Lepra

(Formerly known as LEPRA Health in Action)

Report of the Trustees and Financial Statements

for the year ended 31 March 2013

Lepra (Limited by Guarantee)

REPORT OF THE TRUSTEES

The Trustees submit their report and the audited financial statements for the year ended 31 March 2013. The consolidated financial statements have been prepared under the accounting policies set out in Note 2 to the financial statements. These have been prepared in accordance with the special provisions of 445(3) of the Companies Act 2006 in regards to medium-sized companies, the Memorandum and Articles of Association and the Statement of Recommended Practice 2005 "Accounting and Reporting by Charities".

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:

PATRON		Her Majesty Queen Elizabeth II	
AMBASSADOR		Mrs V Hislop	
CHAIRMAN	‡	Sir Ronald De Witt KB	
TRUSTEES		Mrs N Amin OBE	(appointed 30/01/13)
	‡	Mr J. Briant	(Hon. Treasurer)
	γ	Prof M. Adler CBE	
	γ	Mr C. Bland	
	γ	Ms F. Duby OBE	
	‡	Mr P Lloyd	(appointed15/05/13)
		Prof D Lockwood	(appointed15/05/13)
		Ms M Gupta	
		Prof J. Porter	(resigned 26/09/12)
		Dr A. Pozniak	(resigned 26/09/12)
		Ms K Vick	
SECRETARY & CHIEF EXECUTIVE OFFICER		Ms S. Nancollas	

‡ Indicates Member of Finance Sub-Committee
γ Indicates Member of Nominations Sub-Committee

The Trustees may appoint any member of the organisation as a Trustee (Article 22). The Trustees may delegate any of their powers to Sub-Committees consisting of such members of the organisation (whether Trustees or not) as they may think fit (Article 44).

REGISTERED OFFICE	28 Middleborough Colchester Essex CO1 1TG
REGISTERED CHARITY NUMBER IN ENGLAND & WALES	213251
REGISTERED CHARITY NUMBER IN SCOTLAND	SC039715
REGISTERED COMPANY NUMBER	324748
BANKERS	Barclays Bank plc 9 High Street Colchester Essex CO1 1DD
AUDITORS	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD

Governing Document

Lepra is a charitable company limited by guarantee, 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 and 15 May 2013.

The name of the company was changed from Lepra Health in Action to Lepra on 15 May 2013.

FINANCIAL STATEMENTS

OBJECTS AND OBJECTIVES OF THE ORGANISATION

Our Vision
Our vision is for Lepra to be the partner of choice for those seeking to bridge the health gap for people in need.

Our purpose
Our purpose is to transform lives of people affected by leprosy and other health conditions exacerbated by poverty and social discrimination.

We do this by:

- being driven by the needs of the communities in which we work
- working across a wide range of health activity including health education, diagnosis and treatment, prevention of and rehabilitation from disability, and enabling economic independence
- raising funds in the UK, in countries where Lepra works, and internationally
- working in health areas that build on our knowledge, skills and expertise empowering communities to ensure that their health related problems are addressed now and for the future
- developing, implementing and sharing evidence based sustainable models of excellence
- working directly, and in appropriate partnerships to give the greatest number of people access to lasting quality services
- raising awareness of health issues with the general public, organisations and governments and influencing national and international policies
- recognising that people in need can be marginalised and made vulnerable by their health status, lack of access to appropriate treatment, gender, disability, their community, geography or poverty
- recognising that women have a vital role to play in the overall health of society
- currently working in India and Bangladesh across a range of diseases such as leprosy, lymphatic filariasis, TB, HIV and Aids, malaria, and eye health, we are open to new opportunities that make best use of our skills and have a positive impact on the health of our target communities

Values
Our values represent the ideas and principles that will guide our thoughts and actions, both internally and externally. We will be:

People focused
We will be guided by principles that reflect our people focused purpose. Respectful of diversity and diligent in our adherence to human rights, we will ensure dignity of treatment and equality of opportunity for all our beneficiaries, service-users, and stakeholders. Our organisational activities will be guided by the ethics of professionalism, a requirement for involvement and teamwork, and the need for empathy and active listening in all interpersonal relationships.

Open
We will be open, receptive, and transparent in all we do, promoting a culture of honesty and integrity

which will both enable quality and value creativity. Information will be accessible to all and models of best practice shared internally and externally.

We will operate under the principle that questions are admissible and answers are available. We will be passionate about listening to stakeholders while being honest about ourselves. We will endeavour to expand our learning and be receptive to new ideas; we will be as forthcoming about challenges as we are about successes; and will be unremitting in our bid to constantly improve our transparency, accountability, honesty and integrity.

Dynamic

We will look for, and be sensitive and responsive to, evolving needs of our target population, donors and partners as well as political, social and economic changes in the places where we work and beyond. We will be forward looking and innovative in all that we do being guided by our vision, purpose and strategic principles. This involves thinking outside and beyond what we do now whilst ensuring that we are being realistic about what we can and should be doing and who we should be working with.

Effective

We will measure our effectiveness and make it an integral part of our decision making. Decisions will be made based on the expected outcomes for a given input, informed by evidence gained through experience. Positive impact will be our byword for success, as measured first and foremost by the long-term effect of our work on people's lives. We will put into place strong systems throughout the organisation which evaluate our performance in a uniform, participatory, thorough and open way. We will be aware of, and seek to minimise the environmental impact of our work.

We are committed to professionalism, competence and proficiency delivered through appropriate institutional and human resources. For us, value for money will mean the best possible use of resources for the largest transformative effect and will be prioritised.

GOVERNANCE

The Trustees' Management and Structure

The Trustees meet as a board, agree strategy and make major decisions which affect the future development of the charity.

The list of current Trustees is shown at the beginning of the report. Trustees are appointed following a recruitment process managed by a Nominations Sub-Committee. New trustees are appointed by the full board. The membership of the board is made up of people with a mix of skills, which are considered to be the most appropriate for providing advice and guidance.

The selection of the right Trustees is important as is ensuring that they are fully conversant with their responsibilities to successfully carry out their roles. All new Trustees receive a letter and Charity Commission guidelines fully setting out these responsibilities and all are encouraged to attend appropriate training courses offered.

The Trustee board has delegated some of its activities to the Finance Sub-Committee and the Nominations Sub-Committee. The day to day running of the charity is delegated to the Chief Executive.

REVIEW OF ACTIVITIES IN THE YEAR ENDED 31 MARCH 2013

Public Benefit Statement

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance issued by the Commission. With this in mind, we review our aims, objectives and activities each year. The review looks at what we have achieved in the previous year and the outcomes of our work. The review looks at the success of each activity and identifies the beneficiaries of our interventions. The review further helps us to ensure our aims, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in The Charity Commission's general guidance on public benefit in reviewing our aims and objectives and in planning our future strategy. In particular the Trustees have considered how planned activities will contribute to the future strategy that has been set and are satisfied that the work of the charity meets the Public Benefit requirements of the Charity Commission.

Our main activities are working with people and communities affected by leprosy, TB, HIV and AIDS, lymphatic filariasis and malaria and their effects on individuals, families and communities in some of the poorest countries in the world. We work with local partners to further strengthen the coverage of our work.

We are driven by the needs of the communities in which we work.

Within this review are examples of the individuals and communities that have benefited from our interventions.

PROGRAMMES

In 2012/13 Lepra's programmes in India focussed on five states, Andhra Pradesh, Madhya Pradesh, Odisha, Bihar and Jharkhand, whilst expanding our services by opening a new referral centre in West Delhi. In Bangladesh, Lepra's programmes focussed on TB and leprosy control and treatment, targeting four districts in the north west of the country, Bogra, Sirajgonj, Natore and Pabna, with a new national level research project initiated in January 2013.

In 2012/13 Lepra directly reached 419,935 people in India (338,476) and Bangladesh (81,459) with health and development interventions, many of whom are marginalised through disease, poverty and prejudice. We reached a further 892,635 with community health messaging.

Disease - We improved the lives of 129,974 people affected by poverty related diseases such as leprosy, TB, lymphatic filariasis (LF) and HIV, by providing them with treatment and disability services, and enabled 175,308 people to confirm their health status by providing testing services.

Poverty - We improved the economic status of 3,186 people and their families through socio-economic empowerment initiatives.

Prejudice - We raised awareness of 1,064,846 people on the issues around disease to increase awareness and reduce prejudice towards those affected by disease, poverty and prejudice.

Responding to community need with quality health interventions

Health education

We reached 293,865 people in Bangladesh and 598,770 in India with key health messages through events such as film showings and exhibitions. A further 172,211 were trained through community group health education sessions, including 18,845 children.

Health education yields positive results in many of our projects and is vital not only for increasing awareness of health issues but also to reduce prejudice towards people affected by stigmatising diseases like leprosy, LF and TB. In Bangladesh, community health education resulted in increased health awareness and improved voluntary reporting of TB and leprosy, with 1 in 3 of those diagnosed having come forward for testing after coming into contact with Lepra's health messaging. This also contributed to fighting prejudice against people affected by stigmatising diseases. A community survey on attitudes towards people affected by leprosy, first taken in 2011, revealed that whereas at baseline measurement two years ago only 31% of those surveyed demonstrated a positive attitude towards people affected by leprosy, a repeat of the survey after two years of health education and awareness activities had increased the proportion of community people with positive attitudes towards people affected by leprosy to 64%. In Madhya Pradesh, India, 90% of patients diagnosed with TB by a Lepra project had come forward for testing and diagnosis as a result of observing Lepra health education. In Puri, Odisha, regular health education about the facts of LF and its prevention, resulted in 80% of those affected now sleeping under a mosquito net regularly.

Diagnosis and treatment

In 2012/13 Lepra continued to provide services for the diagnosis, treatment and disability care of people affected by leprosy and LF in four states in India. Services were provided through 26 referral centres and through conducting Prevention of Disability Camps to treat and teach people affected by leprosy and LF techniques to reduce the effects of their disability in the home. In addition, a new referral centre was established in partnership with a government hospital in West Delhi replicating Lepra's best practice model from other states. The centre is now providing leprosy services in a poor urban area of West Delhi where there were previously no government secondary level leprosy services.

In Bangladesh Lepra supported 27 health facilities in providing leprosy diagnosis, treatment and disability services. Due to reducing annual case detection rate in Bangladesh, Lepra invested increased funds into our leprosy control programme in 2012/13 to increase case detection. This enabled us to increase leprosy activity which has seen a 34% increase in the number of cases registered versus the previous year. This, combined with increased community health education and increased support to disability care and prevention services at a district clinic in Bogra, has resulted in improved disability services and a reduction in grade II disability on diagnosis to 6% compared to 13% the previous year.

Through these services in 2012/13 Lepra improved the lives of 21,551 people affected by leprosy and 2,190 people affected by LF through treatment, disability care and counselling. Through self-care training for people affected by LF Lepra encouraged 65% of those trained in Puri, Odisha, to continue practicing self-care at least three times per week. This resulted in 59% of cases experiencing reduced swelling and

improved mobility. This self-care brings treatment closer to home and vastly reduces the burden on health systems.

We supported and helped to improve performance of the national TB control programmes in India and Bangladesh. Through our support we facilitated testing for 84,561 people and treatment for 9,680. In addition we tested 1,690 suspected multi drug-resistant cases to facilitate rapid diagnosis and treatment of this dangerous disease. In many areas Lepra's support to TB services improved service performance; In Adilabad district Lepra supported blocks achieved 91% cure rate and 2.5% death rate as opposed to 87% cure rate and 3% death rate as district average. Similarly follow up of TB patients in an Odisha TB project achieved a cure rate of 93%, above national programme target of 85%. Similar follow up of patient in Hyderabad has achieved a significant reduction in death rate to 1.6% in 2012/13 from 6.7% in 2011.

We facilitated HIV testing for 46,377 people in India and provided support and follow up to treatment for 7,498 positive cases. Support to HIV drop-in centres in high HIV prevalent eastern Andhra Pradesh, which provide regular follow up of people living with HIV, achieved a death rate of below 1% for those patients registered under the project. By working with and building the capacity of Sreyassu, a community based organisation run by people living with HIV, death rate of their registered members has fallen from 15% at project inception in 2006 to 3.7% last year.

We also provided general/primary health services to 36,995 people and mother and child services to 21,297 people in India.

Sustainable solutions

In 2012/13 Lepra trained 9,409 government health staff and community health workers in India and Bangladesh to increase their capacity to provide quality health care to the local population in the long term and to increase numbers of community based referrals to health centres. Lepra also trained 1,878 community volunteers who are a vital asset for communicating health information in their communities. In Adilabad district, India, 65% of TB cases helped through our rural tribal health project were referred by community health workers and village health committees, indicating the importance of their participation in this training. In addition Lepra trained 3,315 private health practitioners and village doctors, essential for ensuring that these undertrained health practitioners provide appropriate and quality care to those people who often have no other choice in accessing health care.

In Bangladesh we contributed to reduced poverty for 520 families in Bogra through livelihoods training and support to community livelihoods funds for self-help groups of people affected by leprosy. In just the last year this activity has resulted in a clear positive impact. The proportion of group members with access to banking facilities has increased from 10% to 45%, a significant achievement in a country where just 20% of the population has access to banking facilities, thus placing the group members within this privileged few. The proportion of families able to eat three meals per day increased from 59% to 89% as a result of increased income.

In India we helped 2,666 people and their families to improve their economic status and reduce poverty. We assisted 2,369 people who are affected by leprosy or living with HIV to access the government grants and welfare schemes to which they are entitled. We provided livelihoods training to 620 people and supported 623 children from leprosy or HIV affected families through school.

Lepra's best practice models continue to be recognised and adopted by governments. Lepra's 'Better

Choices for Better Chances' project, focussing on TB and HIV prevention and treatment services for marginalised communities, especially women and children, in three high-prevalence districts of Madhya Pradesh, ended in June 2012 after four years of implementation. The sputum collection centres established under this project for village-based TB testing have been adopted by the Ministry of Health as best practice and 221 volunteers trained by the project are now working as part of the government's frontline health workforce. The project also contributed to an increase in the proportion of TB patients being treated using the correct treatment regime of DOTs through training of health personnel; this increased from just 12% at the start of the project to 90% by the end of the project, contributing to long-term improvement in quality of care.

The EU-funded 'Reaching the Unreached' project in Odisha ended in December 2012. This project achieved its objectives of strengthening local health systems through demonstrating successful community-based health models including sputum collection centres (SCC), grain banks, village-level TB meetings with public health providers and an effective community-based referral system. During the five year project half a million people were reached with health education. At the start of the project in 2008 just 16% of target beneficiaries had any knowledge on TB, yet by the end of the project a survey showed that 93% of the population had a good knowledge of TB, its symptoms and where to find treatment. By the end of the project grain banks set up in 100 villages had collected a stock of 9,000 kilos of grain to be used to improve nutrition and food security during the lean months. During the five year project 3,248 families benefitted from receiving a total of 8,549 kilos of grain, improving their nutrition status.

Advocacy – influencing change in policy and practice

In India Lepra conducted four social audits to demonstrate transparency and the effectiveness of projects in Andhra Pradesh and Odisha. The auditing process involved a public hearing of all financial accounts related to these projects whilst seeking feedback from beneficiaries about Lepra's impact and areas for improvement. In addition to beneficiaries, government officials from public health departments, local NGOs, local auditors, members of the media and the general public took part in the audits.

Lepra continued its support to State Forums of the Leprosy Affected in India. After nomination by Lepra, Mr V Narsappa, Chairman of the National Forum of the Leprosy Affected in India received a National Award for 'Best Individual' working on empowerment of persons with disabilities from the President of India. Lepra also facilitated the meeting of Mr Narsappa and Mr Venugopal, the Vice Chair of the National Forum India, with UK MPs, including members of the All-Party Parliamentary Group on Neglected Tropical Diseases, at the Houses of Parliament. This provided the opportunity to raise the issue of discriminatory laws against people affected by leprosy at the Westminster Hall Debates and raise the profile of Lepra and leprosy affected people.

Lepra's expertise in health programmes was recognised by The World Health Organization who commissioned Lepra as one of the organisations to contribute to writing a working paper on the impact and effectiveness of Information, Education and Communication activities in leprosy control programmes.

As a member of the NGO TB consortium in India, Lepra works with national partners to put forward civil society contributions to public health policy-making. Lepra was elected to represent NGOs on the country coordinating mechanism for Global Fund's TB programme. Lepra was also nominated onto the National TB Control Programme's working group to develop a National Strategic Plan (2012-17) for case finding and diagnostics, including laboratory upgrade.

Lepra was awarded the 'Best NGO' for outstanding contribution in the field of leprosy elimination at the Change Givers charity concert in Mumbai on December 15, 2012.

Due to our long experience in supporting the national leprosy programme in Bangladesh and our position of influence and high regard with the government programme and other country partners, Lepra was selected by The Leprosy Mission Canada to lead and co-ordinate a national level research programme on leprosy integration in Bangladesh.

In Bihar Lepra conducted a research study into the level of knowledge on TB of private and traditional doctors. The study revealed that only 3% had any training on TB diagnosis and treatment, despite the fact that 81% were regularly treating TB patients. In Bihar private doctors are the first-stop for health care for 80% of the population due to poor government provision; this results in incorrect TB treatment, continued transmission and development of drug-resistant strains. The results from this study will be used to develop a training programme for these health practitioners and to advocate with government for service improvement and increased investment.

Lepra continued to publish Leprosy Review with four issues published in 2012/13, including a special issue on chemotherapy published in September 2012. This contributed to wide dissemination of leprosy related research within the scientific and health community.

Lepra's Blue Peter Public Health Research Centre in Hyderabad continued its programme of research projects; the microbiology division worked on 6 projects covering leprosy, TB and LF, and the immunology/molecular biology division worked on four projects covering leprosy, TB and TB/HIV co-infection. The centre published six research papers in international scientific journals with a combined impact factor of 22.2.

During the year Lepra staff from the UK, India and Bangladesh worked in collaboration to develop an organisational impact assessment system. We were able to define Lepra's work as aiming to bring about a positive impact on the health, social and economic status of individuals and communities. We developed a set of indicators and tools which are to be used to measure our success in achieving this aim. This standardised impact assessment system will enable us to compare data and impact across projects and across geographical areas, contributing to demonstrable change, improved learning and increased effectiveness.

FUNDRAISING

	Year to March 2013 £	Year to March 2012 £	% change
Total income	4,250,650	5,375,228	(20.9)
Restricted income	1,574,407	2,018,198	(22.0)
Regional income	629,997	799,559	(21.2)
Individual giving	951,550	1,158,047	(17.8)
Legacy income	582,875	1,117,180	(47.8)
Event income	75,140	59,461	26.4
Trusts and corporate giving	92,953	148,659	(37.5)

Total income for Lepra in the year ended 31 March 2013 was £4.251m, a fall of £1.1m compared to 2011/12.

The table above shows that 40% of this reduction has occurred in restricted income, that is income provided for specific projects overseas. The fall in restricted income was 22% year on year and this occurred due to the completion of timebound programmes funded by the EU and Big Lottery Fund.

Unrestricted funds raised in the UK from the general public were reduced by 20%. This decline is in line with the emerging trend for many charities and continued recessionary pressures on the sector. Within this the largest single decrease of 47% in legacies endorses the unpredictability of this income stream from year to year; more modest levels are budgetted in future to mitigate volatility in forecasting.

Challenge events have performed better this year, up 26%, with a strong London marathon contingent. The effects of restructuring community fundraising have taken longer than expected to embed but for the smaller team the focus going forward remains return on investment. Trust fundraising application activity has remained at the same level and the year on year decrease can be attributed to a large unsolicited grant the previous year.

FINANCIAL REVIEW

	Year to March 2013 £	Year to March 2012 £	% Change
Income	4,250,650	5,375,228	(20.9)
Expenditure	4,085,808	4,729,007	(13.6)

Income was lower during the financial year as explained above.

Expenditure has been tightly controlled and this has ensured that the organisation has remained within budget for the financial year. All remaining short term borrowing has now been repaid and Lepra is in a secure financial position moving forward.

The freehold property in Colchester, within which the UK office is based, was re-valued during July 2013 in line with policy to ensure that a current market value is reflected in the financial statements. The re-valuation resulted in a reduction of £310,000, contributing to a net un-restricted loss of £211,429 and a corresponding reduction in total un-restricted funds. However, the Trustees do not consider this to be a concern because there are no plans to dispose of the property in the foreseeable future.

During the year the value of Lepra's interest in Helpcard Holdings Ltd was adjusted in order to more closely reflect the value of current, and future, annual dividends. Trustees agreed to review this annually.

INVESTMENT POLICY

Investments have been acquired in accordance with the powers available to the Trustees. These investments are held in companies quoted on the FTSE 250 and have been acquired through the donation of shares from our supporters with the exception of an unquoted investment in ordinary shares in Helpcards Holdings Limited of which Lepra holds 6.74% of the issued share capital.

RESERVES POLICY

During 2012, the Trustees reviewed the reserves policy of the organisation. It was decided that the policy should be changed to specify that the free reserves of the Charity should be kept at a minimum level of £500,000. This policy will be in force for a period of three years, the length of time needed to reduce Lepra's dependence on legacy income in the budget for any given year. The Trustees will continue to review the reserves policy annually beyond the three year period.

The free reserves of the Charity at 31 March 2013, amounting to £684,289 (£702,415 at March 2012), remain in excess of the target. The Trustees confirm that they believe the level of reserves to be reasonable taking into account the potential fluctuations in future income.

RISK MANAGEMENT POLICY

Lepra has carried out a process to identify potential risks that may impact on its ability to provide continued support to its objectives. These have been assessed in relation to their probability and to the impact they would have.

The Trustees are responsible for the management of the risks that face Lepra. Organisational risks, including financial and operational, are identified on an ongoing basis and recorded in a Risk Register. Regular reviews ensure that the controls put into place continue to manage and mitigate the risks.

Through the risk management process established for the charity, the Trustees are satisfied that the major risks have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

GRANT MAKING POLICY

Lepra works within long term established relationships with partner organisations in India and Bangladesh and grants are awarded to these organisations during the annual budget process. Unsolicited applications from other organisations are not encouraged or considered.

PLANS FOR THE FUTURE

Future activities in 2013/14 and beyond

Lepra will focus on four broad areas of organisational operations which are fundamental to the fulfilment of our purpose and the achievement of our vision:

Programmes perspective

In 2013/14, Lepra's programmes will aim to reach 450,000 people directly with health and development interventions and a further 800,000 with health education. The number of people reached in Bangladesh will increase due to increased funding for our programmes in the country. Those reached in India will decrease due to three large programmes having reached completion during 2012/13.

In Bangladesh our area of intervention will continue to be four districts in the north west of the country, Bogra, Sirajgonj, Pabna and Natore. However we will expand our TB control programme to include increased community based testing and to improved access to testing and treatment for drug resistant TB. We will establish three new disability referral centres specialising in leprosy complications and disability services, and also provide physiotherapy and treatment for people affected by LF and general disability. We intend to replicate our successful community based rehabilitation and livelihoods model from Bogra in a further three districts to increase social inclusion and reduce poverty for people who are excluded and marginalised due to disability. We aim to improve livelihoods for around 800 families within the first year. We will continue the leprosy integration research project commenced in 2013, working in collaboration with government of Bangladesh, the World Health Organisation and NGOs, and widely disseminate best practice and lessons learnt.

In India Lepra will continue its work through 45 projects across six states – Andhra Pradesh, Odisha, Bihar, Jharkhand and Madhya Pradesh, and in West Delhi. We will seek opportunities to expand and deepen our work on leprosy, LF and visceral leishmaniasis in some of the most remote and impoverished locations. Lepra has been approved for a grant from Sir Dorabji Tata Trust to address malaria and diarrhoea related mortality and morbidity among tribal communities of Adilabad district. The project implementation will start in 2013 for three years to meet huge demand, especially for distribution of insecticide treated bed nets to pregnant women and mothers with children under five. We will extend our financial support to state forums of leprosy affected people in Bihar and Odisha as we supported the Society for Leprosy Affected People in Andhra Pradesh last year. The EU funded 'Health for All' project will come to an end and a final evaluation will be undertaken to reveal the impact for this TB-HIV project. We will expand our work on MDR-TB diagnostics through Lepra's research facility, BPHRC, and expand our work on TB-HIV in Odisha through a new Global Fund project.

Based on the outcome of our research in Bihar revealing poor knowledge of private practitioners on TB, we will expand our programme of training for private practitioners and traditional healers, in particular in

Bihar.

Resource perspective

Our long term goal is to increase our unrestricted income. This will increase our flexibility and ability to choose where we utilise funds according to the greatest need. This will allow us to remain an organisation driven by the need of the beneficiary rather than driven by donor priorities. We aim to supplement this income through securing statutory grants from institutional donors and trusts. In 2013/14 we will contribute to this growth through developing corporate and high value donor income, and through improving the income contribution made from community fundraising.

During the next year we aim to reach 100,000 children in the UK with development messages and enhance our school based activities by developing curriculum based materials.

We will develop relationships with current donors through improving the use of existing data and data collection. We aim to increase income from direct mail by 10%.

During the year we will improve sharing of financial information to ensure that data is used effectively by those who require it. Responsibility for financial management and reporting on budgets will be delegated to budget holders for improved financial monitoring.

We will improve our measures of value for money. We will use data collected through our new impact assessment tools and from financial monitoring to measure the value for money of our work and demonstrate that our work has maximum impact on people's lives in the most cost effective way. In addition we will work towards developing a value for money strategy.

Organisational perspective

Regular review of policies, systems and procedures is important to the effective function of Lepra. In 2013/14 we will work specifically to develop and embed policies on child protection and data protection. We will further develop and integrate sharing systems to ensure that those that require data have access to that data.

We aim to improve our internal communication and during 2013/14 we will enhance communication across the organisation by using cloud computing.

Our long term goal is to increase our public profile and our name recognition. To contribute to this goal in the next year we will continue to roll out and embed our new branding and messaging. We will use these tools to increase our online presence and develop relationships and opportunities with media, and monitor progress by establishing media monitoring.

Learning and growth perspective

To contribute to organisational knowledge we aim to conduct two large operational research studies during 2013/14 into the social and economic impact of LF in India and the current level and service provision for leprosy in Bangladesh. We will also continue scientific research into leprosy and TB at our Blue Peter Public Health Research Centre. Results from these studies and research will be widely disseminated in journals and at conferences to contribute to increased knowledge in the health and development sector on these issues.

To increase internal learning and exchange of best practice we will establish a programme of field staff exchange visits, between India and Bangladesh staff, and between staff from different Indian states.

Lepra will continue to implement changes within the organisation in response to a staff survey conducted in 2012.

Lepra will continue to publish Leprosy Review on a quarterly basis to contribute to knowledge sharing within the health and scientific community.

RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also Directors of Lepra for the purposes of company law) are responsible for preparing the Trustees' 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 proper 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

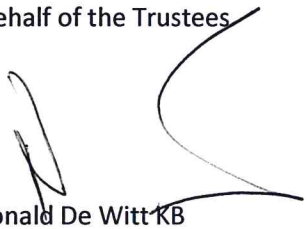
- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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 the financial statements may differ from legislation in other jurisdictions.

AUDITORS

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.

On behalf of the Trustees



Sir Ronald De Witt KB
Chairman

8/10/13

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF LEPRA

We have audited the financial statements of Lepra for the year ended 31 March 2013 which comprise the Consolidated Statement of Financial Activities incorporating the Consolidated Summary Income and Expenditure Account, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Cash Flow Statements and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement, 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.

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2013, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires 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 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.

Kingston Smith LLP

Neil Finlayson
Senior Statutory Auditor
for and on behalf of Kingston Smith LLP
Statutory Auditor

Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

8/10/2013

Kingston Smith LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Lepra

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2013

	Note	Unrestricted Funds	Restricted Funds	Total 2013	2012
		£	£	£	£
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary Income	9	2,239,562	-	2,239,562	3,134,247
Investment Income	10	33,398	-	33,398	34,698
Incoming resources from charitable activities	9	396,661	1,574,407	1,971,068	2,175,207
Other incoming resources	9	6,622	-	6,622	31,076
Total incoming resources		2,676,243	1,574,407	4,250,650	5,375,228
RESOURCES EXPENDED					
Costs of generating funds	11	823,105	-	823,105	847,556
Charitable activities	11				
Programmes		1,397,084	1,505,208	2,902,292	3,493,315
Research		11,980	-	11,980	6,002
Training		7,313	-	7,313	-
Education		192,555	-	192,555	243,382
Leprosy Review		15,715	54,556	70,271	80,770
Governance costs	11	78,292	-	78,292	57,982
Total resources expended		2,526,044	1,559,764	4,085,808	4,729,007
Net incoming resources before other gains and losses		150,199	14,643	164,842	646,221
OTHER RECOGNISED GAINS/(LOSSES)					
Losses on Foreign Currency Transactions		(43,053)	-	(43,053)	(55,685)
Investment (losses) / gains	13	(8,575)	-	(8,575)	530
Revaluation of Fixed Assets	12	(310,000)	-	(310,000)	-
Net movement in funds		(211,429)	14,643	(196,786)	591,066
Fund balances at 1 April 2012		2,224,065	332,006	2,556,071	1,965,005
Fund balances at 31 March 2013		2,012,636	346,649	2,359,285	2,556,071

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

The notes on pages 24 - 41 form part of these financial statements.

Lepra (Company No. 324748)

CONSOLIDATED BALANCE SHEET

31 MARCH 2013

	Note	March 2013 £	March 2013 £	March 2012 £	March 2012 £
FIXED ASSETS					
Tangible assets	12		1,933,650		2,296,216
Investments	13		218,578		180,768
			2,152,228		2,476,984
CURRENT ASSETS					
Debtors	15	352,774		129,499	
Stocks	15	22,675		-	
Cash at bank and in hand	16	721,133		909,746	
		1,096,582		1,039,245	
CREDITORS:					
Amounts falling due within one year	17	(291,201)		(327,921)	
NET CURRENT ASSETS			805,381		711,324
TOTAL ASSETS LESS CURRENT LIABILITIES			2,957,609		3,188,308
CREDITORS: amounts falling due after more than one year	17		(598,324)		(632,237)
TOTAL NET ASSETS			2,359,285		2,556,071
FUNDS					
Unrestricted funds	19		2,012,636		2,224,065
Restricted funds	20		346,649		332,006
			2,359,285		2,556,071

The financial statements have been prepared in accordance with the special provision in Section 445 of the Companies Act 2006 in regards to medium-sized entities.

The financial statements were approved by the Trustees and authorised for issue on 8 October 2013.

Mr J Briant
Hon. Treasurer

The notes on pages 24 - 41 form part of these financial statements.

Lepra

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2013

	Note	Unrestricted Funds	Restricted Funds	Total 2013	2012
		£	£	£	£
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary Income	9	2,239,562	-	2,239,562	3,134,247
Investment Income	10	10,597	-	10,597	7,929
Incoming resources from charitable activities	9	467,978	285,773	753,751	617,484
Other incoming resources	9	6,622	-	6,622	13,035
Total incoming resources		2,724,759	285,773	3,010,532	3,772,695
RESOURCES EXPENDED					
Costs of generating funds	11	823,105	-	823,105	847,556
Charitable activities	11				
Programmes		1,518,751	191,207	1,709,958	1,848,620
Research		11,980	-	11,980	6,002
Training		7,313	-	7,313	-
Education		192,555	-	192,555	243,382
Leprosy Review		15,715	54,556	70,271	80,770
Governance costs	11	78,292	-	78,292	57,982
Total resources expended		2,647,711	245,763	2,893,474	3,084,312
Net oncoming resources before other gains and losses		77,048	40,010	117,058	688,383
OTHER RECOGNISED GAINS/(LOSSES)					
Losses on Foreign Currency Transactions		(43,616)	-	(43,616)	(14,186)
Investment (losses) / gains	13	(8,575)	-	(8,575)	530
Revaluation of Fixed Assets	12	(310,000)	-	(310,000)	-
Net movement in funds		(285,143)	40,010	(245,133)	674,727
Fund balances at 1 April 2012		1,637,548	107,811	1,745,359	1,070,632
Fund balances at 31 March 2013		1,352,405	147,821	1,500,226	1,745,359

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

Lepra (Company No. 324748)

CHARITY BALANCE SHEET

31 MARCH 2013

	Note	March 2013 £	£	March 2012 £	£
FIXED ASSETS					
Tangible assets	12		1,249,211		1,542,523
Investments	13		79,306		85,222
			1,328,517		1,627,745
CURRENT ASSETS					
Debtors	15	565,520		354,615	
Cash at bank and in hand	16	436,551		662,450	
		1,002,071		1,017,654	
CREDITORS:					
Amounts falling due within one year	17	(232,038)		(267,214)	
NET CURRENT ASSETS			770,033		749,851
TOTAL ASSETS LESS CURRENT LIABILITIES			2,098,550		2,377,596
CREDITORS: amounts falling due after more than one year	17		(598,324)		(632,237)
TOTAL NET ASSETS			1,500,226		1,745,359
FUNDS					
Unrestricted funds			1,352,405		1,637,548
Restricted funds			147,821		107,811
			1,500,226		1,745,359

The financial statements were approved by the Trustees and authorised for issue on 8 October 2013.

Mr J Briant
Hon. Treasurer

The notes on pages 24 - 41 form part of these financial statements.

Lepra

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2013

	Note	2013 £	2013 £	2012 £	2012 £
Reconciliation of operating loss to net cash inflow from operating activities					
Net outgoing resources		164,847		646,221	
Investment income		(33,398)		(34,698)	
Depreciation charges		109,474		125,503	
Loss/(Gain) on sale of fixed assets		-		970	
Losses on Foreign Currency		(43,053)		(55,685)	
Increase/(Decrease) in debtors		(229,412)		53,343	
(Increase)/Decrease in stock		(16,548)		6,127	
(Increase)/Decrease in creditors		21,684		64,840	
Net cash inflow /(outflow) from operating activities			(26,406)		806,621
Return on investment and servicing of finance	21		33,398		34,698
Capital expenditure and financial investments	21		(103,291)		(72,056)
Financing	21		(92,314)		(458,069)
(Decrease)/Increase in cash			(188,613)		311,194
Reconciliation of net cash flow to movement in net debt	22				
(Decrease)/Increase in cash in the period			(188,613)		311,195
Net funds at 1 April 2012			909,746		598,551
Net funds at 31 March 2013	23		721,133		909,746

The notes on pages 24 – 42 form part of the financial statements.

Lepra

CHARITY CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2013

	Note	2013 £	2013 £	2012 £	2012 £
Reconciliation of operating loss to net cash inflow from operating activities					
Net outgoing resources		117,063		686,616	
Investment income		(10,597)		2,348	
Depreciation charges		15,254		4,301	
Losses on Foreign Currency		(43,616)		(11,360)	
Decrease in debtors		(210,909)		27,317	
Decrease in creditors		23,226		(231,350)	
Net cash inflow /(outflow) from operating activities			(109,579)		477,872
Return on investment and servicing of finance	21		10,597		-
Capital expenditure and financial investments	21		(34,604)		(1,696)
Financing	21		(92,314)		(150,403)
Increase in cash			(225,900)		325,773
Reconciliation of net cash flow to movement in net debt	22				
Increase/(Decrease) in cash in the period			(225,900)		325,773
Net funds at 1 April 2012			662,450		336,677
Net funds at 31 March 2013	23		436,550		662,450

The notes on pages 24 - 42 form part of the financial statements.

Lepra

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

1 STATUS

The Organisation 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 as modified by the revaluation of fixed asset investments and in accordance with applicable Accounting Standards and the Statement of Recommended Practice, 'Accounting & Reporting by Charities' (SORP) issued in March 2005.

In accordance with the requirements of the Statement of Recommended Practice a Statement of Financial Activities has been included in the financial statements. This analyses all incoming and expended resources and includes details of both realised and unrealised gains on our fixed asset investments. Further analysis is provided by way of notes to the accounts.

b) Quoted fixed asset investments are recorded on the Balance Sheet at middle market values at the year end. The unquoted investments are recorded at the valuation set 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 the receipt, is certain of receiving it and the value of the legacy can be established with reasonable certainty. LEPRA has also been informed of legacies estimated at a total of £737,000 which have not been included in these financial statements as they do not reach the necessary recognition criteria. Donations, covenant, 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 an activity. However, the analysis of central costs are apportioned on a staff time basis as follows:

Programmes	42.70%	Leprosy Review	3.80%	Trusts/Corporates	3.60%
Research	1.47%	Regional	9.20%	Events	6.17%
Training	0.33%	Individual Giving	16.53%	Governance	2.66%
Education	12.37%	Legacies	1.17%		

Governance Costs are the costs to the charity to fulfil its statutory requirements.

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.

Motor vehicles		25% per annum on cost
Office equipment		20% per annum on cost
Computer equipment		25% per annum on cost
Freehold property in the UK is not depreciated		(see h) below)
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	20% per annum reducing balance
	- Bicycle	20% per annum reducing balance
	- Motor vehicles/cycles	20% 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. A revaluation was undertaken in July 2013 and the revised valuation of £1,190,000 is reflected in these accounts.

i) Foreign currency balances have been converted at the exchange rate ruling at 31 March 2013. 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 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.

j) 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.

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

l) 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.

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

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

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 2013. 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 undertakings for the year. LEPRA India and LEPRA Ireland are consolidated in these financial statements as subsidiaries. All financial statements are made up to 31 March 2013. 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 to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group

The summary financial statements of LEPRA India and LEPRA Ireland are shown in Note 8.

5 DONATED SERVICES AND FACILITIES

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

6 BANK OVERDRAFT

LEPRA negotiated a bank overdraft of £250,000 with Barclays Bank PLC in May 2009. The overdraft is secured by a second charge on the property, 28 Middleborough, Colchester CO1 1TG. The interest rate charged is 3% above base rate. All LEPRA's costs in securing this facility were borne by Barclays Bank PLC.

7 OPERATING LEASES

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.

8 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 Lepra's Trustees and of its Medical Advisory Board, plus the Chief Executive 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 in future; but currently, and for the foreseeable future, LEPRA India is dependent on the Association for its funding support under a mutually agreed annual budget.

LEPRA INDIA INCOME & EXPENDITURE ACCOUNT

		2013
	£	£
Income:		
Grants from UK	1,085,451	
Other Income	1,240,118	
		2,325,569
Expenditure:		(2,277,785)
Net movement in funds		47,784
Balance at 1 April 2012		1,107,247
Balance at 31 March 2013		1,155,031
Gains/(Losses) on Foreign Currency Translation		2,871
		1,157,902

LEPRA INDIA BALANCE SHEET

	£	£
TANGIBLE FIXED ASSETS		684,436
CURRENT ASSETS		
Investments	139,271	
Stock	22,675	
Debtors	86,100	
Cash at bank & in hand	284,583	
	532,629	
Creditors: Amounts falling due within one year	(31,361)	
SER Revolving Fund	(27,802)	473,466
		1,157,902
Restricted Fund		198,828
Capital Fund		959,074
		1,157,902

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2013

LEPRA Ireland is a Private Company Limited by Guarantee (Number 359805) without a share capital, it is also registered as a charity in Ireland. The registered office is Embassy House, Herbert Park Lane, Ballsbridge, Dublin 4. Its purpose is to raise funds for the benefit of the programmes which LEPRA supports. It is a wholly owned subsidiary of LEPRA, with the Trustees being the subscribing members to the organisation. Under Irish law the majority of directors need to be resident in Ireland. The current directors are; Mr B. Farmer (Deputy Chief Executive LEPRA UK), Ms D. Carr (Ireland), Mr P. O'Brien (Ireland), Mrs J O'Brien (Ireland). The patron is Senator Mary Henry.

LEPRA IRELAND PROFIT AND LOSS ACCOUNT

		2013
	£	£
Income:		
Individual Giving	-	
Trusts	-	
Income from Charitable Activities	-	
	---	-
Expenditure:		
Programme Expenditure	-	
Governance	-	

Total Expenditure		-

Net movement on funds		-
Balance at 1 April 2012		(296,534)

Balance at 31 March 2013		(296,534)
Gain on Foreign Currency Translation		6,531

		(290,003)
		=========

LEPRA IRELAND BALANCE SHEET

	£
CURRENT ASSETS	
Cash at Bank	-
CREDITORS:	
Amounts falling due within one year	-
Amounts due to related parties	(290,003)

TOTAL ASSETS LESS CURRENT LIABILITIES	(290,003)
	========

9 ANALYSIS OF INCOMING RESOURCES - CONSOLIDATED

	Unrestricted Funds	Restricted Funds	Total 2013	Total 2012
	£	£	£	£
Voluntary Income				
Regional Income	629,997	-	629,997	799,559
Individual Giving	951,550	-	951,550	1,158,047
Legacies	582,875	-	582,875	1,117,180
Event Sponsorship	75,140	-	75,140	59,461
	2,239,562	-	2,239,562	3,134,247
Income from charitable activities				
Programme funding	314,408	1,509,151	1,823,559	1,963,492
Research Funding	-	-	-	20,869
Leprosy Review Funding	-	54,556	54,556	42,187
Trusts & Corporate	82,253	10,700	92,953	148,659
	396,661	1,574,407	1,971,068	2,175,207
Other Income				
Sale of Fixed Assets	2,300	-	2,300	18,041
Other Income	-	-	-	9,314
Leprosy Review	4,322	-	4,322	3,720
	6,622	-	6,622	31,076
Investment Income	33,398	-	33,398	34,698
	2,676,243	1,574,407	4,250,650	5,375,227

ANALYSIS OF INCOMING RESOURCES - CHARITY

	Unrestricted Funds	Restricted Funds	Total 2013	Total 2012
	£	£	£	£
Voluntary Income				
Regional Income	629,997	-	629,997	799,559
Individual Giving	951,550	-	951,550	1,158,047
Legacies	582,875	-	582,875	1,117,180
Event Sponsorship	75,140	-	75,140	59,461
	2,239,562	-	2,239,562	3,134,247
Income from charitable activities				
Programme funding	385,725	220,517	606,242	426,638
Leprosy Review Funding	-	54,556	54,556	42,187
Trusts & Corporate	82,253	10,700	92,953	148,659
	467,978	285,773	753,751	617,484
Other Income				
Sale of Fixed Assets	2,300	-	2,300	-
Other Income	-	-	-	9,315
Leprosy Review	4,322	-	4,322	3,720
	6,622	-	6,622	13,035
Investment Income	10,597	-	10,597	7,929
	2,724,759	285,773	3,010,532	3,772,695

10 INVESTMENT INCOME - CONSOLIDATED

Investment income comprises interest and dividends received in respect of:

	2013	2012
	£	£
Quoted UK Investments	919	868
Unquoted UK Investments	7,010	7,010
Short Term deposits and loans	25,469	26,820
	33,398	34,698

INVESTMENT INCOME - CHARITY

Investment income comprises interest and dividends received in respect of:

	2013	2012
	£	£
Quoted UK Investments	919	868
Unquoted UK Investments	7,010	7,010
Short Term deposits and loans	2,668	51
	10,597	7,929

11 **ANALYSIS OF TOTAL RESOURCES EXPENDED**

a) Activity	Direct Costs	Support Costs	Allocation of Central Costs	Total 2013	Total 2012
CONSOLIDATED	£	£	£	£	£
Programmes	2,784,424	72,182	45,686	2,902,292	3,493,315
Research	7,678	2,551	1,751	11,980	6,002
Training	6,017	-	1,296	7,313	-
Education	147,007	25,524	20,024	192,555	243,382
Leprosy Review	60,061	4,897	5,313	70,271	80,770
Charitable Activities	3,005,187	105,154	74,070	3,184,411	3,823,469
Regional	404,706	45,612	18,988	469,306	559,932
Individual Giving	171,899	42,263	30,069	244,231	187,713
Legacies	4,116	13,081	2,916	20,113	17,983
Events	21,970	6,625	10,045	38,640	62,372
Trust & Corporate	28,678	14,036	8,101	50,815	19,556
Cost of generating funds	631,369	121,617	70,119	823,105	847,556
Governance	56,575	16,856	4,861	78,292	57,982
Total expenditure	3,693,131	243,627	149,050	4,085,808	4,729,007
CHARITY					
Programmes	1,592,090	72,182	45,686	1,709,958	1,848,620
Research	7,678	2,551	1,751	11,980	6,002
Training	6,017	-	1,296	7,313	-
Education	147,007	25,524	20,024	192,555	243,382
Leprosy Review	60,061	4,897	5,313	70,271	80,770
Charitable Activities	1,812,853	105,154	74,070	1,992,077	2,178,774
Regional	404,706	45,612	18,988	469,306	559,932
Individual Giving	171,899	42,263	30,069	244,231	187,713
Legacies	4,116	13,081	2,916	20,113	17,983
Events	21,970	6,625	10,045	38,640	62,372
Trust & Corporate	28,678	14,036	8,101	50,815	19,556
Cost of generating funds	631,369	121,617	70,119	823,105	847,556
Governance	56,575	16,856	4,861	78,292	57,982
Total expenditure	2,500,797	243,627	149,050	2,893,474	3,084,312

b) Analysis of central costs for apportionment

CONSOLIDATED & CHARITY	Office Costs	Computer Expenses	HR Costs	Depreciation	Total
	£	£	£	£	£
Programmes	34,221	3,594	6,907	964	45,686
Research	1,311	138	265	37	1,751
Training	971	102	196	27	1,296
Education	14,999	1,575	3,027	423	20,024
Leprosy Review	3,980	418	803	112	5,313
Charitable activities	55,482	5,827	11,198	1,563	74,070
Regional	14,223	1,493	2,871	401	18,988
Individual Giving	22,523	2,365	4,546	635	30,069
Legacies	2,184	229	441	62	2,916
Events	7,524	790	1,519	212	10,045
Trusts & Corporates	6,068	637	1,225	171	8,101
Cost of Generating funds	52,522	5,514	10,602	1,481	70,119
Governance	3,641	382	735	103	4,861
	111,645	11,723	22,535	3,147	149,050

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.

12 **TANGIBLE FIXED ASSETS – CONSOLIDATED**

	Land and Premises Overseas	Freehold Premises UK	Motor Vehicles	Office and Photo Equip	Computer Equip	Total
	£	£	£	£	£	£
Cost						
1 April 2012	512,205	1,500,000	662,701	1,157,433	135,821	3,968,160
Additions	9,720	-	28,997	19,144	9,338	67,199
Disposals	-	-	(71,553)	(7,765)	-	(79,318)
31 March 2013	521,925	1,500,000	620,145	1,168,812	145,159	3,956,041
Depreciation						
1 April 2012	258,765	-	429,505	850,290	133,383	1,671,943
Charged for year	16,886	-	35,749	53,809	3,030	109,474
For Revaluation	-	310,000	-	-	-	310,000
Released on disposal	-	-	(63,058)	(5,968)	-	(69,026)
31 March 2013	275,651	310,000	402,196	898,131	136,413	2,022,391
Net book values						
1 April 2012	253,440	1,500,000	233,196	307,143	2,438	2,296,217
31 March 2013	246,274	1,190,000	217,949	270,681	8,746	1,933,650

The cost of land and premises overseas comprises freehold land of £48,699, buildings of £379,438 and leasehold land of £6,396.

The property owned by LEPRA Health in Action was re-valued in July 2013 by Nicholas Percival, Chartered Surveyor on an open market basis. The valuation at that date was £1,190,000. The net book value on an historic cost basis at 31 March 2013 is £1,466,353.

A bank loan from Barclays plc is secured over the freehold premises held in the UK. See note 17.

TANGIBLE FIXED ASSETS – CHARITY

	Freehold Premises UK	Motor Vehicles	Office and Photo Equip	Computer Equip	Total
	£	£	£	£	£
Cost					
1 April 2012	1,500,000	122,641	126,837	135,821	1,885,299
Additions	-	24,253	-	9,338	33,591
Disposals	-	(37,663)	(1,647)	-	(39,310)
31 March 2013	1,500,000	109,231	125,190	145,159	1,879,580
Depreciation					
1 April 2012	-	102,636	106,759	133,383	342,778
Charged for year	-	9,735	2,489	3,030	15,254
For Revaluation	310,000	-	-	-	310,000
Released on disposal	-	(37,663)	-	-	(37,663)
31 March 2013	310,000	74,708	109,248	136,413	630,369
Net book values					
1 April 2012	1,500,000	20,005	20,078	2,438	1,542,521
31 March 2013	1,190,000	34,523	15,942	8,746	1,249,211

13 **FIXED ASSET INVESTMENTS**

	CONSOLIDATED		CHARITY	
	2013	2012	2013	2012
	£	£	£	£
At Market Value :				
1 April 2012	180,768	194,513	85,222	88,101
Add Additions in the year	46,384	(14,275)	2,659	(3,409)
Less Disposals in year	-	-	-	-
Add Gifts of shares	-	-	-	-
Net gains/(losses) on revaluation	(8,574)	530	(8,575)	530
31 March 2013	218,578	180,768	79,306	85,222
Historical Cost at 31 March 2013	237,595	191,212	87,459	84,800
The Investments are distributed as follows:				
UK Quoted investments	16,777	15,075	16,777	15,075
LEPRA India Investments	139,272	95,546	-	-
Unquoted Investments	62,529	70,147	62,529	70,147
31 March 2013	218,578	180,768	79,306	85,222

The unquoted investments include ordinary shares in Helpcards Holdings Limited of which LEPRA holds 6.74% of the issued share capital.

14 **ANALYSIS OF NET ASSETS**

CONSOLIDATED	Tangible Fixed Assets £	Investments £	Net Current Assets £	Long Term Liabilities £	Total £
Restricted Funds	246,274	32,273	68,102	-	346,649
Unrestricted Funds	1,687,376	186,305	737,279	(598,324)	2,012,636
	1,933,650	218,578	805,381	(598,324)	2,359,285
CHARITY					
Restricted Funds	-	32,273	115,548	-	147,821
Unrestricted Funds	1,249,211	47,033	654,485	(598,324)	1,352,405
	1,249,211	79,306	770,033	(598,324)	1,500,226

15 **DEBTORS**

	CONSOLIDATED		CHARITY	
	2013 £	2012 £	2013 £	2012 £
Prepayments	63,010	40,596	63,010	40,596
Stock	22,675	-	-	-
Sundry Debtors	176,091	71,654	89,999	236
Amounts owed by group companies	-	-	298,838	296,534
Accrued income	113,673	17,249	113,673	17,249
	375,449	129,499	565,520	354,615

All amounts included above are receivable within one year of the balance sheet date.

16 **CASH AT BANK AND IN HAND**

	CONSOLIDATED		CHARITY	
	2013 £	2012 £	2013 £	2012 £
Deposits with banks	715,932	905,517	435,549	661,463
Overdraft with Bank	-	-	-	-
Cash	5,201	4,229	1,002	987
	721,133	909,746	436,551	662,450

17 **CREDITORS: amounts falling due within one year**

	CONSOLIDATED		CHARITY	
	2013	2012	2013	2012
	£	£	£	£
Bank loans	45,300	45,300	45,300	45,300
Other loans	-	58,401	-	58,401
PAYE and other taxes	19,381	19,166	19,381	19,166
Accruals	33,238	23,908	33,238	23,908
Other creditors	124,004	117,376	64,841	56,669
Deferred income	69,278	63,770	69,278	63,770
	291,201	327,921	232,038	267,214

Included within Other Creditors is an amount of £6,755 (2012 : £6,814) relating to outstanding pension liabilities.

CREDITORS: amounts falling due after more than one year

	CONSOLIDATED		CHARITY	
	2013	2012	2013	2012
	£	£	£	£
Bank loans	598,324	632,237	598,324	632,237
	598,324	632,237	598,324	632,237

The bank loan is secured over the charity's freehold property in the UK.

18 **OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to being paid within one year:

Expiring:	2013
	£
Within one year	-
Between two and five years	2,500
After five years	-

19 **UNRESTRICTED FUNDS**

	2013	2012
	£	£
Consolidated		
1 April 2012	2,224,065	1,531,094
Surplus/(Deficit) for the year	150,199	748,126
Realisation of investment revaluation gains	(8,575)	530
Fixed Asset revaluation	(310,000)	-
Losses on foreign currency transactions	(43,053)	(55,685)
31 March 2013	2,012,636	2,224,065
Charity		
1 April 2012	1,637, 548	1,294,827
Surplus/(Deficit) for the year	77,048	356,377
Realisation of investment revaluation gains	(8,575)	530
Fixed Asset revaluation	(310,000)	-
Losses on foreign currency transactions	(43,616)	(14,186)
31 March 2013	1,352,405	1,637,548

20 **RESTRICTED FUNDS**

	2013	2012
	£	£
LEPRA India Restricted Funds		
1 April 2012	224,195	251,688
Incoming Resources	1,288,634	1,671,969
	1,512,829	1,923,657
Resources Expended	(1,314,001)	(1,699,463)
31 March 2013	198,828	224,194
Charity Restricted Funds		
1 April 2012	107,811	182,223
Incoming Resources	285,773	346,228
	393,585	528,451
Resources Expended	(245,763)	(420,640)
31 March 2013	147,821	107,811
Total restricted funds	346,649	332,006

	Balance 1 April 2012	Incoming Resources	Expenditure	Balance 31 March 2013
	£	£	£	£
LEPRA Society of India	150,560	903,613	(883,659)	170,514
Big Lottery Fund – MP	71,100	26,195	(97,295)	-
MRC - BPHRC	-	42,358	(42,358)	-
EU – Reaching	2,535	63,213	(65,748)	-
EU – Health for all	-	133,197	(121,985)	11,212
ILEP India projects	-	120,058	(102,956)	17,102
ILEP Bangladesh	-	58,788	(4,395)	54,393
ILEP Leprosy Review	-	54,556	(54,556)	-
Global Fund B'desh	57,915	161,729	(159,676)	59,968
Other	49,896	10,700	(27,136)	33,460
	332,006	1,574,407	(1,559,764)	346,649

LEPRA Society of India – this includes funds raised in India from a variety of sources for work on specific projects.

Big Lottery Fund MP - to improve the health and livelihood outcomes of scheduled castes and tribes in the districts of Jhabua, Khargone and Burhanpu.

Medical Research Council – Funding provided for the general activities of the Blue Peter Health Research Centre.

EU Reaching Unreached – for improving the health status and quality of life of rural communities living in remote inaccessible areas of the Mayurbanj district.

EU Health for All – ensuring highly vulnerable groups in Madhya Pradesh benefit from actions addressing HIV/AIDs, TB and HIV/TB co-infection.

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

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

Global Fund Bangladesh – a TB control programme in the Pabna, Sirajgonj and Naotre districts of Rajshahi division. The overall goal of TB control is to reduce morbidity, mortality and transmission of TB until it is no longer a public health problem.

Other - this fund has been established to receive monies which donors indicate may only be spent in certain specific ways. Monies are released from the fund in those years when the specified expenditure occurs. The fund includes unexpended balances of restricted funds held on trust to be applied for specific purposes.

21 **GROSS CASH FLOWS**	2013 £	2012 £
Returns on investments and servicing of finance		
Interest received	25,469	26,820
UK Dividends received	7,929	7,878
	33,398	34,698
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(67,199)	(104,375)
Receipts from sales of tangible fixed assets	10,292	18,041
Purchase of fixed asset investments	(46,384)	14,278
	(103,291)	(72,056)
Financing		
Cash repayment of short term borrowings	(30,669)	(226,372)
Cash repayment of long term borrowings	(61,645)	(231,697)
	(92,314)	(458,069)

22 **ANALYSIS OF CHANGES IN NET DEBT**	1 April 2012 £	Non-cash Changes £	Cashflows £	31 March 2013 £
Cash in hand and at bank at 1 April 2011	909,746	-	(188,613)	721,133
Bank overdrafts	-	-	-	-
Debt due < 1 year	(75,969)	-	30,669	(45,300)
Debt due > 1 year	(659,969)	-	61,645	(598,324)
Balance at 31 March 2012	173,808	-	(96,299)	77,509

23 **ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS**	2013 £	2012 £	Change £
Deposits with banks	715,932	905,517	(189,585)
Cash	5,201	4,229	972
	721,133	909,746	(188,613)

24 EMPLOYEES

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

	2013	2012
Head Office	17	22
Regional	14	25
Overseas	432	490
	463	537

The above totals exclude voluntary staff who provide their services free of charge.

Staff costs in respect of employees include	2013 £	2012 £
Wages and salaries	1,435,361	1,447,863
Social security costs	67,002	65,001
Pension costs	50,694	47,356
	1,553,057	1,560,220

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

	2013	2012
£60,001 - £70,000	1	1

The employers pension contribution in respect of the above employee was £5,467 (2012: £5,360).

25 TRUSTEES

The Trustees received no remuneration for their services to the Organisation during the period (2012: nil). During the period two (2012: Four) Trustees incurred expenses totalling £2,802 (2012 : £3,450) in respect of overseas travel and subsistence.

26 PENSION COMMITMENTS

LEPRA provides pension benefits for staff 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 8%. The scheme complies with the Stakeholder Pension legislation. As at 31 March 2013 there were 31 staff 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 2013 were £50,694 (2012 £47,356).

27 COST OF AUDIT AND OTHER FINANCIAL SERVICES

Amounts payable in respect of Audit and other financial services were:

	2013	2012
	£	£
Auditors remuneration : current year	15,087	16,522
Auditors remuneration : prior years	13,317	3,747
	28,404	20,269

28 RELATED PARTIES

There were no related party transactions during the year ended 31 March 2013.

29 POST BALANCE SHEET EVENTS

The charity changed its name fro**m** Lepra Health in Action to Lepra on 15 May 2013.