

# Annual report

2014



Advancing health  
and ability



## LEPROSY AND DISABILITY

Our programmes reached  
90,205 beneficiaries.

## CAPACITY BUILDING

19,725 people were trained to  
recognize and treat leprosy

*Leonardo (15) completed the leprosy treatment three months ago. He still needs to be careful with his hands and feet, which have lost some of their nerve function. But, like his friends, he can now indulge in normal teenage activities, such as listening to music and watching TV. And he helps his mother with chores like cleaning the bathroom.*



*In this Annual Report, people affected by leprosy from Brazil reveal how the disease influences their lives and what the NLR does for them.*



Advancing health  
and ability

# Annual report

## 2014

# INTRODUCTION

**Co-operation, innovation and fundraising were our major themes this year. We increased our pursuit of alliances and coalitions with partners that share our commitment to work towards a world where leprosy no longer disables people and where people with disabilities can fully participate and contribute based on their capacities and talents.**

## Cooperation

### **International Federation of Anti-Leprosy Associations (ILEP)**

NLR actively contributed to the inspiring and ambitious new ILEP-strategy guiding 14 NGOs in their joint effort to stop the transmission of leprosy, prevent disability due to leprosy and break down barriers to inclusion of girls and boys, women and men affected by leprosy.

### **Leprosy Research Initiative (LRI)**

In November 2014, the newly established Leprosy Research Initiative, which NLR co-ordinates, allocated €1.4 million to research proposals on the five priority areas of its policy. Having received 51 Letters of Intent in response to its first call for proposals, we can conclude that the LRI has managed to get known by many researchers and that there is a great need for financing in this field of research.

### **Dutch Alliance for Disability –Inclusive Development (ADID)**

NLR joined the new Dutch Alliance for Disability –Inclusive Development (ADID) that aims to coordinate lobby, advocacy and support to people with disabilities and their organizations towards disability-inclusive development. ADID also applied for funding with the Dutch government and other donors.

### **Dutch Coalition for Disability and Development (DCDD)**

The DCDD launched an intensive campaign to convince the Dutch government that ratification of the UN Convention of Rights of People with Disabilities should also include active implementation of its article 32, which calls for inclusion of the convention not only in the Netherlands, but in Dutch development cooperation policy as well.

## Innovation

### **Leprosy Post Exposure Prophylaxis Project (LPEP)**

NLR is coordinating the introduction of post-exposure prophylaxis amongst social contacts of newly diagnosed leprosy patients in Indonesia, India and Nepal, while ILEP partners are introducing PEP in Tanzania, Myanmar and Sri Lanka. The Novartis Foundation for Sustainable Development is funding the project. International attention and interest in PEP is growing; seven top endemic countries have shown interest. NLR has lobbied with ILEP partners to get this promising innovation endorsed under the new Global Strategy 2016-2020 by the World Health Organization's Global Leprosy Programme, which is to be drawn up by the end of 2015.

### **Neglected Tropical Diseases**

Since 2012, NLR has been promoting increasing collaboration between leprosy programmes and other NTD programmes on crosscutting issues. During our active participation in the NGO Network for NTDs, we observed a growing interest in the lessons learned in leprosy e.g. in prevention of disabilities and patient management. A new web portal will be developed to provide easy access to publications and research on these cross-cutting issues.

## Fundraising

In 2014, NLR again faced a decline in its fundraising income from the Dutch public. We invested more heavily in increasing the effectiveness of our good relationships with private donors, in institutional fundraising, and decided to focus in 2015 on accelerating efforts to expand local rooting of our Regional Offices and local ownership of our programmes. Further investments in their capacity to raise local and international funding will be made to ensure long-term continuity and sustainability of NLR's ambitions.

We extend hearty thanks to all who expressed their confidence in NLR in 2014 through personal involvement, financial support and cooperation!



**Max van den Berg**  
Chairman Supervisory Board



**Jan van Berkel**  
Director

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## Highlights 2014



NLR's programmes in disease control and disability reached 90,205 beneficiaries.



NLR supported 1,040 self-care groups working at preventing further infections, wounds and deformities.



19,725 health workers were trained to recognize and/or treat leprosy.



11,579 assistive devices were distributed among people with a disability, like orthopedic footwear, a prosthesis, wheelchair or sunglasses.



The newly established Leprosy Research Initiative allocated €1.4 million to research proposals. Fifty applications were received from all over the world, of which 14 new research projects will start in 2015.



Stigma research results show that the interventions (counselling, contact and socio-economic development) had a positive impact on the lives of many participants, reducing stigma and increasing self-confidence, personal motivation, quality of life and social participation.



NLR joined the new Dutch Alliance for Disability-Inclusive Development (ADID) that aims to coordinate lobby, advocacy and support to people with disabilities and their organizations towards disability-inclusive development.



International attention and interest in Leprosy Post Exposure Prophylaxis is growing; six top endemic countries have shown interest. NLR has lobbied with ILEP partners to get this promising innovation endorsed under the new Global Strategy 2016-2020 by the World Health Organization's Global Leprosy Programme.



Leprosy control



Disability



Research



Fundraising



Innovation



Cooperation



India: workshops were organized to boost the confidence of persons affected by leprosy. To increase their capacity to express themselves freely in order to improve their self-reliance and, eventually, their access to special facilities.



Indonesia: pilots to implement the WHO guidelines on 'Strengthening participation of persons affected by leprosy in leprosy services' are running successfully in two districts, with persons affected by leprosy forming teams interacting with communities and providing information in schools and villages.



728 people received reconstructive surgery.



About 52,000 loyal donors supported our work; house-to-house fundraisers collected over €35,795 in donations and the Dutch Mayors Football Team topped up their contribution so the total fundraising figure over 26 years of partnership now stands at €525,000.



## Leprosy Control

Deformity, rejection and exclusion from society. These are only some of the terrifying effects of leprosy. The disease mainly affects the skin, peripheral nerves, nose and eyes. It is caused by *Mycobacterium Leprae*, the first bacterium ever identified (in 1873) as causing disease in humans. Since the 1980s, effective treatment has been available free through the World Health Organization (WHO). Patients have to use multi-drug therapy for six to twelve months. Once they are diagnosed and treated at an early stage of the disease, very few disabilities will ensue.

The number of patients who have developed visible disabilities (so-called Grade 2 disabilities) at the start of treatment is considered an important indicator of the effectiveness of a leprosy control programme. WHO aims to reduce the number of new leprosy cases with visible disabilities per 100,000 of total population by at least 35% between end-2010 and end- 2015. Yet the disease is still endemic in many countries in Asia, Africa and Latin America. Endemicity is concentrated in high-endemic regional 'pockets' that still need an intensified approach. About 215,000 new cases were diagnosed in 2013 (source WHO); figures for 2014 are not yet available.

## NLR's active commitment needed

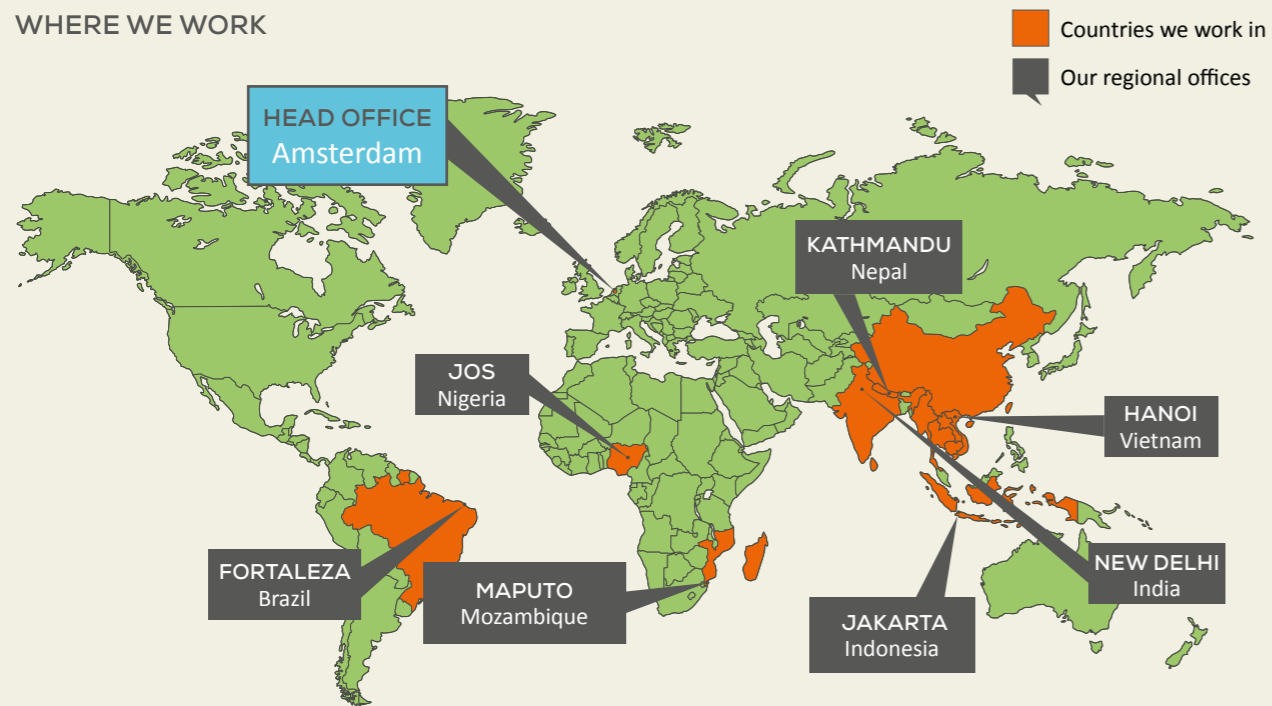
The number of new patients identified per year has fallen: from 600,000 in 1997 to about 215,000 in 2013. A feeling is emerging that leprosy is beginning to come under control. But, as recent surveys in India and Bangladesh have revealed, decreasing numbers can also indicate a reduction in the quality of a leprosy programme. The sharp decrease can be caused by a decreased detection rate due to lowered attention by government programmes.

It will be another 10 to 20 years before leprosy is truly controlled in many countries, but this will depend greatly on the intensity of control efforts. Statistics from different regions are not all reliable, and in many countries the number of infected patients is estimated to be 3-4 times the numbers reported (hidden case-load). Sometimes rising numbers of newly diagnosed patients indicate that the control programme has become more effective, revealing more new cases than the year before. Vigilance by government health systems and NGOs such as NLR and its ILEP partners must therefore be maintained.

*Maria Rita (70) is captured here in the hospital with her grandson. She is cured of leprosy and just comes to the health centre in Itapissuma for check-ups. The illness has robbed her of feeling in her hands, but she finds it difficult to describe exactly what leprosy means. She has never told her friends. NLR trains healthcare staff in diagnosis and treatment. It's also useful for the patients and those around them to be well informed about the symptoms, consequences and prejudices related to this disabling disease. That helps us to bring the disease under control and counter discrimination.*



WHERE WE WORK



NEW CASES DETECTED AND TREATED IN THE AREAS WHERE WE WORK

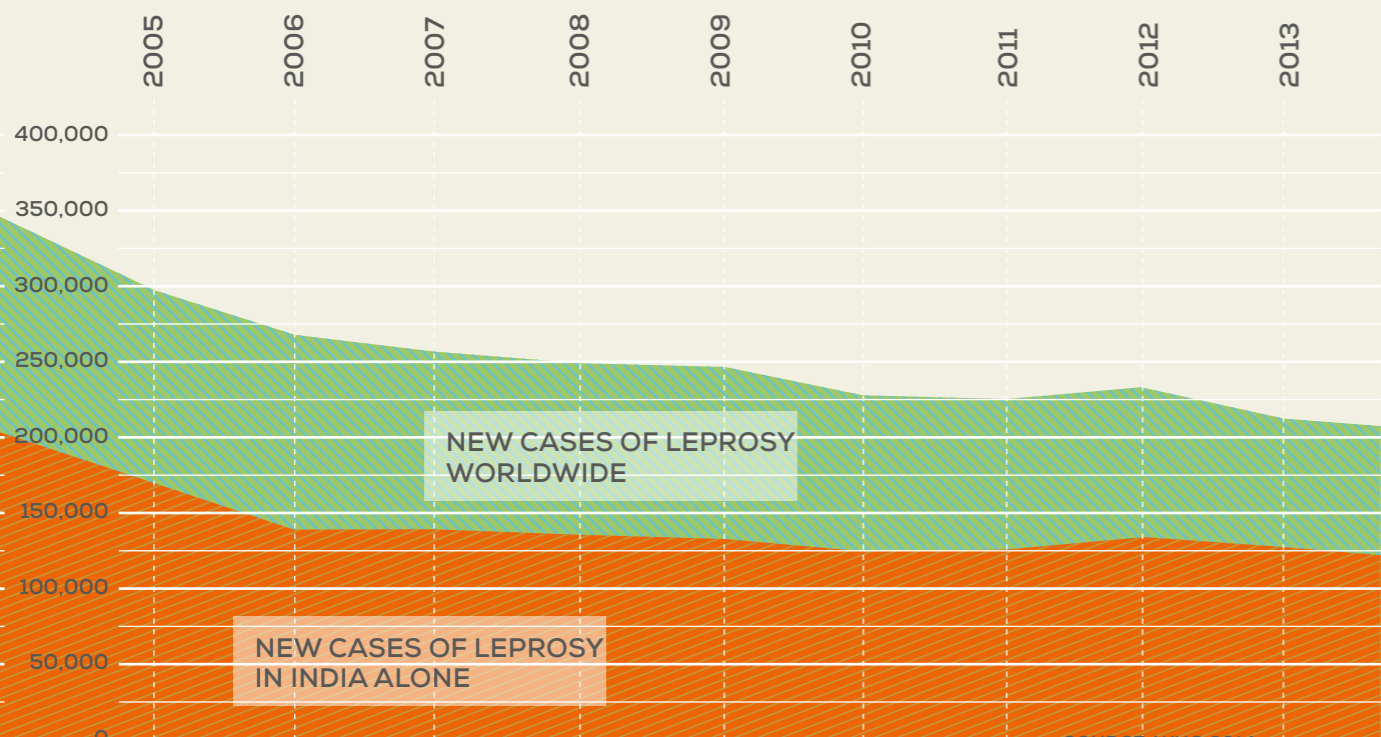
1 = 250 PEOPLE



**52,161**  
NEW CASES  
DETECTED IN THE AREA  
WHERE WE WORK

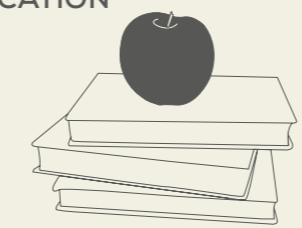
**3,452**  
OF NEW CASES OF  
LEPROSY ARE VISIBLY  
DISABLED

**4,346**  
OF NEW CASES OF  
LEPROSY ARE  
CHILDREN

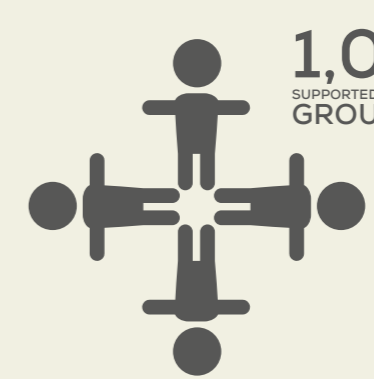


SOURCE: WHO 2014

**1,785**  
POOR CHILDREN SUPPORTED  
TO GAIN ACCESS TO  
EDUCATION



**1,040**  
SUPPORTED SELF-CARE  
GROUPS



**19,725**  
LEPROSY TRAINED  
HEALTH STAFF



DISABILITY

**728**  
People receiving reconstructive surgery



**11,579**  
Disabled people provided with assistive devices



**317**  
Disabled people receiving vocational training



CHAPTER 1  
ABOUT US



# NLR IN A NUTSHELL



- 19.2 FTE in Amsterdam
- 7 Regional Offices on 3 continents, with 60 employees in 15 endemic countries
- 51,957 donors and 1,000 volunteers in the Netherlands
- 90,205 beneficiaries in 2014

## History

NLR's origins go back to 1967. A Dutch woman called Francisca Anten had gone to Tanzania on a visit and seen the terrible situation endured there by people affected by Leprosy. Her son was a doctor at a hospital in that country and he asked her to help him establish a leprosy control programme. She began raising funds and met Professor Derk Leiker of the Royal tropical Institute (KIT), who had dedicated his entire medical career to the fight against leprosy. Dr Leiker's involvement laid the foundation for NLR's high technical standards and outstanding track record in documentation and scientific research.

## Vision and mission

### Vision

#### A world

- free of the suffering, disabilities and social exclusion caused by leprosy;
- in which early diagnosis and effective treatment of leprosy is carried out by local health systems in all endemic countries;
- and everyone currently hampered by disability or stigma is able to participate in society as fully and as independently as possible.

### Mission

#### We strive to help create:

1. societies in which leprosy is under control, every patient is diagnosed and treated early, and the disease is no longer a major cause of disabilities and social exclusion;
2. societies in which people with disabilities can:
  - participate as fully and as independently as possible;
  - use their rights to full inclusion in society, develop their capacities and talents and get equal opportunities for personal development within their communities and in society at large;
  - and are treated with respect.

#### We work towards ensuring that:

- each new leprosy patient is diagnosed and treated early, before disabilities occur;

- people affected by leprosy are trained to prevent disabilities from developing;
- people with disabilities due to leprosy are offered mainstream and disability-specific services, and can participate in Disabled People Organizations (DPOs) as well as in the wider community and society;
- people with disabilities of whatever cause or nature, as well as their organizations, are empowered to advocate for their rights to inclusion in mainstream and disability-specific services and get equal opportunities for personal development and participation in society;
- and scientific research is undertaken to improve leprosy control, prevent disabilities, and rehabilitate and include affected children, women and men.

## Strategy

NLR supports government health services in 15 endemic countries in remaining alert and maintaining the skills and facilities necessary for early diagnosis and treatment of leprosy. We are involved in training, advocacy and monitoring, and the development of innovations to increase the effectiveness of leprosy control programmes. We encourage national and local partners to provide staff and resources needed for implementing such programmes. Our activities are increasingly focusing on medical and technical support, training, monitoring, research and innovation.

## From disability to rehabilitation and inclusion

About 1.5 million people are visibly and irreversibly disabled due to leprosy and many of them have to face consequences such as economic dependence and social exclusion. They need medical and socio-economic rehabilitation, as well as fulfilment of their basic human right to full participation and inclusion in society. NLR provides support to Disabled Peoples Organizations and NGOs that assist people with disabilities in places where people disabled as a result of leprosy can benefit as well.

## Two-step inclusion

There is increasing global attention for people living with disabilities. Many countries have ratified the United Nations Convention on the Rights of Persons with Disabilities, committing themselves to making their development policies and plans inclusive for people with disabilities. As member of DCDD NLR is lobbying the Dutch government, that is expected to ratify the convention in 2015, to elaborate its implications also in Dutch development cooperation policy.

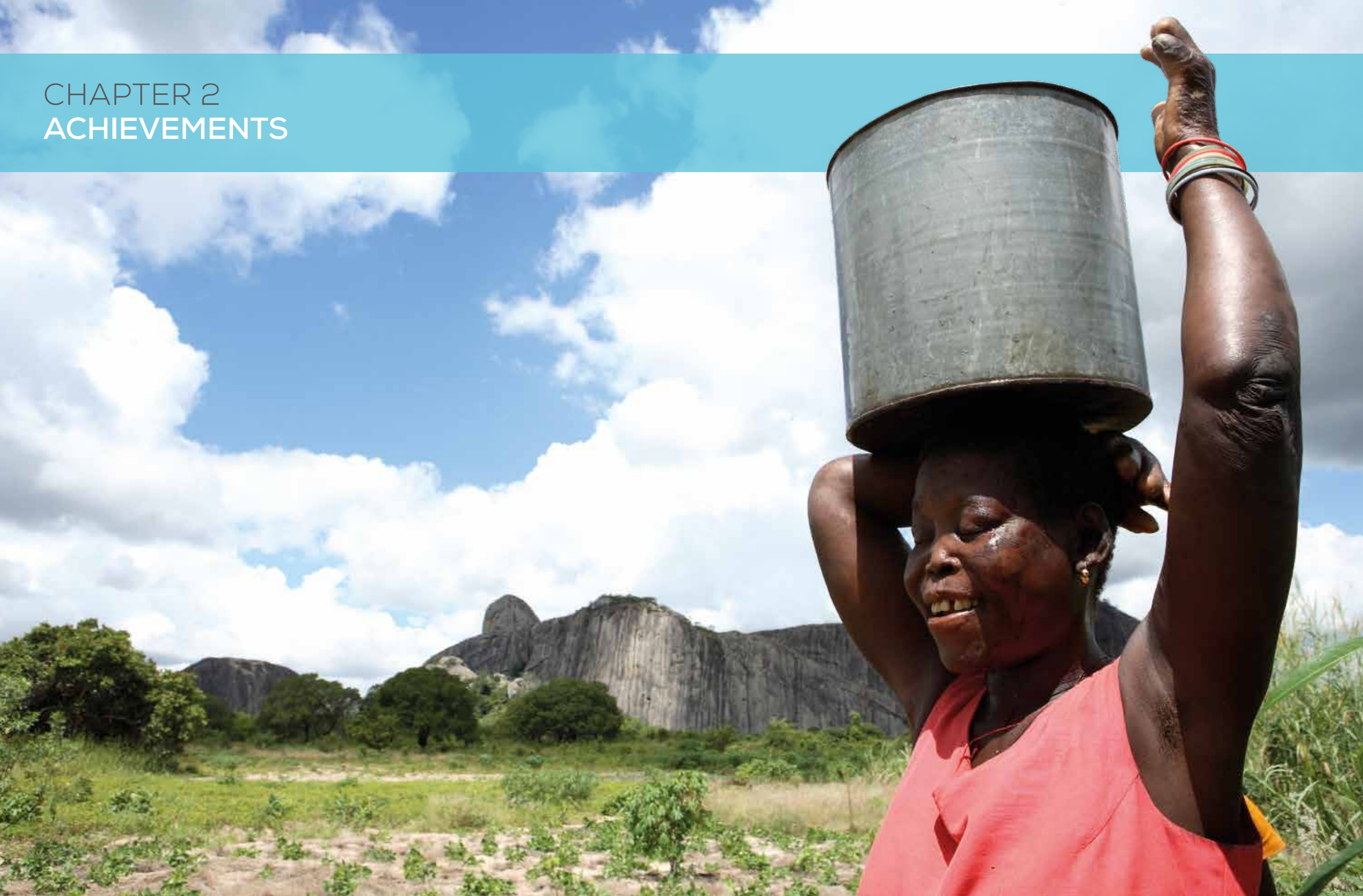
As a member of ADID, ILEP and IDDC, NLR lobbies to ensure that people with disabilities due to leprosy are included in disability-specific programmes from which they are often still excluded at present. This is a first step in their inclusion into mainstream development processes. The second step concerns the full inclusion of all people with disabilities in mainstream development of their communities and societies.

## Diversification of fundraising

Income from private fundraising in the Netherlands is shrinking so NLR has invested in seeking other sources of income, such as funding from institutional donors. We have also continued discussions with our partners to encourage them to increase their contributions. In many countries, Government health authorities at national, regional or municipal levels have shown interest in increasing funding of the primary processes in leprosy control. This offers NLR the opportunity to allocate its limited resources to technical support, research and innovations that may contribute to breakthroughs in the struggle against the suffering, disabilities and social exclusion caused by leprosy.



CHAPTER 2  
ACHIEVEMENTS



# AFRICA



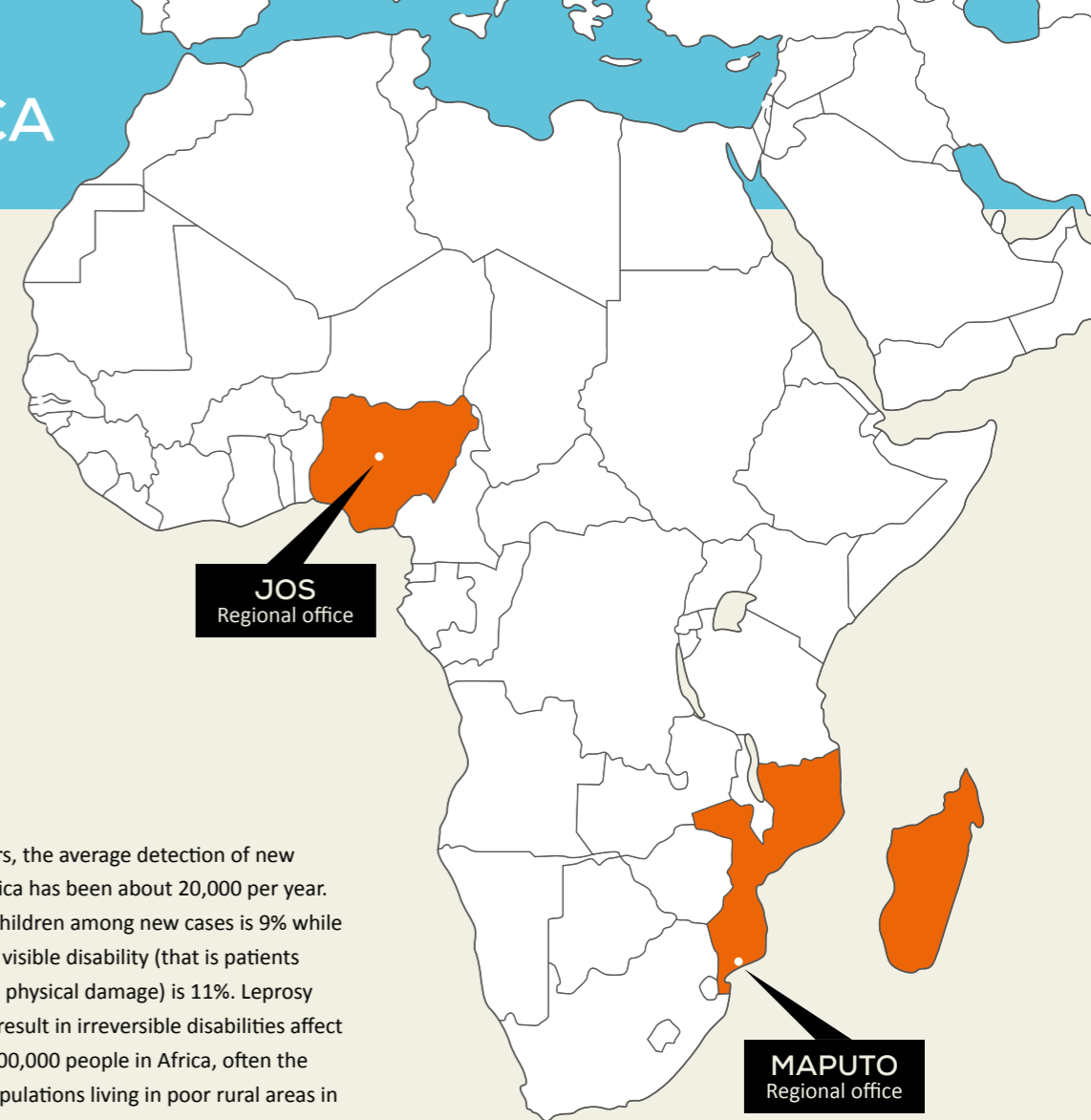
The leprosy situation varies considerably between countries, including the number of new patients, the quality of leprosy control work, and the development of disabilities due to leprosy. NLR therefore does not have a one-size-fits-all approach, but tailor-makes this to fit the situation in each individual country. In one country, we focus on leprosy control, while in another we focus more on rehabilitation, general disabilities and inclusion. In the following pages, we describe shortly the situation, approach, results and challenges in each of the 15 countries where NLR is active.

Traditionally we reported on numbers of patients receiving treatment, health workers who were trained, or prostheses provided. The influence of lobby work, however, is less tangible and often difficult to measure. The same applied to the impact of our work at the personal level. What do our efforts mean in daily life for people with a disability?

## Impact

The trend of newly diagnosed and treated leprosy patients is usually taken as the most important result of leprosy control. This sounds simple, but it is not. Many factors contribute to this, such as country level health policies, human resources, political support, attention for leprosy in integrated health systems, cultural factors amongst others. The detection of new leprosy patients is always lower than the real number in the community, it is estimated that only 50% of new cases is actually found, sometimes less.

NLR reaches persons affected by leprosy through supporting and strengthening other organizations, in most cases public health services in the various countries, but sometimes local community organizations. Impact of our work is thus best measured in the influence we have on their performance and to what extent persons with a disability reap the benefits of it. NLR is reviewing its monitoring and evaluation methods, reviewing what partner organizations have to report on, and exploring systematic methods such as storytelling, photo-journals, and mapping of partner behaviour to better capture its real impact.



In the past few years, the average detection of new leprosy cases in Africa has been about 20,000 per year. The proportion of children among new cases is 9% while the new cases with visible disability (that is patients with non-reversible physical damage) is 11%. Leprosy complications that result in irreversible disabilities affect about 100,000 to 200,000 people in Africa, often the most vulnerable populations living in poor rural areas in low-income countries. The disease is a source of social stigma, discrimination and poverty. Affected populations often do not have easy access to treatment and preventive measures. In recent years, there has been growing attention to leprosy as a public health and human rights issue. Six countries are high leprosy burden countries: the Democratic Republic of the Congo, Ethiopia, Madagascar, Mozambique, Nigeria and Tanzania. Three of these get full attention from NLR.

NLR continued performing the ILEP-coordination in Mozambique and Nigeria to ensure co-ordination, guarantee the flow of information, and initiate co-operation between all partners, especially with the government.

 **3,310**  
NEW CASES DETECTED IN  
AREAS WHERE WE WORK

 **TOTAL BUDGET SPENT 2014**  
**€ 3,038,479**

**In 2012, a national plan was developed to reduce the number of new cases and prevent disabilities. Early diagnosis and treatment, training of health workers, and follow-up of new cases are important ways of reaching these objectives.**

We provide support to the Ministry of Health's Leprosy Control Programme. While this support is managed by our regional office in Maputo, Mozambique, our French ILEP partner, Foundation Raoul Follereau, which is well established in Madagascar, plays a pivotal role particularly in communication with the Ministry.

Because of the high turnover of health staff, training remains one of the corner stones of our support to Madagascar, in addition to providing good educational materials for local communities. Madagascar's leprosy burden is relatively high. The actual number of new cases has been around 1,500 per year. Reaching people in isolated and inaccessible areas is a major challenge, in addition to the instable political situation and high turnover of health staff.

## COMBATING LEPROSY IN MADAGASCAR

### Leprosy control

New cases diagnosed and treated

1,500 (estimated)

### Services related to disabilities

Medicines and bandages

3,460

### Other project results

Health workers trained

338

Community workers trained

21

Health education materials provided

5,500



**In Mozambique, leprosy remains endemic in various areas: Cabo Delgado, Nampula, Zambezia, Sofala en Manica. A thousand new patients are discovered each year. NLR is currently active in Nampula and Niassa. In 2015, Zambezia will be included. NLR remains the country's ILEP coordinator.**

Although the country has achieved high rates of economic growth over the last decade, it remains one of the poorest countries in the world. Over 50% of the population lives in absolute poverty and have limited access to health care, especially in rural areas.

### Rise in visible handicaps

For years, efforts were made to get leprosy under control. There was progress up to 2008, but that led to reduced attention and the number of people with a delay in diagnosis rose. That created a rise in the number of people with a visible handicap at the time of diagnosis, from 10.6% in 2009 to 15.1%.

Intense rains and floods affected mainly the central and northern regions of the country in the last months of the year. Still, the leprosy control programme in Nampula made progress in the number of new cases identified, children with leprosy, and the percentage of visible deformities at the time of diagnosis. Eighty community volunteers were recruited and trained, among them people affected by leprosy. They play an important role in the timely diagnosis of new patients.

## NLR Mozambique has four focus-points

- Leprosy control
- Social economic rehabilitation
- Community based rehabilitation and physical rehabilitation
- Programme management

## Advocacy and lobbying

NLR has established connections with a variety of disabled people's organizations with whom we plan to collaborate in 2015 on empowerment and inclusion. Apart from people affected by leprosy, we will also focus on those with lymphatic filiriasis.

## Self-care groups

Prevention of disabilities and rehabilitation has traditionally lagged behind in Mozambique. Recently, with the growth of self-care groups in various provinces, this has gained impetus and much-needed sustainability. These groups are in various stages of maturity, but the impact on the ground has been felt by people affected by leprosy, and even in the provincial programme with new cases being identified by the groups. The groups have also started to play a more inclusive role: some people with non-leprosy disabilities are also joining them.

Lack of skilled management within the ministry of health caused problems with supplies of medicines against leprosy. ILEP-members in the country decided to jointly hire a manager to handle data and medicine stocks.

## COMBATING LEPROSY IN MOZAMBIQUE

### Leprosy control

New cases diagnosed and treated in the area where we work



414

### Services related to disabilities

(Ex)patients educated in prevention, causes and consequences of leprosy	883
(Ex)patients trained in self-care	880
(Health) staff trained in self-care	92
People provided with wheelchairs	13
People provided with prosthesis	11
Self-care groups and self-help groups	80

### Other project results

Health volunteers trained in leprosy	80
Health staff trained	106



The implementation of activities in 2014 was hampered by the rapidly deteriorating security situation. However the recently-altered leprosy control strategy of NLR Nigeria in the 13 states allowed for continuity: support to capacity strengthening and monitoring activities, while the states themselves are fully (also financially) responsible for the implementation of routine activities in both programmes. The security situation was also a reason for moving the office to a quieter area in Jos. These developments have further shaped and facilitated the (re) organization process laid down in personnel and office manuals as well as a very detailed security policy, which are a sound basis for further programme development.

## Maintain know-how

The major challenge with regard to capacity strengthening is to maintain know-how and experience in leprosy management under (very) low prevalence conditions. Therefore NLR Nigeria supports the state leprosy control programmes in 13 states through capacity strengthening, which focuses on three inter-related dimensions.

- Human resources development: training and coaching. NLR Nigeria supports training mainly geared towards the current major challenges in leprosy control, creating a 'slimmer and smarter' (leaner and more efficient) system.
- Organizational development: advisory practices for both state leprosy control programmes and hospitals focus on this 'slimmer and smarter' set-up, and practices to strengthen the basic process of leprosy case detection via household contact examination, involvement of traditional healers and patent medicine vendors, etc. This is a continuous process, but in 2015 an Innovation Fund will be established to accelerate these developments.
- Institutional development: exchange of information, networking, co-operation. The state leprosy control programmes are motivated to organize inter-vision, while NLR Nigeria will lead the process of exploring possibilities of enhancing detection through cooperation with other health programmes (Sexually Transmitted Disease and Neglected Tropical Disease programmes).

## Slimmer and smarter

In 2015, the National Tuberculosis and Leprosy Control Programme will formulate a new national strategic plan, based on a prior evaluation in which NLR will play an important role by providing a Technical Advisor. It is anticipated that this will lead to a strategy that will offer an inspiring framework for the "slimmer and smarter" approach and ample space for innovative initiatives for early case detection. The planned NLR Nigeria exercise to (re-) formulate its five-year strategic plan will be based on this evaluation/strategic planning.

Since 2013, NLR has concentrated its disability/rehabilitation efforts in Plateau State, which is far ahead of any other state in support to persons with disabilities. NLR Nigeria is a major partner in the CBR program of the Plateau Disability Rights Commission, and its Primary Eye Care programme was re-designed to focus on Plateau State.

## Traditional healers

One major achievement has been the further involvement of traditional healers and patent medicine vendors in case detection. Initial success of this approach in Jigawa state convinced the other NLR-supported states of the value of this approach; all states have now included the training of traditional healers and medicine vendors in their work plans for 2015.



## GFATM

NLR is involved in tuberculosis activities since 1993, as in Nigeria tuberculosis and leprosy programmes are integrated. On behalf of the national programme, NLR supported these activities in three states: Plateau, Bauchi and Gombe. Adamawa was added in 2000, financed by Adamawa State.

In 2007 Global Fund to Fight AIDS TB and Malaria (GFATM) started implementation in Nigeria and NLR has since been sub-recipient, continuing tuberculosis activities in thirteen states. The focus is Drugs Susceptible TB control: identifying and treating tuberculosis cases in the field. Since 2013 NLR is also implementing GFATM activities for IHVN, focusing on Drug-resistant tuberculosis control. In 2014 GFATM contributed €1,483,000.

The WHO estimates that there are approximately 19 million people with disabilities living in Nigeria. They constitute one of the poorest, socially excluded and marginalized groups within Nigerian society, and an estimated five million people with physical disabilities are in need of rehabilitation services.

## COMBATING LEPROSY IN NIGERIA



### Leprosy control

New cases diagnosed and treated in the area where we work	1,396
Contacts of patients examined for leprosy	1,317
People from communities screened, informed and educated on leprosy	13,587

### Services related to disabilities

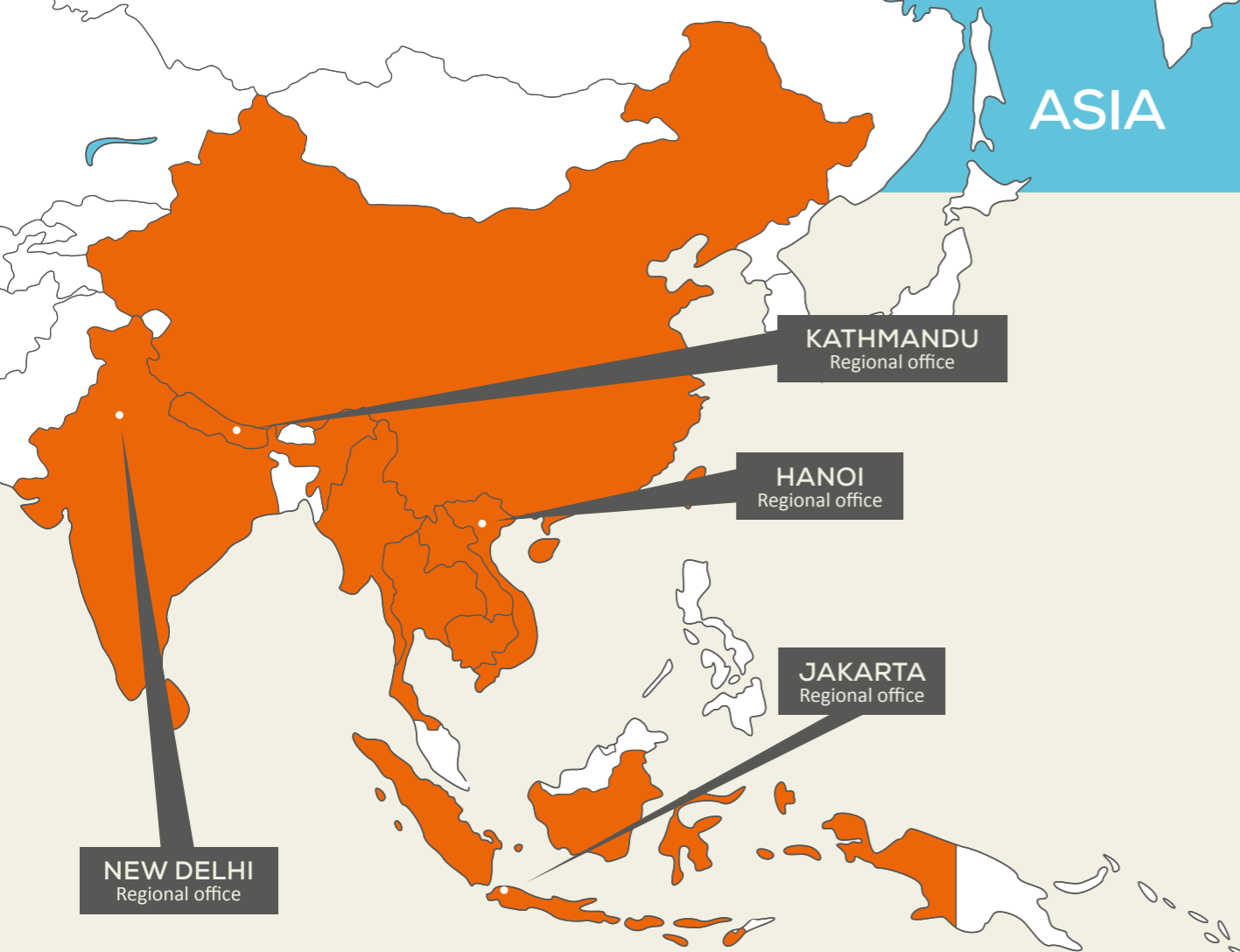
People provided with assistive devices (wheelchairs, prostheses, sunglasses)	500
People provided with protective/orthopaedic footwear	1,297
Self-care groups and self-help groups	99
People receiving reconstructive surgery	10

### Other project results

Health centre staff trained in leprosy	383
Non-medical staff (traditional healers and medicine vendors) trained in leprosy	185



 BUDGET SPENT 2014  
€ 2,830,119



Variety characterizes the leprosy situation and NLR projects in Asia. In the past few years, the average detection rate for new leprosy cases in Asia has been more than 155,000 per year, of which 82 percent are in India. Asia is the continent where the most new cases are discovered, and where, despite excellent leprosy programmes, for instance in Vietnam, the percentage of patients with a visible handicap at the moment of diagnosis is remarkably high. Hence we focus not only on leprosy control, but direct a lot of attention towards rehabilitation.

NLR continued performing the ILEP-coordination in India and Indonesia to ensure co-ordination, guarantee the flow of information, and initiate co-operation between all partners, especially with the government.



Years of neglect have left Cambodia with a continuing relative endemic situation in some areas. The NLR support will continue to be channelled through the programme of the International Campaign of the Order of Malta against Leprosy (CIOMAL).

Long-term financial and technical support is also needed for rehabilitation activities covering physical, social and socio-economic aspects for disabled people (whether due to leprosy or not). Where possible, these activities will be embedded in existing mainstream rehabilitation and community disability services and programmes. This will become a new, extra focus, as the main emphasis in earlier years had been disease control. Cambodia is in need of long-term financial and technical support for control activities.

### Embedding leprosy rehabilitation in mainstream programmes

Leprosy continues to be a noticeable disease in Cambodia. In 2014, some 210 new cases were found. The proportion of new cases with visible disability is 6.2%. The prevalence of (general) disability is 1.4% (source: 2012 ESCAP report), which equals about 212,000 persons, including those with disabilities due to leprosy.

Cambodia will remain in need of financial and technical support for rehabilitation activities for many years to come. The CIOMAL run leprosy ward at the Kien Kleang Centre in Phnom Penh is currently the only available rehabilitation facility in the entire country for persons with disability as

a result of leprosy. Where possible, initiatives should be started to embed leprosy-related rehabilitation activities in existing mainstream rehabilitation and community disability services and programmes. Also in future initiatives of CIOMAL, opening the doors of the leprosy rehabilitation ward in the Kien Khleang Centre to people with other (general) disabilities as well should be supported. All this will promote integration and inclusion in the long-term. The cooperation between NLR and Liliane Foundation is developing well, with many partner organizations in Cambodia.

### Local ownership: promotion needed

Sustainability of all leprosy activities in Cambodia is still strongly dependent on financial and technical support from donor NGO's like CIOMAL and NLR. Promoting government ownership of the leprosy programme in Cambodia will be a major challenge in the years ahead.

## COMBATING LEPROSY IN CAMBODIA

### Leprosy control

New cases diagnosed and treated



210

### Services related to disabilities

(Ex)patients educated on prevention, causes and consequences of disability

1,039

### Other project results

People from communities educated on general disability

4,456

Health centre staff trained for leprosy

205

Non-medical staff (e.g. volunteers) trained in self-care

367

### Budget

The total budget spent for the projects in Cambodia in 2014 was €114,554 of which 56% €64,037 was financed by Liliane Foundation.



In 2013 China indicated that it could itself finance most of its leprosy control activities, so NLR ceased financial support and established instead a technical partnership with the National Centre for Leprosy Control in Nanjing. This currently focuses on sustaining the Leprosy Management Information System for the country.

### New case numbers dropped under 1,000

Leprosy is no longer a public health threat in China though some transmission still occurs, mainly in the mainly minority inhabited mountainous areas of five provinces: Tibet, Sichuan, Guizhou and Yunnan. In 2013, new case numbers dropped under 1,000 for the first time. In 2014, the number of newly detected cases amounted to 823, of which 14 children. The number of newly detected cases with visible disability remains remarkably high though: 165 (20%). Many of the disabled ex-patients are elderly and poor. Most of them live in leprosy hospitals or leprosaria spread all over China.

### Management Information System

Two workshops on the Leprosy Management Information System were organized in 2014.

This is a relatively new system that helps the National Centre for Leprosy Control in Nanjing to remain up to date on all leprosy related data in this immense country and to prevent a return of the disease as a public health threat.

## COMBATING LEPROSY IN CHINA

### Leprosy control

New cases diagnosed and treated



823





Since 2000, NLR has been supporting the National Leprosy Eradication Programme (NLEP) of India. At national level, we provide technical support to the Central Leprosy Division. In 86 districts of the six northern states we play an active, operational role in supporting the prevention of leprosy and care for its victims.

In accordance with the policy of NLR India 2012-2016, the focus is shifting from the control programme to rehabilitation of leprosy- and other-disabled persons. Hence, in 2014 we withdrew support for the control programme in zone Bareilly (district of Uttar Pradesh), while continuing support to their rehabilitation and self-care programmes. Special attention is given to the improvement of self-care abilities and self-reliance; both are considered important assets to leprosy victims and people depending on them.

### Disease control

India has declared that it has eliminated leprosy at the national level. However the country still accounts for 50% of the new leprosy cases found worldwide. Between April 2013 and March 2014, 126,913 new cases were detected countrywide. Within the 86 districts receiving NLR support, this number was 25,044; among them were 1,936 child cases (7%) and 786 people showing a visible disability (3.1%).

### Non-medical Self-Care Coordinators

Patients are treated in every Primary Health Centre, hospital and dispensary, but care of disabled people after cure is still not adequate. To address this need, NLR has now established non-medical supervisors, designated as Self-Care Coordinators (SCC). These provide technical support to district staff in promoting self-care in leprosy colonies and villages.

Since India started with this approach, 387 of these self-care groups were formed in 143 colonies, benefitting over 3,000 persons. The same training in self-care and material support was given at Primary Health Centres to another 2,897 persons living in scattered villages and camps.

### Improving self-reliance

In the states of Jharkhand, West Bengal, Delhi, Uttarakhand and Uttar Pradesh, special workshops were organized to boost the confidence of persons affected by leprosy. The

focus of the workshop was on increasing their capacity to express themselves freely in order to improve their self-reliance and, eventually, their access to special facilities. Topics on hygiene and sanitation, communication skills and available government schemes were discussed. Role play was utilised. At the end of the workshop, the participants recognised their own potential and were more aware of their own value. They were encouraged to take their decisions independently. This led to their demand for pensions and other benefits from district authorities;

they got approval for pensions in Bihar and Uttar Pradesh. In addition, 1,573 children of affected parents were given support to start or continue their education, 47 other persons dependent on affected people were supported for vocational training, and six women were trained in dress designing and tailoring.

## COMBATING LEPROSY IN INDIA

### Leprosy control

New cases diagnosed and treated in the area where we work



25,044

### Services related to disabilities

(Ex) patients trained in self-care	753
(Health) staff trained in self-care	976
People provided with orthopaedic footwear	6,071
People provided with prosthetics	56
People provided with reconstructive surgery	303

### Other project results

People from communities educated on general disability	68,055
Number of people provided with vocational training	62
Empowerment/leadership skill training	106
People with disability oriented on rights	119
Health centre staff trained for leprosy	315
Non-medical staff (e.g. volunteers) trained on self-care	6,661







In Indonesia, as a partner of the Ministry of Health, NLR supports the national leprosy control programme at national, provincial, district and health centre level. The support is directed to 20 provinces with a total population of 199,584,124 (79.2% of the total country population) and indirectly to another 13 provinces.

In 2014, the number of new cases found with support from NLR was 2,941 (countrywide it was 14,771). The visible disability proportion (grade-2) was 9.2% and the child proportion 10,2%. The highest prevalence of grade-2 proportion is in Aceh, East Java, Central Java and West Java.

### Hiring affected people

NLR focuses on both leprosy control and rehabilitation. Partnerships with leprosy-inclusive self-help groups and

with Disabled People Organizations that actively invite persons affected by leprosy to join have developed successfully. In Central Java, a large inclusive self-help group is increasingly effective in advocating for a disability friendly district.

To strengthen inclusive rehabilitation services, a mobile prosthetics and orthotics workshop conducting outreach services in Banten has been supported. It produces devices

for children and grown-ups, including persons affected by leprosy who never had access to such services before. Pilots to implement the WHO guidelines on 'Strengthening participation of persons affected by leprosy in leprosy services' are running successfully in two districts, with persons affected by leprosy forming teams interacting with communities and providing information in schools and villages. A person affected by leprosy was assigned to support the disability programme in monitoring and support of local partners and contributed productively to the programmes.

### In need of funds

Despite these efforts and their positive results, coverage in regard to case finding and health education is still low. Training activities to increase staff capacity mainly depend on NLR funding, which is not enough. Several attempts have been made to obtain additional funds. Some were successful, for instance the funding of the mLep project by effect:hope (50%) and Cida (50%). Proposals sent to donors like Firah and W72 are still awaiting response.

## COMBATING LEPROSY IN INDONESIA

### Leprosy control

New cases diagnosed and treated



14,771

### Services related to disabilities

(Ex) patients trained in self-care

350

Self-help and self-care groups

250

People provided with reconstructive surgery

68

### Other project results

People from communities educated on general disability

3,500

People from communities educated on leprosy

3,500

People provided with vocational training

70

People provided with microcredit/loans

20

Empowerment/leadership skill training

400

People with disability oriented on rights

400

Health centre staff trained

6,308





**NLR's support in Laos is focused on the medical and socio-economic rehabilitation of persons affected by leprosy rather than on the control of the disease.**

### High disability rate

Laos can be classified as a low endemic country for leprosy. Nevertheless, the number of people with disabilities caused by leprosy remains relatively high. In 2014, some 13 new child cases and 33 people with visible disabilities were detected (32%). Long-term disability and rehabilitation support for these people is necessary.

### Orthopaedic shoemakers

In earlier years NLR supported socio-economical rehabilitation and community development for some of the poorest and most remote leprosy settlements in Laos, among them the villages Soun Si Valai and Sobpung. These activities were satisfactorily concluded in 2014. The remaining four leprosy settlements are less remote and

poor, or receiving aid from other NGOs. The Cooperative Orthotic & Prosthetic Enterprise (COPE) connect outreach project – that serves all persons with a disability in the remote mountainous areas of Laos, including people affected by leprosy – indicated that it will no longer need funding from 2015 because it is now fully financed by USAID and its own funds. NLR support for the national leprosy control programme has ended since 2010. This means that NLR will no longer support any projects or activities in Laos, with the exception of several students from Laos who are being financed to train to become orthopaedic shoemakers in the Dutch Postcode Lottery financed project 'These Shoes are Made for Walking' in Vietnam.

**In Myanmar the challenge is wide. NLR focuses on opportunities to extend care for the disabled as well as on the detection and prevention of disability. Since 1995, NLR has been supporting the National Leprosy Control Programme (NLCP) run by the Ministry of Health. An important component of this programme is the Prevention of Disability pilot project, which will be continued in 2015.**

### Facing a burden

Myanmar is a leprosy endemic country. Its peak detection was in 1999 when nearly 30,000 new cases were found. These numbers decreased quickly after that and have been steady at around 3,000 since 2003. In 2014, the number of new cases was 2,877, of which 119 children and 415 visible disability cases (14.5%).

Due to this, Myanmar is now facing the burden of having to provide care to a very large group of leprosy-affected people for several decades to come. In terms of leprosy burden (including disability, poverty and low human development indexes), Myanmar ranks with Madagascar as one of the most highly burdened countries in the world.

The prevalence of (general) disability in Myanmar is 2.3% (source: 2012 ESCAP report), which equals about 1,225,000 persons. NLR and Liliane Foundation are exploring possibilities to support the initiation of disability services in Myanmar. Much of this is done through or in alliance with The Leprosy Mission Myanmar (TLMM) that has initiated a network of so-called Disability Resource Centres throughout the country.

### Sustainability

Five young rehabilitation personnel from Myanmar were selected and have started as students in the new international training courses for Orthopaedic Shoe Technology and Prosthetics in Hanoi. These are important developments in view of the blatant shortness of orthopaedic technicians in the country. Two young surgeons from the leprosy hospitals in Mandalay and Mawlamyine have been selected and send to India and Nepal for much-needed further training in reconstructive surgery.

### Disability and Inclusion

NLR and Liliane Foundation are currently exploring possibilities and funding opportunities to support rehabilitation and disability services (leprosy inclusive) in all of Myanmar. Current positive political changes and better access to remote areas offer good opportunities for this.

### Chemoprophylaxis

Myanmar is one of the countries joining in a series of pilots for introduction of chemoprophylaxis, a new approach in leprosy control that is strongly supported by the Novartis Foundation for Sustainable Development and has shown promising results in a number of trials. The American Leprosy Missions (ALM) is the coordinator for this in Myanmar.

## COMBATING LEPROSY IN LAOS

### Leprosy control

New cases diagnosed and treated



104



## COMBATING LEPROSY IN MYANMAR

### Leprosy control

New cases diagnosed and treated



2,877





NLR support in Nepal covers its Eastern and Far Western Regions including 25 (of 75) districts. At present, the leprosy control programme is run through the regular Public Health Centre service delivery system. NLR enhances the national leprosy control programme – including case detection activities – by providing technical support to government funded activities. Via its partners, NLR implements additional activities directed to community involvement in leprosy control and disability management.

### Hyper-endemic

A routine leprosy control programme has been set up with encouraging results. In 2014, 830 new cases were detected in the 25 districts that receive NLR support. Among them were 42 children and 36 adults coping with visible disabilities (4.1%). Since 2009 the number of cases detected annually has been fluctuating around this number. However, in some districts, the number of new infections still increases every year. These hyper-endemic areas show that the transmission of leprosy has not yet been stopped. As a consequence, the major strategy of the leprosy control programme is still interruption of transmission via active case detection.

### Combating stigmatisation

Due to the stigma about the disease, persons affected by leprosy are often exposed to injustice and discrimination. Obviously, this affects their personal dignity and self-esteem. To improve this situation, NLR Nepal also focuses on bringing leprosy related disabilities into the mainstream. The lives of leprosy-affected and other disabled people could be significantly improved by easy access to government services and public facilities. The introduction of a disability ID card should give them special access to social security allowances, free education, scholarships, free health services, discounts in transportation, and tax discounts. A quota for hiring people with disabilities would complete the list. Via networking and lobbying, NLR advocates for the above adaptations in policies, rules and regulations.

## COMBATING LEPROSY IN NEPAL



### Leprosy control

New cases diagnosed and treated in the area where we work	1.127
Contacts of patients examined	666

### Services related to disabilities

(Ex) patients educated on prevention, causes and consequences of disability	473
Protective footwear provided	557
(Ex) patients trained in self-care	168
Reconstructive surgery	32
Self-care and self-help groups	172
Disabled Peoples Organisations receiving assistance	301

### Other project results

People from communities educated on general disability	831
People from communities educated on leprosy	403
People with disability that received empowerment/leadership skill training	58
People with disability that have been oriented on their rights	806
Trained health staff	266



Since the country's government largely funds the leprosy control programme, NLR has replaced its financial support for routine control activities by a more technical partnership. The focus is on capacity building and training, in particular in the prevention of disability and community-based rehabilitation (CBR).

### Paying attention to the social situation

The national leprosy control programme has been successful. Leprosy is definitely declining as an infectious disease. All provinces and districts are now either low- or non-endemic. In 2014, only nine new child cases were detected and intensive contact surveillance have revealed only a small number of cases with a visible disability (31%).

The main challenge for the national programme is now to help persons with leprosy-related disabilities who do not have adequate access to the rehabilitation and disability services they need. In response to this, Thailand is paying increasing attention to the physical and social situation of people with permanent leprosy-related disabilities and their family's socioeconomic living circumstances.

### Local ownership

The control programme in Thailand is quite different from those in most other countries: it receives most of its resources from the Thai government and the Raj Pracha Samasai Foundation. Policy influencing, lobbying and advocacy are mainly carried out through the Raj Pracha Samasai Institute as well. As this institute functions under Royal Patronage its messages get due attention.

### Budget

Since the NLR support to Thailand now is merely a technical support relationship it can be expected that NLR will soon have very modest financial input, as with the partnership with China.

## COMBATING LEPROSY IN THAILAND

### Leprosy control

New cases diagnosed and treated



208



In Vietnam NLR is to phase out (financial) support for routine leprosy control activities. The focus is now on assistance and rehabilitation of all disabled people regardless the origin of their disability, in particular when the disability is linked to poverty.

NLR works around broad themes such as health, disability and children and poverty alleviation, which are connected with leprosy. Strategic partnerships have been formed with other ILEP members and INGOs, including the Liliane Foundation, Peerke Donders Foundation, and Sasakawa Memorial Health Foundation (SMHF) of Japan.

### High disability rates

After the introduction of the multi drug therapy (MDT) in the early eighties, and with firm support of the government and several ILEP members, the number of new leprosy cases has declined sharply.

Only 187 new cases were detected in 2014 of which six were children. At present Vietnam can be seen as a low-endemic country. Leprosy 'as a disease' is gradually becoming rare and with little remaining public stigma.

However the proportion of visible disability cases (20%) is still a major concern: it is genetically linked and it increases during treatment. Therefore a further reduction of the still high rates of reactions during leprosy treatment is desired.

Most of the disabled people are elderly, poor and in dire need of care. The focus of the programme has therefore shifted to social care and socio-economic rehabilitation. NLR's main partners are the leprosaria, provincial organizations, some rehabilitation centres and many schools where children with disabilities receive education or training.

### Partnerships and funding

The close partnership between NLR and Liliane Foundation increased in 2014. The acquisition of external financing has also been continued, e.g. the Integrated Rehabilitation Project in Kon Tum, one of the poorest provinces in the Central Highlands with ethnic minority issues, which is starting in 2015 is co-financed by Sasakawa Memorial Health Foundation. External financing funded 70% of the projects in Vietnam in 2014. A large portion of that comes from the Dutch Postcode Lottery and Liliane Foundation; the rest by Peerke Donders Foundation, Sasakawa Memorial Health Foundation, Achmea Foundation, and Leprosy School Fund.

**Disability and inclusion**

Vietnam introduced its Law on the Rights of Persons with Disability several years ago. In the past decade, several Disabled People Organizations (DPOs) have been set up. Some local NGOs are run by disabled people; they focus on disability inclusive development. More and more schools in the country strive, when possible, to provide inclusive education.

In Ca Mau province, one of the poorer provinces in the southern part of Vietnam, NLR is involved in a project that links disability with poverty and lower educational opportunities, especially for girls and young women.

Activities include the influencing of social and health insurance policies in the province. This project is co-financed by the Achmea Foundation.

Together with Sasakawa Memorial Health Foundation (SMHF), NLR is financing provincial pilot projects in Ca Mau and Ho Chi Minh City on integrated rehabilitation services aimed at bridging the gap between persons with a disability due to leprosy and disability due to other causes in access to social support and service. These projects are currently being expanded to some of the central highland provinces, starting with Kon Tum.

**COMBATING LEPROSY IN VIETNAM**

**Leprosy control**

New cases diagnosed and treated	187
Health centre staff trained for leprosy	378

**Services related to disabilities**

(Ex)patients trained in self-care	5,451
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**Other project results**

People provided with vocational training	18
People financially supported for education (primary school, high school or higher education)	212
Self help groups formed	7
Rehabilitation facilities established/supported	19



Of all the South American states, Brazil remains the most endemic for leprosy. With over 30,000 new cases per year in recent years, Brazil remains the second most endemic country after India. Much smaller numbers are detected in the surrounding countries.

NLR continued the ILEP-coordination in Brazil, to ensure co-ordination, guarantee the flow of information and initiate co-operation between all partners, especially with the government.

In Surinam - after 25 years - our support to leprosy control, rehabilitation and care for elderly leprosy patients has ended. Our former partners, the Dermatological Service of the Ministry of Health and the Esther Stichting, provide care for the approximately 25 new cases found per year and those in need of rehabilitation after being cured. A small donation was made to the Esther Stichting to replace a refrigerator for €500.



**3,500**  
NEW CASES DETECTED IN  
AREAS WHERE WE WORK





**Our activities in Brazil are now almost completely complementary to the governmental programme. We offer very limited funding for disease control, with the exception of the orthotics and footwear that rarely fall under public remit. Our technical staff continues to provide support and guidance to leprosy control programmes and field staff, but our focus is mainly on rehabilitation activities in six high endemic areas. The vast majority of NLR support goes to self-care and self-help groups, operational research, community-based rehabilitation, advocacy and other innovative approaches such as nutrition in leprosy, leprosy in indigenous areas, civil society council groups etc.**

The new case detection rate in Brazil declined by 6.7% between 2012 and 2013: from 33,303 new cases to 31,044. A similar reduction is expected for 2014.

Brazil is the only major country not to have yet reached the elimination target, but that has not motivated the federal government to include it in a wider NTD department. The local signs are clear that, over time, leprosy is likely to suffer from increasing neglect, and NLR will have to find ways to fight this reality. Apart from this, it is an ongoing challenge to prove to donors around the world that Brazil needs external support to assist the poorest people in remote areas.

In 2014, the FIFA World Cup and national and state elections caused a loss of focus on leprosy. Field visits couldn't be made and project partners missed activities. Some projects were also delayed because of the launch of a labour-intensive campaign by the Ministry of Health among children in public schools in the highest-burden municipalities that linked leprosy, soil-transmitted helminths and trachoma prevention. NLR promoted this campaign among her partners in states and municipalities. Eventually, most planned projects were completed before the end of the year.

## COMBATING LEPROSY IN BRASIL



### Leprosy control

New cases diagnosed and treated in the area where we work	3,500 (estimated)
Contacts with patients examined for leprosy	5,488

### Services related to disabilities

(Ex) patients educated in prevention, causes and consequences of disability	182
(Ex) patients trained in self-care	130
(Health) staff trained in self-care	273
People provided with orthopaedic footwear	2,929
People provided with reconstructive surgery	315
Self-care groups and self-help groups	19

### Other project results

People from communities educated on general disability	691
Vocational training	11
Microcredit	10
Empowerment/leadership skill straining	62
People with disability educated on rights	67
Health centre staff trained in leprosy treatment	1,203
Non-medical staff (e.g. volunteers) trained in dealing with leprosy	407



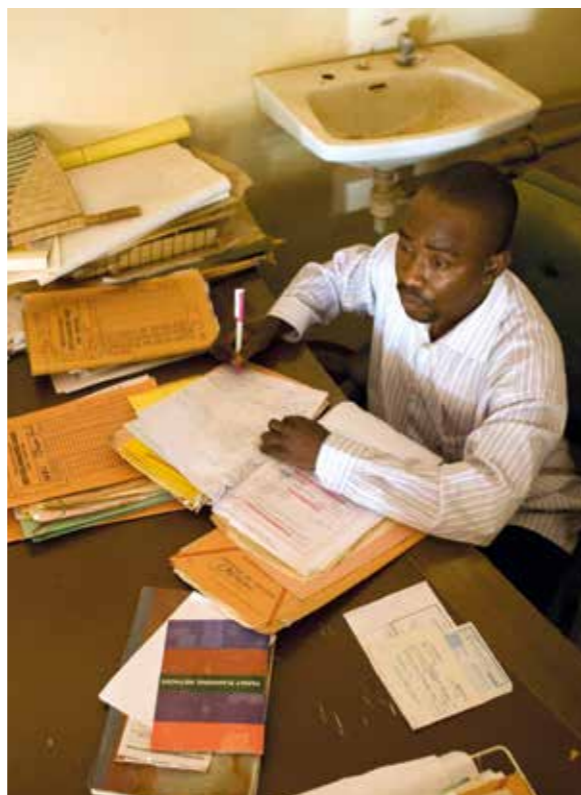
NLR devotes about 10 per cent of its budget on scientific research into leprosy-related topics. In 2013, a new initiative was started to expand the limits and scope of leprosy research and the speed at which progress can be made in tackling remaining major research questions. NLR joined forces with the American Leprosy Missions (ALM), the German Leprosy and Tuberculosis Relief Association (GLRA) and effect:hope. Together, the four organizations launched the Leprosy Research Initiative (LRI).

## Research priorities

The members of the LRI hope that the initiative will increase interest in leprosy research and generate many innovations that are directly applicable in field programmes and can improve the lives of people affected by leprosy. A joint research policy was established with priorities based on the Leprosy Research Agenda developed by the ILEP Technical Commission. Its goals are the following.

1. Promote and enable early detection of leprosy.
2. Promote prevention, early detection and effective treatment of nerve function impairment and reactions.
3. Promote inclusion of persons affected by leprosy in society.
4. Improve the coverage of prevention of disability activities and their integration into national programmes and integrated wound and limb care programmes.
5. Test methods and tools to interrupt the transmission and incidence of leprosy, including increasing the coverage of effective contact management and chemoprophylaxis.

The LRI is guided by a Steering Committee while the quality and progress of LRI-financed research projects are assessed and monitored by an independent Scientific Review Committee comprised of experts in leprosy, clinical medicine, public health, rehabilitation and social sciences. A senior fundraiser was appointed in 2014 to look for additional funding opportunities outside the LRI fund, that fit the agreed research priorities and assist principal investigators in developing funding proposals. The LRI partners have committed themselves to investing



at least €6 million over the next five years, starting from 2015 NLR's annual contribution amounts to €400,000. The Turing Foundation, LRI's most important partner in research funding, has reconfirmed its commitment to match the funds LRI raises for research into transmission, diagnostics and treatment of this disease, and also contributes to overhead costs. The Leprosy Mission Ireland (TLM Ireland) is also contributing to the running costs of the LRI.

## First LRI call for proposals

A first call for proposals was published in February 2014. Normally, NLR would receive two to three new research project applications per year, partly because of the limited budget available. But in 2014 fifty applications were received from all over the world, from China to Brazil. This is a very encouraging sign: there is still an active interest in leprosy research in many countries. Some 23 of these 50 applications were rated positive by the LRI Steering Committee; these applicants were invited to present a full proposal. A total of 21 full proposals were submitted and were sent out for review by two independent reviewers each. The comments of the reviewers were forwarded anonymously to the applicants. The applicants then had the opportunity to submit a rebuttal and revised proposal if relevant. In November 2014, after a thorough review by the Scientific Review Committee and the Steering Committee, two thirds of the 21 full applications were approved for funding. These 14 new research projects will start in 2015 and will be funded under the 2015 budget.

### Scientific Review Committee

Prof. Dr. W.R. Faber  
Prof. Dr. J.M. Richters  
Dr. P.A.M. Schreuder  
Dr. F. van Dijk  
Prof. Dr. T.S. van der Werf  
Prof. Dr. V.P.M.G. Rutten  
Ass. Prof. Dr. G.J. Ebenezer

## Audit of NLR/LRI funded research

NLR commissions independent reviews of its research every five years to assess the quality and relevance of projects from a scientific point of view and get an informed opinion on their relevance to and likely impact on leprosy control activities in the field. This should have taken place in 2013, but financial limitations caused it to be postponed to 2014.

### The members of the External Audit Team were:

- Prof. Indira Nath, Emeritus Professor, National Institute of Pathology (ICMR), India
- Dr Steve Walker, Consultant Dermatologist and Clinical Lecturer, London School of Hygiene and Tropical Medicine, United Kingdom
- Dr Jacques van den Broek, TB & Leprosy Consultant, The Netherlands
- Mr Huib Cornielje, Director Enablement, The Netherlands

The Audit Team was highly enthusiastic about the investigators and the results obtained in NLR/LRI funded projects from 2008-2013 and appreciated the stringency applied by the Scientific Review Committee in the selection and monitoring of the research. According to the Audit Team, the quality of publications and impact on policies is a credit to the investigators, the Scientific Review Committee, and leprosy affected people.



*Maria (87) has lived near the hospital in Paulista for 40 years. In earlier times, nobody was allowed to leave the hospital because of the danger of contamination. Leprosy thus brought with it a lifelong prison sentence. But that has changed with the introduction of MDT, a cocktail of medicines we use to cure patients. It came too late for Maria, though. 'My hands got steadily worse. My leg got inflamed and had to be amputated. It's hard when I think of how healthy I used to be...' NLR organises self-care groups where members learn from each other how to care for their numb skin and wounds to prevent handicaps developing. Valuable friendships develop at these groups, where participants swap experiences, concerns and ideas.*



2014 was the last budget year in which NLR directly funded research, from its own funds and with contributions of co-funding members of the LRI. In 2014 the LRI partners together supported seven research projects, approved in 2013. The budget year 2015 was the first year that the LRI started coordinating and allocating funding to research projects from the joint LRI Fund. From 2015 NLR will fund research through its contribution to the LRI. From 2015 the LRI operate under a separate legal entity. Summaries of projects funded in 2014 are presented below.

## STIGMA ASSESSMENT AND REDUCTION OF IMPACT (SARI) PROJECT

Disability studies in Nederland

This study implements interventions intended for reducing stigma and evaluates their impact on participants affected by leprosy in Indonesia. The results show that the interventions (counselling, contact and socio-economic development) had a positive impact on the lives of many participants, reducing all types of stigma and increasing self-confidence, personal motivation, quality of life and social participation. Participants also appreciated the information about leprosy they received. The counselling sessions gave people opportunities to share experiences, gain self-confidence and learn about the disease, human rights and life skills in general.

**Duration:** 2010-2014 (and a final SARI workshop in Jakarta in January 2015 on the occasion of World Leprosy Day 2015)

**LRI contribution in 2014:** €117,232

**Financial contributors:** ALM and TLM Canada effect:hope

which allowed the research group to demonstrate that inhibition of the complement system can prevent nerve damage associated with leprosy.

**Duration:** 2010-2014

**LRI contribution in 2014:** €56,700

## TREATMENT OF EARLY NEUROPATHY IN LEPROSY (TENLEP)

Royal Tropical Institute (KIT)

This project studies nerve damage caused by leprosy in Indonesia, Nepal, India and Bangladesh. The results can be used to optimize treatment for nerve damage and even perhaps prevent nerve damage altogether, which would amount to a breakthrough in the treatment of leprosy complications.

**Duration:** 2010-2016

**LRI contribution 2014:** €76,884

**Financial contributors:** ALM and GLRA/DAHW

**Co-funded by:** Turing Foundation

## ROLE OF COMPLEMENT SYSTEM IN NERVE DAMAGE

Academic Medical Centre, University of Amsterdam

Leprosy reaction can cause nerve damage, resulting in severe deformities and disabilities. In this project the roles of the complement system (part of the immune system) in nerve damage were studied. A model for understanding the causation of nerve damage in leprosy was developed,

## MACRO-AND MICRO-EPIDEMIOLOGY OF LEPROSY IN CEBU, PHILIPPINES

Leonard Wood Memorial Center for TB and Leprosy Research

The aim of the project is to improve understanding of various factors affecting leprosy transmission. This will help in planning more effective disease control strategies, such as targeting the right (high risk) population that might need closer monitoring and/or the use of preventative drugs to



protect members from developing leprosy.

**Duration:** 2011-2016

**LRI contribution in 2014:** €43,381

**Co-funded by:** Turing Foundation

### HOW MYCOBACTERIA LYSE THE PHAGOSOMAL MEMBRANE

Maastricht University

This project seeks to improve the effectiveness of the BCG vaccine, which has been developed for tuberculosis, but also has (even stronger) protective qualities against leprosy. Based on their earlier research on the pathway through localization of *M. leprae* in infected cells of the human body, the research group has created tools for the improvement of the tuberculosis vaccine strain BCG. This project was due to be completed by December 2014. Due to a relocation of the research from Netherlands Cancer Institute to Maastricht University and the establishment of a new laboratory in Maastricht, however, progress was delayed with several months. The project will now be completed in 2015.

**Duration:** 2011-2015

**LRI contribution in 2014:** €11,657

**Co-funded by:** Turing Foundation

### IMMUNOPATHOLOGY OF LEPROSY: DISSECTING MECHANISMS OF IMMUNE MEDIATED TISSUE DAMAGE IN LEPROSY AND IDENTIFICATION OF NEW TARGETS FOR INTERVENTIONS

Leiden University Medical Centre

To avoid irreparable nerve-damage and lifelong disability, we need to understand the factors and processes leading to nerve damage. This knowledge will help prevent nerve damage by developing better tools and markers for early

diagnosis and treatment. This study tries to understand which immune cells and which inflammatory molecules such as cytokines play a role in nerve damage due to leprosy.

**Duration:** 01-07-2011 till 01-07-2015

**LRI contribution 2014:** €37,694

**Co-funded by:** Turing Foundation

### APPLICATION OF IMMUNODIAGNOSTIC TOOLS FOR EARLY DETECTION OF LEPROSY IN THE FIELD: PHASE I CONTINUATION OF SAMPLE COLLECTION FOR BIOBANKING AND PILOT TESTING, PHASE II START ANALYSIS OF IMMUNE- AND GENETIC HOST MARKERS IDEAL (Initiative for Diagnostic and

Epidemiological Assays for Leprosy) consortium

The aim of the project is to evaluate and optimize tools regarding their effectiveness to identify those individuals at high risk of developing leprosy. This is a long term project which will test many patients, contacts and people from the general population in Bangladesh for the presence of infection with *M. leprae* as well as the effect of BCG vaccination of contacts. The intake of individuals in 2014 has been according to plan; samples were collected and stored in freezers (i.e. biobanking). The analysis of shipped blood samples has started in the Netherlands.

**Duration:** 2012-2014

**LRI contribution in 2014:** €141,940

**Co-funded by:** Turing Foundation



#### Access to information on leprosy for all

NLR started Infoplep as a traditional library at the Head Office in Amsterdam. But we kept pace with technological developments, so Infoplep has turned into a modern, internet-based information service, accessible to all who need it.

- In 2014 we have added over 700 items to the Infoplep portal. By the end of 2014 it offered easy access to 24,725 publications on leprosy and related subjects, most in English.
- Leprosy is still the main focus of the collection, but we have also included material on CBR, disability, NTDs, stigma and WASH.
- The portal was used by 22,535 unique visitors from all over the world (11% less than in 2013, when extra traffic was generated by the International Leprosy Congress held in Brussels that year).
- We dealt with over 200 requests for full text publications and literature searches.
- Over 500 people receive regular Infoplep mailings containing a selection of new publications on leprosy.
- We continue to seek collaboration with relevant (ILEP) partners to add their publications to the collection.
- The search interface and usability of the portal have been improved and made responsive – suitable for use on iPad or other mobile devices.

From a survey we did in the summer, we learned that there is growing interest and need for a one-stop source of information on Neglected Tropical Diseases and cross cutting issues in morbidity management and prevention of disabilities, similar to the service Infoplep provides to the leprosy world. Our next step will be to discuss possibilities of expanding Infoplep services and portal with relevant partners.

#### Plans for 2015

- Further improvement of the website and development of multi-lingual interface.
- Development and launch of a cross-cutting issues portal for NTDs and issues related to morbidity management, disability and stigma.



leprosy-information.org

# CHAPTER 3 COLLABORATION



**Collaboration is essential to finding solutions to leprosy issues. Financial support, strategic partnerships and the combining of knowledge and experience helps us to gradually bring leprosy under control and to promote inclusion of people affected by leprosy and people with disabilities.**

We are working with many organizations and alliances that share our dream of ending the suffering caused by leprosy and disabilities. We have worked for years with most of these towards structural long-term solutions.

#### ADID

To promote the breaking of barriers to full inclusion of people disabled by leprosy or any other cause; NLR has joined the new Dutch Alliance for Disability –Inclusive Development, which applied for a partnership with the Dutch government in its call for proposals by NGOs aiming at effective lobby and advocacy.

Though early 2015 we were informed that the ADID proposal was not granted by the Ministry, the ADID partners have decided to continue their cooperation in the South and continue their joint lobby for a disability-inclusive development policy of the Dutch government.

#### DCDD

The Dutch coalition for Disability and Development sparked off an intensive lobby to convince the Dutch government that the expected ratification of the UN CRPD (Convention of Rights of People with Disabilities) by The Netherlands, expected in 2015, should also include active implementation of its article 32), calling for inclusion of the convention not only in the Netherlands, but into the Dutch policy in development cooperation.

**Amsterdam Medical Centre:  
Dermatology Department**  
Together with Professor Henry de Vries of the Dermatology Department of the University of Amsterdam, an annual meeting has been established to bring Dutch professionals in the leprosy field together so as to strengthen their network and stimulate activities geared towards improving the services for people affected by leprosy in the Netherlands. Up to ten people are diagnosed with the disease each year. An estimated 300 have been cured, but most have to live with the disease's effects, such as handicaps and stigma. These meetings are organized around particular themes.

#### DUTCH MENNONITE MISSION

The Dutch Mennonite Mission supports a long-term project aimed at improving access to medical care and rehabilitation for people affected by leprosy in Sorong, West Papua, Indonesia, as well as to sustainably improving their lives. A large number of children are among the beneficiaries; they are assisted with the prevention of disabilities and with rehabilitation.

#### DUTCH POSTCODE LOTTERY

The Dutch Postcode Lottery contributed a splendid grant of €1.35 million in general support in 2014. This money was particularly useful for financing projects that are less attractive to the general public but essential to successfully combating leprosy. The Postcode Lottery also gives attention to NLR and other charitable causes in advertisements, TV spots, on their website, etc. This extra publicity is very valuable to us, so we are very grateful to this treasured partner.

The Lottery is a unique partner since it provides long-term funding and allows the charities to themselves determine how they spend the funds, based on their own insights and expertise. The Dutch Postcode Lottery donated a total of €312 million to charities and charitable initiatives in 2014. NLR is very happy and proud to be a beneficiary of the Dutch Postcode Lottery. Since 1996 NLR received and spent €25.6 million donated by the Lottery.

The current government has announced it wishes to liberalise their gambling policy. We hope the proposed changes will allow the lottery sufficient space to maintain its successful fundraising at the current level. Without the lottery we would not be able to carry out a substantial part of our initiatives.

### THESE SHOES ARE MADE FOR WALKING



An extra contribution from the lottery has made it possible for NLR and the Liliane Foundation to realise the project 'These Shoes are Made for Walking' since 2013. Together, we want to help two million people who have foot and walking problems in Southeast Asia to gain access to special orthopaedic shoes by establishing orthopaedic shoemaker training in Hanoi. Fontys University for Applied Sciences was contracted to assist in developing the curriculum and an experienced Dutch shoemaker to act as local training coordinator. The necessary equipment was ordered and a first batch of 11 Southeast Asian students started in June 2014. On a special website, students, guest trainers and others involved in the training blog about their experiences.

[www.thesehoesaremadeforwalking.org](http://www.thesehoesaremadeforwalking.org)



## ROYAL TROPICAL INSTITUTE OF THE NETHERLANDS

Since its inception, NLR has received advice on implementation and development of its projects from leprosy specialists attached to the Royal Tropical Institute (Koninklijk Instituut voor de Tropen - KIT). KIT's leprosy and disability consultants steer our work by providing high-quality research, evaluation, innovation and advice.

## GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS AND MALARIA (GFATM)

We received €1,483,000 for combating tuberculosis in northern Nigeria where the National Programme serves tuberculosis and leprosy, which are handled in an integrated way.

## INTERNATIONAL NETWORK OF ANTI-LEPROSY ORGANIZATIONS (ILEP)

NLR is an active member of ILEP, the International Network of Anti-Leprosy Organizations. Together with 13 colleague organizations from Europe, North America and Japan, we co-ordinate our efforts in lobbying with national governments and the World Health Organization to keep leprosy high on (inter)national agendas and encourage innovative new findings from research.

At national level, ILEP coordinates the location of our projects. In countries where several ILEP partners are working, one ILEP member organization acts as the national ILEP coordinator, organizing the division of work in the country's regions and acting as the point of contact for the Ministry of Health. In 2014, NLR coordinated the work of ILEP partners in India, Brazil, Indonesia, Mozambique, and Nigeria.

ILEP renewed its strategic relationship with WHO's Global Leprosy Programme and decided to move its office from London to Geneva, the residence of WHO Head Office and many other health related NGOs and their alliances. NLR's director, Jan van Berkel, has been elected in September 2014 to fulfil the role of President of ILEP in the coming years.

## KNCV TUBERCULOSIS FOUNDATION/ USAID

Via the KNCV TB Foundation, we received €518,000 for activities in Nigeria from USAID funds for combating tuberculosis.

## LEPROSY RESEARCH INITIATIVE

The Leprosy Research Initiative is a combined venture involving Netherlands Leprosy Relief (NLR), American Leprosy Missions (ALM), German Leprosy and Tuberculosis Relief Association (GLRA), effect:hope (The Leprosy Mission of Canada) and TLMI (The Leprosy Mission International). Guided by a joint policy with clearly defined research priorities, the five partners manage a combined fund to support leprosy related research and establish a mechanism to access external funding. (See page 42.)

## LIGHT FOR THE WORLD

In 2014, Light for the World supported our eye-care projects in northern Nigeria with €64,929 through our office in Jos.

## PEERKE DONDEERS FOUNDATION

This institution provided €34,416 for rehabilitation and care of people in Vietnam and Laos who are disabled due to leprosy and have become isolated.

## TURING FOUNDATION

The Turing Foundation is a unique partner that co-finances various research projects undertaken by NLR and its partners in the Leprosy Research Initiative. In 2014 it provided a total of €353,891.

## VU UNIVERSITY AMSTERDAM

In 2014, NLR made it possible for six students of Disability Studies at the Free University of Amsterdam to carry out research into issues we are concerned with. We intend to promote interest in leprosy control and disability work among young academics. Via their blogs and social media, the students contribute to our information dissemination in the Netherlands.

## GENERAL

- Academic Medical Centre: Dermatology Department
- Novartis
- Liliane Fonds
- World Health Organisation (WHO); Global Leprosy Program
- Eureka Achmea Foundation
- Leprazending
- Fontys University
- Karuna Foundation
- Enablement

## NETWORKS

### NLR is a member of:

- Partos, the Dutch Branch Organization for NGOs in Development Cooperation
- VFI, the Dutch Branch Organization of Charities;
- IDDC, the International Disability and Development Consortium
- NNN, the NGO Network for Neglected Tropical Diseases, with whom we share experiences in prevention of disabilities and stigma and seek opportunities for joint projects
- World Alliance of Wound and Lymphedema Care (WAWLC)

# OVERVIEW PARTNERS PER COUNTRY

## Brazil

- Federal Ministry of Health – General Coordination of Hansen’s disease and Eliminate Diseases
- State and municipal governmental health services in 10 states
- Movement of Reintegration of Persons Affected by Hansen’s Disease (MORHAN - Movimento de Reintegração das Pessoas Atingidas pela Hanseníase)
- Federal University of Ceará
- SENAC – National Service of Commercial Learning
- German Leprosy and Tuberculosis Relief Association (GLRA)
- Liliane Foundation
- State University of Pernambuco
- MORHAN - Recife unit

## Cambodia

- National Center for Tuberculosis and Leprosy Control (NLCP/MOH)
- International Campaign of the Order of Malta against Leprosy (CIOMAL)
- Veterans International
- Rabbit School
- Kean Khleang National Rehabilitation Center
- Marit Solidarity Cambodia
- Cabdico
- Disability Development Services Pursat (DDSP)

## China

- National Center for Leprosy

- Control - Institute of Dermatology - Chinese Academy of Medical Science in Nanjing
- Ministry of Health

## India

- NLR Foundation, Indian Trust
- Central Leprosy Division (CLD), Directorate General of Health Services, Ministry of Health & Family Welfare
- State Leprosy offices and Directorate Health Services in 6 states
- National Rural Health Mission (NRHM), Government of India
- Association of People Affected by Leprosy (APAL)
- All ILEP members active in India
- Punjab National Bank
- Comprehensive Leprosy Care (CLC), Mumbai, India
- TLM Vocational Training Centers at Champa, Chhattisgarh & Faizabad, UP
- NGO-MESH (Maximizing Employment to Serve the Handicapped)
- World Health Organisation (WHO)
- King George Medical College of Lucknow
- Sasakawa India Leprosy Foundation (SILF)
- NGO Chhota Nagpur Sanskritik Sansthan (CSS)
- NGO Hope for Hansens
- Disability Division of Ministry of

- Social Justice & empowerment (MoSJE)

## Indonesia

- Ministry of Health and Departments of Health in 22 provinces
- Indonesian Association of Dermatologists (Perdoski)
- Kemos Ministry of Social Affairs
- Pusat Latihan Kusta Nasional (PLKN), National Leprosy Training Centre
- Yayasan Peduli Penyandang Cacat Kusta (YPPCK), Foundation for the care of persons with disabilities due to leprosy
- Lembaga Pemberdayaan Perempuan (LPP Bone), Foundation for women empowerment
- Perhimpunan Mandiri Kusta (PerMaTa), DPO of persons affected by leprosy
- Pusat Pelatihan Rehabilitasi Bersumber Masyarakat (PPRBM Solo), local NGO
- Doopsgezinde Zending
- Beter ter Been
- Werkgroep ‘72
- ALM
- effect:hope
- IDP : Ikatan Difabel Purworedjo
- FKPDDBM: Forum Komunikasi Peduli Difabel Blora Mustika
- DSM : Difabel Slawi Mandiri
- Sepakat Aceh

## Laos

- Cooperative Orthotic and Prosthetic Enterprise (COPE)
- Peerke Donders Stichting (PDS)
- Fondation Raoul Follereau

## Madagascar

- Damien Foundation Belgium
- Fondation Raoul Follereau (FRF)

## Mozambique

- Ministry of Health
- Ministry of Health and provincial health services in Nampula, Niassa, Zambezia
- Damien Foundation Belgium
- The Leprosy Mission International (TLMI)
- Associazione Italiana Amici di Raoul Follereau (AIFO)

## Myanmar

- Department of Health of Union of Myanmar
- American Leprosy Mission (ALM)
- Yenanthar Leprosy Hospital in Mandalay

- The Leprosy Mission Myanmar (TLMM)
- Liliane Foundation
- Christian Blind Mission (CBM)
- Christian Leprosy Hospital in Mawlamyine
- Christoffel Blindenmission (CBM)
- Eden Center in Yangon

## Nepal

- Social Welfare Council
- Ministry of Health and Population, Leprosy Control Division
- Regional Health services in Far West and Eastern Region
- National Federation of the Disabled Nepal (NFDN)
- CBR Biratnagar
- Nepal Leprosy Fellowship (NLF)
- Nepal National Social Welfare Association (NNSWA)
- National Disability Association (NDA)
- Nepal Leprosy Relief Association (NELRA)
- Karuna Foundation Nepal
- District Development Committee in Ilam and Jhapa
- The Leprosy Mission Nepal (TLMN)

## Nigeria

- Federal Ministry of Health
- National Tuberculosis and Leprosy Control Programme
- State Ministry of Health in 13 States
- State Tuberculosis and Leprosy Control Programmes in 13 States
- 10 State Hospitals
- KNCV Tuberculosis Foundation (TBCARE)
- USAID (TBCARE backdonor)
- Light for the World
- Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM)
- Association for Reproductive and Family Health
- Institute for Human Virology Nigeria
- National Tuberculosis and Leprosy Training Centre - Zaria
- Plateau State Disability Rights Commission
- Non-Government Disability Organization (Nigeria) - Neglected Tropical Diseases

# OVERVIEW PARTNERS PER COUNTRY 2014

## Surinam

- Estherstichting

## Thailand

- Raj-Pracha-Samasai Institute (part of Ministry of Health)
- Christian Foundation for the Blind in Thailand (CFBT)

## Vietnam

- Ministry of Health
- Ministry of Labor and Social Affairs
- National Hospital of Dermatology and Venereology in Hanoi
- Ho Chi Minh City Hospital of Dermatology and Venereology
- Quy Hoa National Hospital of Leprosy, Dermatology and Venereology
- Provincial health services and Leprosaria in all provinces
- Vietnam Work Camp (VWC)
- Peerke Donders Stichting
- Sasakawa Memorial Health Foundation (SMHF)
- Eureko Achmea Foundation
- Liliane Foundation
- Vietnamese Training Centres for Orthopaedic Technologists (VIETCOT)
- Fontys University
- Medisch Comite Nederland Vietnam (MCNV)
- Leprosy School Fund
- Vietnam Association for Victims of Agent Orange (VAVA)
- Anh Minh special education school
- Mai Anh class for disabled children in Dalat
- Cua Tuong nursing and rehabilitation hospital in Quang Tri
- Quang Tri Charity Association
- Social Protection Unit Nguyet Bieu in Hue
- Genetic Counseling and Disabled Children Fund in Hue
- Cao Bang Women Union

## General

- International Association for Integration Dignity and Economic Advancement (IDEA)
- International Disability and Development Consortium (IDDC)
- The Leprosy Mission International (TLM)
- The Nippon Foundation (TNF)
- NGDO NTD Network (NNN)

## Research

- Turing Foundation
- American Leprosy Missions
- German Leprosy and TB Relief
- effect:hope (TLM Canada)

## Association

- The Leprosy Mission International
- TLM Ireland

**Maria Louisa** (67) discovered that she had leprosy one year ago. 'I had no problems, but one day I saw spots on my skin. The first doctor I showed them to had no idea what they meant.' She consulted another doctor much later. By that time, her hands were deformed. 'When he said it was leprosy, I thought it wouldn't be much of a problem. My son had also had it ten years before and he's doing well.' Unfortunately, Maria's symptoms were recognised too late. 'I now have claw-hands and lack feeling in my hands and feet. I used to be a laundress, but can't do that work any more. There's a lot I can no longer do. I grieve over that.' NLR trains health personnel to identify leprosy at an early stage precisely so that treatment can be effective. That's the only way of getting the disease under control and preventing handicaps. In Brazil and many other countries, the public health system is increasingly taking responsibility for this important area (leprosy control). This kind of local ownership is essential for leprosy treatment to be sustainable.



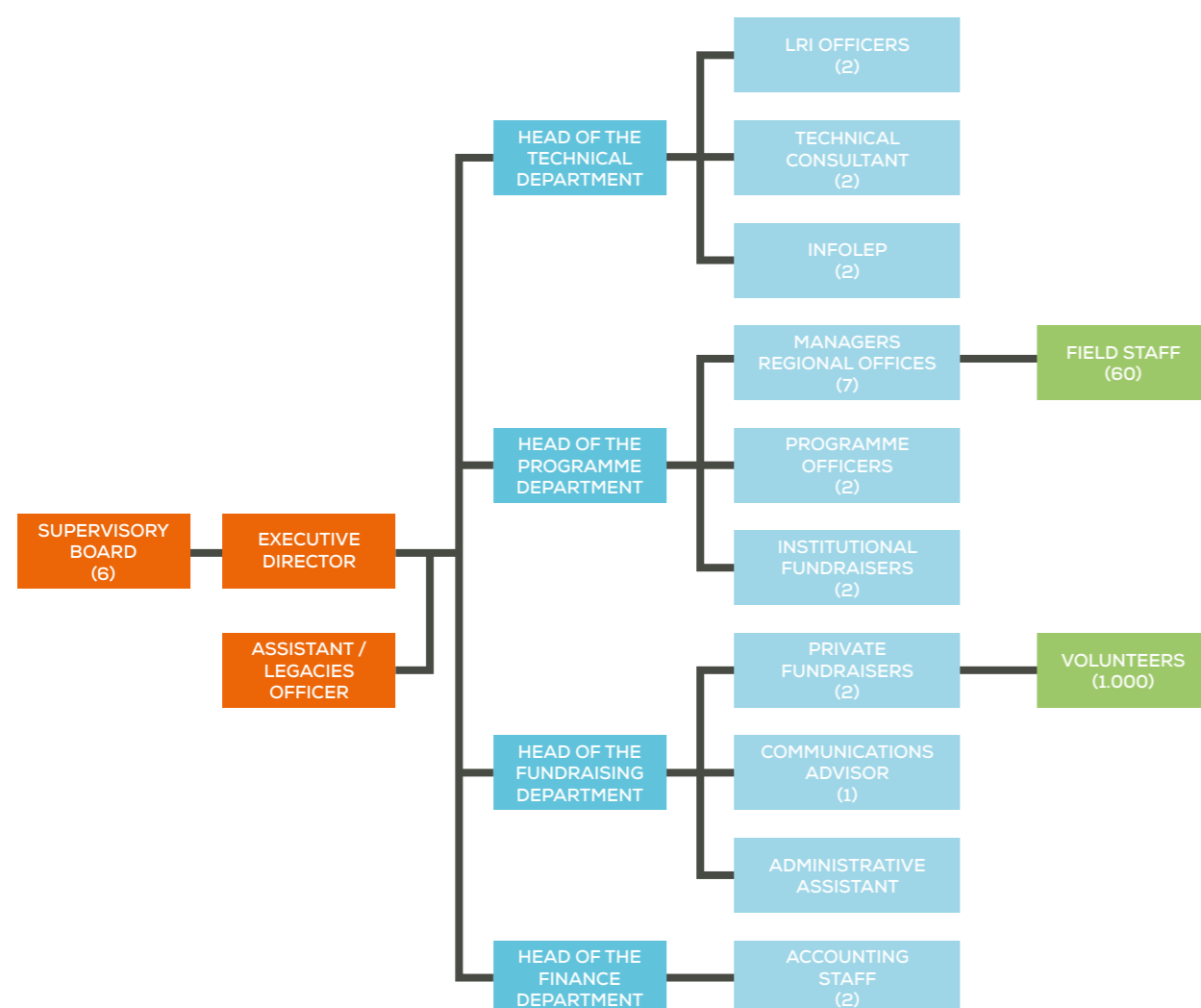
CHAPTER 4  
ORGANIZATION AND GOVERNANCE



In just under 50 years, the Netherlands Leprosy Relief has expanded into an important player in the international struggle against leprosy. With just 19.2 fte at head office and 60 field workers (government staff working for the leprosy programmes is not included in this number), we have used our limited resources to make major changes.

## Organization

NLR has its Head Office in the Netherlands and maintains Regional Offices in seven countries on three continents around the world. Field activities are managed locally as far as possible.



Two Round Table sessions were held in 2014 to exchange good practices and discuss how to accelerate decentralisation and strengthen fundraising capacities of our Regional Offices: in Kathmandu, Nepal, and Zaandam, The Netherlands. Round Table sessions are face-to-face meetings of the NLR Management Team and managers of the Regional Offices. The Nepal Round Table was combined with a field visit for exchange of good practices in self-care and inclusion of people with disabilities.

In 2014 all our processes and procedures were recorded in the new Operational Manual. Special attention was given to risk management and security management. All regional offices and departments of head office have studied and analysed the specific risks that might affect their operations, sustainability and effectiveness. To cover the most prominent risks, action plans were designed to control them. The main risks that have been experienced relate to insecurity of income and sustainability of operations. In some countries, health and safety risks related to traffic as well as criminal and political unrest have resulted in tightening of security plans and protocols.

## Human Resource Management

Employment conditions for head office staff were revised in 2014 after a benchmarking exercise with similar Dutch NGOs. The conclusion of this exercise was that NLR employment conditions are in line with the market average, with a few exceptions that relate to complexity of functions and tasks.

The traditional arrangement for extra days leave based on age has been abandoned due to its discriminatory nature. The new conditions offer staff options to exchange a maximum of five days leave for a contribution by NLR in training, personal development, or acquisition of equipment like a laptop or bicycle for commuting between home and the office. The Staff Representative Committee (Personeelsvertegenwoordiging) consulted with NLR head office staff who agreed to the revisions in employment conditions. They are being implemented in 2015.

## Internal controls

Since 2013, Regional Offices are audited by internal Operational Audit Teams. In 2014 the office in India was audited. Procedures and financial checks and balances were found to be well maintained. Regarding the progress of decentralisation, attention was paid to the pilot project for local fundraising in India. Though Head Office's input in this is appreciated, it was concluded that the Regional Office should be clearly in charge of any decisions and activities regarding local fundraising. Recommendations were made for clarification and improvement of the local fundraising policy, Human Resource Management, and more result- and impact-oriented management for the NLR India programme. Two other operational audits were planned but postponed to 2015, due to the security situation in Nigeria and due to vacancies.



## External controls

NLR was founded by private donors, so accountability and transparency have been deeply ingrained in its functioning from the very beginning. At corporate level, the organization is annually audited by an independent external firm with high international standing:

PricewaterhouseCoopers Accountants N.V. (PwC). In 2014, the Supervisory Board, which formally selects the external auditor, evaluated the services provided by PwC and decided to extend the contract for 3 years, up to 2017 (Annual Report 2016).

PwC is also closely involved in setting and guarding mechanisms and standards for auditing the NLR Regional Offices. These are annually audited by reputable independent companies under the supervision of NLR Head Office. Additional external audits are often conducted to meet specific requirements of institutional donors or comply with local laws and regulations.

Regular technical programme evaluations involving independent experts from, for instance, the Royal Tropical Institute (KIT) complete the NLR accountability system. In 2014, an operational audit was conducted in India, a country policy workshop took place in Nepal and a mid term review in Indonesia.

## Supervisory Board and Financial Audit Committee

The NLR applies a management model in which a Supervisory Board oversees policy development, director's reports, and the general affairs of the organization. The Supervisory Board approves policies, alliances with partners and remuneration, including the director's salary, according to statutory regulations and guidelines that govern charities in The Netherlands.

The Financial Audit Committee, formed by two members of the Supervisory Board, supervises financial performance and reports. The FAC met four times in 2014 and prepared budget discussions and assessed the director's financial and managerial reports to the Supervisory Board. The budget and reports were approved.

The Supervisory Board comprises six members selected on the basis of their expertise. From April 2014, one seat fell vacant and was filled in early 2015. Each seat on the board has its particular professional profile. New members are appointed by the Board itself on the basis of these profiles. Members are nominated for a term of four years, with the possibility to be reappointed for a second term. The members of the Board do not receive any remuneration. In 2014, members of the Board also submitted no claims for reimbursement of costs relating to their functioning.

## Members of the Supervisory Board

### M.J. van den Berg

(chair)

- King's Commissioner in the province of Groningen

### C. van Dijk

(until May 23, 2014)

- Board member of Eye Care Foundation
- Country Coordinator at PUM Netherlands Senior Experts

### P.R. Klatser

(from March 15, 2013)

- Head of the Department of Biomedical Research of KIT, Royal Tropical Institute
- Professor in Development and Evaluation of Diagnostic Tests in Developing Countries at University of Amsterdam
- Professor Extraordinaire in Biomedical Research for Development at the Free University of Amsterdam
- Chair, Q.M. Gastmann Wichers Foundation
- Secretary/treasurer, Eijkman Medal Fund Foundation

### R.L.J. Greveling

(from December 13, 2013)

- Senior manager at KPMG Audit

### G.C. Anbeek

(from January 1, 2013)

- Management Consultant in HRM and Governance
- Owner and senior consultant at GA Ervoor! BV
- Member of the Editorial Advisory Board NVP-magazine Personeelsbeleid (Dutch Council for Personnel & Organization)
- Chair, Internal Coaching Committee and member, Executive Coaching
- Committee NOBCO/EMCC European Mentoring & Coaching Council

### J. van der Velden

(from May 1, 2007 to April 30, 2015))

- Professor of Public Health, Radboud University Nijmegen
- Chair, Global Health Policy and Health System Research Platform (Ministry of Foreign Affairs)
- Member of the Supervisory Board

of Rutgers WPF Utrecht

- Member of the Board, Partnership Foundation for Street children
- Board Member, Eijkman Medal Fund Foundation
- Member of the Board, HealthNET TPO

### J. van Berkel,

Director NLR (from April 1, 2009)

- President of ILEP, International Federation of Anti-Leprosy Associations
- Member of the Board of VFI, Dutch Branch Organization for Charities
- Member of the External Expert Committee of CBF, Central Bureau for Fundraising in the Netherlands
- Chair, VMCA, Centre for Support to Voluntary Work and Volunteers in the City of Almere

None of the above activities implies any conflict of interest with the functions of the Board of Supervisors or Directorate of NLR.

## Activities of the Supervisory Board in 2014

The Supervisory Board met four times in 2014. The director was always present, except at part of the September meeting when there was a review of its annual exchange with NLR staff to prepare the annual appraisal interview with the director. In the lead-up to each meeting, the FAC discussed progress on financial policy and income and expenditure in the current budget with the director and the head of the finance department, and advised the Supervisory Board regarding financial policy decisions.

The Supervisory Board has two roles with respect to policy development. At an early stage of development of new policy, it provides advice to the director by acting as a sounding board. In 2014, it considered:

- the strategic objective of decentralising NLR management of programmes and fundraising, the possibilities of establishing new NGOs and partnership with local NGOs, and the optimal use and continuation of the value of NLRs good reputation and its identity and brand;
- renewal of NLRs disability policy;
- renewal of employment conditions.

At a later stage, it approved:

- the new Disability Policy Paper;
- the extension of the ongoing Multi-annual Strategy 2015-2017 into a strategic framework for the Annual Plan and Budget 2015, which was approved in December 2014;
- the mandate for more autonomy for NLR Foundation India with a specific focus on disability work, in order to enable local fundraising.

The Supervisory Board requested and approved a procedure for investments and expenditures over €100,000 when these had not been included in the annual budget.

- In line with this procedure, the Board approved

investment in a new financial administration system that will be cloud-based and bring uniformity and international access to local, decentralised administrative records. The new system is to overcome risks of mistakes in the present systems due to manual transfer of data between various administrative systems used by Regional Offices and as demanded by external donors.

The discussions in the Supervisory Board about cooperation and alliances with other NGOs and about decentralisation will be continued in 2015.

Prior to its September 2014 meeting, the Board visited the office to meet staff of the various departments and hold exchanges with them on policies and practices in 2014. It gathered direct information about the actual proceedings of the office and the culture of the organization as well as the leadership of the director and management. The Board concluded that these discussions are mutually appreciated and that they make a valuable addition to the progress reports received from the Director.

One Board member resigned in 2014 due to the expiration of his second four-year term.

Mr C.G. Van Dijk resigned in March and a vacancy seeking specific strategic experience in fundraising and marketing was published. Several candidates expressed an interest and interviews were held by two members of the Board. By early 2015, a new member of the Supervisory Board was selected and appointed.

### Director's appraisal and salary

The Supervisory Board has established a remunerations policy and the level of payment due to the director. The NLR follows Advisory Regulations for the Remuneration of

Directors of Charities ('Adviesregeling Beloning Directeuren van Goede Doelen') issued by the VFI and 'Code Wijffels' (see [www.vfi.nl](http://www.vfi.nl)). This provides a scoring model reflecting criteria such as size, complexity, responsibilities and governance model of the organization. The so-called BSD-score for the director of NLR amounts to 430 points, which indicates a maximum norm for the annual salary. The annual salary has remained below this maximum and amounted to €109.430 per year. Since 2012, this salary has not been indexed. The BSD score of the director's position is updated periodically and was again evaluated in 2014. The Supervisory Board concluded that the present SD score is still in line with earlier re-assessments. The level and composition of the remuneration is explained in the annual accounts. Social security and pension payments are part of this remuneration.

In the annual appraisal of the director's functioning, the Board refers to the annual plan and level of results realised. The Board was pleased by the 2013 results and the progress made in establishing alliances and coalitions with various partners, such as the Leprosy Research Initiative.

The Board agreed with NLR's active role in ILEP and approved the director's nomination by other ILEP members for the presidency 2015-2017 and his subsequent election to the post in September 2014.

For 2015, the director's priorities will focus on growth in institutional fundraising, consolidation of private fundraising, including legacies, in the Netherlands, decentralisation, further investments in alliances and coalitions, and the implementation of a uniform, cloud-based financial administrative system.

## Statement of Accountability

### Good rules and clear division between supervisory functions and management

As of January 1, 2012, the highest body within the NLR is the Supervisory Board. It oversees the director's performance, as well as policy and general affairs. The director is responsible for managing the organization under the supervision of the Supervisory Board. In the bylaws, the division of responsibilities between supervision and implementation is worked out in detail. This includes rules for the Supervisory Board, for the Financial Audit Committee, and for the director. Via an annual discussion visit to the office and meetings with the staff, the Supervisory Board collects additional information and impressions about the culture and happenings at the head office. This supplements the information provided by the director.

A meeting is held by the Supervisory Board in which its own functioning and that of the director is evaluated and assessed, as well as their relationship. This evaluation was discussed in Board meetings held in December 2013 and March 2014. The Board concluded that it has access to sufficient information to supervise the director and the general affairs and development of NLR. The Board also decided to develop its own supervisory agenda as of 2014 in addition to the agenda proposed by the director. This is to enable it to set its own thematic priorities in supervision.

## Optimization of effectiveness and efficiency

The NLR wishes to use its limited resources in the most effective and efficient manner. Thus plans, programmes and projects are regularly evaluated.

- In September the new NLR Strategy was discussed, renewed and extended to 2015-2017 as the framework for the annual plan for 2015, which was approved in December, together with the 2015 budget.
- The Board was advised by the director on a quarterly basis on progress on execution of the annual plan and budget.
- All Regional Offices undergo an annual financial audit carried out by an accountant appointed by the Head Office. There were no major flaws found. Improvements that were recommended were immediately launched in the Regional Offices concerned.
- Result Based Management is the basis for all the field-projects and regional offices. A second operational audit of the proceedings in one Regional Office was executed. Further audits will take place in other regional offices in 2015.
- NLR's field projects are regularly monitored and evaluated by the Regional Offices.
- Medical and other technical advisors, as well as experts from KIT and elsewhere delivered advice and/or training in various countries aimed at raising effectiveness and efficiency at programme and project level.
- The quality and progress of NLR-financed research projects are assessed by the independent Scientific Review Committee, which advises the NLR director and other directors of the Leprosy Research Initiative partners on selecting and financing of research proposals and on the quality of progress reports received.
- In 2014 an external audit team of reputed scientists audited the quality and relevance of the research that

has been funded by NLR over the last five years. The team reported very positively on the quality and impact of this research in international leprosy work.

## Communication with stakeholder groups

The NLR takes account of the need for information on the part of various stakeholders. The content of that information and the way it is provided is tailored as far as possible to the specific needs of the stakeholders concerned. In the preparation of policy plans, the opinions of donors, partners in endemic countries, and partner organizations are considered.

## Complaints

NLP strives to maintain good contact with its donors. An important aspect of this is the appropriate and timely handling of complaints. For us, it is an indication that people are concerned with our work. We have a complaints procedure in accordance with the stipulations of the CBF.

We received 65 complaints in 2014, and they differed greatly from each other. Some 36 people contacted us about the 'reminder mailing', which was not appreciated. As a result we have decided not to continue with this way of increasing the response. A lower number of complaints were received about mistakes in cash-transfers (9), the director's salary (4), and an appeal for a donation in spite of a recent one being made (5). All complaints were promptly dealt with and, depending on the origins of the complaint, either explained or investigated. Heartfelt apologies were usually sufficient to erase the irritation expressed.



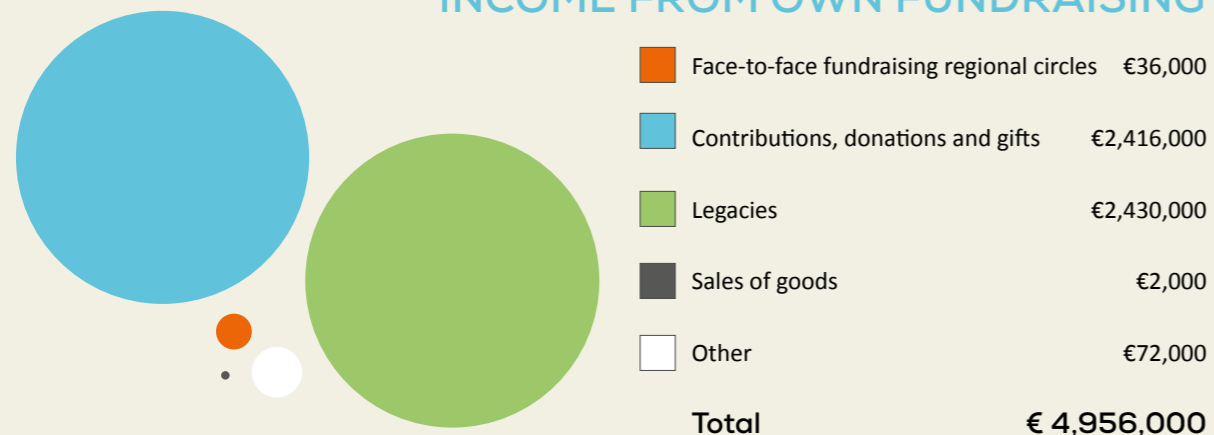
*Benito (37) knows leprosy. His neighbour had the disease. 'I went with him to the doctor and he explained it.' Years later, when he noticed a similar spot on his left forefinger and lost feeling in it, then discovered more spots on his skin, he decided to do a test. 'I put a hot pan on my hand. I felt nothing. I immediately went to the doctor and started treatment.' He now participates in a self-help group. NLR organised a special training programme for this group focused on their rights and personal empowerment. Such knowledge is important for improving quality of life. 'I learned that people with leprosy, and other diseases that render you unable to work, have the right to a disability allowance. It's difficult to get the allowance since many doctors don't know what leprosy is or think we're just lazy and don't want to work. But now I know that I have a right to it.'*



## CHAPTER 5 FUNDING



## INCOME FROM OWN FUNDRAISING



Leprosy is still continuing to create many new victims today. Especially amongst the poorest of the poor, people's lives are being devastated by the illness. Yet effective drugs are available and if the illness is discovered and treated in time lasting damage need not result. This is a simple fact, but it is still unknown to many people. The onset of the economic crisis and shrinkage in donor budgets has made it difficult to achieve our ambitions. We have thus targeted our funding policy at various sectors: private donors in The Netherlands, local fundraising in India, and institutional fundraising.

### Raising funds

#### Donors

About 52,000 loyal donors comprise NLR's basic source of private funding. They are immensely important in ensuring that our programmes are realised, but our donor list is shrinking every year. Some of our donors have less money than they did before, while others have died. And attracting funds from new private donors has turned out to be a difficult and costly undertaking.

Direct mail is an important mechanism for fundraising and maintaining relationships with donors. We have tested different information packets and developed them to a

stage of the highest possible conversion rate. That has resulted in 3.974 new donors and greater insight into how we should proceed in the future.

We are now using an online platform called PIF World to assist with individual fundraising and larger campaigns. Anyone can set up a page there to promote a large campaign or project. Students of CSG Calvijn in Rotterdam, for instance, make enthusiastic use of this facility. We are also taking steps to make donation via the website more attractive.

### Rotterdam students visit leprosy village

The CSG Calvijn has been involved with NLR for years. Education team leader Peter Euser: 'I think it's important to do voluntary work, so I try to communicate that to students.' He succeeds in inspiring them, organising regular sponsored runs and other activities at schools and at the football club BVV Barendrecht. Last spring eight students collected money to go to a leprosy village in Vietnam and to buy materials to take to a shoemaking workshop there which makes shoes for people who have had leprosy.

*'It really made me change my thinking. We are always griping about things that are really totally unimportant.'*

*Winnie (17)*

*'The best experience was the interviews in the village. We went to people's homes and they described their lives very openly. We were really surprised at their positive attitudes in the face of all the misery they had experienced.'*

*Iris (17) en Anna (17)*



## Volunteers

NLR has about 1,000 volunteers. We are incredibly grateful for their efforts to support our work. We always assist our volunteers as much as we can, providing them with updates on our most important projects. We have one volunteer who regularly assists the fundraising department at the office.



## Exceptional voluntary campaigns

- House-to-house fundraisers scour the provinces of Groningen, Limburg and the Land van Heusden-Altene in the weeks prior to World Leprosy Day in January, and collected €35,795 in donations.
- Volunteers from the Leprosy Shop in Deventer made €37,000 with the collection and sale of second-hand merchandise.
- Eight students of CSG Calvijn travelled to Vietnam on an unforgettable project visit. Their actions raised €15,400.
- The Dutch Mayors Football Team played a number of matches for NLR. They topped up their contribution so the total fundraising figure over 26 years of partnership now stands at an unequalled €525,000.
- Kids from the Laurentiuschool once again raised a fantastic amount with their annual sponsored run: €19,944.

## Legacy

For years, legacies have formed a significant part of our income. We are very grateful to all the people who decide to leave at least part of their estate to NLR.

## Institutional Fundraising

Within private fundraising, our focus is increasingly shifting towards Institutional Funding. Our Institutional Funding team is devoted to bringing together institutional donors and our organization. Its staff do this by constantly searching for relevant funding opportunities and developing various partnerships. In 2014 we received funding from various Dutch and International donors, including the Dutch Postcode Lottery (the world's second largest private charity), Turing Foundation, and the Global Fund.

Due to our decentralization and our aim of securing financial sustainability, a primary goal of the Institutional Funding department was to continue strengthening institutional fundraising capacity in the regional offices 2014. On-the-job training started in 2013. In 2014, three other regional offices (NLR Brazil, NLR India, and NLR Mozambique) received training.

A total of 18 project proposals were submitted in 2014, more than in the previous year. Four project proposals were approved so far. In 2014 we also developed more project proposals within partnerships and in the framework of various alliances, including ILEP and ADID.

Challenges arose in the course of the year. Due to the government austerity measures taken in the Netherlands, the aid budget fell by more than 25%. This resulted in fewer tender opportunities than in previous years, and with lower budgets. Along with the reform and modernization

of other Dutch development organizations, this implies that competition on the NGO market is extremely high, and working in alliances to secure institutional funding is a must for the future.

## Local fundraising

This was the first full year that we had a senior fundraiser in India. The small team there focused on corporations in the areas where we work. We were invited to submit 18 proposals. Unfortunately, none of them was successful in generating funds. We also started some promising initiatives in the private market. In 2015 we will continue using volunteers to engage in telemarketing activities from their homes.

In December our local ambassador, Sardar Singh (captain of the Indian national hockey team), paid a visit to a leprosy colony. CNN India covered this visit on television. Sardar distributed sponsored Kuka hockey sticks to the children and taught them how to play. In 2015 India aims to increase its local fundraising.

## Communication

Our communications in 2014 focused on brand awareness and improving relations with stakeholders. Attention was paid to greater integration of online and offline efforts to generate more traffic to the website and interest people in making a donation and/or collaborating with us.

Communication supports fundraising as well as providing information. It is necessary for telling the stories of leprosy patients on the other side of the world to the Dutch public in as personal a way as possible. Storytelling can inform, convince and engage people.

Our newsletter, de Klepper, available in print and as an e-newsletter, is our major channel for providing information to our donors. Published five times a year, it offers stories from the field, project updates, and information on major activities in The Netherlands. On lepra.nl we have created a landing page with extra videos, photos about stories, and a facility for donating online. We also produce many digital newsletters, direct mail packs and other products to provide information to donors and stimulate them to make a contribution to our work.

The two communication advisers at our head office in Amsterdam also assist regional offices on request in the implementation of the house style, websites and other communication tools.

## Ambassadors

A well-known ambassador can attract extra attention to the cause. This is why we sent the Dutch actor, Huub Stapel, to Papua last spring to report on the leprosy situation for the TV series, Reisadvies Negatief (Travel Advisory Negative). This attracted almost 200.000 viewers, over 500 sms' and further attention in the media. Huub was also the face for our outdoor poster campaign and the voice for our TV and radio commercials. Reactions were so positive that, to save money, we re-broadcast the commercial from 2013.

- Cartoonist **Jan Kruis** participated in various cartoon fairs to sign a special issue of Jan, Jans and their children.
- **Curt Fortin** got involved with the sponsored run at the Laurentiuschool in Breda. He inspired the kids to, once more, surpass earlier donation figures.
- We also have a new ambassador. **Sardar Singh**, captain of the Indian hockey team, visited a leprosy colony in India to boost donations.

## Press

Free publicity gets our messages across without incurring costs. We issued press releases at various points in the year, for instance in the lead up to the development of LPEP, the launch of ADID and guest teachers travelling to Hanoi for the project These Shoes are Made for Walking. It didn't prove to be easy to reach a large public this way. We have therefore revised our plans to attract free publicity in 2015.

### UPASI: "DIT WIL IK MIJN KLEINKINDEREN BESPAREN!"

Upasi (78) uit India kreeg dertig jaar geleden een zwerende onder haar voet. Ze ging harnas naar het ziekenhuis en daar hoorde ze tot haar schrik dat ze lepra had. Ze kon direct blijven voor haar behandeling. Maar wat wilde ze nu met haar in handen hebben, ze heeft haar kinderen en kleinkinderen moet meer zorgvuldig.

De afgelopen dertig jaar woen Upasi helemaal alleen in een lepra-colonie in West-Bengalen. Onder toezicht, zodat ze niet met haar kind kwam. Het kindje werd geboren, maar moest blijven in de kolonie. De kinderen uit die kolonie lopen nu bij haar thuis en daar kan ze enorm van genieten, ze wil graag met één van hen op de foto. Dat ze haar eigen kleinkinderen niet kan zien oppassen, doet haar nog steeds verdriet.

Aantal lepra-patiënten stijgt  
Het aantal nieuwe lepra-patiënten is in India weer gestegen, van 127.265 in 2011 naar 134.702 in 2012. De verwachting is dat er bij verdere uitbreiding van de lepra-activiteit nog meer patiënten worden gevonden.

Opgevoerd 10% van de nieuwe lepra-patiënten is India in het land. Bij vroegtijdige opsporing kunnen ook bij hen handicaps worden voorkomen. Dit doet lepra-actief, want Upasi. Zij is jaren geleden geboren, maar door haar handicap blijft ze voor wat mensen een lepra-patiënt. Dat wil ze haar kleinkinderen - die kinderen - graag begroeten.

Help handicaps door lepra voorkomen

Geëf om lepra!  
lepra.nl  
IBAN NL84 INGB 0000 050 500  
Giro 50500

### MOM IS NIET MEER BESMETTELIJK VOOR HAAR KINDEREN

Mom (28) was nog een meisje toen ze door haar eigen vader werd besmet met lepra. Ook haar zuster kreeg lepra. Ze woont in Cambodja met haar man en twee kinderen, in een kleine hutje naast haar ouders. De eerste generatie plekken op haar lichaam ontstak na twee en vier jaar vast. Maar "Ze had heel lang welke plekken gehad en niemand wist wat die ziekte was. De velle bleef begroeten zich te verspreiden en mijn handen vervormden. Ik kan nu niet meer goed bewegen".

Door haar vergroefde handen waarden dagelijks kluisje steeds lastiger. Ze ging op zoek naar hulp, bij de tempel aan de rand van het dorp. Een monnik vertelde haar dat de lepra een straf was omdat ze in haar vorige leven had geoordeeld 'mij bad voor haar, maar verdachte hoop kreeg ze niet.

Na jaren geboren  
Op haar 27 kreeg Mom medicijnen tegen lepra. Al na een paar dagen was ze niet meer besmettelijk en na één jaar volledig genezen. Een enorme verlichting, ze kon haar eigen kind niet meer besmetten met lepra! Alleen de handicap aan haar handen verdween niet meer, daarvoor was ze te laat met de medicatiekuur.

Opgevoerd  
Mom stond nu op de werfplaats voor een operatie aan haar handen. Daarvoor bleef ze altijd met alleen profijt bij het bidden, houd baden en het wassen van haar kinderen. Ze hoopt dat de buren weer maar met haar om willen gaan als ze ziet dat de lepra echt weg is. Daar blijft ze echt vast.

Help moeders met lepra  
Help moeders uit Mom, doeert nu in stop de keten van besmetting.

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Giro 50500

### HOE KAN IK HELPEN?

Samen kunnen we lepra onder controle krijgen!  
Lepra vermindert levens. Daarom! De lepra-activiteit zorgt voor vroegtijdige opsporing en behandeling van patiënten. Voor preventie en de keten van besmetting te doorbreken. En voor medische, sociale en economische resultaten. Zonder te patiënten genezen weer kunnen deelnemen aan de maatschappij. Dat kunnen wij alleen dankzij de hulp van mensen zoals u.

Help lepra-patiënten vroegtijdig opsporen, zodat zij niet gehandicapt raken. Niet opgevoerd van één patiënt kost € 15.

WERELDWID JAARLIJKS RUM 215.500 NIEUWE PATIËNTEN IN VIETNAM

19% ZICHTBAAR HANDICAP PATIËNTEN IN VIETNAM

Wat is lepra?  
Lepra is een acute armoedeziekte. Na een lange incubatieperiode ( twee tot twee jaar) verschijnen de eerste symptomen: groeven in de huid. Al die tijd kan de patiënt anderen besmetten, zonder dat hij of zij dat weet. Het vroegtijdig detecteren van de lepra-activiteit, het genezen onder de zorg van een dokter. Maar als je handen en voeten ernstig gehandicapt zijn, is het een grote uitdaging om verdere handicaps te voorkomen. Ook 'Nieuw' met een deel van de vingers van haar rechterhand.

'Wie wil er vrouwen met een meisje dat lepra heeft gehad?'

'Nieuw (28) is voor haar foto in lepra.nl op de foto. Haar handen bleven bij haar geïmponeerd. Ze was blij met de foto. "Ik heb lepra, maar ik ben jonger dan mijn dochter nu", vertelde ze. "Het was verschrikkelijk. De buren dachten dat er een kwaad geest in me zat en wilden van mij af. Anders nu heb ik hele dorp verlaten. Ze vertelden me dat ik het beste zelfmoord kon plegen".

Ontmoeting in het ziekenhuis  
Twee jaar geleden ontmoette 'Nieuw' een vrouw die grote handicaps had. Ze bleef maar het ziekenhuis voor de lepra-activiteit en de wond daar ook even, omdat ze kon bad van vroegtijdig. Ze zag dat hij een heel klein kind en vroeg of ik er een spijtelijk op moest spelen. Zo begon het. We zijn geboren en hebben het nog steeds heel fijn samen.

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### GEEF EEN GOED GEVOEL CADEAU

Wat werkt het?  
• Het werk is leuk  
• Het werk is leuk  
• Het werk is leuk

Opgevoerd 10% van de nieuwe lepra-patiënten is India in het land. Bij vroegtijdige opsporing kunnen ook bij hen handicaps worden voorkomen. Dit doet lepra-actief, want Upasi. Zij is jaren geleden geboren, maar door haar handicap blijft ze voor wat mensen een lepra-patiënt. Dat wil ze haar kleinkinderen - die kinderen - graag begroeten.

'k zal mijn kinderen niet besmetten!'

Mom (28) was nog een meisje toen ze werd besmet met lepra. Ook haar zuster kreeg lepra. Ze woont in Cambodja met haar man en twee kinderen, in een kleine hutje naast haar ouders. De eerste generatie plekken op haar lichaam ontstak na twee en vier jaar vast. Maar "Ze had heel lang welke plekken gehad en niemand wist wat die ziekte was. De velle bleef begroeten zich te verspreiden en mijn handen vervormden. Ik kan nu niet meer goed bewegen".

Door haar vergroefde handen waarden dagelijks kluisje steeds lastiger. Ze ging op zoek naar hulp, bij de tempel aan de rand van het dorp. Een monnik vertelde haar dat de lepra een straf was omdat ze in haar vorige leven had geoordeeld 'mij bad voor haar, maar verdachte hoop kreeg ze niet.

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Help handicaps door lepra voorkomen

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### PROJECT BERANI

RIJSE BESIEN, ONDOORDRINGBARE JUNGLE EN WOESTE RIVIEREN - WELKOM OP PAPOEI DE GROOTSTE EN MEEST POSTELIJKE PROVINCIE VAN INDONESIË. IN RIJSE BESIEN DE GROOT ALI MEDISCHLAND. ONDOORDRINGBARE JUNGLE EN WOESTE RIVIEREN - WELKOM OP PAPOEI DE GROOTSTE EN MEEST POSTELIJKE PROVINCIE VAN INDONESIË. IN RIJSE BESIEN DE GROOT ALI MEDISCHLAND.

Papoeë is met meer dan 200 miljoen inwoners, die wereldwijd de grootste bevolking van landen met een laag ontwikkelingsniveau. De meeste inwoners leven in de bergen. Het gebied is moeilijk te bereiken en de meeste inwoners leven in kleine dorpen. Het gebied is moeilijk te bereiken en de meeste inwoners leven in kleine dorpen.

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### DIT KUNT U DOEN:

€15: Opgevoerd 10% van de nieuwe lepra-patiënten is India in het land. Bij vroegtijdige opsporing kunnen ook bij hen handicaps worden voorkomen. Dit doet lepra-actief, want Upasi. Zij is jaren geleden geboren, maar door haar handicap blijft ze voor wat mensen een lepra-patiënt. Dat wil ze haar kleinkinderen - die kinderen - graag begroeten.

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€50: De afgelopen dertig jaar woen Upasi helemaal alleen in een lepra-colonie in West-Bengalen. Onder toezicht, zodat ze niet met haar kind kwam. Het kindje werd geboren, maar moest blijven in de kolonie. De kinderen uit die kolonie lopen nu bij haar thuis en daar kan ze enorm van genieten, ze wil graag met één van hen op de foto. Dat ze haar eigen kleinkinderen niet kan zien oppassen, doet haar nog steeds verdriet.

Handicaps door lepra voorkomen

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### Indonesië Mozambique India

Nieuwe handicap ontdekt  
Een lepra-activiteit voorkomt handicaps  
Overstroomde schakels

Geëf om lepra!  
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## CHAPTER 6 NEXT STEPS







**We are working towards a world free of leprosy and the disabilities and social exclusion that it causes, in which people who are now hampered by disability or stigma participate in society as fully and as independently as possible. To reach this goal, we're constantly trying to innovate, learn, reduce risks and see what next steps will keep us moving forward.**

## Innovation

Innovation is essential to force a breakthrough in the fight against leprosy. We are thus engaged in establishing new collaborations and ways of working in the areas of leprosy control, cross cutting issues between leprosy and other disease programmes, and scientific research. Below, we sketch the most promising initiatives.

### Implementation of prevention with chemoprophylaxis

In 2014, in partnership with the Novartis Foundation, NLR started, together with ILEP partners and funded by Novartis Foundation a promising project in six countries: India, Indonesia, Myanmar, Nepal, Sri Lanka and Tanzania. The project introduces preventative treatment for social contacts of newly-diagnosed leprosy patients to

reduce their risk of contracting the disease. This is a very innovative strategy, based on the results of large-scale scientific research that generated evidence of the efficacy of using medication to help prevent leprosy as well as experience from initial pilots in Indonesia.

Household contacts, neighbors, family members and social contacts of leprosy patients have a higher risk of developing the disease. Until recently, there was no treatment available to help in reducing that risk. This new and simple intervention, giving contacts of leprosy patients a one done treatment, helps to reduce the number of new patients.

### Collaboration with other disease programmes

NLR actively seeks cooperation with partners working in the field of Neglected Tropical Diseases to combine knowledge and experience. NLR is a member of the Neglected Tropical Diseases NGDO Network. Cooperation with partners active in other disease programmes leads to increased attention for leprosy and people with disabilities, which can result in improved treatment and rehabilitation.

Leprosy-specific know-how can be used for other diseases as well. Leprosy health workers, for example, have expertise in helping people learn to take care of wounds on their hands and feet. These skills are also valuable for patients with diabetes mellitus. NLR therefore facilitates the development of mixed self-care groups in which people affected either by leprosy or by diabetes mellitus participate.

### Focus on disability

We are forming new alliances with NGOs that focus on disabilities, rehabilitation and inclusive development so as to promote access of people affected by leprosy in such organizations and services and to help strengthen these DPOs in their national and international advocacy efforts.

### Research reveals the most effective ways to reduce stigma

The results of the SARI research project show major measurable reduction in stigma as a result of strategically planned and executed interventions. The interventions (counseling, contact and socio-economic development) had a positive impact on the lives of many participants, reducing all types of stigma and increasing self-confidence, personal motivation, quality of life, and social participation. Participants also appreciated the information about leprosy they received. The counseling sessions gave people opportunities to share experiences, gain self-confidence, and learn about the disease, human rights and life skills in general.

## Learning

NLR aims to be a network organization that learns and shares learning experiences amongst all offices. Strategic decisions are prepared in consultation with the managers of the Regional Offices at 'Round Tables'; in 2014, two of these events were organized. This promotes the exchange of views and experiences, mutual consultation between Regional Offices, and direct input in policy development based on their field practice. In order to promote sustainability of the NLR country and regional programmes in 2014, the Round Tables focused on issues relating to local ownership, local fundraising and local NGO development.

## Risk-control

By the end of 2013, the Operational Manual was finalized and regulations and procedures that concern primary processes in the organization became standardized and monitored. Netherlands Leprosy Relief is aware of risks that can disrupt its work. Special attention has therefore been paid to fraud, security of staff and financial shortfalls.

### Risk: fraud in projects

Since 2010, all Regional Offices undergo an annual audit by external accountants. As soon as suspicions of fraud arise, the Regional Office contacts the Head Office and a plan for handling the situation is implemented.

In 2013, research by the Forensic Auditors Section of PwC Netherlands concluded that there were no evidence to confirm allegations regarding NLR Nepal that were made in a letter of complaint from anonymous parties in the country. Recommendations to increase the details of some procedures have been implemented. In 2014, the same complaints were again received. After consultation with the forensic accountants, no new investigation was launched, as the letter contained no substantial new content. To deal with the apparent unrest around the NLR Far West Office, a new project leader was appointed and, to the extent that parties revealed their identity, issues relating to the position and mandate of the office, which functions under the authority of the NLR Representative in Kathmandu, were discussed and clarified.

### Risk: personal staff security

Staff in the field are confronted with numerous risks, ranging from traffic risks to crime and, in some areas, risks connected with terrorism. All Regional Offices are reported to have applied the measures prescribed in the NLR Security Manual. Special attention was given to the security risks for our staff and programme in the north of Nigeria. Appropriate measures were taken.

### Risk: shortfall in finances

Since income from private donations continues to fall, NLR is actively seeking new partnerships and new sources of funds. We have taken the following steps.

- The strengthening of institutional fundraising skills in Regional Offices and Head Office staff was continued.
- For the Leprosy Post Exposure Prophylaxis Project, external funding was received from Novartis Foundation. In coordination with them and three ILEP partners, single dose Ryfampicin is now being provided in pilot projects in six endemic countries, of which NLR implements three. A partnership with LEPRO UK in Mozambique was developed in 2014, to be finalized and implemented in 2015.
- In 2014 results of a private fundraising pilot project in India were evaluated. Total results are still low, but the involvement of fundraising consultants involved in telemarketing showed promising results.
- For the first time, the NLR applied for structural funding from the Dutch government in 2014. We participated substantially in the Alliance for Disability-Inclusive Development, which applied to the government for a partnership in lobby and advocacy for breaking barriers towards full inclusion of people with disabilities in NGO and government programmes. The Minister of Foreign Trade and Development Cooperation was due to decide in early 2015 on such partnerships.

*'This is work with a passion,' says shoemaker **Rivelino** at his workshop near the hospital in Mirueira. 'I like helping people. When people come here they have problems walking, but once they wear my shoes they can walk normally again. He knows the trade precisely because he has also had leprosy. NLR financed the machines in this workshop and many others in Brazil and provides the materials that shoemakers like Rivelino use across the country.'*



## NLR's priorities for 2015 - 2017

- Ensuring sustainability of our mission by promoting local ownership of our programmes and the development of local NGOs.
- Promoting participation of people affected by leprosy and people with disabilities in our policies and programmes.
- Innovation in our support for leprosy control programmes, such as the continued international rollout of chemoprophylaxis.
- Initiating alliances and partnerships at all levels.
- Developing crosscutting initiatives and integration with other disease and disability programmes and with mainstream approaches to promote the participation and inclusion of people with disabilities.
- Maintaining high standards of technical expertise and access to professional information and documentation.
- Offering transparency, accountability and partnership to our donors and partners and expecting the same in return.
- Diversifying the sources of funding of our policies and programmes by raising support from institutional donors and from non-institutional sources in the Netherlands and in endemic countries.

## Annual Plan 2015

Developing partnerships at various levels will remain an important objective so as to improve the quality, effectiveness and outreach of our programmes, develop more funding opportunities, and find and use possibilities for cost-sharing and efficiency.

Examples of this external focus

- Active membership of ADID (Alliance for Disability-Inclusive Development) and DCDD (Dutch Coalition for Disability and Development), which promote disability-inclusive policies by key actors such as the Dutch government.
- NLR will lead the Leprosy Research Initiative in developing a second call for proposals in 2015.
- NLR will continue to implement the LPEP Project in Indonesia, India and Nepal, in partnership with the Novartis Foundation and other ILEP members.

Through ILEP we will advocate the inclusion of innovative chemoprophylaxis in the new WHO Global Leprosy Strategy 2016-2020.

At the same time, we will invest in professionalism and accountability within our own organization and management.

- In 2015, operational audits will be held in three NLR Regional Offices.
- Mid-Term reviews of country policies will be carried out in Nepal and Nigeria.
- Effective and efficient support by the Programme Department to Regional Offices will be assured and monitored.

## Research

The following activities have been planned

- Development of co-operation in LRI, by formalizing MOUs with partners
- Formalization of terms and conditions for research funding
- Expansion of LRI with two new members
- Approval of two external funding applications
- Publication of second call for proposals

## Infolep

Objectives 2015

- Growth in users by 10%
- Increase use of library services by 10%
- Extend Infolep mandate to NTD cross-cutting issues by launching InfoNTD
- Attract 80% external funding for InfoNTD

## Partners and cooperation

- Apply for funds from Dutch government and other donors to promote inclusion of people affected by leprosy and those with disabilities in mainstream development programmes through ADID (Alliance for Disability-Inclusive Development)
- Develop networking plans with each Regional Office
- Evaluate cooperation with Liliane Foundation in Mekong and expand cooperation into one more country
- Initiate implementation of ILEP strategy in countries where NLR is ILEP coordinator

## Management and organization/HRM

- Accelerate decentralization and capacity strengthening of field offices
- Implement new labor provisions
- Create personal development plans for each staff member
- Involve a forum of people affected by leprosy as advisors in policy development and reviews

## Finance, Administration, Office

- Implementation of Microsoft Dynamics NAV as new financial information system at Head Office and at two field offices
- Finalization of NLR risk management policy
- Introduction of register of contracts with suppliers and partners
- Preparation of introduction of ISO Certification

## Fundraising

### Institutional Funding

Growth in Institutional Funding, by strengthening capacities at field office levels.

Number of IF opportunities to be assessed and developed into concept notes	22
Number of proposals to be submitted to Institutional donors	15
Number of proposals submitted within partnerships	3
Number of proposals submitted to large IF donors e.g. EU and Dutch Foreign Ministry	2

Each Regional Office will finalize its own road map for Institutional Funding and present a plan for capacity development to write and win institutional funding proposals.

### Private fundraising in The Netherlands

We estimate that NLR income from private fundraising and legacies will see a small decline (6%) compared to the level earlier years, due to (age-related) loss of committed donors.

In 2015, our fundraising in the Netherlands will develop along three lines:

- Donations from private donors and business: recruitment of 5.100 new donors, with lower average donations, after development of a major donor programme and proposals. Increase number of committed donors by 10%.
- Growth by 10% in fundraising through local actions and campaigns by volunteers, with the use of on-line crowd funding web-tools.
- Legacies. We will continue to deliver high quality services and personal communications to notaries and family members of deceased people who provided grants to NLR in their legacies. Revenues from legacies will be closely monitored in 2015 to discover whether the small decline in 2014 will continue.

Communications in 2015 aim at five media publications, one TV exposure through a documentary, two bursts of TV advertisements and growth in numbers of followers in Facebook (to 600 friends) and Twitter (to 1,200 followers).

*Maria Clélia (51) shows how she exercises her hands with a clothespin to maintain strength in her fingers. She learnt to do this in a self-care group. NLR supports over 1,000 self-care groups all over the world. 'The group's leader gives information about leprosy and its treatment. That's vital information for me because I could experience reactions. I go every month; I don't miss a meeting.' Maria Clélia discovered that she had leprosy after seeing a television advertisement.*



# CHAPTER 7 FINANCES



## Balanced budget for 2014

Since 2013, NLR has been maintaining a balanced budget. As in the year before, this proved to be quite challenging in 2014. We aimed at higher income from fundraising in the Netherlands, extra contributions for programme support from third parties, and extra income from institutional fundraising.

We faced several challenges in maintaining the outcome for the year as close as possible to the balanced budget. Fundraising in the Netherlands continues to be difficult. As in 2013, the international bond market was affected by a harsh economic climate, which resulted in uncertainty for revenue in 2014, although income from that source was estimated very conservatively. And accessing new funds through institutional funding or local fundraising in the countries where we work requires a long-term effort with an uncertain pay-off.

## Results 2014

We ended 2014 with a net loss of €189,000. In that result however, due to accounting rules, expenses related to earmarked funds and reserves are also included. The NLR Multi Annual Strategy states that innovation will be funded from NLR Reserves, separate from the annual balanced budgets. This amount is therefore added to the existing Investment Reserve to make future investments in innovation possible.

If withdrawals and additions to the earmarked fund and earmarked reserves are not taken into account, a positive result of €173,000 would be the outcome.

## Income in 2014

Total income in 2014 was €10.2 million, compared to €11.9 million last year and €11.2 budgeted.

Total income from contributions, donations and gifts from private donors was €2.4 million, compared to €2.7 million budgeted and €2.5 million realised in 2013. Further decline was avoided by our efforts in fundraising, for example actions we took after an extra donor database analysis.

Income from legacies was €2.4 million: €800,000 lower than 2013, and €100,000 below the budget for 2014. This was partly expected, a result of the valuation of receivable legacies at year end in the previous years: amounts received in 2014 for legacies that were already valued in earlier years have already been taken as income in those years. However, it could also be an indication that income from legacies is steadily declining. The number of legacies in 2014 was lower than in 2013, and this decline seems to be continuing in 2015. We will therefore monitor developments in this area closely.

Income from third-party campaigns was €2.9 million (budget 2014: €2.5 million), €1.3 million lower than in 2013. Total income from the Dutch Postcode Lottery was lower than in 2013, because in 2013 we received an extra amount of €2 million for the project 'These shoes are made for walking'.

Income from contributions for research projects, supporting projects and field activities from ILEP members and other organizations was €1.5 million, higher than budgeted (€1.2 million) and also higher than in 2013 (€765,000). Included in these amounts are: contributions by partners for the Leprosy Research Initiative (LRI) and for Infolep; by Novartis Foundation for the LPEP research project; and the Liliane Foundation for activities by the Mekong Regional Coordination Team, in which the NLR Regional Office in Hanoi functions as a legal host and facilitator.

Income from governments and global organizations was €2.0 million (2013: €1.9 million). This was much lower than the budgeted €3.2 million. This difference was caused by the fact that, in 2014 budget, an unspecified target of €1.2 million from institutional funding was only partly realised. Realised income that can be considered income from institutional funding, especially the contribution from Novartis Foundation for the LPEP research project (€444,451), is classified under income from third-party campaigns in accordance with Guideline 650 (Dutch: Richtlijn 650) for the Reporting of Fundraising Institutions.

Investment revenues were €339,000 in total, much higher than budgeted (and higher than the €25,000 in 2013). A positive outcome, considering market conditions.

The current portfolio is managed by an external agency. Investments have to be in line with the NLR investment policy, which prescribes investments in sustainable, socially responsible and low-risk bonds. Adherence by the investment manager to this policy is checked twice a year. The yield on the portfolio in 2014 was 5.5% (2013: 0.2%).

We also received about €32,000 in interest from cash and cash equivalents (in 2013: €46,000). No income from this source had been budgeted, but balances in our bank accounts were quite high. Because of the uncertain economic situation and bond market, we decided to postpone investment of cash and cash equivalents in securities, which resulted in this interest income.

## Expenses in 2014

In 2014, NLR spent €8.8 million on fulfilling its objectives. In 2013 this had been €9.2 million, but this included the transfer of €1 million for our part in the Dutch Postcode Lottery funded project 'These shoes are made for

walking'. We had budgeted €9.8 million, including the €1 million on unspecified institutional funded projects, so the total expenses are in line with the budget, corrected for institutional funding. Expenditure on the objectives amounted to 85% of total expenses, and 87% of total income.

Expenses that were taken into the budget for 2014 were generally lower than budgeted. Direct expenses for field programmes were €6.4 million (2013: €7 million). €6.5 million had been budgeted. Innovation costs in field programmes financed from the investment reserve amounting to €97,000, though not part of the regular operating budget for 2014, had to be taken in the annual accounts as expenses for 2014.

On scientific research, including the LPEP research project, an amount of €877,000 was spent (2013: €571,000). Some €308,000 (2013: €321,000) was spent on supporting projects. Expenses on project coordination, including technical advices from the Royal Tropical Institute, amounted to €847,000 (2013: €713,000).

An amount of €439,000 (2013: €532,000) was spent on information and awareness raising in the Netherlands, slightly higher than budgeted (€416,000).

Expenses on fundraising were €1 million instead of the budgeted €913,000. This was mainly due to extra fundraising activities following the donor database analysis. The expenses on our own fundraising amounted to 20.2% of the income from our own fundraising (2013: 16.0%). This is well under the maximum of 25% set by the Dutch Central Bureau for Fundraising. NLR strives to keep the costs of its own fundraising under 21% of the income from its own fundraising.

Expenses on management and administration were €519,000, higher than 2013 (€513,000) and higher than budgeted (€501,000). The high outcome this year was caused by the one off implementation cost for the new financial software package financed from the investment reserves.

## Reserves and funds

NLR's reserve policy is closely linked to the long-term relationship with many partners in endemic countries. Our partners must be able to rely on the fact that NLR can fulfil its commitments. For that reason, NLR has a reserve earmarked to ensure payment of future programme expenses. This was €5.5 million by the end of the year.

The continuity reserve is an earmarked reserve for continuity risks for the organization itself. According to the guidelines of the CBF, this reserve can amount to a maximum of 1.5 times annual organizational costs. The continuity reserve is now 1.35 times annual organization costs and therefore complies with this guideline.

An investment reserve was agreed upon by the Supervisory Board in July 2012. At the end of 2013, the balance was €933,000. The reserve is used for investments in innovation and capacity building, all in keeping with the acceleration of decentralisation within NLR. This includes investment in capacity building for local institutional and non-institutional fundraising in programme countries, aimed at securing continuity of programme financing in the coming years. At the end of 2014, a balance of €695,000 remained. To this amount, the remaining surplus of 2014 of €173,000 was added. This is in line with the NLR Multi Annual Strategy that states that investments in innovation will be financed outside the annual balanced budgets from NLR Reserves.

Finally, the specially designated fund that was created for the Dutch Postcode Lottery funded project, 'These shoes are made for walking', had a balance at the end of 2014 of €871,000.

*'Life is a party' is the name of one of the stories written by Juliano (70). But the 31 years he has been forced to spend in a hospital have been awful, he says. 'We were treated like animals. We got the worst food and weren't allowed to go out. I learned to make tea from fruit and used natural remedies against the pain.' The Multi Drug Therapy was introduced in the 1980s and it is still used today to cure leprosy patients. That was too late for Juliano, though. He ended up with serious physical impairments. But it did result in a change in his life. 'I began to work as a presenter for the programme, 'The voice of hope' on the hospital radio. I taught myself to read and write. I like self-help books. I love writing stories and poems on the computer. I type by holding a pencil in each hand.' Juliano struggles for the interests of former and current leprosy patients via the interest-group AESPAK, of which he is now secretary.*



CHAPTER 8  
ANNUAL ACCOUNTS





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## Supervisory Board and Executive Director

### Supervisory Board 2014

	From	End of term
<b>CHAIR</b>		
Drs. M.J. van den Berg	14-12-2007	31-12-2015
<b>FINANCES; CHAIR FINANCIAL AUDIT COMMITTEE</b>		
R.L.J. Greveling RA	1-1-2014	31-12-2017
<b>INFORMATION AND FUNDRAISING; MEMBER FINANCIAL AUDIT COMMITTEE</b>		
C. van Dijk	1-3-2006	23-5-2014 (prolonged)
<b>PERSONNEL &amp; ORGANISATION</b>		
Drs. G.C. Anbeek	1-1-2013	31-12-2016
<b>SCIENTIFIC RESEARCH</b>		
Prof. Dr. P.R. Klatser	15-3-2013	14-3-2017
<b>PROJECTS AND HEALTH-CARE</b>		
Prof. Dr. J. van der Velden	1-5-2007	30-4-2015
<b>EXECUTIVE DIRECTOR</b>		
J. van Berkel	1-4-2009	

## Annual Account NLR 2014

### I. Balance sheet as per December 31, 2014

Amounts x €1,000

ASSETS	Notes	31 december 2014	31 december 2013
<i>Fixed assets</i>			
Tangible fixed assets	1	71	84
<i>Current assets</i>			
Receivables	2	2,524	2,956
Securities	3	6,079	4,790
Cash and cash equivalents	4	3,622	4,561
		<b>12,225</b>	<b>12,307</b>
<b>Total assets</b>		<b>12,296</b>	<b>12,391</b>
<i>LIABILITIES</i>			
<i>Reserves and funds</i>			
Reserves	5		
- Continuity reserve		3,298	3,298
- Earmarked reserves by board		6,380	6,430
Funds			
- Earmarked fund Dutch Postcode Lottery		871	1,010
		<b>10,549</b>	<b>10,738</b>
<i>Short-term liabilities</i>	6	1,747	1,653
<b>Total liabilities</b>		<b>12,296</b>	<b>12,391</b>

## Annual Account NLR 2014

### II. Statement of Income and Expenses 2014

Amounts x €1,000

INCOME	Notes	Realisation 2014	Budget 2014	Realisation 2013
Income from own fundraising	8	4,956	5,300	5,836
Income from third-party campaigns	9	2,865	2,573	4,131
Grants from governments and institutional donors	10	2,001	3,289	1,894
Interest income and income from investments	11	360	50	70
Other income	12	4	0	0
<b>Total income</b>		<b>10,186</b>	<b>11,212</b>	<b>11,931</b>
<i>EXPENSES</i>				
<i>Expenses on the objectives</i>				
- Leprosy control and disability programme activities	13	7,547	8,598	7,916
- Coordination and medical advice	13	847	764	713
- Information and awareness raising	13	439	416	532
		<b>8,833</b>	<b>9,778</b>	<b>9,161</b>
<i>Expenses fundraising</i>				
- Expenses own fundraising	14	1,003	913	934
- Expenses on investments	15	21	20	17
		<b>1,024</b>	<b>933</b>	<b>951</b>
<i>Management and administration</i>				
- Expenses management and administration	16	519	501	513
		<b>519</b>	<b>501</b>	<b>513</b>
<b>Total expenses</b>		<b>10,376</b>	<b>11,212</b>	<b>10,624</b>
Result income and expenses		(189)	0	1.307
<i>END BALANCE</i>				
<i>Addition / Withdrawal from</i>				
- Continuity reserve		0		(200)
- Earmarked reserves		(50)		497
- Earmarked fund Dutch Postcode Lottery		(139)		1,010
		<b>(189)</b>		<b>1,307</b>

## NLR Annual Account 2014

### III. Accounting policies for the Annual Accounts

#### a. General

The annual accounts have been prepared on an historical cost basis of accounting.

#### Activities

NLR (Netherlands Leprosy Relief, in Dutch Leprastichting, Wibautstraat 137k, 1097 DN in Amsterdam) is committed to a world without leprosy and its consequences. The objectives of the foundation are described in detail in the annual report.

#### Accounting period

The annual accounts have been drawn up by reference for an accounting period of one year. The financial year is equal to the calendar year.

#### Accounting policies for the valuation of assets and liabilities and the determination of the result

The annual accounts have been prepared in accordance with Guideline 650 (Dutch: Richtlijn 650) for the Reporting of Fundraising Institutions (revised 2011), as published by the Dutch Accounting Standards Board (Raad voor de Jaarverslaggeving) in January 2012. All amounts in the annual accounts are in Euros or a multiple of 1,000 Euro, and are compared with the 2014 budget approved by the Supervisory Board and the actual realisation of 2013.

The financial statements have been prepared in accordance with the principle of continuity.

In general, assets and liabilities are stated at the amounts at which they were acquired or incurred, or current value. If not specifically stated otherwise, they are recognised at the amounts at which they were acquired or incurred. The balance sheet and statement of income and expenses include references to the notes.

Notes to the line items of the balance sheet and the statement of income and expenses have been numbered in the financial statements.

#### Comparison with prior year

The principles of valuation and determination of result remain unchanged compared to prior year.

#### Estimates

In the application of the principles and guidelines for preparation of the annual account NLR Management uses different judgements and estimates that may be essential for the amounts in the financial statements.

If for the needed insight according to Section 2:362 (1) of the Dutch Civil Code necessary, the type of these opinions and estimates, including the associated assumptions are mentioned in the notes to the relevant financial statements.

#### Foreign currency

Transactions in foreign currency are converted to euro at the exchange rate of the transaction date. At the end of the financial year all accounts receivable and liabilities in foreign currency are converted to euro on the basis of the exchange rate as per balance date. Exchange rate results have been added to the statement of income and expenses.

#### Fixed assets

Fixed assets and prepayments on tangible fixed assets in the Netherlands are valued at purchase price minus cumulative depreciation. Fixed assets in programme countries are expensed. Depreciation is on a straight-line basis, and based on the expected economic life, taking account of the residual value.

- Inventory and installations: 20 %
- Hardware and software: 33 %

#### Investments

Investments are stated at market value. The other investments are valued at redemption value. Increase in value is added to the statement of income and expenses. Transaction costs are expensed in the statement of income and expenses.

#### Balances project funds and accounts

This is a part of the total balance held at our field offices and projects at the end of the financial year. These are bank balances, cash-in-hand balances and other outstanding receivables. Despite the fact that a part of these balances are cash and bank accounts, it was decided to recognise the total of projects and accounts under receivables. The extent of liquidity (for example the immediate availability) is on a different level than the cash equivalents of NLR on our bank accounts in the Netherlands.

Liabilities at our field offices and projects at the end of the year are under the short term liabilities.

#### Cash and cash equivalents

Cash and cash equivalents include cash, bank balances and immediately accessible savings with a maturity of less than twelve months.

#### Continuity reserve

In accordance with the Supervisory Board's resolution, a continuity reserve has been formed. The continuity reserve has been drawn up to cover risks in the short-term to ensure that NLR can also meet its obligations in the future. According to the conditions of the CBF certification and the guideline of the Dutch Branch Organisation for Charities (VFI) the continuity reserve should not exceed a maximum of one and half times the yearly costs for operational activities. The continuity reserve is mutated with the surpluses or deficits from a calendar year, after deduction of subsidies expenditures, donations to the earmarked reserves and donations to provisions.

#### Earmarked reserves

The earmarked reserve is the part of the reserve which is set aside by the Board for a specific purpose. The balance at year end is determined as the grand total, pursuant to decisions of the Board earmarked contributions for the listed projects.

#### Earmarked fund

Earmarked funds are funds received from a third party for a specific purpose in the future year and therefore earmarked.

#### Retirement system

The current retirement system for Dutch employees within NLR is arranged by retirement Fund 'Pensioenfonds Zorg en Welzijn'. The contributions and premiums are presented as liabilities in the year they relate to.

#### Accounting principles for determination of results

Revenue and expenses in the statement of income and expenses are allocated to the period in which they relate. In determining the proportion a consistency concept is followed. The result is determined as the difference between income generated by contributions and others, and the costs and other charges for the year.

Income is shown gross, before any deduction of associated costs, unless otherwise is stated. Necessary costs to realise certain benefits, are presented in the statement of income and expenses as expense.

#### Donations and gifts in kind

The income consists of the proceeds from contributions, donations, grants and other income which are ascribed to the financial year concerned. Donations are accounted for in the year of receipt. Donations and gifts in kind are valued against fair value in the Netherlands.

## Legacies

Income from legacies are accounted for once the entitlement has been confirmed and reliably quantified and ultimate receipt of that amount has become reasonably certain. Advances are recognized in the year of receipt.

## Employee benefits

Wages, salaries and social security charges taken to the statement of income and expenses based on the terms of employment, where they are due to employees.

## Interest paid and received

Interest paid and received is recognised on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognising interest paid, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

## Related parties

As related party is considered every legal entity over which total control, joint control or significant influence can be exerted. Statutory Board Members and other key management members and their close relatives are also considered related parties.

Significant transactions with related parties are disclosed in so far they are not transacted under normal market conditions. Explained will be the nature and size of the transaction and other information necessary for giving insight.

## b. Notes to the Balance sheet 2014

### 1. Tangible fixed assets

Tangible fixed assets are used for the main activities and entirely held for operational management.

	Inventory/ systems x €1,000	Hardware/ software x €1,000	Total 2014 x €1,000	Total 2013 x €1,000
<b>PURCHASE VALUE</b>				
Balance as at 1 January 2014	189	96	285	210
Purchases	7	6	13	75
<b>Balance as at 31 December 2014</b>	<b>196</b>	<b>102</b>	<b>298</b>	<b>285</b>

	Inventory/ systems x €1,000	Hardware/ software x €1,000	Total 2014 x €1,000	Total 2013 x €1,000
<b>DEPRECIATION</b>				
Balance as at 1 January 2014	112	88	200	170
Depreciation	20	7	27	30
<b>Balance as at 31 December 2014</b>	<b>132</b>	<b>95</b>	<b>227</b>	<b>200</b>
<b>Balance sheet value as at 31 December 2014</b>	<b>64</b>	<b>7</b>	<b>71</b>	<b>85</b>
Insured value	197	105	302	298

The purchase of inventory concerns the investment in the Amsterdam office. The investments involve the costs for replacement of the airconditioning in the server room, adjustment and renovation costs of office space and the purchase of notebooks for staff.

### 2. Receivables

	31-dec-14 x €1,000	31-dec-13 x €1,000
Balances project funds and accounts	1,017	752
Legacies due	1,183	1,649
Interest savings accounts and investments	111	88
Paid in advance	71	93
Fundraising regional circles (in Dutch: Kringen)	0	9
Debtors	9	154
Other accounts receivable	134	422
	<b>2,524</b>	<b>3,166</b>
Provision for outstanding debts Nigeria	0	(210)
	<b>2,524</b>	<b>2,956</b>

Project funds and accounts balances relate to the balances held in our field offices and projects at the end of the financial year. These balances consist of bank balances, cash balances and other outstanding receivables.

The legacies due are expected but not yet received income from legacies. Income from legacies is accounted for once the entitlement has been confirmed and reliably quantified and ultimate receipt of that amount has become reasonably certain.

In 2014 the average balance on the deposit accounts was higher than in 2013 leading to a higher amount of interest received in 2014. The development of the amount of interest from securities, received over the past 5 years is shown in note 11.

The difference the balance of accounts receivables at year end can be explained for the larger part by the payment of an outstanding invoice in 2013 amounting €150,000 which has been paid in February 2014.

The remaining other receivables concern reimbursements which are short term, and received in 2014. This leads to a lower receivable at the end of the year compared to 2013.

In 2012, a provision was made for amounts (as part of the other accounts receivable) that are owned to NLR by a number of states in Nigeria from years before 2012. An action plan was made to retrieve as much of the outstanding debt as possible. Actual execution of that plan however proved to be very difficult because necessary visits to the States were not possible due to the security situation in North Nigeria. We therefore decided to write off the total amount. In 2014 no provision for doubtful debtors was included.

All receivables are due within one year.

### 3. Securities

	31-dec-14 x €1,000	%	31-dec-13 x €1,000	%
Bonds	5,638	93%	4,393	92%
Other investments	381	6%	379	8%
Balance of investment accounts	61	1%	18	0%
	<b>6,079</b>	<b>100%</b>	<b>4,790</b>	<b>100%</b>

The total security portfolio consists mainly fixed rate bonds with the exception of one share in a low risk stock fund. The portfolio is valued at year end at market value. The difference in the result of bonds can be explained by the increase of investments in bonds. The increase in the balance of the investment account can be explained by interest received in the last three months of 2014.

	Stocks x €1,000	Bonds x €1,000	Other investments x €1,000	Investment- accounts x €1,000	Total x €1,000
Balance at 1 January 2014	0	4,393	379	18	4,790
Plus: additions bought	0	1,479	0	0	1,479
Sold, redemptions and movements in balance	0	(234)	2	43	(190)
<b>Balance sheet value at 31 December 2014</b>	<b>0</b>	<b>5,638</b>	<b>381</b>	<b>61</b>	<b>6,079</b>

OVERVIEW BONDS AT 31 DECEMBER 2014	Interest %	Redeemable	Nominal value x €1,000	Market value purchase x €1,000	Market value 31-dec-14 x €1,000
NOVARTIS MTN 2009-2016	4,25	11-01-16	200	222	212
NEDERLAND 2008-18	4,00	04-03-18	250	264	285
FRANKRIJK 2006-2016	3,25	31-03-16	500	518	521
FINLAND 2004-2015	4,25	04-03-15	400	437	409
FINLAND 2006-2017	3,88	31-03-17	200	213	221
RABOBANK MTN 2009-2019	5,88	15-03-19	250	283	300
EUROPEAN UNION 2010-2019	3,38	10-05-15	300	299	343
LLOYDS TSB MTN 2010-2018	4,00	25-06-15	250	251	283
STATOIL MTN 2009-2021	5,63	22-05-21	300	382	387
EFSF MTN 2011-2016	2,75	05-04-16	100	102	104
DEUTSCHE BAHN FIN.2006-17	4,00	25-07-17	100	111	108
DAIMLER 2012-2020	1,75	02-12-20	150	150	159
GERMANY INFL.LINK.2012-23	0,10	18-12-23	150	154	162
SIEMENS FIN.MIJ.2012-2020	1,50	02-05-20	100	102	105
IBM 2012-2019	1,38	11-01-19	250	245	261
PROCTER & GAMBLE 2012-22	2,00	02-12-22	150	147	164
BMW FINANCE 2012-2019	3,25	17-12-19	150	163	167
DEUTSCHE BOERSE 2013-2018	1,13	24-06-18	50	51	51
3M CO 2013-2021	1,88	02-12-21	150	148	162
MCDONALD'S 2013-2023	2,00	17-12-23	100	95	108
VOLKSWAGEN INTL.FIN.13-16	1,00	02-05-16	50	50	51
ABN AMRO 2013-2023	2,50	30-04-23	200	199	225
ESM 2013-2018	1,25	30-04-18	200	203	209
TOYOTA MOTOR 2013-2023	2,38	30-04-23	200	206	224
MICROSOFT 2013-2033	2,63	30-04-33	150	147	172
TENNET 2011-2023	4,63	06-05-23	100	119	126
ORACLE 2013-2025	3,13	13-06-25	100	109	118
			<b>5,100</b>	<b>5,371</b>	<b>5,638</b>
<b>GUARANTEE STRUCTURE (STOCKS WITH LOW RISK)</b>					
RABO Eurostoxx 50 2010-17		10-3-2017	350	350	381
			<b>5,450</b>	<b>5,721</b>	<b>6,019</b>

All securities are administrated by an external agency since 2010. The mandate is in line with the NLR investment policy. NLR has a conservative and sustainable investment policy which emphasises on risk minimisation. All securities are freely available to NLR.

The revenues from the securities are classified under investment income. For an overview we refer to section 11 of the notes to the statement of income and expenditure.

#### 4. Cash and cash equivalents

Cash and cash equivalents are cash and bank balances in the Netherlands held by the NLR office in Amsterdam. NLR holds its main current accounts at ING Bank. The cash and cash equivalents balance for the year ended 31 December 2013 is as follows:

	2014 x €1,000	2013 x €1,000
Arrangement ING bank accounts	2,012	2,954
Other bankaccounts	1,610	1,607
Cash in hand	0	1
	<b>3,622</b>	<b>4,561</b>

Compared to previous year the composition of cash and cash equivalents has been changed. In 2014 we decided to invest a large part of the cash and cash equivalents into our capital savings account at ING Bank. The transposition of our former investment account into a capital savings account at Rabobank leads to an increase in the cash and cash equivalents. Currently about 55% of our cash in bank accounts are held at ING Bank and about 44% at Rabobank. Other cash in bank are spread over Robeco and ABN AMRO. Interest income of cash and cash equivalents in 2014 is €32,000 (2013: €45,000) and is received on the cash balances, based on the market rates. Due to the uncertain economic situation we decided to postpone the decision to invest part of those cash and cash equivalents in securities. The bank balances are immediately claimable and can be quickly converted to cash as needed. For an overview of the investments income we refer to section 11 of the notes to the statement of income and expenditure.

#### 5. Reserves and funds

In accordance with the Dutch Accounting Standard for Fundraising Institutions (RJ 650) NLR's equity is divided into reserves and funds.

	CONTINUITY	EARMARKED RESERVES		EARMARKED FUND	TOTAL x €1,000
	Reserve x €1,000	Projects x €1,000	Reorganisation and investment x €1,000	NPL These shoes are made for walking x €1,000	
Balance as per 31 December 2013	3,298	5,497	933	1,010	10,738
- Movements	0	0	0	0	0
- Withdrawals and additions	0	15	(65)	(139)	(189)
<b>Balance as per 31 December 2014</b>	<b>3,298</b>	<b>5,512</b>	<b>868</b>	<b>871</b>	<b>10,549</b>

#### General notes on reserves

##### Continuity reserve

A continuity reserve has been formed to cover risks in the continuity of the organisation and to ensure that the organisation can meet its obligations in the future. Therefore, this reserve is meant to guarantee the organisation's continuity. According to the guidelines of the Dutch Central Bureau for Fundraising (CBF) there is a maximum to this reserve of 1.5 times the yearly costs of the work organisation, which translates in a maximum continuity reserve of €3.6 million. The continuity reserve is now 1.35 times the yearly costs of the work organisation. NLR defines as costs of the work organisation: the personnel costs, rent of the Amsterdam office, other office and administration costs and fundraising costs. The continuity reserve is considered the resultant after calculation of the earmarked reserves.

##### Earmarked reserves

An earmarked reserve is part of the reserves set aside for a specific purpose that have been approved by the Board of Director or funds that are tied to particular purposes by third parties. The notes below give an indication of the volume of earmarked fund that are received and spent during the year.

##### Earmarked reserve for projects

This reserve consists of by Supervisory Board approved reserved amounts for specific projects the coming year. Since these are conditional liabilities, these amounts are recorded in an earmarked reserve.

	31-12-2014 x €1,000	31-12-2013 x €1,000
Allocated part of projects budget 2015 (31-dec-12: 2014)	5,512	5,497
	<b>5,512</b>	<b>5,497</b>

##### Earmarked reserve for reorganisation and investment

In December 2014 the adjusted financial policy framework has been approved by the Supervisory Board. Reserves should in principle only be used for investment in innovations and dealing with unexpected, incidental setbacks. In appropriate cases it can be decided to use a designated part of the reserves for necessary investments and/or financing phasing out scenarios.

When making the decision to start working with a balanced budget from 2013 onwards, a reorganisation and investment reserve of €1 million was agreed upon by the Supervisory Board in July 2012. This amount was set aside for reorganisation and investment costs. The balance of this reserve in 2013 was €933,000 at year-end. The remaining part of this reserve is partly used in 2014 for investments in innovation and capacity building in Representative Offices, all in line with the acceleration of decentralisation within NLR. This includes investment in capacity building for local institutional and non-institutional fundraising in programme countries. All in order to secure continuity of programmes in the coming years. This Investment Fund was used to a total spent amount of €238,000 in 2014 (2013: €269,000). Although these costs are not part of the regular operating budget for 2014, the costs had to be taken into account in the annual account as expenditure for 2014.

Of the negative result of €189,000 in 2014, after withdrawals and additions to the earmarked fund and earmarked reserves, a surplus of €173,000 remained. The NLR Multi Annual Strategy states that investments in innovation will be financed outside the annual balanced budgets, from NLR Reserves. This amount is therefore added to the existing Investment Reserve to make future investments in innovation possible.

#### Earmarked fund for project NPL These shoes are made for walking

In 2013 an amount from an extra drawing was awarded by the Dutch Postcode Lottery (NPL) for a special project in Southeast Asia: 'These shoes are made for walking', a combined three year project together with Liliane Foundation. The total amount received was €2,016,016. About half of this amount was transferred to Liliane Foundation for the execution of their part of the project. The NLR part that was not spend in 2013 has been formed into an earmarked fund. In 2014, an amount of €200,000 was received from Liliane Foundation from their earmarked fund. This amount was added to the NLR earmarked fund. From the earmarked fund, programme activities were financed for a total amount of €339,000. In total, the earmarked fund was decreased by €139,000.

The balance of the earmarked fund for These shoes project is as follows:

	31-12-2014 x €1,000	31-12-2013 x €1,000
Earmarked fund of project These shoes are made for walking	871	1,010
	<b>871</b>	<b>1,010</b>

#### 6. Short-term liabilities

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the book value due to its short term character.

	31-12-2014 x €1,000	31-12-2013 x €1,000
Payable project costs	959	673
Payable office expenditure	121	133
Accounts payable/creditors	155	136
Payroll taxes en social security contributions	0	3
Staff pension costs	6	15
Liabilities projects	161	185
Other amounts	345	507
	<b>1,747</b>	<b>1,652</b>

Payable project costs are mainly amounts payable for scientific research in 2014, not yet formally invoiced by the researchers concerned.

The item payable office expenditure primarily concerns turnover taxes, bank charges and audit fees. Also included are payable holiday days and holiday allowance for Amsterdam staff. Disbursement of the holiday allowance will occur in May 2015. The item staff pension costs concern the monthly employer costs for pensions at Pensioenfonds Zorg en Welzijn for the amount of €5,700. These invoices have been paid in the first quarter of 2015. The liabilities projects concern part of the outstanding amounts in our field offices and projects at the end of the financial year. This part consists of liabilities like amounts to be paid to suppliers. Other amounts are for the largest part amounts that we have received in advance from several organisations for projects in 2015.

#### 7. Commitments not included in the balance sheet

##### Head office in Amsterdam

The head office of NLR is housed in the office building at Wibautstraat 135-137 in Amsterdam. The contract for a long term commitment is agreed until July 1, 2018, with an option for continuation for 5 years. The yearly rental amount, indexed each year, is currently €57,000 (excluding service costs) per year (2013: €65,000). Our copiers and printer are leased for a period of 5 years until September 2019, with a yearly rent of €4,000.

##### Rent in NLR Offices

The total yearly rent in NLR Representative Offices, all with a rental contract longer than one year, is €67,700 (2013: €67,700).

#### c. Notes to the Statement of Income and Expenses 2014 Income

#### 8. Income from own fundraising

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Face-to-face fundraising regional circles (in Dutch: Kringen)	36	50	40
Contributions, (charitable) donations and gifts	2,416	2,695	2,483
Legacies	2,430	2,500	3,203
Sales of goods, Jan Jans comics	2	10	7
Other income from own fundraising received	72	45	103
	<b>4,956</b>	<b>5,300</b>	<b>5,836</b>

The total income from own fundraising was 6% lower than budgeted. Compared to 2013, the total income from own fundraising was 15% lower mainly due to lower income from legacies. The income from face-to-face fundraising slightly decreased compared to 2013 and the budgeted amount due to the illness of volunteers and therefore a decline in door-to-door fundraising. Although an increase was budgeted, the income from contributions, (charitable) donations and gifts in 2014 remained closer to the 2013 realisation level. A lower outcome was expected during the year, but a data analysis of our database resulted in an additional boost in the funds. The income from sale of goods concerns the revenues of two Dutch comic books specially written for NLR by famous Dutch cartoonist Jan Kruis, named: Jan Jans en de kinderen in Mozambique and Jan Jans en de kinderen in Suriname, a signed poster, and a birthday calendar.

The income from legacies totaled €2.4 million, which is 24% lower than in the previous year however only 3% lower than budgeted. To some extent the lower income compared to 2013 is due to the high valuation of receivable legacies at year end in 2013. The share of legacies in the total income from own fundraising in 2013 was 49% (2013: 55%). The average duration for the settlement of legacies is approximately 9 months. There are 9 legacies subject to usufruct. These legacies are not valued.

## 9. Income from third-party campaigns

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Proceeds Dutch Postcode Lottery, regular draw	1,350	1,350	1,350
Extra project Dutch Postcode Lottery	0	0	2,016
<b>Total income Dutch Postcode Lottery</b>	<b>1,350</b>	<b>1,350</b>	<b>3,366</b>
Contributions ILEP-members	844	595	453
Contributions by other organisations	672	628	312
<b>Total income from third-party campaigns</b>	<b>2,865</b>	<b>2,573</b>	<b>4,131</b>

### Income from the Dutch Postcode Lottery

According to the contract 2011-2015 between NLR and the Dutch Postcode Lottery (in Dutch: Nationale Postcode Loterij), in the first quarter of 2014 an amount of €1,350,000 was received from the lottery revenues of 2013. In 2013 an extra amount to finance a three year project in Southeast Asia: 'These shoes are made for walking', for the total of €2,016,016. In 2014 no additional extra amount was granted.

### Contributions research and supporting projects

Mainly contributions from other organisations within the ILEP (the International Federation of Anti-Leprosy Associations) to several research and supporting projects of NLR. These are agreed as per each year. For 2014 we received contributions from the American Leprosy Mission (ALM), Deutsche Lepra- und Tuberkulosehilfe (DAHW), The Leprosy Mission Canada/Effect Hope, The Leprosy Mission Ireland, LEPRO Health in action (UK), Fondation Raoul Follereau, FAIRMED Switzerland, Fontilles Spain, Secours aux Lépreux - Leprosy Relief Canada and Damien Foundation Belgium. Also, the contribution from Novartis Foundation for the LPEP project was included.

### Contributions field activities

The contributions for field activities include donations from the Peerke Donders Stichting for projects in the Mekong Region (€34,416), Stichting Light for the World (€77,250) for a project in Nigeria, Stichting Eureko Achmea Foundation (€22,920) for projects in Vietnam, Dutch Mennonite Mission (Doopsgezinde Zending) (€9,993) for projects in Indonesia, ALM (€ 30,610) for projects in Indonesia, Christian Blind Mission (€12,000) for DCID Journal and Sasakawa Memorial Health Foundation for projects in Vietnam (€42,685). Also included is the amount from Liliane Foundation of €200,000 for the NPL funded project 'These shoes are made for walking' (added to the earmarked fund for this project), and € 86,053 from Liliane Foundation for activities by the Mekong Regional Coordination Team, for which the NLR Representative Office in Hanoi functions as a legal host and facilitator. Finally the contributions made to RCT projects outside Vietnam (€95,286) are included; the expenses financed from these contributions are for the same amount included in the project expenditures for 2014.

The subdivision in contributions was different in 2013; then, a distinction was made between contributions from ILEP members and contributions from other organisations. Therefore, only the total amounts in the budget 2014 (€1,5 million), realisation 2014 (€ 1,2 million) and realisation 2013 (€765,000) can be directly compared.

## 10. Grants from governments and global organisations

This item includes grants obtained from governments, including the European Union or similar international institutions, government agencies and public institutions.

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
GFATM	1,483	1,800	1,527
KNCV/USAID	518	242	367
Unspecified income Institutional Funding	0	1,247	0
	2,001	3,289	1,894

### GFATM

Contributions from GFATM (The Global Fund To Fight AIDS, Tuberculosis and Malaria) for tuberculosis activities and program in Nigeria. The expenses financed from these contributions are for the same amount included in the project expenditures for 2014.

### USAID

Involves contributions from USAID (U.S. Agency for International Development) for tuberculosis activities in Nigeria (via KNCV Tuberculosis Foundation). The expenses financed from these contributions are for the same amount included in the project expenditures for 2014.

### Unspecified income Institutional Funding

In the budget for 2014 a target was included of €1 million income from Institutional Funding. The same amount was included in the expenses on the objectives. In the realisation this income is however specified under contributions for research or field projects, mainly the contribution from Novartis Foundation for the LPEP research project (€444,451).

Excluding the unspecified income from Institutional Funding, the total revenue from government grants and grants from similar organisations are 5% higher than 2013 and 2% lower than budgeted.



## 11. Interest income and income from investments

This item includes interest and other income from bonds, as well as interest earned on the bank accounts and currency gains/losses.

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Dividends, interest and rental income*	152	50	149
Gain/(loss) value securities (unrealised)*	180	0	(96)
Gain/(loss) on sales securities*	(4)	0	(28)
Interest income from cash and cash equivalents	32	0	46
<b>Total gross income related to investments</b>	<b>360</b>	<b>50</b>	<b>70</b>
Investments costs	(21)	(20)	(17)
<b>Total net income from security investments</b>	<b>339</b>	<b>30</b>	<b>53</b>

The total income from investments were far higher than estimated and compared to 2013 due to the increase in market value at year-end. The interest income from cash and cash equivalents concern the interest received from bank balances at year-end and were higher than 2013 due to more cash and cash equivalents. The development of the amount of interest received over the past five years is shown below. The realised interest per year is also shown.

The yield on the portfolio including investment accounts (amounts above marked with \*) is 5.5% for 2014 of the average outstanding amounts (2013: 0.2%).

### Multi-annual overview securities 2008-2014

INCOME FROM SECURITIES (x €1,000)	2010	2011	2012	2013	2014
Interest received on bonds	288	287	207	149	152
Dividend	11	0	0	0	0
Realized gains or losses on value securities	(4)	66	(2)	(28)	(4)
Unrealized gains or losses on value securities	(14)	(3)	161	(96)	180
Gross income from investments	281	350	366	24	328
Investments costs	26	23	20	(17)	(21)
<b>Net result securities</b>	<b>255</b>	<b>327</b>	<b>346</b>	<b>7</b>	<b>307</b>
<b>Yield on investments</b>	2.9%	4.1%	5.7%	0.2%	5.5%
Average yield 2010-2014 %: 5.5%					
Average yield 2010-2014 amount: (259)					
Net result cash and cash equivalents	16	4	4	46	32

The current portfolio is managed by an external agency. The investment manager selects the bonds and shares. Investments are in line with the NLR investment policy which prescribes investments in sustainable, socially responsible and low risk bonds. This is screened periodically.

## Overview securities sold in 2014

REDEMPTIONS	Interest%	Redeemable	Appreciation x €1,000	Sale value x €1,000
SWEDBANK MTN 2009-2014	3,375	27-05-14	253	250
FINLAND 2004-2015	4,250	20-02-14	159	158
			<b>412</b>	<b>408</b>

Realised gain/(loss) (difference between market value and valuation): (4)

## 12. Other income

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Other income	4	0	0
	<b>4</b>	<b>0</b>	<b>0</b>

In the budget 2014 a total amount of €1,17 million was taken as other income. In this annual report this amount is reclassified under income from thirdparty campaigns (contributions research and supporting projects and contributions field activities). Please refer to note 9 of the income from third-party campaigns.

## Expenses

In some places below so called charged support costs are mentioned. These costs are the result of the Guidelines for Reporting Fundraising (RJ650). They are charges of general costs such as personnel costs, housing and office and other general expenses. These costs are described and specified in section 18.

### 13. Expenses on the objectives

NLR distinguishes between activities for the objectives: leprosy control and disability project activities, coordination & medical advise and information & awareness raising. The costs within these main activities can again be divided into direct costs and support costs.

For the country overview with budget comparison of carried out leprosy projects in 2014 see the relevant annex.

A: LEPROSY CONTROL AND DISABILITY PROGRAMME ACTIVITIES	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Field programmes excluding support costs	4,361	4,434	5,130
GFATM: Nigeria TB program	1,483	1,800	1,527
KNCV/ USAID: Nigeria TB CARE and TB REACH	518	242	367
Research projects	877	903	571
Supporting projects	193	78	244
Project expenditure unspecified institutional funding projects	0	1,034	0
Budgetary margins	0	25	0
Charged support costs (see specification expenses to destination)	115	83	77
	<b>7,547</b>	<b>8,598</b>	<b>7,916</b>

The expenses on field programmes are slightly (1,6%) lower than budgeted and 15% lower than 2013. GFATM is lower, but KNCV/USAID higher than budgeted and in combination on target. Research projects are 3% below budget but 54% higher than 2013, mainly due to the LPEP project. Expenses on supporting projects are higher than budgeted, because some costs that were in fact financed outside the budget from the investment reserve have to be taken into the realisation 2014. For more information see the Country Overview.

#### Project expenditure unspecified institutional funding projects

In the budget for 2014 a target was included of €1 million income from Institutional Funding. The same amount was included as a separate post in the expenses on the objectives. The realisation however, mainly expenditure on the LPEP research project, is taken under the heading research projects.

B: COORDINATION AND MEDICAL ADVISE	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
IIEP, contribution in costs coordination	44	45	42
Leprosy unit KIT	90	227	186
Charged support costs (see specification expenses to destination)	713	492	485
	<b>847</b>	<b>764</b>	<b>713</b>

The costs of the coordinating secretariat of the IIEP is divided among the members.

NLR has a cooperation agreement with the Royal Tropical Institute (KIT, in Dutch: Koninklijk Instituut voor de Tropen) on technical project advice and guidance by medical experts. In 2014, the signing of the extension of the cooperation agreement between the KIT and NLR took place. This agreement is for the period February 2014-December 2016 with an option for

extension. NLR receives ongoing advice and support from the leprosy and disability consultants of KIT. The expenses are lower however, because one consultant is now on the payroll of NLR.

The increase in the charged support costs is mainly caused by higher staff costs, see note 18.

C: INFORMATION AND AWARENESS RAISING	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Media costs	55	31	87
Information campaigns	13	15	5
Promotion, Public Relations	34	49	71
Information costs newsletter (in Dutch: De Klepper)	100	130	128
Charged support costs (see specification expenses to destination)	236	191	241
	<b>439</b>	<b>416</b>	<b>532</b>

In 2012 a start was made to develop a new corporate identity. This has come to realisation in 2013, and continued in 2014 with specific media campaigns aimed at awareness raising. The total amount of the information and awareness raising expenditure was slightly higher than budgeted due to higher support costs but 17% lower than in 2013.

Budgetary margins	-	25	-
<b>Total expenses on the objectives (A+B+C)</b>	<b>8,833</b>	<b>9,803</b>	<b>9,161</b>

#### Expenses on the objectives as percentage of total income and total expenses

The following is the ratio of total expenses on the objectives in relation to total income and total expenses.

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Total expenses on the objectives	8,833	9,803	9,161
Total income	10,186	11,212	11,931
<b>Expenses as % of total income</b>	<b>86.7%</b>	<b>87.4%</b>	<b>76.8%</b>

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Total expenses on the objectives	8,833	9,803	9,161
Total expenses	10,376	11,212	10,624
<b>Expenses as % of total expenses</b>	<b>85.1%</b>	<b>87.4%</b>	<b>86.2%</b>

The expenses on the objectives expressed as a percentage of total income is slightly lower than budgeted. Both spending on the objectives and income are about €1 million lower than budgeted, mainly due to the target set for Institutional Funding that was not reached. Expressed as a percentage of the total expenses, the realisation of 2014 is also slightly lower than budgeted for 2014 and realised in 2013.

## 14. Expenses own Fundraising

The composition of our fundraising expenditure is shown below.

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Costs newsletter (in Dutch: De Klepper) and CRM	159	181	177
Media costs	4	15	9
Fundraising direct costs	627	526	562
Charged support costs (see specification expenses to destination)	213	191	185
	<b>1,003</b>	<b>913</b>	<b>933</b>

As planned in 2014 more was invested in own fundraising compared to 2013 because the fundraising market remains challenging. In response to further decreasing income, a thorough analysis (data crunch) of the donor database resulted in identification of extra opportunities to raise new donors. Extra campaigns to materialise these opportunities increased direct costs, and extra income. Due to this, the total amount of the fundraising expenditure was 10% higher than budgeted.

### Expenses own fundraising as a percentage of income own fundraising

The following is the ratio of fundraising costs in relation to total income from own fundraising.

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Total expenses own fundraising	1,003	913	934
Total income own fundraising	4,956	5,300	5,836
<b>Expenses as % of income own fundraising</b>	<b>20.2%</b>	<b>17.2%</b>	<b>16.0%</b>

The Dutch Central Bureau of Fundraising (CBF) sets a standard of maximum 25% of the income generated by own fundraising, which can be spent on own fundraising. In 2014 the fundraising expenses were 20.2% of the funds raised (see above). This puts NLR well under the maximum of 25% set by the CBF. NLR strives to keep the costs of its own fundraising under 21% of the income out of its own fundraising. The lower percentage in 2013 (16%) is explained by the lower costs in 2013 and also by the higher income, mainly from legacies in that year.

## 15. Expenses on investment

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Bank charges /all-in tariff	21	20	17
	<b>21</b>	<b>20</b>	<b>17</b>

The expenses on investment comprises the all-in fee for the administration and handling of securities. The actual expenses in 2014 were €20,872 (2013: €16,683) and higher than previous year and estimated due to more activities on the investment market.

## 16. Expenses Management and Administration

Expenses on Management and Administration involves costs that the organisation makes in the context of the (internal) management, administration and control and that are not allocated to the objectives or fundraising. The management and administration costs are allocated in accordance with the guidelines of the Dutch Association of Fundraising Organisations (VFI). The salary costs for the director and management support staff, and for the Finance and Administration department are allocated to management and administration in their entirety.

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Audit expenses (PwC)	32	30	31
Personnel costs M&A	406	404	388
Housing expenses	21	22	35
Office- and general costs	54	31	50
Depreciation and interest	6	14	9
	<b>519</b>	<b>501</b>	<b>513</b>

Due to higher office- and general costs, the costs of management and administration turned out almost 6% higher than budgeted. The increase in the office expenses is caused by the purchase and implementation of a new financial software package. The new software will be deployed early 2015 in the head office in Amsterdam. Afterward our seven regional offices will also follow this implementation of the new software. These new developments will optimise the internal work processes of NLR.

The allocation of specific expenses to management and administration expenses is as follows:

Audit expenses:	100%
Costs staff head office:	
- Director	100%
- Management assistant	100%
- Finance and Administration department	100%
Housing costs:	Based on office area used management and finance and administration department
Office- and general costs:	Based on number of fte's management and finance and administration department
Depreciations:	Based on number of fte's management and finance and administration department

## Expenses Management and Administration as a percentage of total expenses

The following is the expenses on Management and Administration in relation to the total expenses.

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Total expenses management and administration	519	501	513
Totaal expenses	10,376	11,212	10,624
<b>Expenses as % of total expenses</b>	<b>5.0%</b>	<b>4.5%</b>	<b>4.8%</b>

NLR is currently using as a standard for the expenses on Management and Administration 5 percent of the total expenses. This is a percentage that makes a good functioning of the managerial and administrative processes possible, while spending on the objectives as much as possible. The high outcome this year is caused by the once off implementation costs for the new financial software package.

### 17. Specification and division of expenses according to type and allocation

In the summary: specification expenses to destination, all expenses are divided into various cost categories. Allocation of these expenses to the three main target groups: objectives, fundraising income and management and administration is as follows:

Direct costs are attributed directly. Information costs are costs which are aimed at promoting public support for the fight against leprosy; fundraising costs are focused on the acquisition of income. Where there is a joint information and fundraising activity the costs are divided in a ratio of 50/50.

Staff costs are allocated as follows:

- Director	100% Management and Administration
- Management assistant	100% Management and Administration
- Finance and Administration department	100% Management and Administration
- Fundraising and information & awareness raising dept.: Fundraising	100% Fundraising
- Programme Department (including Infolep)	100% Objective
- Fundraising and information & awareness raising dept.: Inform.& Awareness	100% Objective

Housing costs: allocation based on office area used

- Director and Management assistant	Management and Administration
- Finance and Administration department	Management and Administration
- Fundraising and information & awareness raising dept.: Fundraising	Fundraising
- Programme Department (including Infolep)	Objective
- Fundraising and information & awareness raising dept.: Inform.& Awareness	Objective

Office and general expenses: allocation based on number of FTEs

- Director and Management assistant	Management and Administration
- Finance and Administration department	Management and Administration
- Fundraising and information & awareness raising dept.: Fundraising	Fundraising
- Programme Department (including Infolep)	Objective
- Fundraising and information & awareness raising dept.: Inform.& Awareness	Objective

Depreciation and interest: allocation based on number of FTEs

- Director and Management assistant	Management and Administration
- Finance and Administration department	Management and Administration
- Fundraising and information & awareness raising dept.: Fundraising	Fundraising
- Programme Department (including Infolep)	Objective
- Fundraising and information & awareness raising dept.: Inform.& Awareness	Objective

Exception within this group are the investment costs, these are entirely allocated to fundraising.

### 18. Notes general costs (support costs before charging)

Specification below involves the overall cost to the specification and allocation costs to destination: personnel costs, housing, office and general expenses and depreciation and interest.

STAFF COSTS BY DEPARTMENT	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Director and managementassistant	196	196	189
Finance and Administration department	211	208	199
Fundraising and information & awareness raising dept.: Fundraising	161	152	129
Fundraising and information & awareness raising dept.: Inform.& Awareness	185	152	185
Programme department	570	384	332
Infolep	84	64	50
	<b>1,406</b>	<b>1,156</b>	<b>1,084</b>

The total staff costs are 21% higher than budgeted and comprise 13% of the total expenses. The number of staff at head office counted at 19.2 FTE (2013: 16.1 FTE), this was 3 FTE higher than budgeted which resulted in an increase in staff costs (please refer to the specification of staff costs). The number of employees involved in scientific research, the Leprosy Research Initiative (LRI) and as well as Technical Unit (TU) at head office increased, whilst the number of FTE in the other departments remained about the same. The growth in LRI and TU employees is caused by the increased volume of research projects which requires additional staff and changes in staff composition in the head office. Also, one former KIT consultant is now on the payroll of NLR. These extra staff costs are either compensated in the external project contributions for the projects concerned, or by lower expenses on (KIT)consultancy.

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
<b>HOUSING COSTS</b>			
Rent including service charges	72	79	96
Cleaning costs	20	19	23
Other accommodation costs	2	2	2
Removal costs	0	0	37
	<b>94</b>	<b>100</b>	<b>158</b>

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
<b>GENERAL COSTS</b>			
Costs Supervisory board	4	5	0
ILEP meetings	5	5	3
External advice	24	14	24
Training	0	0	4
CBF, VFI and Partos	21	18	24
Various insurance costs	3	4	7
Legal support and advice	1	10	12

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
<b>OFFICE COSTS</b>			
Office supplies	2	4	2
Telephone / telex / fax / e-mail	8	4	7
Photocopies	8	2	8
Postage	13	10	12
Maintenance inventory	1	5	1
Office ICT	107	15	30
Printed material	0	5	0
Other office expenses	29	18	39
	<b>226</b>	<b>119</b>	<b>173</b>

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
<b>OTHER EXPENSES</b>			
Other costs	11	0	26

The increase in the total office- and general costs can be explained by the high office ICT costs, caused by the implementation costs of new financial software. This implementation is ultimately financed from the investment reserve but expenses have to be taken in the annual expenses 2014.

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
<b>DEPRECIATION</b>			
Depreciation inventory, installations and computers	26	53	30
	<b>26</b>	<b>53</b>	<b>30</b>
<b>Total general costs</b>	<b>1,764</b>	<b>1,428</b>	<b>1,471</b>

### Specification staff costs

In the specification above a breakdown of personnel costs by department is given. The following is a specification of the same costs but now divided into wages and salaries, social security charges, pension and other personnel costs. NLR has its own employment regulations, salary structure and job classification. Salaries scales are generally indexed annually. NLR follows the Dutch Centraal Bureau voor Statistiek (CBS) index, meaning a salary scale increase for 2014 of 1.2% compared to 2013.

	Realisation 2014 x €1,000	Budget 2014 x €1,000	Realisation 2013 x €1,000
Wages and salaries	1,072	894	854
Social security costs	159	124	112
Pension contributions	136	114	96
Other personnel costs	39	24	22
	<b>1,406</b>	<b>1,156</b>	<b>1,084</b>

	Realisation 2014	Budget 2014	Realisation 2013
<b>AVERAGE NUMBER OF EMPLOYEES (IN FTE)</b>			
Director	1.0	1.0	1.0
Managementassistent	0.8	0.8	0.8
Project department	7.4	5.5	5.1
Fundraising and information & awareness raising department	5.8	4.6	5.5
Finance and Administration department	2.6	2.6	2.6
Infolep	1.6	1.2	1.1
<b>Number of FTEs</b>	<b>19.2</b>	<b>15.7</b>	<b>16.1</b>

	Realisation 2014	Budget 2014	Realisation 2013
Number of head office employees on Dec. 31	22	17	18

The total number of staff members working at head office in Amsterdam was 22 at 31 December 2014 (2013: 18). In addition to the office staff, NLR has at December 31st 2014 5 expatriate staff (2013: 6). The total costs of these expatriate staff amount to €482,000 (2013: €470,000) and are included in the project expenses. They include salaries and social security costs €264,000 (2013: €243,000) and pension contributions €51,000 (2013: €45,000). The pensions of NLR's staff and expatriate staff are insured with Pensioenfonds Zorg en Welzijn and Zwitserleven.

## Remuneration of the Executive Director

The amounts and composition of the remuneration is shown in the table below:

NAME FUNCTION	J. van Berkel Executive Director 2014	J. van Berkel Executive Director 2013
<b>EMPLOYMENT</b>		
Duration contract	Indefinite	Indefinite
Hours/week	40	40
Parttime percentage	100	100
Period	1/1-31/12	1/1-31/12
<b>REMUNERATION IN EUR</b>		
	<b>Total 2014 x €1,000</b>	<b>Total 2013 x €1,000</b>
Annual income		
- Gross wages/ salary	97	97
- Holiday allowance	8	8
- End-of-year bonus	4	4
- Variable annual income	0	0
<b>Total reward</b>	<b>109</b>	<b>109</b>
<b>Other charges and compensations</b>		
Social security charges (employer's contribution)	9	8
Taxable allowances/additions	0	0
Pension charges (employer's contribution)	15	14
Other remaining rewards	0	0
Benefits end of service	0	0
<b>Total other charges and compensations</b>	<b>24</b>	<b>22</b>
<b>Total remuneration</b>	<b>133</b>	<b>131</b>

The Supervisory Board determines the remuneration policy, the amount of the Director's income and the amounts of other elements of remuneration. The remuneration policy is updated periodically. NLR follows the Dutch VFI Advisory Regulations for the Remuneration of Directors of Charities, in Dutch: *Adviesregeling Beloning Directeuren van Goede Doelen and Code Wijffels* (ref.: [www.vfi.nl](http://www.vfi.nl)).

The remuneration was revised by the Supervisory Board in 2014. It was concluded that the remuneration policy is still performed in accordance with the VFI Advisory regulation. The VFI Advisory regulation uses weight criteria to define the maximum standards for annual incomes. In the scheme the weight of Director's function is measured on the basis of three criteria; size, complexity and organisational context. The Supervisory Board calculated a total of 430 points (BSD-scores) this

score is reviewed every three years. The relevant actual annual income of the Director for 2014 was €109,150 (1 FTE/12 months) for Mr. J. van Berkel. This means that the remuneration of the Board of Directors falls within the scope defined in the guidelines of the Wijffels Code and within the standard defined by VFI.

## Remuneration Supervisory Board

No remuneration was paid to the Supervisory Board members, and no loans, advances or guarantees were given. In 2014 and 2013 no expenses were reimbursed.

## Summary: specification expenses to destination

The total and the breakdown of the expenses is as follows:

Amounts x €1,000

DESTINATION	OBJECTIVE		
	Programme activities	Coordination Medical advise	information Awareness raising
<b>EXPENSES</b>			
Grants and contributions	6,556	0	0
Payments	0	0	0
Purchases and acquisitions	0	0	0
Outsources activities	877	134	0
Publicity and communication	0	0	202
Staff costs*	84	570	185
Housing costs*	9	36	12
Office and general costs*	19	97	33
Depreciation and interest*	2	11	7
<b>Total Expenses</b>	<b>7,548</b>	<b>847</b>	<b>439</b>

DESTINATION	INCOME FUNDRAISING				
	Own fundraising	Combined campaigns	Third-party campaigns	Grants	Investments
<b>EXPENSES</b>					
Grants and contributions	0	0	0	0	0
Payments	0	0	0	0	0
Purchases and acquisitions	0	0	0	0	0
Outsources activities	0	0	0	0	0
Publicity and communication	790	0	0	0	0
Staff costs*	161	0	0	0	0
Housing costs*	15	0	0	0	0
Office and general costs*	33	0	0	0	0
Depreciation and interest*	4	0	0	0	21
<b>Total Expenses</b>	<b>1,003</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>21</b>

DESTINATION	MANAGEMENT & ADMINISTRATION
Grants and contributions	0
Payments	0
Purchases and acquisitions	0
Outsources activities	32
Publicity and communication	0
Staff costs*	406
Housing costs*	21
Office and general costs*	54
Depreciation and interest*	6
<b>Total Expenses</b>	<b>519</b>

DESTINATION	TOTALS		
EXPENSES	Total 2014	Budget 2014	Total 2013
Grants and contributions	6,556	8,516	7,288
Payments	0	0	0
Purchases and acquisitions	0	0	0
Outsources activities	1,043	302	809
Publicity and communication	992	947	1,039
Staff costs*	1,406	1,156	1,085
Housing costs*	94	100	158
Office and general costs*	237	118	199
Depreciation and interest*	47	73	46
<b>Total Expenses</b>	<b>10,376</b>	<b>11,212</b>	<b>10,624</b>

\* See specification general costst as mentioned in the notes to the balance sheet and statement of income and expenses

# Independent auditor's report

To the Supervisory and Management board of the Netherlands Leprosy Relief

We have audited the accompanying financial statements 2014 of Netherlands Leprosy Relief, Amsterdam, which comprise the balance sheet as at 31 December 2014, the statement of income and expenditure for the year then ended and the notes, comprising a summary of accounting policies and other explanatory information.

## Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Guideline for annual reporting 650 "Charity organisations" of the Dutch Accounting Standards Board. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the foundation's preparation and fair presentation of the financial statements in order to design audit

procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Netherlands Leprosy Relief as at 31 December 2014, and of its result for the year then ended in accordance with the Guideline for annual reporting 650 "Charity organisations" of the Dutch Accounting Standards Board.

## Announcement according to the management report

We have read the management report in order to identify material inconsistencies, if any, with the audited financial statements. Based on reading the management report we established that the management report is consistent with the information in the financial statements and that the management report contains all information required by Guideline for annual reporting 650 "Charity Organisations" of the Dutch Accounting Standards Board. We have not audited or reviewed the information in the management report.

Amsterdam, 29 May 2015

PricewaterhouseCoopers Accountants N.V.

Original signed by drs. J.L. Sebel RA

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## Country overview

with budget comparison 2014

	Budget 2014 €	Allocation 2014 €	Realisation 2014 €	Discrepancy Budget-realisation €	in % of the budget
<b>AFRICA</b>					
Madagascar	56,000	56,000	56,685	685	
Mozambique	181,000	180,999	151,675	(29,325)	
Nigeria	3,049,842	2,995,515	2,830,119	(219,723)	
<b>Total Africa</b>	<b>3,286,842</b>	<b>3,232,514</b>	<b>3,038,479</b>	<b>(248,363)</b>	<b>-8%</b>
<b>SOUTH-AMERICA</b>					
Brazil	397,000	397,000	399,827	2,827	
<b>Total South-America</b>	<b>397,000</b>	<b>397,000</b>	<b>399,827</b>	<b>2,827</b>	<b>1%</b>
<b>ASIA</b>					
Myanmar	120,000	169,754	158,910	38,910	
China	0	15,008	15,085	15,085	
Cambodia	56,000	170,162	114,554	58,554	
Indonesia	1,402,000	1,417,811	1,199,702	(202,298)	
India	434,000	433,976	413,575	(20,425)	
Laos	39,000	2,477	2,375	(36,625)	
Nepal	292,000	292,157	309,713	17,713	
Thailand	32,000	52,710	42,972	10,972	
Vietnam	417,000	766,741	668,192	251,192	
<b>Total Asia</b>	<b>2,792,000</b>	<b>3,320,796</b>	<b>2,925,078</b>	<b>133,078</b>	<b>5%</b>
<b>1. Total field programmes</b>	6,475,842	6,950,310	6,363,384	(112,458)	-2%
<b>2. Supporting projects</b>	159,900	33,041	307,698	147,798	92%
<b>3. Research projects</b>	902,910	671,271	876,713	(26,197)	-3%
<b>4. Budgetary margins</b>	25,000			(25,000)	
<b>Subtotal</b>	<b>7,563,652</b>	<b>7,654,622</b>	<b>7,547,795</b>	<b>(15,857)</b>	<b>0%</b>
<b>TOTAL</b>	<b>7,563,652</b>	<b>7,654,622</b>	<b>7,547,795</b>	<b>(15,857)</b>	<b>0%</b>



## Budget 2015

Amounts x €1,000

	Budget 2015	Realisation 2014	Budget 2014
<b>INCOME</b>			
Income from own fundraising	5,000	4,956	5,350
Income from third-party campaigns	1,350	1,350	1,350
Grants from governments and global organisations	3,753	2,001	3,339
Interest income and income from investments	150	360	50
Other income	1,631	1,519	1,174
<b>Sum of income</b>	<b>11,884</b>	<b>10,186</b>	<b>11,213</b>
<b>EXPENSES</b>			
<b>EXPENSES ON THE OBJECTIVES</b>			
Leprosy control and disability programme activities	9,022	7,548	8,598
Coordination and medical advice	970	847	765
Information and awareness raising	378	439	416
Budget cuts (to be defined)	120	0	0
	<b>10,490</b>	<b>8,833</b>	<b>9,779</b>
<b>EXPENSES FUNDRAISING</b>			
Expenses own fundraising	875	1,003	913
Expenses on investments	20	21	20
	<b>895</b>	<b>1,024</b>	<b>933</b>
<b>MANAGEMENT AND ADMINISTRATION</b>			
Expenses management and administration	499	519	501
	<b>499</b>	<b>519</b>	<b>501</b>
<b>Sum of expenses</b>	<b>11,884</b>	<b>10,376</b>	<b>11,213</b>
<b>Result</b>	<b>0</b>	<b>(189)</b>	<b>0</b>

## Multi Annual Strategy 2015-2017

Amounts x €1,000

	Budget 2015	Projection 2016	Projection 2017
<b>INCOME:</b>			
Income from own fundraising	5,000	5,000	5,000
Income from third-party campaigns	1,350	1,350	1,350
Grants from governments and global organisations	3,753	3,980	3,712
Interest income and income from investments	150	150	150
Other income	1,631	1,711	1,711
<b>Sum of income</b>	<b>11,884</b>	<b>12,191</b>	<b>11,923</b>
<b>EXPENSES:</b>			
<b>EXPENSES ON THE OBJECTIVES</b>			
Leprosy control and disability programme activities	9,022	9,297	8,999
Coordination and medical advice	970	994	1,017
Information and awareness raising	378	397	403
Budgetary margins (to be defined)	120	103	83
	<b>10,490</b>	<b>10,791</b>	<b>10,502</b>
<b>EXPENSES FUNDRAISING</b>			
Expenses own fundraising	875	866	872
Expenses on investments	20	20	20
	<b>895</b>	<b>886</b>	<b>892</b>
<b>MANAGEMENT AND ADMINISTRATION</b>			
Expenses management and administration	499	514	529
	<b>499</b>	<b>514</b>	<b>529</b>
<b>Sum of expenses</b>	<b>11,884</b>	<b>12,191</b>	<b>11,923</b>
<b>Result</b>	<b>0</b>	<b>0</b>	<b>0</b>

# LIST OF ABBREVIATIONS

ADID	Dutch Alliance for Disability-Inclusive Development
CBF	Dutch Central Bureau on Fundraising
CBR	Community Based Rehabilitation
DCDD	Dutch Coalition on Disability and Development
DPO	Disabled People's Organization
IDDC	International Disability and Development Consortium
ILEP	International Federation of Anti-Leprosy Associations
INGO	International Non-governmental Organization
FAC	Financial Audit Committee
KIT	Royal Tropical Institute
LPEP	Leprosy Post Exposure Prophylaxis
LRI	Leprosy Research Initiative
MDT	Multi Drug Therapy
MORHAN	Movement for Reintegration of People Affected by Leprosy
MOU	Memorandum of Understanding
NGO	Non-governmental Organization
NLR	Netherlands Leprosy Relief
NTD	Neglected Tropical Disease
POD	Prevention of disabilities
SCC	Self-care coordinators
TB	Tuberculosis
UN CRPD	United Nations Convention on the Rights of People with Disabilities
WHO	World Health Organization

## Colophon

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In the Netherlands, NLR is known as Leprastichting or by its formal name, Nederlandse Stichting voor Leprabestrijding.



We would like to express our special thanks to photographer Marcelo Londoño for his great work on illustrating the stories of people affected by leprosy in Brasil.



Advancing health  
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