	2,500,000	2,000,000
Add: Transfer from general funds	500,000	500,000
Balance at end of year	3,000,000	2,500,000

(e)

Working Capital Reserve	2021	2020
Balance at beginning of year	485,000	485,000
Add: Transfer from general funds	390,000	-
Balance at end of year	875,000	485,000

(f)

Holiday Pay Reserve	2021	2020
Balance at beginning of year	100,000	100,000
Add: Transfer from general funds	15,000	-
Balance at end of year	115,000	100,000



Independent Auditor's Report

To the Board of The Leprosy Mission New Zealand (NZ) for the year ended 31st December 2021

Opinion

We have audited the financial statements of The Leprosy Mission NZ, which comprises the statement of comprehensive income, the statement of changes in equity, the statement of financial position as at 31 December 2021, the statement of cash flows for the year then ended, and notes 1 to 17 to the financial statements, which include a summary of significant accounting policies.

In our opinion:

- the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable,
- the financial statements present fairly, in all material respects, the financial position of The Leprosy Mission NZ as at 31 December 2021 and its financial performance and its cash flows for the year then ended, in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and statement of service performance in accordance with the International Standard on Assurance Engagements (NZ) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described below in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of The Leprosy Mission in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Restriction on Responsibility

This report is made solely to the Board, as a body, in accordance with section 42F of the Charities Act 2005, the Financial Reporting Act 2013, and their constitution. Our audit work has been undertaken so that we might state to the Board those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board as a body, for our audit work, for this report, or for the opinions we have formed.

Other Information

The Board is responsible for the other information in the annual report. The other information comprises the financial overview, Board chair report, and project achievements, but does not include the financial statements, the statement of service performance, and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based, on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board Responsibility for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at

https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx



Charity Integrity Audit Ltd
Director: Peter Conaglen
Chartered Accountants – South Auckland
11th May 2022



Our commitment to you

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

In the first instance, please contact us:

General concerns: supporterservices@leprosymission.org.nz

Safeguarding concerns: safeguarding@leprosymission.org.nz

Or call Freephone: 0800 862 873 (NZ Only) or +64 9 630 2818

If you have raised a complaint with The Leprosy Mission New Zealand and are not satisfied with the response to that complaint you may contact:

Fundraising Institute of New Zealand, a sector organisation of which The Leprosy Mission New Zealand is a member and which commits to ethical and best practice fundraising.

Website: finz.org.nz

You can also contact Charities Services, part of the Department of Internal Affairs.

Website: charities.govt.nz

The Council for International Development (CID), the national umbrella agency for NZ organisations working in International Development.

Website: cid.org.nz

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

2035
NO CHILD
WITH LEPROSY





The Leprosy
Mission
New Zealand

Thank you

for making this life-changing
work possible!

The Leprosy Mission New Zealand
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