Annual Report and Accounts 2020

lepra

We will beat leprosy together

Patron: Her Majesty The Queen | Vice President: His Royal Highness The Duke of Gloucester
Registered Charity Number 213251 (England and Wales) SC039715 (Scotland)

Leprosy and lymphatic filariasis (LF) remain two of the least understood and most widely ignored diseases in the world. Millions of people affected, with numbers continuing to rise. If left undiagnosed or untreated, leprosy and LF can cause life changing disabilities.

Working in India, Bangladesh, Mozambique and Zimbabwe, we find, diagnose, treat and rehabilitate people affected by these cruel diseases. We also tirelessly work to fight the prejudice and discrimination they face in their daily lives.

For the group as a whole, 87 pence in every pound is spent on charitable activities and 13 pence goes towards raising the next pound.

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Report of the Trustees

The Trustees submit their report and the audited financial statements for the year ended 31 March 2020.

The consolidated financial statements have been prepared under the accounting policies set out in Note 2 of the financial statements. These have been prepared in accordance with the Memorandum and Articles of Association and the Charities Statement of Recommended Practice 2015 (FRS102).

For the purposes of the Companies Act 2006, the Board of Trustees is the Board of Directors of the charitable company and is referred to as the "Trustees" throughout this report. As required by the constitution the Trustees are also members of the organisation. The Trustees of Lepra during the period and to the date of signing this report are as follows:

Mrs N Amin MBE (resigned 18 February 2020)
Mrs S Bhasin
Ms K Bigmore
Mr C Bland (Chair)
Ms N Bucci
Mr D Dhamija
Prof. R Hay
Mr M Khan
Prof. D Lockwood
Mr M McGrath
Mr N Patel
Dr V Rukmini Rao
Mr S Sharma
Mr S Thapar

Chief Executive Officer:	**Mr G Prescott**
Company Secretary:	**Mr N Avery resigned 24 July 2020**
	Ms H Fernando appointed 24 July 2020

Our Trustee board is responsible and accountable for Lepra. They do this, by setting the strategy and ensuring good governance, legal and ethical compliance. This year the Trustees have especially focused on governance, the development of a 3 year joint strategic plan for the period 1 April 2020 – 31 March 2023, income generation, and safeguarding. Each Trustee has been carefully selected and offers valuable experience, knowledge and insight from their field, as well as being passionate about reaching our goal of making leprosy a disease of little or no consequence. Our Trustees volunteer their time and energy towards helping us beat leprosy together.

Registered Office: 28, Middleborough, Colchester, Essex, CO1 1TG
Registered Charity Number in England and Wales: 213251
Registered Charity Number in Scotland: SC039715
Registered Company Number: 324748

Bankers: Barclays, 9 High Street, Colchester, Essex, CO1 1DD

Auditors: Moore Kingston Smith LLP, Devonshire House, 60 Goswell Road, London, EC1M 7AD

Governing Document

Lepra is a charitable company limited by guarantee, founded in 1924, incorporated on 26 February 1937 and registered as a charity on 4 February 1963. It was established under the Memorandum of Association which established its objects and powers and is governed under its Articles of Association. The Memorandum and Articles of Association were amended by Special Resolutions of the Trustees on 4 June 1957, 7 June 1967, 24 September 1970, 1 July 2008, 15 May 2013 and 27 September 2016.

Public benefit statement

Lepra's Object's are contained within the Articles of Association, they are:

1. To carry out the investigation of and promote research into the causes, treatment, cure and prevention of the disease of leprosy and any allied disease, and give and grant relief and assistance to any persons suffering or believed to be suffering from, or the family or dependents of such persons of any description, including financial assistance.

2. The charity has power to do anything which is calculated to further its Object(s) or is conducive or incidental to doing so.

In 2019/20, our activities centred around working to strengthen our relationship with local partners, such as Ministries of Health, other NGO's and persons affected organisations. We continued to be beneficiary led, responding to their needs and using our expertise and evidence-led approach to increase awareness and understanding of both leprosy and LF

Board and SMT meetings, quarterly reports and monthly monitoring ensures Lepra remains focused on our Charitable Objects. The Trustees are therefore confidently able to state that Lepra has complied with Section 17 of the Charities Act 2011, having due regard to the public benefit guidance issued by the Commission. The Trustees have consulted and adhered to the charity commission's advice, specifically PB1, PB2 and PB3 for the year 2019/20.

Our Royal Patronage

Our Patron

Her Majesty Queen Elizabeth II has been our patron since 1952, becoming patron shortly after the death of her father King George VI, whose brother had been patron since our inception as the British Empire Leprosy Relief Association (BELRA).

The young Princess Elizabeth had taken an interest in leprosy as early as 1947 when she was one of the first Royal sponsors of BELRA's Child Adoption Scheme. She sponsored two girls at the Itu Leprosy Colony in Nigeria. Following her wedding in November 1947, Princess Elizabeth sent a portion of her wedding cake to the Girl Guides at Itu.

When the two children were cured, Her Majesty The Queen supported the building of new children's homes in Tanganyika (now Tanzania) where the adoption scheme was being introduced. She continued to sponsor children in Africa and India until the scheme ended in 1974.

Her Majesty has also attended a number of events including our Diamond Jubilee thanksgiving service in 1984, and our 'Quest for Dignity' prize presentation in 1999.

Her Majesty and His Royal Highness The Duke of Edinburgh remain in regular contact with Lepra throughout the year. We are extremely grateful to Her Majesty for her continuing support.

Our Vice President

We are proud to have His Royal Highness, The Duke of Gloucester KG GCVO as our Vice President.

HRH The Duke of Gloucester is The Queen's cousin. He attends national and international events in support of The Queen and her duties as Head of State as well as undertaking extensive public duties and engagements every year reflecting his own interests and charities.

We are extremely grateful to HRH the Duke of Gloucester for his continued involvement and assistance with our activities.

Throughout 2019/20 His Royal Highness stayed in regular contact and assisted us with two events at Duxford and the House of Lords.

A message from Chair, Charles Bland and CEO, Geoff Prescott

Lepra remains evidence-led, open to all faiths and committed to helping those affected by leprosy and LF live a life free from disability, discrimination and cruelty. Those core principles of being secular and evidence-led have enabled us to navigate 96 years of global upheavals. At the end of 2019/20 we entered another tumultuous period of global change, brought about by another infectious disease, COVID-19. As before, our principles have helped us work through this difficult time.

Throughout this year, informed by evidence and expertise, we continued to work to reduce transmission and the physical, psychological, social and economic impact of leprosy. This is the bedrock of Lepra – working to make things better. We are a charity that is hands-on, directly implementing activities with those who need our support.

There have been many important successes this year. In November 2019, Lepra expanded our work into Zimbabwe, working closely with the John Bradburne Memorial Society and the Mutemwa Leprosy Centre to bring awareness to the re-emergence of leprosy on the African continent. This partnership has seen cooperation between Lepra and the local Mutemwa team, who now receive shipments of specialised leprosy shoes from India and continue to learn about leprosy care and management. We also conducted a regional African workshop supported by the World Health Organisation to train and raise awareness of the rising problem of leprosy in Malawi, Zimbabwe and Zambia.

In October, Lepra entered into, what we believe will be, a historic alliance with Rotary in India. This expanding partnership focuses on mobilising the most powerful in society to bring their attention to fight the prejudice and discrimination those with leprosy still face. Only by working with those in positions of authority can we create lasting changes in the management and support of those with leprosy.

The year ended with challenges, specifically at the beginning of 2020 with the COVID-19 outbreak. This pandemic caused immense disruption to every facet of human life, including Lepra's work in India, Bangladesh, Zimbabwe and Mozambique. As a result, we launched an Emergency Appeal in April with a view to raising awareness of the impact of COVID-19 on those affected by leprosy and encourage supporters to assist us in our efforts to buy a Polymerase Chain Reaction machine (PCR) to help test the most vulnerable for COVID-19.

It has not always been easy, and there have been many issues to overcome, including food shortages for the poor in India and Bangladesh, coupled with disruptions of the medicine supply chain. Those affected by leprosy are predisposed to economic instability and sub-par living conditions. Lepra has worked tirelessly throughout the first half of 2020 to ensure that our work continued despite the pandemic, meaning the continuation of disability support, distribution of drugs and ensuring those using our services have sufficient food and access to hygiene materials. That Lepra has had to start providing emergency food to some of those affected by leprosy, has been truly sobering.

The fight against leprosy remains a complex and multi-faceted issue, made more difficult this year by a viral outbreak everyone predicted but did little to prepare for. As an infectious disease agency, Lepra was ready with remote working and remote systems. This reflects our determination to change lives affected by leprosy and remain steadfast in the face of these turbulent times. Your help will enable us to continue spreading our message that leprosy is curable and it need not destroy lives.

We will beat leprosy together.

Vision and Strategy

OUR VISION

A world free from prejudice and disability due to leprosy.

OUR MISSION

Led by evidence, we work with people affected by leprosy, particularly the neglected, reducing transmission and promoting well being.

STRATEGIC OBJECTIVES

Informed by evidence and expertise, we will shape our work to reduce transmission and the physical, psychological, social and economic impact of leprosy.

1 **Prevention, Treatment, Follow-up**

Wherever we work, we will increase by 100% the detection, treatment and follow-up of people affected by leprosy and LF, particularly among the most neglected groups.

2 **We will support people affected by leprosy and LF with their Physical, Psychological, Social and Economic (PPSE) needs**

We will exceed an 80% satisfaction rate amongst people affected by leprosy and LF and ensure that 80% of their resulting PPSE needs are addressed by Lepra or others.

3 **We will secure policy level engagement to promote the rights of people affected by leprosy**

We will work tirelessly to ensure the rights of people affected by leprosy and LF are realised and we will engage at all levels to bring this about.

Organisational priorities

Over the last few years we have returned to our roots by refocusing on leprosy. This is the core of our work and our raison d'etre. At a time of global uncertainty, the pace of events and changes that inevitably lie ahead require Lepra to be light on its feet. Our plans recognise this but the importance of being evidence and data led must remain fundamental.

We do however envisage a particular challenge linked to the time it will take to increase the emphasis on embedding the concept being of evidence-led practice in all we do, not just in *much* of what we do. Every step of how we work should be supported by evidence as being best practice. Lepra has continued to lead in this approach which is why we now wish to systematically institutionalise it. This will require planning, re-planning and clarity regarding input, output, impact and outcome data. We had hoped that in 2020/21 we would be establishing baselines, carry out training and undertaking the planning to manage this change. However, COVID-19 presented a challenge we did not anticipate. That said our organisational priorities remain as follows;

- We support people affected by leprosy with their associated health needs, such as preventions, diagnosis, reactions, disability aids, mental health support, reconstructive surgery, eye-care and physiotherapy

- We support people affect by LF because there is a strong overlap regarding the prejudice they experience, the disability they suffer and the self-care and advocacy they need. This overlap is so strong and the need so significant, that to take any other position would be indefensible. This overlap also has a pragmatic benefit as it enables us to take our leprosy work to scale.

- In providing leprosy and LF support, we should be prepared to strengthen our financial position, infrastructure and staffing through cost sharing from other health projects.

All Lepra support is provided free of charge to the people we support.

Our core values

In pursuit of our shared vision, Lepra's values are:

People centred, responding to the needs of the individual

Transparent and accountable governance to ensure the best outcomes for people affected by leprosy or LF, supporters, stakeholders, staff and volunteers alike

Innovative and bold leadership at all levels to instil confidence that our leadership will have a significant positive impact on the lives of those people with leprosy or LF

Effective and efficient to ensure we maximise our impact and use of resources to deliver quality results

Collaborative, working together to achieve the benefits of synergy

Professional Membership Statement

Lepra is a key contributor to the following groups. Our membership of these organisations ensures that we are part of developing emerging policies and that the needs of people affected by leprosy and LF are placed at the forefront of the discussion.

The International Federation of Anti-Leprosy Associations (ILEP)*, The Neglected Tropical Disease (NGO) Network – a global forum for non-governmental organisations working together on NTDs, The LF-NGO Network, The Coalition for Operational Research on Neglected Tropical Diseases (COR-NTD) the aim of which is to create new synergies within the operational research arena for NTDs and align that research with specific program needs, BOND, the UK network for organisations working in international development, Institute of Fundraising (IOF), The Fundraising Regulator, The Data and Marketing Association (DMA).

* Through ILEP we work with the Global Partnership for Zero Leprosy so do not hold separate membership.

Registered with FUNDRAISING REGULATOR

Institute of Fundraising ORGANISATIONAL MEMBERSHIP

Corporate member DMA Data & Marketing Association

Financial review summary

Consolidated income for the year ended 31 March 2020 was **£5.3 million,** an increase of £650,000 as compared with the previous year. This increase is attributable to the value of legacies. By far the greatest proportion of income was received through voluntary income in the form of appeals, donations and gifts from our supporters in the UK and India to whom we are very grateful.

Restricted income of £1.59 million decreased by £50,000 as compared with the previous year. The decrease is the result of successful delivery of a number of programmes in India whose specific grant funding has ended. The impact of these programmes is summarised in programme achievements, which can be found on pages 14-18.

Consolidated expenditure for the same period was £4.7 million as compared with £4.9 million in the previous year. The majority was spent directly on charitable activities, some of which are outlined below. The consolidated outturn for the year was £664,000 and for Lepra UK, the parent charity, £373,000 before losses of £35,000 on foreign currency caused by sterling's relative volatility.

Summary of progress

towards our strategic goals 2019/20

Lepra remained successful in helping people overcome leprosy and LF, directly facilitating over 260,893 individuals through diagnosis, treatment and care. We reached 995,659 people through health education and events to raise awareness of leprosy and other neglected diseases. We issued 35,616 pairs of protective sandals to people affected by disabilities.

This year, we trained 29,241 government health staff, twice as much as last year, along with 74% more health care workers, volunteers, doctors, Accredited Social Health Activists and teachers compared to last year. We also diagnosed and treated 21,863 people with LF throughout 19/20.

21,863

We diagnosed and helped treat **21,863** new cases of LF this year.

We screened, diagnosed and provided triage for **41,504** people with leprosy

41,504

63,402

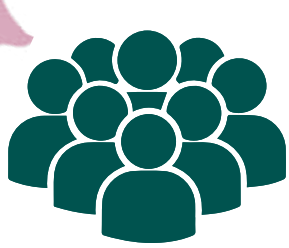
We trained **63,402** people to self-care for their condition at home this year.

29,241

We trained **29,241** government health staff, twice as much as last year, along with 74% more new health care workers, volunteers, doctors Accredited Social Health Activists and teachers compared to last year.

22,715

We helped **22,715** people with leprosy and LF access government grants and support. This is 87% more than last year.



995,659

We reached **995,659** people through health education, and events to raise awareness of leprosy and other neglected diseases.

260,893

We reached **260,893** people through diagnosis, treatment and care.

4,610 We performed **4,610** Hydrocele operations this year.

35,616

We issued **35,616** pairs of protective sandals this year.

328

328 people affected by leprosy received reconstructive surgery to restore the movement and appearance of their hands and feet, reducing prejudice and rebuilding their self-esteem.

217,186

Of the **995,659** people we reached, **217,186** were reached through health education within schools. A **67%** increase compared to last year.

All Lepra support is provided free of charge to the people we support.

Programme achievements

Restricted and unrestricted funding

Lepra's work on leprosy and LF in India is spread across six states: Telangana, Andra Pradesh, Madhya Pradesh, Odisha, Bihar and Jharkand. In addition, Lepra supports a referral centre in Delhi, the Indian capital. In Bangladesh, we work in eleven of the sixty-four districts, principally in the centre, north and east of the country.

Operating across such large areas and with a number of local partner organisations requires significant in-country infrastructure, in terms of offices, clinics, staff and vehicles. Importantly, in India, we also have the Blue Peter Public Health and Research Centre (BPHRC), which serves as a valuable operational research facility not only for Lepra, but also the Indian Government and the global leprosy community as a whole.

All Lepra's work is funded by a combination of general public donations, or 'unrestricted' funds, and tied donor project funding, that is 'restricted' to a particular activity and geographic location. While both types of funding are important to Lepra, unrestricted donations are especially useful, as we can use this money to fund new, innovative projects, to co-finance donor project proposals and to provide consistent, ongoing support to strategic activities.

A strong, unrestricted, funding base, also gives Lepra the independence and space to advocate on behalf of people affected by leprosy and LF, holding governments, drug companies and other local, national and international actors to account, on their engagement with the needs of the people with whom and for whom we work.

India

The 2019-20 financial year was the final year of the 'Restoring the lives of forgotten people' (RLFP) project, focussed on Samastipur District, Bihar, India, and financed by the National Lottery Community Fund. The project exceeded its 5-year target by reaching 121,217 people affected by leprosy and LF, providing them with timely treatment and care – notably morbidity management and disability prevention (MMDP).

Follow-up data from 20,466 project beneficiaries affected by lymphoedema shows that MMDP works: 8,747 people with Grade I disability were returned to normal, 8,443 with Grade II reversed to Grade I disability, 2,378 Grade III cases to Grade II and 898 cases from Grade IV reversed to Grade III.

In looking to the sustainability of the project's impact, over its five-year period of implementation, affected people were mobilised to understand their rights, access benefits and services and advocate for addressing gaps in services. Self-Support Group established by the project will continue to work in coordination with other networks focused on disability, including Jeevika, an organisation which plays a lead role in microfinance initiatives and sustainable livelihoods.

The project also successfully embedded MMDP services in 7 health facilities. To ensure that people affected by leprosy and LF continue to enjoy the benefits of the RFLP intervention after termination, the project trained government health staff at Primary Health Centres and integrated leprosy and LF services into the existing local health system. Government Accredited Social Health Activists (ASHAs) and other local service providers will continue to play an important role in facilitating access by people affected by leprosy and LF to the services they require.

A similar project, 'Sankalp', focussed on building an integrated approach to disability care for people affected by leprosy and LF in Panna District, Madhya Pradesh, India, and funded by effect:hope, was also successfully completed in March 2020.

Again, in Bihar, the Vodafone 'Mobilising Men's Health' project extended its year two activities from Munger to Kaimur District. The second phase of the project is focused on building capacity of the district and government health care facilities to provide hydrocelectomies and facilitate these operations over a period of 2 years, up to 2021. As per the project proposal, the target in 2019-20 (Phase 2, Year 1) was 1,000 hydrocelectomies, out of which 700 were to be performed in private hospitals and 300 in government health facilities.

Over the full year, the project saw a total of 1,970 men affected by hydrocele and arranged 1,000 hydrocelectomies, as per the project target for the year. Thanks to the advocacy efforts of project staff, the government initiated hydrocele surgery at all 10 government health facilities in Kaimur District.

Health system strengthening coupled with the case finding and advocacy of local 'Community Champions', often men who had undergone hydrocele surgery themselves, together helped deliver the annual project target. In year three, 2020-21, the aim will be for the authorities in all 38 districts of Bihar to promote and facilitate hydrocele operations, with only minimal technical and service support provided by Lepra.

Bangladesh

The 2019-20 financial year saw Lepra Bangladesh begin the third, three year phase of leprosy health system strengthening support to the government in a project jointly funded by effect:hope and Lepra. The ultimate goal of the intervention is a leprosy free Bangladesh, where there is zero transmission, zero morbidity, zero disability and zero social consequences due to the disease. The project began with the establishment of standardised high level national data collection, diagnosis and treatment guidelines, together with training materials and procedures.

In phase two of the project this knowledge and training was extended to district level government staff and in phase three this capacity building will be reinforced and further extended to community level staff and volunteers, directly engaging people affected by leprosy wherever possible. The project aims to encourage people affected to come forward for early diagnosis and treatment while at the same time strengthening the capacity of the government health system to meet the need.

A new exciting Bangladesh programme development in 2019-20, funded by Baillie Gifford, was the start-up of a new 'Mental Motivator' pilot project in April 2019 serving local self-help groups of people affected by leprosy and LF in Bogura, Sirajganj, Pabna, Natore and surrounding districts. One in two people affected by leprosy and LF have severe anxiety and/or depression and for some time Lepra has identified the need to go beyond medical treatment and morbidity management to address the mental well being of people affected by these two disfiguring diseases.

The pilot project took selected individuals from 30 self-help groups and provided them with basic counselling skills, to address issues amongst group members wherever possible and, where necessary, to refer acute cases to professionals within the government health system. Lepra worked with 448 self-help and self-care groups in Bangladesh and the long-term goal, given the positive results of the pilot, is to extend this support to each group and, ultimately, to extend this approach to Lepra's group work in India.

The calendar year concluded with Lepra Bangladesh taking a lead role in the organisation of the first National Leprosy Congress in Dhaka, on 11 December 2019, opened by the Prime Minister, the Honourable Sheikh Hasina and funded by the Sasakawa Health Foundation (SHF). This event was followed on 12 December 2019 by the first national group meeting of people affected by leprosy, which was also organised by Lepra with the support of The Leprosy Mission International Bangladesh (TLMIB) and funded and attended by SHF, including Mr. Sasakawa himself.

Zimbabwe

In 2018-19, Lepra Programmes staff visited Zambia and Malawi to meet with senior government health staff and NGO heads to explore the leprosy situation in these countries and wider southern Africa region, given disturbing reports of the re-emergence of the disease in a context where the medical expertise and infrastructure to deal with it had largely disappeared.

Following an approach by a representative of the John Bradburne Memorial Society (JBMS) with respect to the Mutemwa Leprosy and Care Centre, in Mutoko, Zimbabwe, a follow up visit to southern Africa was organised in June 2019. As well as visiting the centre, meetings were held in Harare with senior government and WHO staff, which concluded with the request for Lepra to provide training support to a regional leprosy workshop.

The regional 'training of trainers' workshop, bringing together health staff from Malawi, Zambia and Zimbabwe was held in Bulawayo, Zimbabwe, from 2-10 August 2019 and was facilitated by two experienced LEPRA India staff, Mr. A. Kameswara Rao and Mr. Santosh Kumar Singh. Following the workshop, the two LEPRA India staff travelled to Mutemwa to provided technical advice and support to the staff and patients at the centre, as well as providing leprosy training to government staff at the local hospital in Mutoko.

While visiting the centre at Mutemwa the LEPRA India staff saw each leprosy patient individually and took measurements of their feet. Unique, adapted, sandals for each person were subsequently made by skilled technical staff in Bihar and shipped back to Zimbabwe. While this provides a short/medium term solution to patient footwear needs, in the longer term the intention is to train a local Zimbabwean cobbler in the production of these specialised sandals.

In November 2019, Lepra signed a Memorandum of Understanding with the John Bradburne Memorial Society (JBMS).This partnership provides support to patients and staff at the JBMS centre in Mutemwa, and uses this facility to model best practices in the treatment and care of people affected by leprosy. The plan is to use Mutemwa, as a resource for building leprosy knowledge and capacity, not only amongst health staff in Zimbabwe but also the wider southern Africa region.

Mozambique

Lepra's support to the PRODISA project, implemented by NLR and ADRA, came to an end in February 2020. The project, which began in March 2018, had the goal of increasing the income of 1,000 impoverished smallholder farmers (of whom 30% were affected by leprosy or LF) in Ile and Lugela Districts of Zambezia Province, Mozambique.

The project had three main pillars: 1) the promotion of conservation agriculture to improve nutrition; 2) a 'combined approach' to healthcare needs, with timely diagnosis and referral combined with self-care rehabilitation; and 3) the capacity building of self-help groups on new agricultural practices and livelihoods. Despite facing various implementation challenges, not least the engagement of persons with a disability in agricultural activities, the project has improved nutritional levels, enhanced livelihood security and reduced the popular prejudice encountered by the target group. The leprosy and LF self-help groups set up by an earlier Lepra/NLR intervention played a key role in PRODISA's success as they served as the principal channel for the projects implementation.

ZAMBEZIA PROVINCE

Programme advocacy and engagement highlights

Human Rights Council, Geneva, Switzerland

LEPRA India staff member, Rachna Kumari was invited by Alice Cruz, UN Special Rapporteur on the elimination of discrimination against persons affected by leprosy and their family members, to address a side event of the Human Rights Council, in her capacity as a person affected by leprosy and a member of the ILEP Advisory Panel.

International Leprosy Congress, Manila, Philippines

Lepra had 16 presentations (oral and poster) accepted for the congress – 12 from India and 4 from Bangladesh.

A total of twelve Lepra staff attended the main conference and ILEP side meetings – 3 from the UK, 3 from India and 6 from Bangladesh, taking it in turns to oversee a Lepra publicity stand, in between sessions

Neglected Tropical Disease NGO Network (NNN) Conference & 11th European Congress on Tropical Medicine in International Health, Liverpool, UK

Active participation, notably that of Rajni Kant Singh, LEPRA India, in both forums – opening plenary address at the NNN and a presentation on Lepra's Mobile Foot Care Unit at the European Congress. Other active Lepra staff engagement focussed on the DMDI, leprosy and LF working groups of the NNN.

Coalition for Operational Research on NTDs Meeting, National Harbor, USA

Lepra Programmes staff (Guillermo) and Trustees (Prof. Rod Hay) attended the November COR-NTD Meeting and side meetings in the USA – notably those on LF and skin diseases.

DFID Grant Holder Reference Group Meeting, London

At the request of Mannion Daniels, acting on behalf of DFID, Lepra was asked to present and answer questions on the recently completed Bangladesh 'Reaching the unreached' UKAD-IMP-124 Project, specifically from the perspective of intervention sustainability, built upon the capacity building of both health staff and people affected by leprosy and LF. The presentation was requested because "LEPRA throughout its grant lifecycle has shown exemplary Value for Money (VfM) and demonstrated in your Project completion documents what your sustainability approach will be". The meeting brought together the representatives of more than 30 INGOs in receipt of DFID funding.

Alongside the above events, the Lepra Chief Executive and Programmes staff maintained an ongoing dialogue with ILEP and WHO with respect to highly questionable new leprosy treatment guidelines that were introduced and promoted over the course of the year. Beyond ILEP, Lepra staff engaged with GAELF and other LF forums and networks, as well as the UK Bond Disability and Mental Health working groups.

Thank you

We would like to thank everyone who has contributed to our work this year, whether you have given your time, money or support to Lepra.

We will beat leprosy together.

Our Patron
Her Majesty The Queen

Vice President
The Duke of Gloucester KG GCVO

Trustees
Charles Bland - Chair
Nina Amin MBE
Sampa Bhasin
Katie Bigmore
Natalia Bucci
Dinesh Dhamija
Professor Rod Hay
Professor Diana Lockwood
Mehmood Khan
Michael McGrath
Nayan Patel
Dr V Rukmini Rao
Sri Sharma
Neil Thapar

Our Ambassadors
Tom Barton
Fiona Duby OBE
Victoria Hislop
Stuart Miles
Stuart Paver

Our strategic partners
Adventist Development & Relief Agency
Association Italy Raoul Follereau
American Leprosy Mission
Coalition for Operational Research on Neglected Tropical Diseases (COR-NTD)
Dhanjuri Leprosy Centre
effect:hope
Global Partnership for Zero Leprosy
International Federation of Anti-Leprosy Associations
National Leprosy Programme Bangladesh
National Leprosy Elimination Programme India
Neglected Tropical Disease NGO Network
Netherlands Leprosy Relief
RDRS Bangladesh
Sightsavers
WaterAid

Corporate partners
Barclays
Baillie Gifford
Haddenham Healthcare Ltd.
Ipswich Hospital NHS Trust
Pavers Shoes & The Pavers Foundation
Vodafone Foundation
West Suffolk NHS Trust Foundation

We would like to thank all the donors, organizations, trusts and foundations who have assisted us to transform lives and raise awareness, including:

Anson Charitable Trust
Arimathea Charitable Trust
Armstrong Family Trust
Caroline Agnes Joan Hervey Trust
Chalcroft Charitable Trust
Haverstock Charitable Trust
Hugh Symons Charitable Trust
Lorimer Trust
Mary McAdam Trust
Miss Hanson's Charitable Trust
Mr Barry Copeland
Mrs Dorothy Lazenby
Musgrave Charitable Trust Ltd
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R & R Millar Charitable Trust
Simon's Charity
Souter Charitable Trust
St Martin De Porres Foundation
Tanner Trust
The Alchemy Foundation
The Ann Jane Green Trust
The Ardwick Trust
The Austin Bailey Foundation
The Belpech Trust
The Bryan Guinness Charitable Trust
The Calpe Trust
The Cauda Trust
The Charity of Stella Symons
The Cumber Family Charitable Trust
The Dandy Charitable Trust
The De Crespigny Charitable Trust
The Diana Deyong Charitable Trust
The Dorfred Charitable Trust
The Edward Smart Charitable Trust
The Evan Cornish Foundation
The Flavia Nunes Charitable Settlement
The Fulmer Charitable Trust
The Gengulphus Fund
The Gisela Graham Foundation
The Ian Askew Charitable Trust
The Ingram Trust
The Janelaw Trust
The Kirby Laing Foundation
The Mageni Trust
The Margaret Mcewen Trust
The Michael & Anna Wix Charitable Trust
The Military and Hospitaller Order of Saint Lazarus
The N Smith Charitable Settlement
The Nordev Trust
The P F Charitable Trust
The Paget Trust
The Privy Purse Charitable Trust
The Rest-Harrow Trust
The Ronald Tait Trust
The Rossie Foundation
The S & F Goodman Trust
The Saint Lazarus Charitable Trust
The Simon Gibson Charitable Trust
The Swire Charitable Trust
The Thomas Sivewright Catto Charitable Settlement
The Traynor Foundation
The Wyn And Ken Lo Memorial Foundation
The Wyndham Charitable Trust
Thomas Lilley Memorial Trust
Udimore Charitable Trust
V Delaney Charitable Trust
Zedra Trust Company

Additional Thanks
Jamie Chadwick
Alice Cruz, UN Special Rapporteur for Leprosy
The Lord Gadhia
Maria Friedman
Stephen Fry
Robert Hugill
Chris Hunt
Paul Jordan
R. Madhavan
Mann Matharu
Hamish McRae
Joanna Lumley
Polygeia
Don Quinn
Will Quince MP
Sir Tony Robinson
Rotary International
The Science Museum
Valerie Singleton
Tim Vincent

Structure, governance and management

Our Trustees meet four times a year as a full Board to agree strategy, ensure compliance, monitor risk exposure and make major decisions which affect the future development of the charity. A list of our Trustees is shown on page 3. During the year, the Board reviewed and approved the Joint Strategic Plan for 2020-2023.

There are three standing Board sub-committees namely the Audit Finance and Risk sub-committee, the Technical Advisory sub-committee and the Fundraising and Communications sub-committee. As and when required, a Nominations sub-committee is convened. Each sub-committee works closely with our Chief Executive and Senior Management Team to ensure that we maintain the highest standards and remain efficient, proactive and making the most of opportunities as they present.

We have benchmarked our governance processes against the Charity Governance Code and have found them to be compliant except in a single area. This was addressed during the first and second quarters of 2020. Specifically Lepra adopted a comprehensive environmental policy and associated practices in 2019/20. For example by dispensing with paper based systems, preparing for remote working and embracing technology. This shift served Lepra well in that we were able to switch to remote working in March 2020 and to continue working from home with minimal disruption. Lepra's carbon footprint has been significantly reduced in 2020 and we expect it to continue to reduce in future years.

The Board benefits from Trustees with a diverse mix of skills and backgrounds designed to provide the governance and support required by Lepra. New Trustees are appointed by the Board following a recruitment process managed by the Nominations sub-committee, specifically aimed at maintaining optimum Board diversity and mix of skills.

All new Trustees receive an induction pack, including the Charity Commission guidance fully describing their responsibilities and they undergo an induction process in which they meet key staff and undertake appropriate external training courses, for example in safeguarding and data protection law. Any changes in charity law or regulations which might affect Lepra are flagged at board meetings. Additional trustee training can be provided to trustees as needed. All Trustees have the opportunity to visit our field operations. On appointment, trustees are required to sign and adhere to Lepra's Global code of conduct.

Lepra purchases a charity Directors' and Officers' ("D and O") liability insurance policy on behalf of the Board with cover for liabilities up to an indemnity of £1m.

The board of Trustees is responsible for setting the salary of the Chief Executive. The salaries need to be commensurate with the complexity, responsibilities and risks the roles entail. All of the salaries of paid staff, including the CEO and all management personnel, are benchmarked against regional and charity sector salaries, using a commercial benchmarking service. We aim to pay at a maximum the average market rate, but generally below the average rate of pay for any position. All new positions are slotted into Lepra's standard pay scales to ensure equity in remuneration. The pay scale is reviewed annually in the light of the budgets and forecasts.

At present the relationship expressed as a multiple between our highest pay-scale to mean pay in Lepra is 4.7:1.

During the year, the reorganisation of Support

Services team in the UK cost £20,055 however no compensation for loss of office was paid to any key management personnel.

Members of sub-committees of the Board are:

Audit, finance and risk sub-committee

Mrs S Bhasin (Chair)
Mr S Thapar
Ms N Bucci

Fundraising and communications sub-committee

Mr S Sharma (Chair)
Mr M McGrath
Mr N Patel
Mr S Thapar

Technical Advisory sub-committee
Professor R Hay (Chair)
Professor D Lockwood
Mrs K Bigmore
Professor Mala Rao (ex-officio)

Nominations sub-committee

Ms N Amin MBE (Chair)
resigned 18 February 2020

Professor R Hay (Chair)
appointed 18 February 2020

Principal risks and uncertainties

Lepra has a formal risk management policy and procedures to identify potential risks that may have an impact on our ability to deliver our objectives. These have been assessed in the context of probability of occurrence and the impact they would have.

Strategic risks have been identified and evaluated in the context of:

- **Impact** - achieving the desired impact on our beneficiaries and evidence to support impact
- **Financial sustainability** - managing our finances to ensure we can continue to make an impact in the medium to long term
- **Compliance** - meeting our regulatory, legal and donor compliance requirements and expectations
- **Reputation** - responding effectively to any incident that could damage our reputation
- **Data Protection** – handling personal data of donors and employees in compliance with legislation
- **Specific organisational issues** - risks at the heart of what Lepra stands for.

The COVID-19 pandemic created many challenges however Lepra rose to the challenge by continuing its operations and delivering additional COVID-19 related services to support fragile health systems in India and Bangladesh despite lockdowns in these countries. New equipment in India facilitated Lepra's accreditation for testing for COVID-19, furthering understanding of the disease for the benefit of the most vulnerable. Gaining access to people with leprosy and distributing medication and food were additional challenges faced by our teams in both India and Bangladesh.

The lockdown in the UK severely restricted our community fundraising and the consequent reduction in income led to adjustments to maintain funding of our field programmes. Having reviewed financial forecasts in the light of these reductions, the Trustees are confident that Lepra can continue its operations and deliver services to the most vulnerable with a lasting impact.

The Trustees are responsible for determining an appropriate level of risk exposure for Lepra and for supervising the management of the risks which the organisation faces. As indicated above, strategic risks, both financial and operational, are identified continually and recorded in a risk register. Regular reviews ensure that strategies are in place to manage and mitigate risks.

The most significant strategic risks identified by the Trustees are those which have an impact on income and the continuing ability of Lepra to undertake work in the field. These allow for ongoing reductions in voluntary funding and legacy income, and bids for statutory and institutional funds. Lead managers are identified to take responsibility for actions which mitigate the risks and these are subject to periodic review. Country specific risks in respect of Lepra's ability to continue working in India and Bangladesh are also taken into account and mitigation involves ensuring that our donors are informed of the situation on the ground in the areas where we work. As we emerge from the first wave of the COVID-19 pandemic, the risks of a second wave persist, but we have reorganised and re-planned in as much as is possible and will continue to challenge our operations for the foreseeable future.

Through the risk management process established for the charity, the Trustees are satisfied that the major risks have been adequately mitigated. It is recognised that, in the context of COVID-19 in August 2020, systems provide reasonable assurance that major risks have been identified, adequately managed and mitigated.

Fundraising Practices Statement

During 2019/20 Lepra conducted public fundraising activities in schools, communities and with existing supporters. All fundraising was undertaken by staff employed by Lepra as we do not engage third party commercial participators to fundraise on its behalf.

The Trustees have reviewed the Charity Commission Publication Charity Fundraising: a guide to trustee duties (CC20) for guidance and are confident that their obligations are being met.

The Chief Executive and all staff are actively engaged in diversifying Lepra's income sources with specific responsibility assigned to the Director of Fundraising and Communications.

Lepra is registered with the Fundraising Regulator and has paid the levy thus demonstrating our commitment to good fundraising practice. We have committed to abide by the Code of Fundraising Practice and the Fundraising Promise meaning that we will commit to high standards, be clear, honest and open, be respectful, be fair and reasonable and be accountable and responsible. We have been proactive in informing our staff, volunteers and trustees of the latest version of the Code of Fundraising Practice effective October 2019.

All volunteers, staff and trustees are obliged to sign and commit to honouring Lepra's Global Code of Conduct which defines expectations of exemplary behaviour.

We have an open complaints process, which the Trustees have reviewed and agreed, which governs all Lepra staff, volunteers, donors and supporters and is published on our website. During this financial year there were no complaints about our fundraising practices.
Review of fundraising income generation and expenditure is conducted jointly by the Audit, Finance and Risk sub-committee and the Fundraising and Communications sub-committee.

Policies

Safeguarding policy

Lepra promotes best practice in safeguarding its beneficiaries, staff and volunteers. A Trustee and executive director are designated with responsibility for safeguarding and it is a standing item on all Board and Senior Management Team meeting agendas.

All staff, trustees and volunteers are subject to appropriate checks, required to sign the global code of conduct and receive safeguarding training. This is supported with robust complaints and whistleblowing policies. There have been no safeguarding incidents in 2019/20 requiring action.

Investment policy

Lepra seeks the best returns on investment commensurate with its risk appetite. The investment objective for short term funds is to preserve capital value with minimal risk. Assets should be readily realisable to meet unanticipated cash requirements in excess of planned expenditure.

A small portfolio of investments is held in accordance with powers of the Trustees. Investments are either listed or readily realisable and acquired through generous donation from our supporters with the exception of unlisted shares in Helpcards Holdings Limited in which Lepra holds 6.74% of the issued share capital.

Except for the investment in Helpcards Holdings Ltd, which is a strategic investment, the Trustees have authorised the disposal of all readily realisable investments at the earliest opportunity.

Reserves policy

In 2019 Trustees reviewed and updated the reserves policy to accommodate changes in the operating environment. In summary, the reserves policy requires Lepra to maintain funds to provide working capital for our UK operations, funding short term deficits, to meet obligations to employees (UK and Bangladesh) and to pay suppliers should Lepra cease to operate.

The desired level of reserves for the short and medium term is calculated using statutory redundancy obligations and three months' pay in lieu of notice for all UK staff, three months' pay for all Bangladesh staff in posts funded by Lepra, contractual obligations and six months' operating expenditure on overheads including mortgage repayments. On this basis, the desired level of reserves is £330,000. In the event operations cease, any costs of closure of its operations in India would be met by reserves set aside by its local partner, Lepra Society.

In addition, the Trustees agreed contingency reserves were required to meet any unplanned expenditure in pursuing new opportunities which may require investment. The desired level of contingency reserves is £250,000. Therefore the desired level of free reserves in aggregate is £580,000.

As at 31 March 2020, free reserves of £1,326,196 exceeded the desired level of £580,000. The free reserves of the charity consist of unrestricted reserves after deducting fixed assets, unlisted investments and designated funds and allowing for obligations under operating leases and forward currency contracts. In March 2020, the Trustees believe the level of reserves to be acceptable given:

- the anticipated challenges of the pandemic,
- extra funding required for COVID programmes,
- the need to fund strategic initiatives in the 2020-23 Joint Strategic Plan,
- uncertainty arising from Brexit causing exchange rate volatility,
- to pre-finance restricted funding programmes.

The reserves policy is reviewed annually by the Audit, Finance and Risk sub-committee to adapt to changes in the internal and external environments and consequently may be revised at the end of 2020.

Grant making policy

Lepra works with partner organisations in India and Bangladesh with whom it has established relationships and grants are awarded to these organisations during the annual budget process. Thus unsolicited applications for grants from other organisations are not invited.

Data protection policy

Lepra safeguards all personal data that it controls and processes, including that relating to donors, supporters and employees. Lepra has policies for data protection and use of IT systems and closely monitors compliance with the Data Protection Act 2018. Training in data protection principles and an IT systems induction is mandatory for all staff and volunteers. Lepra has made significant investment in IT systems and will be seeking accreditation under the UK government's "Cyber-essentials" scheme in due course.

Statement of Trustees' responsibilities

The Trustees (who are also directors of Lepra for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Moore Kingston Smith LLP have expressed their willingness to continue in office as auditors in accordance with Section 385(2) of the Companies Act 2006. A resolution concerning the appointment of auditors will be submitted to the Annual General Meeting.

The Trustees' Annual Report and Strategic Report were approved by the Board of Trustees (in their capacity as company directors) on 29 September 2020 and signed on its behalf by:

Charles Bland

Chair

Lepra (Company No. 324748)

Independent auditor's report to the Trustees and members of Lepra

Opinion

We have audited the financial statements of Lepra for the year ended 31 March 2020 which comprise Group and Parent Charitable Company Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Parent Charitable Company's affairs as at 31 March 2020 and of the Group and Parent Company's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the Trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 or the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of Trustees' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 26, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's Trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment

(Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report addressed to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, and the charity's Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

..... Date 21 October 2020

Andrew Stickland (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Financial Statements

For year ending 31 March 2020

Consolidated Statement of Financial Activities

Incorporating an income and expenditure account

Year ended 31 March 2020

	Note	Unrestricted Funds	Restricted Funds	Total 2020	Unrestricted Funds	Restricted Funds	Total 2019
		£	£	£	£	£	£
Income from:							
Donations and legacies	6	3,437,009	89,624	3,526,633	2,918,906	73,780	2,992,686
Charitable activities	6	193,687	1,502,723	1,696,411	9,610	1,568,731	1,578,341
Investments	6	68,573	-	68,573	76,256	-	76,256
Other	6	20,529	-	20,529	14,976	-	14,976
Total income		3,719,798	1,592,347	5,312,146	3,019,748	1,642,511	4,662,259
Expenditure on:							
Raising funds	8	617,774		617,774	619,508	-	619,508
Charitable activities	8	2,486,328	1,544,252	4,030,580	2,491,284	1,779,682	4,270,966
Total expenditure		3,104,102	1,544,252	4,648,354	3,110,792	1,779,682	4,890,474
Net gains / (losses) on investments	11	764	-	764	(3,967)	-	(3,967)
Net income / (expenditure)		616,459	48,095	664,556	(95,012)	(137,171)	(232,181)
Transfers between funds	18	-	-	-	-	-	-
Other recognised gains / (losses):							
Gains (Losses) on Foreign Currency Translations		(35,254)	-	(35,254)	15,744	-	15,744
Total other gains / (losses)		(35,254)	-	(35,254)	15,744	-	15,744
Net movement in funds		581,205	48,095	629,300	(79,267)	(137,171)	(216,437)
Reconciliation of funds:							
Total funds brought forward		3,426,629	102,941	3,529,570	3,505,896	240,112	3,746,008
Total funds carried forward		4,007,834	151,036	4,158,870	3,426,629	102,941	3,529,570

All gains and losses arising in the year are included above and arise from continuing activities.

The notes on pages 45-62 form part of these financial statements

Consolidated balance sheet

Year ended 31 March 2020

	Note	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Tangible assets	9		2,002,418		1,911,574
Intangible assets	10		33,674		31,840
Investments	11		76,696		54,881
			2,112,788		1,998,295
CURRENT ASSETS					
Debtors	14	740,520		443,003	
Stocks	13	27,898		23,503	
Investments		280,844		321,856	
Cash at bank and in hand		1,663,723		1,517,313	
		2,712,985		2,305,675	
CREDITORS:					
Amounts falling due within one year	15	(322,801)		(392,853)	
NET CURRENT ASSETS			2,390,184		1,912,822
TOTAL ASSETS LESS CURRENT LIABILITIES			4,502,972		3,911,117
CREDITORS:					
amounts falling due after more than one year	15		(344,101)		(381,547)
TOTAL NET ASSETS			4,158,870		3,529,570
FUNDS					
Unrestricted funds - general	17		4,007,834		3,426,629
Restricted funds	18		151,036		102,941
			4,158,870		3,529,570

The financial statements were approved by the Trustees and authorised for issue on 29 September 2020.

Mrs S Bhasin
Hon Treasurer

The notes on pages 45-62 form part of these financial statements.

Consolidated Cash Flow Statement

Year ended 31 March 2020

Statement of cash flows	2020 £	2019 £
Cash flows from operating activities:		
Net cash generated from/(used in) operating activities	413,585	(125,740)
Cash flows from investing activities:		
Dividends and interest	68,573	76,256
Proceeds from the sale of fixed assets	-	18,185
Purchase of fixed assets	(246,254)	(137,904)
Proceeds from the sale of investments	-	-
Purchase of investments	(21,051)	(106)
Net cash used in investing activities	(198,732)	(43,569)
Cash flows from financing activities:		
Repayments of borrowing	(33,187)	(40,792)
Net cash used in financing activities	(231,919)	(40,792)
Change in cash and cash equivalents	181,665	(210,101)
Opening cash and cash equivalents	1,517,313	1,711,670
Change in cash and cash equivalents due to exchange rate movements	(35,254)	15,744
Cash and cash equivalents at 31 March	1,663,723	1,517,313

Reconciliation of net income (expenditure) to net cash flow from operating activities	2020 £	2019 £
Net income (expenditure) for the period (as per SOFA)	664,556	(232,182)
Adjustments for:		
Depreciation charges	149,318	141,993
(Gains)/losses on investments	(764)	3,967
Dividends and interest	(68,573)	(76,256)
Loss/(profit) on sale of fixed assets	-	(2,101)
(Increase)/decrease in stocks	(4,395)	12,633
(Increase)/decrease in debtors	(297,517)	(12,970)
(Increase)/decrease in short term investments	41,012	34,365
Increase/(decrease) in creditors	(70,052)	4,811
Net cash from/(used in) operating activities	413,585	(125,740)

Charity Statement of Financial Activities

Incorporating an income and expenditure account

Year ended 31 March 2020

	Note	Unrestricted Funds	Restricted Funds	Total 2020	Unrestricted Funds	Restricted Funds	Total 2019
		£	£	£	£	£	£
Income from:							
Donations and legacies	6	2,898,753	89,624	2,988,377	2,429,839	73,780	2,503,619
Charitable activities	6	-	258,451	258,451	-	520,676	520,676
Investments	6	11,478	-	11,478	37,710	-	37,710
Other	6	20,529	-	20,529	14,976	-	14,976
Total income		2,930,760	348,075	3,278,835	2,482,525	594,456	3,076,981
Expenditure on:							
Raising funds	8	617,774	-	617,774	619,508	-	619,508
Charitable activities	8	1,961,669	327,448	2,289,117	1,916,076	564,493	2,480,569
Total expenditure		2,579,443	327,448	2,906,891	2,535,584	564,493	3,100,077
Net gains / (losses) on investments	11	764	-	764	(3,967)	-	(3,967)
Net income / (expenditure)		352,081	20,627	372,708	(57,026)	29,963	(27,063)
Transfers between funds	18	-	-	-	-	-	-
Other recognised gains / (losses):							
Gains (Losses) on Foreign Currency Translations		(12,857)	-	(12,857)	9,804	-	9,804
Total other gains / (losses)		(12,857)	-	(12,857)	9,804	-	9,804
Net movement in funds		339,224	20,627	359,851	(47,222)	29,963	(17,259)
Reconciliation of funds:							
Total funds brought forward		2,242,613	58,738	2,301,351	2,289,835	28,775	2,318,610
Total funds carried forward		2,581,837	79,365	2,661,202	2,242,613	58,738	2,301,351

All gains and losses arising in the year are included above and arise from continuing activities.

The notes on pages 45-62 form part of these financial statements

Charity Balance Sheet

Year ended 31 March 2020

	Note	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Tangible assets	9		1,187,791		1,214,360
Intangible assets	10		33,492		31,599
Investments	11		34,358		33,594
			1,255,641		1,279,553
CURRENT ASSETS					
Debtors	14	690,172		356,610	
Cash at bank and in hand		1,318,370		1,349,010	
		2,008,542		1,705,620	
CREDITORS:					
Amounts falling due within one year	15	(258,880)		(302,275)	
NET CURRENT ASSETS			1,749,662		1,403,345
TOTAL ASSETS LESS CURRENT LIABILITIES			3,005,303		2,682,898
CREDITORS:					
Amounts falling due after more than one year	15		(344,101)		(381,547)
TOTAL NET ASSETS			2,661,202		2,301,351
FUNDS					
Unrestricted funds - general	17		2,581,837		2,242,613
Restricted funds	18		79,365		58,738
			2,661,202		2,301,351

The financial statements were approved by the Trustees and authorised for issue on 29 September 2020.

Mrs S Bhasin
Hon Treasurer

The notes on pages 45-62 form part of these financial statements.

Charity Cash Flow Statement

Year ended 31 March 2020

	2020 £	2019 £
Cash flows from operating activities:		
Net cash generated from/(used in) operating activities	36,672	(4,628)
Cash flows from investing activities:		
Dividends and interest	11,478	37,710
Proceeds from the sale of fixed assets	-	464
Purchase of fixed assets	(29,794)	(38,703)
Proceeds from the sale of investments	-	-
Net cash used in investing activities	(18,316)	(529)
Cash flows from financing activities:		
Repayments of borrowing	(36,139)	(44,814)
Net cash used in financing activities	(36,139)	(44,814)
Change in cash and cash equivalents	(17,783)	(49,971)
Opening cash and cash equivalents	1,349,010	1,389,177
Change in cash and cash equivalents due to exchange rate movements	(12,857)	9,804
Cash and cash equivalents at 31 March	1,318,370	1,349,010

Reconciliation of net income (expenditure) to net cash flow from operating activities	2020 £	2019 £
Net income (expenditure) for the period (as per SOFA)	372,708	(27,063)
Adjustments for:		
Depreciation charges	53,163	57,558
(Gains)/losses on investments	(764)	3,967
Dividends and interest	(11,478)	(37,710)
Loss/(profit) on sale of fixed assets	-	(2,101)
(Increase)/decrease in debtors	(333,562)	46,243
Increase/(decrease) in creditors	(43,395)	(45,522)
Net cash used in operating activities	36,672	(4,628)

Notes to the Financial Statements

Year ended 31 March 2020

1 STATUS

The Company is limited by guarantee and has no share capital. The liability of each member is determined by the constitution of the Association and shall not exceed the sum of £1.

2 ACCOUNTING POLICIES

a) The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit company for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and have taken account of pressures on donation income resulting from the COVID-19 pandemic and lockdowns. Consequently, the Board approved measures to align its costs with anticipated reduced income. Following the implementation of these measures in July 2020, the trustees have concluded there is reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Quoted fixed asset investments are valued at bid price at the balance sheet date. Unquoted investments are recorded at a valuation determined by the Trustees.

c) Realised gains and losses arising from the disposal of fixed asset investments are calculated as the difference between the net sale or redemption proceeds and either the market value at the last balance sheet date or the cost of investments purchased during the year.

d) Unrealised gains and losses arising on the revaluation of fixed asset investments to market value are transferred to a separate revaluation reserve. On disposal of an investment the unrealised revaluation gain or loss is transferred out of the revaluation reserve into unrestricted funds.

e) Income recognition - Income tax recoverable on gift aided, legacy and investment income is calculated on the income received up to the year end. Legacies are included in the accounts when the charity has established entitlement to a receipt that is probable and the executors have determined that a payment can be made and can be measured reliably. Donations and grant income are included in the accounts in the year in which they are receivable, unless, under the terms of the grant, the income is restricted to a future accounting period.

f) Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support Costs are allocated as the costs that are identified as a direct support to

Notes to the Financial Statements

Year ended 31 March 2020

an activity. However, central costs are apportioned on a staff time basis as follows:

Programmes 45.01%, Education 13.75%, Regional 7.14%, Individual Giving 8.93%, Events 4.64%, Trusts/Corporates 10.89%, Leprosy Review 3.93%, Training 3.39%, Research 1.07%, Legacies 1.25%

g) All assets purchased are valued at cost. UK assets purchased below £500 are not capitalised and are shown as a revenue cost.

Depreciation is charged on the Organisation's tangible fixed assets at the following rates, which are expected to reduce the assets to their net realisable values over their estimated useful lives.

Freehold Building		Over 50 years
Motor vehicles		25% per annum on cost
Office equipment		20% per annum on cost
Computer equipment		25% per annum on cost
LEPRA India	Leasehold	Over the life of the lease
	Freehold Buildings	10%
	Vehicles and equipment	15%
	Medical equipment	15%

Depreciation is provided for the full year on the written down value method, at the above rates as prescribed in the Indian Income Tax Act, 1961.

LEPRA Bangladesh	Furniture	15% per annum reducing balance
	Office equipment	15% per annum reducing balance
	Bicycle	20% per annum reducing balance
	Motor vehicles/cycles	20% per annum reducing balance
	Computer equipment	33% per annum reducing balance

h) Freehold property at 28 Middleborough, Colchester CO1 1TG was purchased on 4 November 2004. This, together with the contracted works, has been fully recognised in the accounts.

i) Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. Computer software is amortised over its estimated useful life of 4 years, on a straight line basis.

j) Other financial instruments

i. Cash and cash equivalents:

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

ii. Debtors and creditors:

Debtors and creditors receivable or payable within one year of the reporting date are carried at their at transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

Notes to the Financial Statements

Year ended 31 March 2020

k) Foreign currency balances have been converted at the exchange rate ruling at 31 March 2020. Transactions during the year are included at the average rate for the year in which the transaction occurred. With regard to the accounts of overseas branch and subsidiary undertakings these are translated into sterling on the following basis:

Assets and liabilities are at the rate of exchange ruling at the year-end date.
Income and Expenditure account items at the average rate of exchange for the year.

All exchange differences arising on the translation into sterling are recognised through the Statement of Financial Activities.

l) Grant expenditure on programmes and research is accounted for in the period when payable and sums unpaid at the balance sheet date are included in current liabilities.

m) Deferred income relates to income received towards activities that will be carried out in the following year.

n) Critical accounting estimates and areas of judgement - in the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

o) Lepra operates a defined contribution pension scheme for its employees. The contributions are paid monthly as they fall due. The expense to activity allocation matches the wage to activity allocation. Pension costs are treated as unrestricted unless a specific restricted gift was received for that purpose.

p) Fund accounting
Funds held by the charity are:

Unrestricted general funds – these are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted funds – these are funds that can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds – these are funds which have been designated for specific purposes by the Lepra Trustees.

Further explanations of the nature and purpose of each fund is included in the notes to the accounts.

q) Stock is valued at the lower of cost or net realisable value.

r) Current asset investments consist of short term deposits with a maturity date of more than 3 months but less than 12 months. Any deposits with a maturity date of more than 12 months are

Notes to the Financial Statements

Year ended 31 March 2020

included within fixed asset investments.

s) Donated services and facilities relate to medical equipment provided to Lepra Society India and are valued at cost price.

t) Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA on a straight line basis over the lease term.

3 2006 COMPANIES ACT

The prescribed profit and loss account formats required by Section 396 of the 2006 Companies Act have not been adhered to in disclosing the financial results of the Organisation for the year ended 31 March 2020. It is the opinion of the Trustees that strict adherence to these formats would be misleading to the membership of the Organisation, and prevent the financial statements from showing a true and fair view as required by Section 393 of the 2006 Companies Act. In all other respects the financial statements comply with the requirements of the Companies Act 2006.

4 BASIS OF CONSOLIDATION

The Group financial statements consolidate the financial statements of the Charity and its subsidiary undertaking for the year. Lepra (Society) India is consolidated in these financial statements as a subsidiary. Lepra (Society) India is considered to be a subsidiary, within the requirements outlined in SORP FRS102 section 24.16, because Lepra has the power to govern financial and operating policies as set out in specific clauses included within the Lepra (Society) India memorandum and, in the event of dissolution, remaining assets will be transferred to Lepra.

In addition to this and with reference to SORP FRS102 section 24.21, the vision, purpose and values of Lepra and Lepra (Society) India are identical as detailed in the joint Lepra strategy 2016 – 2020, published in December 2015, and the objects of both organisations are closely matched within each respective memorandum and articles of association thus ensuring that Lepra (Society) India contributes to the aims and purposes of Lepra and benefits common beneficiaries.

All financial statements are made up to 31 March 2020. All intra-group transactions, balances and unrealised gains on transactions between group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made on consolidation to bring the accounting policies used into line with those used by other members of the group.

Lepra Bangladesh is treated as a branch of Lepra and forms part of the Charity financial statements.

The summary financial statements of Lepra India are shown in Note 5.

Notes to the Financial Statements (continued)

Year ended 31 March 2020

5 SUBSIDIARIES SUMMARY FINANCIAL STATEMENTS

LEPRA SOCIETY OF INDIA

Lepra has common objects and activities to the LEPRA Society of India (hereafter called LEPRA India). LEPRA India is a registered charity, Charity Registration number 474 of 1989 under the Andhra Pradesh Public Societies Registration Act 1350 Fasli and having its offices at Plot No 17, Krishnapuri Colony, Beside Yellamma Temple, West Marredpally, Secunderabad 500-026, India.

The Chairman of the Lepra Board and of its Medical Advisory Board, and the Secretary of LEPRA are ex-officio members of the Management Committee of LEPRA India. LEPRA India determines its own policies governing its leprosy control and related work in India and is free to raise funds in India; but currently, and for the foreseeable future, LEPRA India is dependant on Lepra for its funding support under a mutually agreed annual budget.

LEPRA INDIA INCOME & EXPENDITURE ACCOUNT

	2020		2019	
	£	£	£	£
Income:				
Grants from UK	874,796		801,650	
Other Income	2,033,310		1,585,278	
		2,908,106		2,386,928
Expenditure:		(2,616,259)		(2,592,047)
Gains/(Losses) on Foreign Currency Translation		(22,397)		5,940
Net movement in funds		269,450		(199,179)
Balance at 31 March 2019		1,228,218		1,427,397
Balance at 31 March 2020		1,497,669		1,228,218

LEPRA INDIA BALANCE SHEET	£	£	£	£
TANGIBLE FIXED ASSETS		814,809		697,455
Fixed Asset Investment		42,337		21,287
CURRENT ASSETS				
Investments	280,844		321,856	
Stock	27,898		23,503	
Debtors	140,263		86,393	
Cash at bank & in hand	345,352		168,303	
	794,357		600,055	
Creditors: Amounts falling due within one year	(128,885)		(64,878)	
SER Revolving Fund	(24,951)	640,522	(25,700)	509,477
		1,497,668		1,228,219
Restricted Fund		71,671		44,203
Capital Fund		1,425,997		1,184,015
		1,497,668		1,228,218

Notes to the Financial Statements (continued)

Year ended 31 March 2020

6 **ANALYSIS OF INCOME**

Consolidated	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Donations and legacies						
Community	388,856	-	388,856	603,541		603,541
Individual Giving	1,183,441	-	1,183,441	1,332,433		1,332,433
Legacies	1,691,674	-	1,691,674	866,449		866,449
Events	61,330	-	61,330	37,163		37,163
Trusts & Corporate	111,709	89,624	201,333	79,320	73,780	153,100
	3,437,009	89,624	3,526,633	2,918,906	73,780	2,992,686
Charitable activities						
Programme funding	193,687	1,451,955	1,645,642	9,610	1,517,722	1,527,332
Leprosy Review funding	-	50,768	50,768	-	51,009	51,009
	193,687	1,502,722	1,696,410	9,610	1,568,731	1,578,341
Other						
Sale of fixed assets	-	-	-			2,101
Other income	17,856	-	17,856	2,101	-	9,900
Leprosy Review	2,673	-	2,673	9,900	-	2,975
				2,975	-	
	20,529	-	20,529	14,976	-	14,976
Investments	68,573	-	68,573	76,256	-	76,256
Total incoming resources	3,719,799	1,592,346	5,312,145	3,019,748	1,642,511	4,662,259

ANALYSIS OF INCOME cont.

Charity	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Donations and legacies						
Community	388,856	-	388,856	603,541		603,541
Individual Giving	645,185	-	645,185	843,366		843,366
Legacies	1,691,674	-	1,691,674	866,449		866,449
Events	61,330	-	61,330	37,163		37,163
Trusts & Corporate	111,709	89,624	201,333	79,320	73,780	153,100
	2,898,753	89,624	2,988,377	2,429,839	73,780	2,503,619
Charitable activities						
Programme funding	-	207,683	207,683	-	469,667	469,667
Leprosy Review funding	-	50,768	50,768	-	51,009	51,009
	-	258,451	258,451	-	520,676	520,676
Other						
Sale of fixed assets	-	-	-	2,101	-	2,101
Other income	17,856	-	17,856	9,900	-	9,900
Leprosy Review	2,673	-	2,673	2,975	-	2,975
	20,529	-	20,529	14,976	-	14,976
Investments	11,478	-	11,478	37,710	-	37,710
Total incoming resources	2,930,760	348,075	3,278,835	2,482,525	594,456	3,076,981

Notes to the Financial Statements (continued)

Year ended 31 March 2020

7 INVESTMENT INCOME

Consolidated

Investment income comprises interest and dividends received in respect of:

	2020 £	2019 £
Dividends from quoted UK Investments	467	1,047
Dividends from unquoted UK Investments	5,709	5,964
Interest on short term deposits	62,397	69,245
	68,573	76,256

Charity

Investment income comprises interest and dividends received in respect of:

	2020 £	2019 £
Dividends from quoted UK Investments	467	1,048
Dividends from unquoted UK Investments	5,709	5,964
Interest on short term deposits	5,302	30,698
	11,478	37,710

8 ANALYSIS OF EXPENDITURE

Consolidated

a) Activity	Direct Costs £	Support Costs £	Allocation of Central Costs £	Total 2020 £	Direct Costs £	Support Costs £	Allocation of Central Costs £	Total 2019 £
Programmes	3,306,369	215,633	108,412	3,630,414	3,552,946	181,548	121,699	3,856,193
Research	9,965	11,308	2,220	23,493	12,786	10,035	2,394	25,215
Training	14,223	15,986	7,030	37,239	17,087	18,852	7,980	43,919
Education	183,246	54,837	34,781	272,864	205,573	40,119	36,709	282,401
Leprosy Review	36,133	17,486	12,950	66,569	36,656	16,608	9,973	63,237
Charitable Activities	3,549,936	315,251	165,393	4,030,580	3,825,048	267,162	178,756	4,270,966
Community	249,368	45,499	18,870	313,738	253,867	41,424	21,547	316,838
Individual Giving	94,113	37,029	31,081	162,223	100,027	36,204	25,137	161,368
Legacies	2,698	11,393	3,330	17,421	1,355	8,607	4,390	14,352
Events	23,199	22,092	14,430	59,721	19,454	17,497	11,971	48,922
Trust & Corporate	39,301	14,270	11,100	64,672	38,041	18,442	21,546	78,029
Cost of Raising Funds	408,679	130,284	78,811	617,774	412,744	122,174	84,590	619,508
Total Expenditure	3,958,615	445,534	244,205	4,648,354	4,237,792	389,336	263,346	4,890,474

Charity

	Direct Costs £	Support Costs £	Allocation of Central Costs £	Total 2020 £	Direct Costs £	Support Costs £	Allocation of Central Costs £	Total 2019 £
Programmes	1,564,906	215,633	108,412	1,888,951	1,762,549	181,548	121,699	2,065,796
Research	9,965	11,308	2,220	23,493	12,786	10,035	2,394	25,215
Training	14,223	15,986	7,030	37,239	17,087	18,852	7,980	43,919
Education	183,246	54,837	34,781	272,864	205,573	40,119	36,709	282,401
Leprosy Review	36,133	17,486	12,950	66,569	36,656	16,608	9,973	63,237
Charitable Activities	1,808,473	315,251	165,393	2,289,117	2,034,651	267,162	178,756	2,480,569
Community	249,368	45,499	18,870	313,738	258,867	41,424	21,547	316,838
Individual Giving	94,113	37,029	31,081	162,223	100,027	36,204	25,137	161,368
Legacies	2,698	11,393	3,330	17,421	1,355	8,607	4,390	14,352
Events	23,199	22,092	14,430	59,721	19,454	17,497	11,971	48,922
Trust & Corporate	39,301	14,270	11,100	64,672	38,041	18,442	21,546	78,029
Cost of Raising Funds	408,679	130,284	78,811	617,774	412,744	122,174	84,590	619,508
Total Expenditure	2,217,152	445,534	244,205	2,906,891	2,447,395	389,336	263,346	3,100,077

Notes to the Financial Statements (continued)

Year ended 31 March 2020

8 b) Analysis of central costs for apportionment

Consolidated & Charity	Office Costs £	Depreciation £	Total 2020 £	Total 2019 £
Programmes	88,453	19,959	108,412	121,699
Research	1,811	409	2,220	2,395
Training	5,736	1,294	7,030	7,980
Education	28,377	6,403	34,781	36,709
Leprosy Review	10,566	2,384	12,950	9,973
Charitable Activities	134,944	30,449	165,393	178,756
Community	15,396	3,474	18,870	21,547
Individual Giving	25,359	5,722	31,081	25,137
Legacies	2,717	613	3,330	4,390
Events	11,774	2,657	14,430	11,971
Trust & Corporate	9,057	2,044	11,100	21,546
Cost of Raising Funds	64,302	14,509	78,811	84,590
Total Expenditure	199,246	44,959	244,205	263,346

c) Support Costs

Support costs relate to support staff salaries and costs that can directly be attributed as a support activity and are allocated accordingly. This includes Chief Executive costs, together with the UK finance and Governance costs which include audit fees, trustee meeting expenses and other monitoring costs.

Notes to the Financial Statements (continued)

Year ended 31 March 2020

9 TANGIBLE FIXED ASSETS - CONSOLIDATED

	Land and Premises Overseas £	Freehold Premises UK	Motor Vehicles £	Office & Photo Equip £	Computer Equipment	Total
Cost						
1 April 2019	595,157	1,500,000	549,836	1,226,931	21,527	3,893,451
Additions	21,970	-	51,203	144,108	17,317	234,598
Disposals	-	-	(15,645)	(57,767)	-	(73,412)
Foreign Exchange Adjustme	-	-	4,131	3,462	-	7,593
31 March 2020	617,127	1,500,000	589,525	1,316,734	38,844	4,062,230
Depreciation						
1 April 2019	362,694	325,000	328,026	957,430	8,749	1,981,899
Charged for year	14,409	25,000	31,785	61,768	6,537	139,498
Released on disposal	-	-	(13,615)	(55,062)	-	(68,676)
Foreign Exchange Adjustme	-	-	3,711	3,380	-	7,091
31 March 2020	377,103	350,000	349,907	967,516	15,286	2,059,812
Net book values						
1 April 2019	232,463	1,175,000	209,988	265,421	12,799	1,895,672
31 March 2020	240,025	1,150,000	239,617	349,218	23,558	2,002,418

TANGIBLE FIXED ASSETS - CHARITY

	Freehold Premises UK £	Motor Vehicles £	Office & Photo Equip £	Computer Equipment £	Total £
Cost					
1 April 2019	1,500,000	116,204	164,329	21,527	1,802,060
Additions	-	-	1,044	17,317	18,361
Disposals	-	(1,104)	(33,107)	-	(34,211)
Foreign Exchange Adjustments	-	4,131	3,462	-	7,593
31 March 2020	1,500,000	119,231	135,728	38,844	1,793,803
Depreciation					
1 April 2019	325,000	104,383	149,590	8,749	587,722
Charged for year	25,000	5,246	6,840	6,537	43,624
Released on disposal	-	(1,104)	(31,321)	-	(32,425)
Foreign Exchange Adjustments	-	3,711	3,380	-	7,091
31 March 2020	350,000	112,236	128,490	15,286	606,012
Net book values					
1 April 2019	1,175,000	-	10,659	12,799	1,198,458
31 March 2020	1,150,000	6,995	7,238	23,558	1,187,791

The cost of overseas land and premises comprises freehold land of £58,360, leasehold land of £8,880 and buildings of £527,916.

The property owned by Lepra was revalued in July 2020 by Fenn Wright, Chartered Surveyors, on an open market basis. The valuation at that date ws £1,175,000

Notes to the Financial Statements (continued)

Year ended 31 March 2020

10 INTANGIBLE FIXED ASSETS

Cost	Consolidated	Charity
1 April 2019	102,717	101,364
Additions	11,656	11,433
Disposals	-	-
31 March 2020	114,373	112,797
Amortisation		
1 April 2019	70,879	69,766
Charged for year	9,820	9,539
Released on disposal	-	-
31 March 2020	80,699	79,305
Net book values		
1 April 2019	33,625	33,384
31 March 2020	33,674	33,492

11 FIXED ASSET INVESTMENTS

	Consolidated		Charity	
	2020 £	2019 £	2020 £	2019 £
At Market Value :				
1 April 2019	54,881	58,741	33,594	37,561
Add : Additions	21,051	106		-
Less : Disposals in year		-		-
Add Gifts of shares		-		-
Net gains/(losses) on revaluation	764	(3,967)	764	(3,967)
31 March 2020	76,696	54,881	34,358	33,594
Historical Cost at 31 March 2020	47,702	47,702	11,641	11,641
The Investments are distributed as follows:				
UK Quoted investments	16,466	15,701	16,466	15,701
LEPRA India Investments	42,337	21,287	-	-
Unquoted Investments	17,893	17,893	17,893	17,893
31 March 2020	76,696	54,881	34,358	33,594

The unquoted investments are ordinary shares in Helpcards Holdings Ltd in which Lepra holds 6.74% of the issued share capital.

Notes to the Financial Statements (continued)

Year ended 31 March 2020

12 ANALYSIS OF NET ASSETS

Consolidated	Tangible Fixed Assets £	Investments £	Intangible Assets £	Net Current Assets £	Long Term Liabilities £	Total £
Restricted Funds				151,036		151,036
Unrestricted Funds - General	2,002,418	76,696	33,674	2,239,147	(344,101)	4,007,835
Unrestricted Funds - Designated	-	-	-	-	-	-
	2,002,418	76,696	33,674	2,390,183	(344,101)	4,158,870

Charity	Tangible Fixed Assets £	Investments £	Intangible Assets £	Net Current Assets £	Long Term Liabilities £	Total £
Restricted Funds	-	-	-	79,365	-	79,365
Unrestricted Funds - General	1,187,791	34,358	33,492	1,670,296	(344,101)	2,581,837
Unrestricted Funds - Designated	-	-	-	-	-	-
	1,187,791	34,358	33,492	1,749,661	(344,101)	2,661,202

13 STOCKS

	CONSOLIDATED 2020 £	CONSOLIDATED 2019 £	CHARITY 2020 £	CHARITY 2019 £
Stock	27,898	23,503	-	-
	27,898	23,503	-	-

14 DEBTORS

	CONSOLIDATED 2020 £	CONSOLIDATED 2019 £	CHARITY 2020 £	CHARITY 2019 £
Debtors & Prepayments	131,265	151,716	35,960	40,479
Sundry debtors	23,094	34,642	23,094	34,642
Amounts owed by group companies	-	-	44,958	24,844
Accrued income	586,161	256,645	586,161	256,645
	740,520	443,003	690,172	356,610

All amounts within debtors above are financial instruments measured at present value.

Notes to the Financial Statements (continued)

Year ended 31 March 2020

15 CREDITORS

Due within one year

	CONSOLIDATED		CHARITY	
	2020	2019	2020	2019
	£	£	£	£
Bank loans due within one year	45,300	45,300	45,300	45,300
PAYE and other taxes	-	14,320	-	14,320
Accruals	32,219	106,749	32,219	106,749
Other Creditors	195,281	205,543	131,361	114,965
Deferred Income	50,000	20,941	50,000	20,941
	322,801	392,853	258,880	302,275

All amounts within creditors above (excluding accruals) are financial instruments measured at present value.
Included within Other Creditors is an amount of £7,253 (2019: £7,433) relating to outstanding pension liabilities.

Deferred income includes funding received for projects which commenced on 1 April 2020, analysed as follows:

	£
Deferred income brought forward	20,941
Deferred in the year	50,000
Released in the year	(20,941)
Balance carried forward	50,000

CREDITORS

	CONSOLIDATED		CHARITY	
	2020	2019	2020	2019
	£	£	£	£
Bank loans due greater than one year	344,101	381,547	344,101	381,547
	344,101	381,547	344,101	381,547

The bank loan is secured over the charity's freehold property in the UK. The loan is repayable over 25 years (from 2004) and interest is charged at 1.23% above Barclays base rate.

16 OPERATING LEASE COMMITMENTS

As at the balance sheet date, the total minimum lease payments due over the lease term under non-cancellable operating leases was:

Consolidated & Charity

	2020	2019
	£	£
Lease expiring:		
Within one year	1,497	1,497
Between two and five years	2,374	4,851

Notes to the Financial Statements (continued)

Year ended 31 March 2020

17 UNRESTRICTED FUNDS	2020 £	2019 £
Consolidated		
1 April 2019	3,426,629	3,505,896
Surplus/(Deficit) for the year	615,695	(91,044)
Realisation of investment revaluation gains as at the end of last year (See note 2d)	764	(3,967)
Transfers between funds		-
Gain/(Loss) on foreign currency translations	(35,254)	15,744
31 March 2020	4,007,834	3,426,629
Charity		
1 April 2019	2,242,613	2,289,835
Surplus/(Deficit) for the year	351,317	(53,059)
Realisation of investment revaluation gains as at the end of last year (See note 2d)	764	(3,967)
Transfers between funds		-
Gain/(Loss) on foreign currency translations	(12,857)	9,804
31 March 2020	2,581,837	2,242,613

18 RESTRICTED FUNDS	2020 £	2019 £
LEPRA India		
1 April 2019	44,203	211,337
Incoming Resources	1,244,272	1,048,055
	1,288,475	1,259,392
Resources Expended	(1,216,804)	(1,215,189)
31 March 2020	71,670	44,203
Charity Restricted Funds		
1 April 2019	58,738	28,775
Incoming Resources	348,075	594,456
	406,813	623,231
Resources Expended	(327,448)	(564,493)
31 March 2020	79,365	58,738
Total restricted funds	151,036	102,941

Notes to the Financial Statements (continued)

Year ended 31 March 2020

18 RESTRICTED FUNDS	Balance 1 April 2019	Incoming Resources	Expenditure	Balance 31 March 2020
India				
Lepra Society of India	36,773	1,220,045	(1,200,098)	56,721
ILEP in India	7,430	24,227	(16,707)	14,950
	44,203	1,244,272	(1,216,804)	71,670
Charity				
Funding Agencies - BLF	2,953	99,381	(102,335)	-
Funding Agencies - TLM Canada (effect:hope)	4,080	-	(4,080)	-
Vodafone Foundation	7,689	37,455	(45,144)	-
	-			-
ILEP India	21,348	53,088	(74,436)	-
ILEP Bangladesh	1,431	-	(1,431)	-
ILEP Mozambique	12,282	17,759	(10,464)	19,577
ILEP Leprosy Review	8,955	50,768	(32,108)	27,615
Baillie Gifford	-	20,000	(20,000)	-
Bryan Guiness Charitable Trust	-	2,500	(2,500)	-
The Kirby Laing Foundation	-	5,000	(5,000)	-
Souter Charitable Trust	-	2,000	(2,000)	-
The Nini Isabel Stewart Trust	-	24,000	(12,000)	12,000
Mr Barry Copeland	-	7,000	(7,000)	-
Dorfred Charitable Trust	-	950	(950)	-
The Saint Lazarus Charitable Trust	-	15,174	-	15,174
The De Crespigny Charitable Trust	-	8,000	(8,000)	-
The Evan Cornish Foundation		5,000	-	5,000
Total Charity	58,738	348,075	(327,448)	79,366
Total consolidated	102,941	1,592,347	(1,544,252)	151,036

Notes to the Financial Statements (continued)

Year ended 31 March 2020

Lepra Society of India
This includes funds raised in India from a variety of sources for work on specific projects.

Restoring Lives of Forgotten People project Bihar, India
BLF, The De Crespigny Charitable Trust

Reaching the unreached: A participatory approach empowering women to prevent disability as a result of leprosy and LF in rural Bangladesh
Department for International Development (DFID)

Poverty reduction through strengthened health systems in Bangladesh
TLM Canada (effect:hope)

Mobile foot care units in India
The Nini Isabel Stewart Trust

ILEP Projects in India
Funding provided by members of the International Federation of Anti-Leprosy Associations (ILEP) for projects in India

ILEP Projects in Bangladesh
Funding provided by members of the International Federation of Anti-Leprosy Associations (ILEP) for projects in Bangladesh

ILEP Leprosy Review
Funding provided by members of the International Federation of Anti-Leprosy Associations (ILEP) for production of the Leprosy Review Journal

Empowering people with disabilities to improve their quality of life and reduce poverty Zambezia Province, Central Mozambique
ILEP Netherlands

Disability Inclusive Agricultural & Health Development in Zambezia Province, Mozambique
ILEP Netherlands

Mobilising Men's Health, Munger District, Bihar, India
Project funded by the Vodafone Foundation

Building a Mentally Healthy Workforce, Bangladesh
Baillie Gifford, Dorfred Charitable Trust, Souter Charitable Trust, The Evan Cornish Foundation, Bryan Guiness Charitable Trust, The Kirby Laing Foundation

Swabhiman Project, Odisha, India
Mr Barry Copeland

NTDRU (Referral Centre) Andhra Pradesh, India
The Saint Lazarus Charitable Trust

Notes to the Financial Statements (continued)

Year ended 31 March 2020

19 GROSS CASH FLOWS	Consolidated 2020 £	Consolidated 2019 £	Charity 2020 £	Charity 2019 £
Returns on investments and servicing of finance				
Interest received	62,397	69,245	5,302	30,698
UK Dividends received	6,176	7,012	6,176	7,012
Interest paid	(7,683)	(8,380)	(7,683)	(8,380)
	60,890	67,877	3,795	29,330
Capital expenditure and financial investment				
Payments to acquire tangible fixed assets	(246,254)	(137,904)	(29,794)	(38,703)
Receipts from sales of tangible fixed assets	-	2,101	-	2,101
Purchase of fixed asset investments	(21,051)	(106)	-	-
	(267,305)	(135,910)	(29,794)	(36,602)
Financing				
Cash repayment of long term borrowings	(37,446)	(36,770)	(37,446)	(36,770)
	(37,446)	(36,770)	(37,446)	(36,770)

20 ANALYSIS OF CHANGES IN NET DEBT	CONSOLIDATED 1 April 2019 £	Non-cash Changes £	Cashflows £	31 March 2020 £
Cash in hand and at bank at 1 April 2019	1,517,313		146,410	1,663,723
Debt due < 1 year	(45,300)	(45,300)	45,300	(45,300)
Debt due > 1 year	(381,547)		37,446	(344,101)
Balance at 31 March 2020	1,090,466	(45,300)	229,156	1,274,322

ANALYSIS OF CHANGES IN NET DEBT	CHARITY 1 April 2019 £	Non-cash Changes £	Cashflows £	31 March 2020 £
Cash in hand and at bank at 1 April 2019	1,349,010		-	1,349,010
Debt due < 1 year	(45,300)	(45,300)	45,300	(45,300)
Debt due > 1 year	(381,547)		37,446	(344,101)
Balance at 31 March 2020	922,163	(45,300)	82,746	959,609

21 ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	CONSOLIDATED 2020 £	2019 £	Change £
Deposits with banks	1,663,229	1,516,819	146,410
Cash	494	494	-
	1,663,723	1,517,313	146,410

ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	CHARITY 2020 £	2019 £	Change £
Deposits with banks	1,318,370	1,349,010	(30,640)
Cash	494	494	-
	1,318,864	1,517,313	(30,640)

Notes to the Financial Statements (continued)

Year ended 31 March 2020

22 EMPLOYEES

The average monthly number of employees (FTE) during the period was as follows:

	2020	2019
Head Office	15	14
Regional	18	17
Overseas	493	556
	526	561

The above totals excludes volunteers who provide their services free of charge.
The average headcount for 2020 and 2019 is 468 employees.
Staff costs in respect of employees include

	2020 £	2019 £
Wages and salaries	2,029,743	2,369,515
Social security costs	63,701	74,205
Pension costs	80,394	106,202
Other staff costs	8,848	8,538
	2,182,677	2,697,645

The number of employees who received total emoluments in the following ranges was:

	2020	2019
£70,001 - £80,000	1	1

The key management personnel of Lepra comprise the Trustees, Chief Executive, Director of Fundraising and Communications, Director of Resources and Director of Programmes & Advocacy in the UK, the Country Director, Head of Programmes, Head of Finance and Head of HR in Bangladesh and the Chief Executive Officer, Head of Finance, Head of HR and Head of Programmes in India. The employee remuneration of key management personnel for Lepra was £493,757 (2019 : £459,560), which included severance payments of £nil (2019: £nil). The Trustees received no remuneration for their services to the Organisation during the period (2019 £nil). During the period three (2020: three) Trustees incurred expenses of £4,033 for overseas travel, subsistence and training courses (2019: £4,037).

During 2020 there were redundancy payments of £20,055 (2019: £76,648)

23 PENSION COMMITMENTS

LEPRA provides pension benefits for staff by making contributions to a Group Personal Pension Plan. The employee is required to pay a minimum of 3% of their gross salary with the charity contributing 5-8% depending upon individual employment contracts. The scheme complies with Auto Enrolment legislation. As at 31 March 2020 there were 34 staff who were members of this scheme. The cost of contributions are calculated annually and charged to the income and expenditure account as they arise. The costs for 2020 were £80,394 (2019 £106,202).

Notes to the Financial Statements (continued)

Year ended 31 March 2020

24 COST OF AUDIT AND OTHER FINANCIAL SERVICES

Amounts payable in respect of Audit and other financial services were:	2020 £	2019 £
Auditors' remuneration: current year	14,750	14,250
Auditors' remuneration: in respect of prior year		-
Auditors' remuneration: in respect of non audit services	3,250	4,337
	18,000	18,587

25 RELATED PARTIES

Transactions with Lepra Society in India	2020 £	2019 £
Amounts paid to Lepra Society	874,796	801,650
Year end debtor balance	44,958	24,844

26 FINANCIAL COMMITMENTS

Lepra has a commitment with Alpha FX to purchase Indian Rupee during the period April 2020 - March 2021	2020 £	2019 £
Amount committed at 31 March 2020	323,955	727,489
	323,955	727,489

At the year-end there is an unrealised gain of £8,930 (2019: £22,039) on these commitments which has been recognised in the statement of financial activities.

We will beat
leprosy together

Registered Charity Number 213251 (England and Wales) SC039715 (Scotland)

www.lepra.org.uk