



Annual Report 2022

Accelerating Towards Results



Working together to fight leprosy



Towards a world free of leprosy and its consequences

1995



529.376

2005



296.499

2015



211.973

2021



140.594

Globally, 140,594 new leprosy patients were reported in 2021, reflecting a 10% increase compared to the previous year. This indicates that leprosy control activities have been resumed and/or intensified since the impact of COVID-19 faded. However, the current number of newly recorded patients remains significantly lower than the reported number (around 200.000) before the COVID-19 pandemic.

Source: [World Health Organization](#)

adidas

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2022 in brief

until No Leprosy Remains

The year 2022 truly marks the beginning of NLR's post-COVID-19 phase. In 2022, we were able to restart most activities and speed up flagship projects that had stalled in the previous years. 2022 is best described as a year in which NLR was accelerating towards results. National ownership and leadership of endemic countries is rising. Mutual advice, support, and knowledge-sharing between countries and organisations is increasing. In tandem, these factors result in a strong global sense and need to eliminate leprosy fast and for good.

Zero Transmission



33.743

New leprosy patients detected



4.703

Health staff trained on leprosy



308.105

Persons who received SDR-PEP

Zero Disability



543

Health staff trained on prevention of disabilities

Zero Exclusion



1.066

Local actors better voicing concerns and needs



3.237

Persons affected with improved socio-economic situation



5.030

Health staff sensitised on stigma

Our highlights

Enhanced preventive treatment in Brazil, India, Nepal and Bangladesh

Contacts of persons affected by leprosy receive the newly enhanced preventive treatment (PEP++).

Mozambique: Earlier detection through health workers

Health workers in peripheral health facilities can more accurately refer people they suspect of having leprosy.

NLR Nepal started as a national NGO

NLR Nepal is the first national NGO with its own board and registration independent from NLR in the Netherlands.

NLR Indonesia strengthens ties with The Leprosy Mission Australia

NLR Indonesia signs contracts with the Leprosy Mission Australia for two new projects: 'Leprosy Friendly Village' and 'Urban Leprosy'.

PEP4LEP skin camps enable timely diagnosis and treatment!

Skin camps were combined with the distribution of preventive medications for leprosy (SDR-PEP) in order to increase the health impact and efficiency.

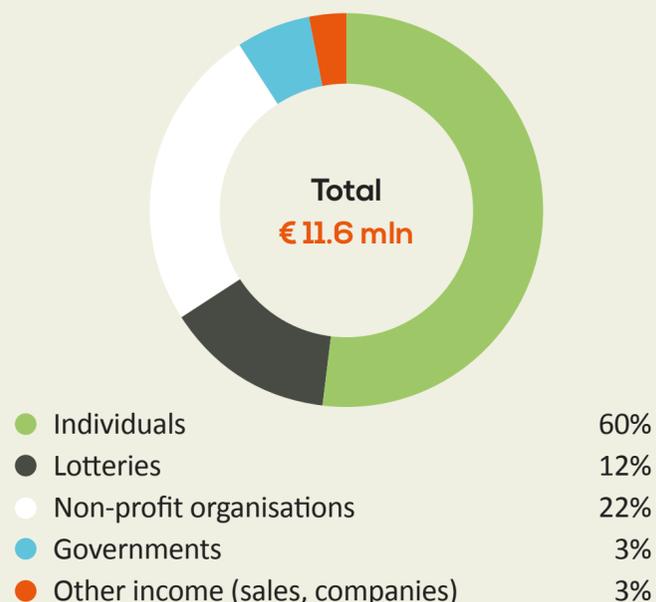
How did we spend our money in 2022?

In 2022, we received a total of €11.6 million income. We spent €11.1 million on our objectives, which is 83% of our total expenditures of €13.4 million. The continued support of our institutional and individual donors is vital as it enables us to diagnose, treat and cure persons affected by leprosy across three continents. Throughout the Netherlands, we received support from more than 46.500 donors and around 100 volunteers. NLR receives an annual contribution of €1.350.000 from the Dutch Postcode Lottery and its participants. This is much appreciated, particularly as it is unearmarked income which we are free to allocate where and when it is most needed.

Other details concerning our income and expenditures are shown in the Annual Accounts.

[Annual accounts](#)

This was our income in 2022



In support of our mission, these were our reserves and funds in 2022



This is what we spent in 2022



This is what we spent on our mission in 2022



We are NLR



2022 in review

As the great philosopher Seneca once said, “Every new beginning comes from some other beginning’s end.” The year 2022 truly marks the beginning of NLR’s post-COVID-19 phase. In 2022, we were able to restart most activities and speed up flagship projects that had stalled in the previous years. 2022 is best described as a year in which NLR was **accelerating towards results**.

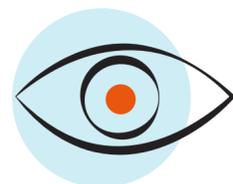
Our “Stop the Transmission of Leprosy! Project (PEP++)”, funded by the Dutch Postcode Lottery through their Dream Fund, restarted and gained traction in 2022. The clinical trial is now running in three countries, a remarkable achievement. In some countries, we had to wait a long time before (re)starting our research into enhanced preventive treatment (PEP++), whereas in others we were able to start promptly. Through these multi-country projects, where there is much at stake, the organisation is constantly learning how to improve and adapt. Flexibility, persistence, and resilience are crucial to move forward.

An important acknowledgement for our frontrunners’ role in the prevention of leprosy was expressed by the Additional Director General of Health Services from the Indian Ministry of Health at the International Leprosy Congress in Hyderabad, India. He claimed that PEP++ is the new promise for leprosy elimination. At this congress, it became evident more than ever

that national ownership and leadership of endemic countries is rising. Mutual advice, support, and knowledge-sharing between countries and organisations is increasing. In tandem, these factors result in a strong global sense and need to eliminate leprosy fast and for good.

The road towards Zero Leprosy on a country level is filled with many obstacles. Encouragement and checks must be in place along the way. To this end, NLR’s Medical Director, working together with the WHO, developed the Leprosy Elimination Monitoring Tool. This tool will accompany the technical guidance on interruption of transmission and elimination of leprosy. The toolkit was launched at the International Leprosy Congress, and in the next 10 years it will assist 120 countries in declaring themselves free of leprosy!

Through vigorous research and with ample experience, our understanding of the costs of leprosy prevention in different settings is increasing. Also, our knowledge of what it takes to scale-up preventive treatment and make medication available in the right place at the right time has improved. This requires constant attention and deliberation on global, national, and district levels, and in 2022, several challenges hindered our progress. For various reasons, medication for prevention and treatment of leprosy was not always available in all the countries we work in. We work hard to mitigate the impact of these setbacks.



One key area we’ve focused our attention on is maintaining leprosy expertise, medical-technical knowledge, and programmatic expertise while striving to reach our objectives. Despite a tight labour market, we were able to recruit new and young talent. Fresh energy is needed for these upcoming decades until the elimination of leprosy. To keep staff on board, working with NLR must be appealing, and so too must our mission and vision of working towards a world with Zero Leprosy.

Naturally, our transition into an alliance of national NGOs has had great impact on our organisational structure and operations. NLR Nepal was the first office to become an independent national NGO, in January 2022. NLR India and NLR Indonesia also completed the full transition process in 2022 and achieve that same status as of 2023. NLR Moçambique and NHR Brasil have also started the transition, founded their national entities, and written their by-laws. In 2023, it will be assessed if they are operationally ready to move forward as independent national NGOs.

Lastly, it goes without saying that none of this would be possible without the loyal support of our donors. With them, NLR has achieved our income objectives and remained a financially healthy and stable organisation. We are able to attract financial support from institutional funders for large projects and unearmarked income from individual donors to meet our urgent priorities. For this, we are very grateful. In 2022, we were finally able to organise an in-person donor meeting again. It was a great experience in which we shared and celebrated our successes.



Linda Hummel
Chief Executive Officer

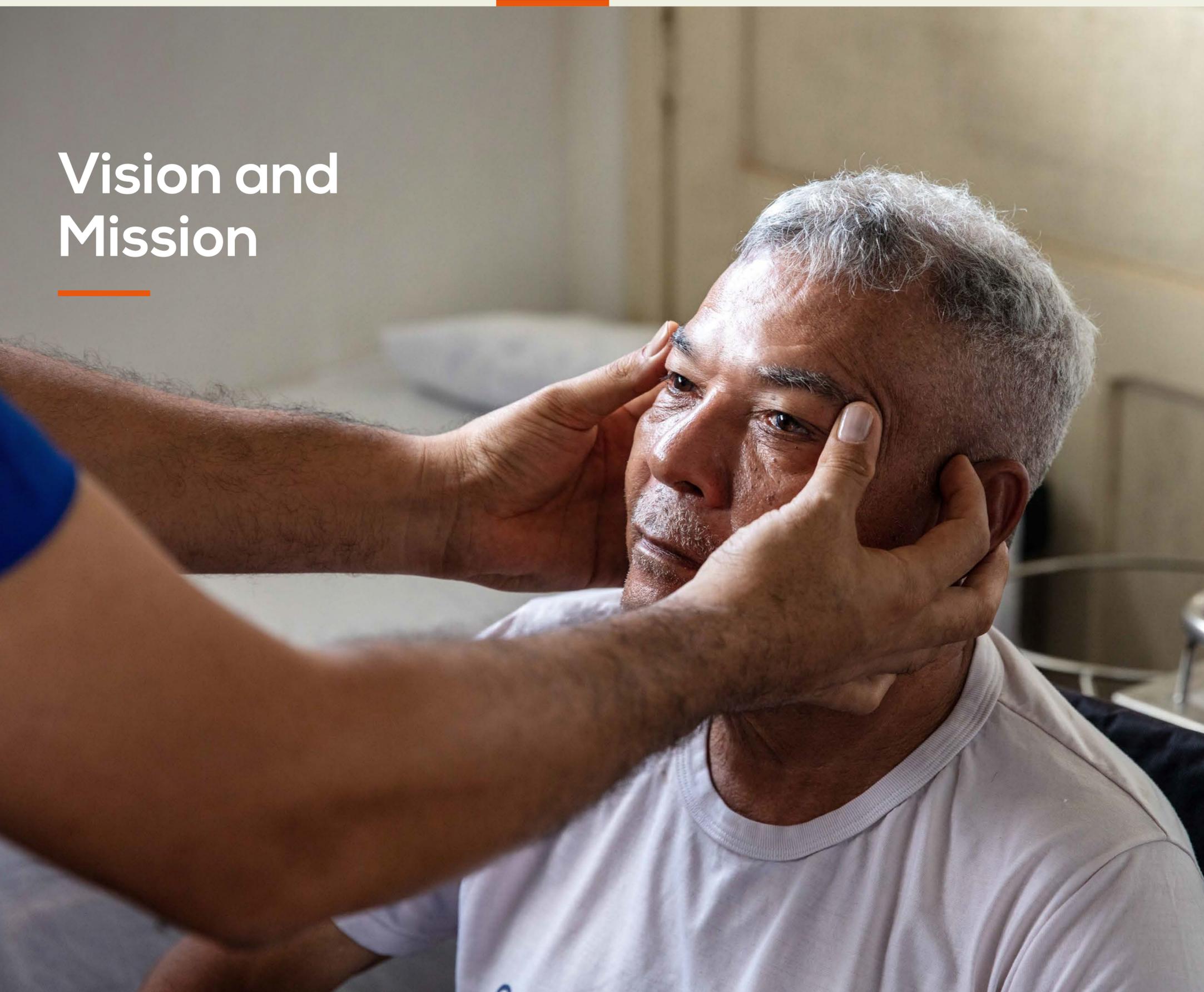
Linda Hummel



Bram van Ojik
Chair of the Supervisory Board

Bram van Ojik

Vision and Mission



In 2022, we started to develop a new multi-annual strategy. Strategies may change, but what remains is our clear vision and our guiding principles, which are supported by our mission statement.

We are convinced that the end of the road to Zero Leprosy is achievable within one generation. We will continue until **No Leprosy Remains**.

Vision

A world free of leprosy and its consequences.

This is our dream. At NLR we work hard to achieve that goal and eliminate leprosy within one generation.

Mission

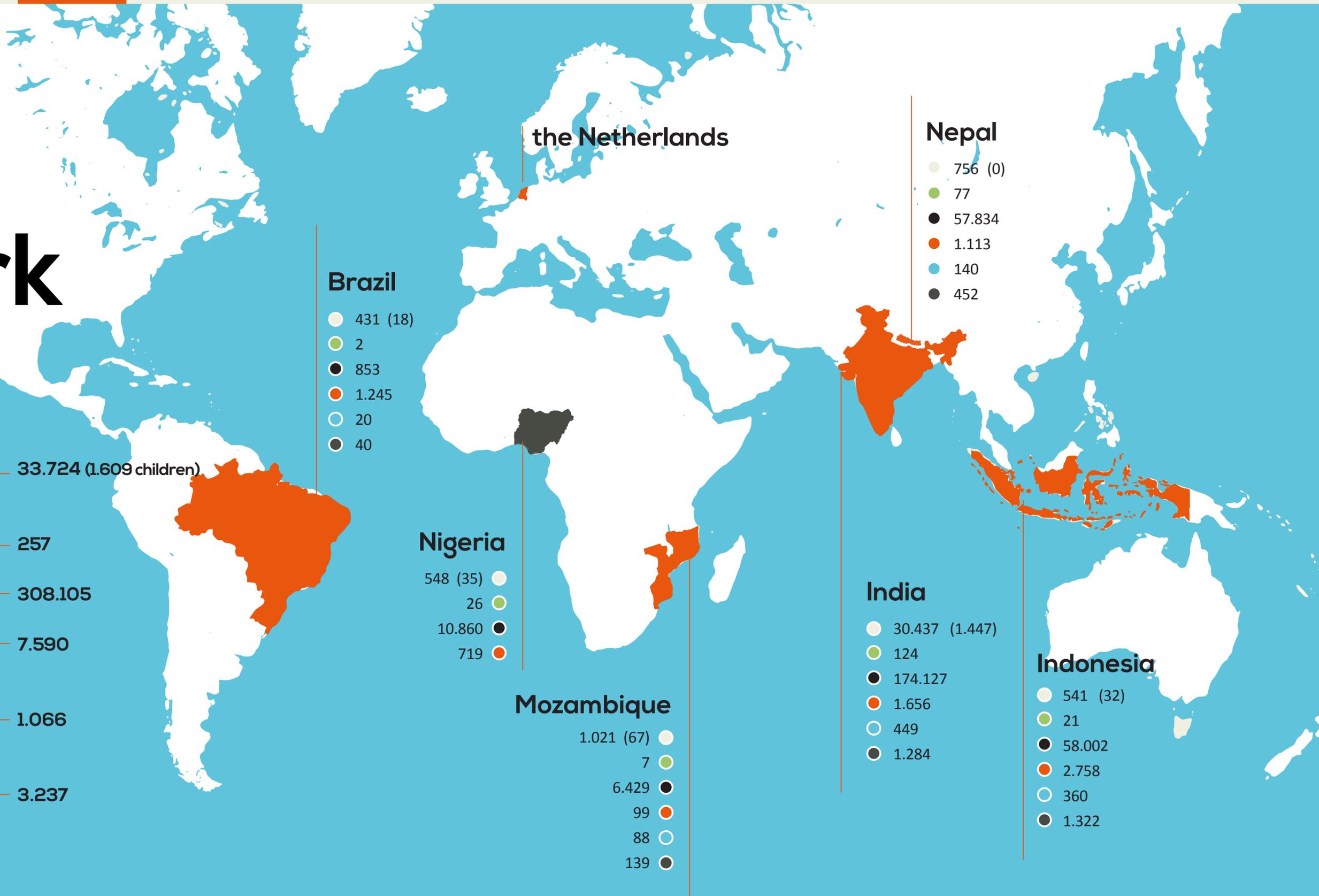
In pursuit of our vision, our mission is **to prevent, detect and treat leprosy and support health, ability and full inclusion in society for persons affected by leprosy.**

Where we work

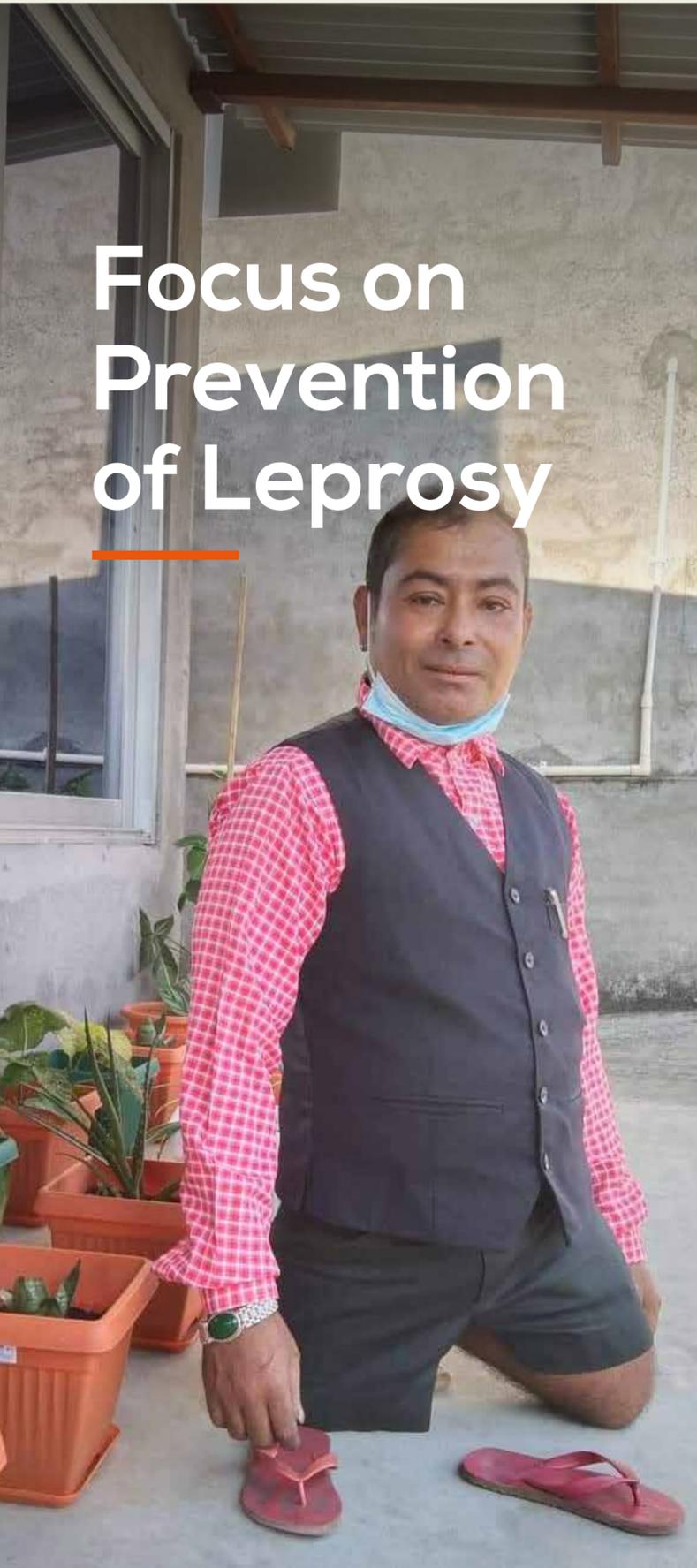
In 2022

- New leprosy patients detected in NLR intervention areas — 33.724 (1.609 children)
- Endemic areas with PEP support — 257
- People received SDR-PEP — 308.105
- Health staff trained on leprosy, prevention of disabilities and stigma — 7.590
- Local actors voicing concerns and needs of persons affected by leprosy — 1.066
- Persons affected by leprosy with improved socio-economic situation — 3.237

[Read about our indicators](#) →



Focus on Prevention of Leprosy



Leprosy remains an important health problem in many countries, particularly among disadvantaged and marginalised populations with limited access to medical care and other resources. And despite being curable, leprosy continues to cause physical disabilities and social stigma for those affected.

In the aftermath of the COVID-19 pandemic, we see that accessibility to health care is still impaired for communities in which neglected tropical diseases (NTDs) such as leprosy are prevalent. In 2021, 140,546 new leprosy patients were detected globally; this number was 202,488 prior to the pandemic in 2019, suggesting that many leprosy patients remain undetected. Undiagnosed patients are a source of infection for their family and friends, resulting in continuous transmission of the disease. In 2021, over 6% of all newly diagnosed leprosy patients were children. A similar percentage of newly detected patients had already developed disabilities at the time of diagnosis. These disabilities could have been prevented if the diagnosis had been made sooner and if leprosy treatment had started in time. It is therefore important to intensify activities that focus on prevention and timely recognition of early leprosy symptoms.

NLR aims to halt the spread of the leprosy bacteria by developing and applying innovative measures such as preventive antibiotics. In addition, we invest in training health workers to recognise and treat the disease. During these training sessions, the NLR SkinApp is used to support health workers in detecting and treating skin diseases. In 2022, NLR's SkinApp has been adopted by the World Health Organisation (WHO) and was merged into the WHO Skin NTD App. Moreover, we conduct research and implement projects to reduce discrimination and physical and mental health problems amongst persons affected by leprosy.

To be successful, NLR closely works together with partners, such as the WHO, ministries of health, disabled people's organisations, universities, and other leprosy and NTD organisations. NLR plays an active role in international networks such as the International Federation of Anti-Leprosy Associations (ILEP) and the Global Partnership for Zero Leprosy (GPZL). Within these and other networks, we make a significant impact towards achieving our goal: Zero Leprosy in 2040!

Our interventions closely link to the following United Nations Sustainable Development Goals (SDGs):

- SGD 3** Ensure good health and wellbeing for people, including universal health coverage.
- SGD 10** Reducing inequalities
- SGD 17** Partnership for the goals

“No one is disabled if they have mental and willpower and action power.”

Mr. Lank, Nepal

SDG 3



SDG 10



SDG 17



¹ The official number of new cases is reported each year by the WHO in September of the following year. Therefore, we cannot yet provide the official numbers for 2022. It is expected that the number of newly detected cases is higher than 2021 but still lower than normal, as the COVID-19 pandemic negatively impacted case finding.

Our Donors



Cherishing Continued Loyalty

During the last few years, it has become clear that global instability has limited impact on the loyalty of our donors. Income granted to NLR remained stable, enabling us to continue our work towards Zero Leprosy. In 2022, for the first time in decades, a war on the European continent between Russia and Ukraine resulted in skyrocketing inflation and energy and fuel prices.

We expected a decrease in donations because of these circumstances. Fortunately, our donors remained loyal, which makes us very proud and grateful. Their steady donations and support enable NLR to truly make a difference for persons affected by leprosy. We highly value our supporters, partners, and donors and ensure that we keep them informed and connected to our progress.

Read some testimonials from our partners, donors and volunteers about why they support NLR.



“I work at a UNESCO school that focuses on peace and human rights. We chose NLR as the charity we wish to support. The involvement among colleagues and students in leprosy control is very high.”

Peter Euser, Ambassador of NLR



“Through the work in the thrift shop that donates all income to NLR, all our volunteers contribute to the detection and cure of persons affected by leprosy, this makes me feel good.”

Alie Kattenbeld,
Volunteer at the Leprosy Charity Shop in Deventer



“Leprosy often prevents people from pursuing their own livelihoods independently. This, in turn, creates structural poverty and social exclusion. If you contribute to fighting leprosy, you are in fact also contributing to poverty reduction in large parts of the world.”

Mayor Hans van der Pas, Chairman and player in the Dutch Mayors' Soccer Team (NBE)



“Personally, I think NLR is a great cause. NLR achieves great results and has very concrete goals: a world without leprosy in 2040. Donors often tell me that this makes it very clear for them what the impact is of NLR's work and how the money is spent. I am very proud to be a fundraiser for NLR and will continue to do so in the future.”

Henk, door-to-door fundraiser for NLR

Cooperating with institutional donors for long term impact

Partnerships with foundations, governments, multilateral organisations, and other international NGOs are crucial to reach Zero Leprosy. The financial resources received from these institutions help NLR create long-term impact. And as partners with expertise and networks, they contribute greatly to our mission. In 2022, we continued working with dedicated partners such as the European and Developing Countries Clinical Trials Partnership (EDCTP), Coalition for Operational Research on Neglected Tropical Diseases (COR-NTD), the Dutch Postcode Lottery, and Leprosy Research Initiative (LRI).

The Leprosy Missions Australia (TLMA) was one of our new funding partners in Indonesia. They had always considered working in Indonesia, and after coming across an article that focused on NLR's leprosy-friendly villages, working alongside us became their priority. Andrew Newmarch, International Programme Manager at TLMA, said, "We want to be involved in defeating leprosy. With this collaboration, we are supporting an organisation that has good technical and research capabilities and one that has established sound relationships with the government."

New Pooled Funding Initiative

Our cooperation within the International Federation of Anti-Leprosy Associations (ILEP) has long been strong. In 2022, NLR developed two relevant proposals for ILEP and participated in a third. All were awarded by funds from ILEP's reserves. The three projects include a self-assessment tool for meaningful participation of persons affected by neglected tropical diseases; a global mapping initiative of persons affected by leprosy; and a capacity building solution for the global dwindling of leprosy expertise. Geoff Warne, CEO ILEP, recently reflected on these three projects:



George Warne, CEO ILEP

Why is it important to include persons affected by leprosy in projects?

"ILEP-members have made a policy commitment to meaningful participation of persons affected by leprosy in their organisations, but until now, there has been no tool for measuring changes in participation over time. One of the newly funded projects pilots such a tool. We expect the benefits to include greater awareness of people's right to participation, more transparency, and an impetus for actions that will enhance participation."

Why focus on capacity building and strengthening?

"Diminishing leprosy expertise is one of the greatest challenges we face on the road to Zero Leprosy. NLR tackles this challenge by ensuring that we have a suite of updated, modern materials, and by proposing contemporary learning approaches that are feasible and effective. The 'proof of concept' will be through piloting these resources in a diverse range of countries, after which the hope is to roll out the programme internationally."

What advantages do you expect to see from ILEP partners in this pooled funding approach?

"Collaboration and coordination are the 'heartbeat' of ILEP. Achieving a future without leprosy is too big a challenge for an individual organisation, but we can see tangible progress when we work together. The strategic benefit is that the pooled approach enables ILEP members to tackle larger, multi-country, multi-year, game-changing projects that would be beyond the capacity of individual member associations."

Capacity Building for National Fundraising

In 2022, NLR continued to strengthen capacity in institutional fundraising across the alliance. To gain more insight into the key gaps for successful fundraising, we carried out an extensive analysis of each alliance member and the international office. The general recommendations included stronger cases for support, more focus on specific markets, and to be more on top of tracking opportunities. Each office will be able to use its specific recommendations to adjust its fundraising efforts. This will lead to stronger, more focused, more proactive fundraising within the alliance in 2023, and to stronger alliance members in the future.



The Dutch Postcode Lottery

The Dutch Postcode Lottery is one of NLR's most important partners. We have been a beneficiary for 26 years, receiving an annual contribution in 2022 of €1,350,000. With this contribution, we come closer every year to our dream of a world without leprosy. And because it is unearmarked income, we are free to allocate it where and when it is most needed. We greatly appreciate the Dutch Postcode Lottery's unwavering commitment and their ongoing contributions to our mission to fight leprosy. With their continued support, we are more able to raise awareness of our cause among a broader public.



Dream Fund

In addition to this annual contribution, we received €9,375,000 from the Dutch Postcode Lottery's Dream Fund in 2017, which funded our multi-year "Stop the Transmission of Leprosy! Project (PEP++)". This ground-breaking research project seeks to halt the transmission of leprosy in India, Brazil, Indonesia, Nepal, and Bangladesh by way of an enhanced preventive treatment. These countries account for around 80% of all new leprosy patients. The Leprosy Mission International funds the work done in Bangladesh. For more information about this project, please see [page 23](#).





Individual Donors and Volunteers

Connecting and communicating with our individual donors

Thanks to the support of more than 46,500 individual donors from the Netherlands, we were able to help thousands of persons affected by leprosy in various parts of the world. Through their contributions, we realised a budgeted income of €2.9 million. Our donors contributed generously, especially during the holiday season in December. The door-to-door recruitment of structural individual donors remains a priority and was successful. And in 2022, we recruited 4,335 new structural donors (235 more than in 2021).

During the last four decades, NLR volunteers have gone door-to-door with collection boxes in the week before World Leprosy Day. But due to COVID-19, this initiative was not possible in 2022. Unfortunately, our three largest collection groups stopped their volunteer work after COVID-19, as there was no succession for the coordinators who supervised the volunteers. We are very grateful for years of commitment by this special group of volunteers. Naturally, we have organised a fitting farewell for the coordinators.

Close Contact

We find it very important to involve our donors and inform them of the results of our work and any other relevant developments. We use various forms of communication to keep them updated, including a donor magazine, email newsletters, and our website. Ultimately, in-person meetings bring us closer together. We were very happy to organise two donor meetings in April at the Central Museum in Utrecht. These were attended by many donors and facilitated by NLR staff

Needs-Based Information

We like to honour the special wishes and interests of our donors by tailoring the content of our communications accordingly. We conduct frequent donor surveys to gain insight into how we can improve the information and leprosy topics our donors are most interested in. In 2022, we started to prepare for our next survey, which will be disseminated in 2023. Whenever we welcome a new donor, we call to thank them personally for their contribution and to ask them how they valued the door-to-door conversation. We value communication with our donors greatly, as they contribute significantly to our goal of a world without leprosy. As a smaller organisation, we are also able to make personal calls and send handwritten postcards to thank them for their donations.

Investments in fundraising and donor recruitment are being done with care and connection. We developed a special welcome programme in 2022 that tailors information to different needs as much as possible. This process seems to be successful, as many donors remain loyal after the first year. We also started developing contact strategies for structural donors after the first year and for major individual donors. For all these initiatives, we use a donor-centred approach.

Solving Complaints

We take complaints very seriously and strive to address them in a satisfactory manner. The donor service desk is available during office hours to answer all questions and complaints. In 2022, we administrated 12 complaints, all of which were mainly related to door-to-door recruitment. An important learning point for us is to indicate even more clearly that we request long-term support and not a one-off donation. Naturally, we have stopped direct debit payments for those who do not want to donate periodically. All complaints were promptly dealt with and, depending on the nature of a complaint, either explained or investigated.



Charitable legacies

Last year we received € 4.0 million from 74 legacies. That is € 2.4 million more than we forecasted. We consider legacies to be very special gifts and feel honoured that many donors entrust us to spend their legacies after they have passed away for the benefit of persons affected by leprosy.

To inform people of the possibility to include NLR in their will, we continued methods of communication that we saw success with in the previous year. Such methods included our own donor magazine, website, TV guides, and specials and ads in the Dutch national newspaper, Trouw.

By using testimonials from loyal donors and interviews with experts in the field of leprosy, we inspired people to think about their ideals and how to pursue them by means of legacies and structural donations. We also created online campaigns on Facebook and developed tools that helped people think about their legacy and how to arrange legacy donations via a notary. We conducted this operation in line with the Dutch code of conduct regarding legacies.

Named Funds

Some donors have specific goals in mind that they wish to contribute to, as they find a certain aspect in leprosy control important. This could mean they wish to donate specifically to early detection and treatment, preventative treatment, research, innovation, capacity building, improving livelihoods, or leprosy control in a specific country. For instance, many Dutch people have a connection with Indonesia. For these people, a named fund can be made so donations are tailored to his or her specific wishes. For NLR, this is an attractive donation form because it involves longer commitment and amounts that are typically higher. In 2022, NLR successfully registered its first named fund.



“Uncle Ad had a relatively secluded life himself, but was engaged with others.”

Renske, Uncle Ad's niece and executor



A conversation with Uncle Ad's niece and executor, about his life and motivation to include NLR in his legacy

"Uncle Ad was a modest man. He lived for 97 years in his family home, which he left almost as it was built. Uncle Ad enjoyed his lifestyle, and he lived in simplicity and was not materialistic. He had a limited social life but was caring towards others. Thus, he donated to charities during his lifetime and even included some in his legacy, including NLR.

Uncle Ad was intelligent and well read. He devoured the newspaper every day, underlining some sentences, cutting them out and even hanging them up to think about later. Renske, Uncle Ad's niece and executor, said of Ad, "Encyclopaedias were always within reach. He ploughed through everything and liked to look at subjects from different angles."

"When he was 95, I approached him to inquire about his wishes for when he passed away. Although a difficult question to ask, it was important to give this some thought because of his age. He simply replied that I should take care of the arrangements when the time comes. But he also

mentioned his desire to support various charities through his will. To ensure this, we decided to visit a notary together to legally document his wishes. I told him, 'You get to decide who receives what.' It was a great honour to be entrusted with the role of executor, but it also came with a significant amount of responsibility."

"In his will, he indicated that he wanted to express his social commitment. In his view, leprosy was awful; he did not understand how this disease still occurred. Especially when for €35 you can treat and cure a leprosy patient and prevent further infection. For people who are well off here, that is a small amount. "

"Uncle Ad lived his life in a completely unique way. I think that is admirable and deserves respect. His interest in the world and his compassion for others indicate that he was a special person. With this interview, my family and I want to express our appreciation for him. He deserves this."

Raising awareness for leprosy in the Netherlands

Approach and results

We continue successful communication for leprosy and the Leprastichting—our Dutch name—in the Netherlands. Our donor magazine is very much appreciated. The number of e-mail newsletter subscribers increased by about 70% in 2022.

During certain periods of the year, we utilise multiple communication channels such as TV, national newspapers, and websites of external parties. For example, we commonly use such varied forms of communication during World Leprosy Day and the—traditionally—important giving months of November and December. To generate brand awareness, an advertising campaign runs on Facebook throughout the year. By using various ads, we try to reach as many people as possible and introduce them to the work of NLR. In 2022, we reached 195,772 people using advertising on Facebook, and over 7,000 people visited the website through these ads.

Concrete Goal

We find that our goal of a world without leprosy by 2040 is incredibly appealing to our donors. In November, we deployed a small campaign with this message through various channels (website, e-mail newsletters, Trouw, our own social media, and third-party websites). We learned that such online campaigns contribute to awareness, but generation of new contacts or donations is hard amongst persons who are not yet familiar with leprosy and our work. Digitalisation is constantly and rapidly changing. NLR tries to keep up, but it is sometimes challenging to stay up to date and ensure that we can reach our supporters and donors effectively.

Leprastichting: Online channels in 2022

	2021		2022
 Followers on Facebook	2.253	↗	2.345
 Followers on Twitter	1.443	↘	1.426
 Followers on LinkedIn	772	↗	839
 Unique website visitors	89.458	↗	90.590
 Youtube views	15.250	↗	41.800
 Newsletter subscribers	4.905	↗	8.415

Results Leprastichting/Dutch website and social media

Wereldlepradag

Een wereld zonder lepra. Het moet. En het kan.

Help je mee?

www.leprastichting.nl/wereldlepradag



Raising awareness for Leprosy internationally

NLR is transitioning into an alliance of national NGOs. Together we are working towards the same goal, albeit with different focus areas on how to get there. This raises brand management issues and challenges. To this end, it was important for us in 2022 to confirm our international brand strategy. We aimed this strategy at establishing a uniform brand identity, providing adequate communication support to staff and projects, increasing visibility, and boosting the internal brand experience.

Uniform Brand Identity

In 2019, we developed NLR's new visual brand identity. And this year, after three years of working with a new brand manual, it was time to evaluate how communication staff and designers can work with the document in practice. Feedback was gathered from different countries for this purpose, resulting in an updated brand manual with clearer guidelines on several brand-related issues regarding logo, organisation name, colours, social media, and more.

Visibility

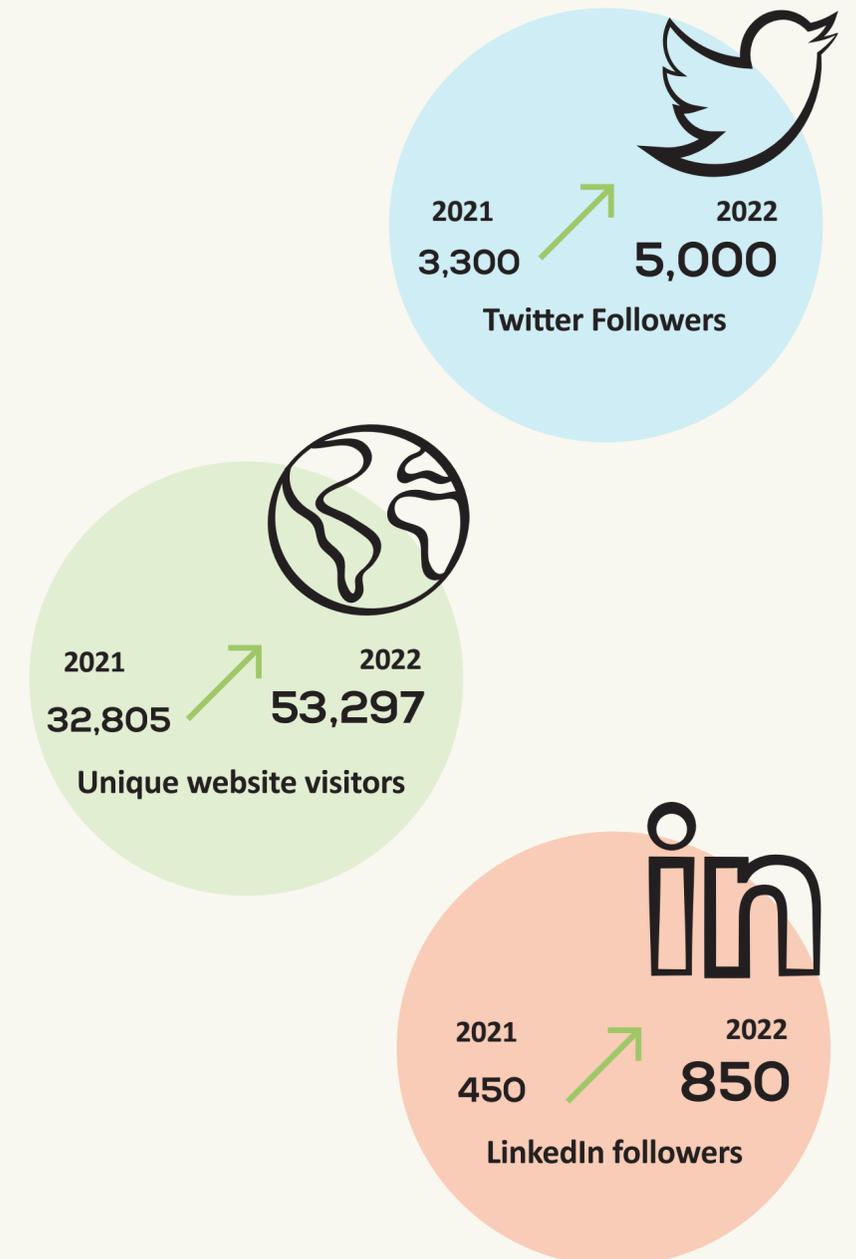
In 2022, we continued to invest in social advertising in an effort to generate more visibility. Naturally, quality content is essential. We've created an internal blog team to produce high-quality blogs, which we can disseminate to engage our stakeholders. This resulted in a substantial increase in traffic to our international website and to our follower bases on Twitter and LinkedIn. Another highlight of 2022 came at the International Leprosy Congress, where NLR staff presented on our flagship projects. Naturally, these moments were shared through our social media channels.

Boosting Brand Experience Among Staff

Life after COVID-19 brought staff around the globe back to the office. With that a world map including NLR's working areas and results per country was brought back to life too. The map showcases achievements of alliance members in an effort to inspire and inform colleagues of what we contribute to while working towards Zero Leprosy. In addition, a group of NLR staff met monthly to discuss relevant new items and to ensure our achievements were shared with donors and other stakeholders. This led to many communication opportunities and a Top 10 List of NLR's greatest results in 2022. This was shared both internally and externally and was highly appreciated.

Overall, we managed to stay connected with and grow our (online) audiences. NLR's online channels attracted more visitors and established a greater follower base than it had in 2021. An interesting indicator for our success to engage with our stakeholders is that the percentage of returning website visitors doubled to around 20%.

NLR: Online channels in 2022



Zero Leprosy



Three Zeros Strategy

NLR's work aims at accelerating the road towards Zero Leprosy. To accomplish this, we have developed three strategic programmes to tackle the different aspects of the disease and its consequences: Zero Transmission, Zero Disability, and Zero Exclusion.

Zero Transmission



Our Zero Transmission programme aims to break the chain of transmission of the leprosy bacteria, focusing on early case detection and treatment and preventive medication for contacts of persons affected by leprosy

Zero Disability

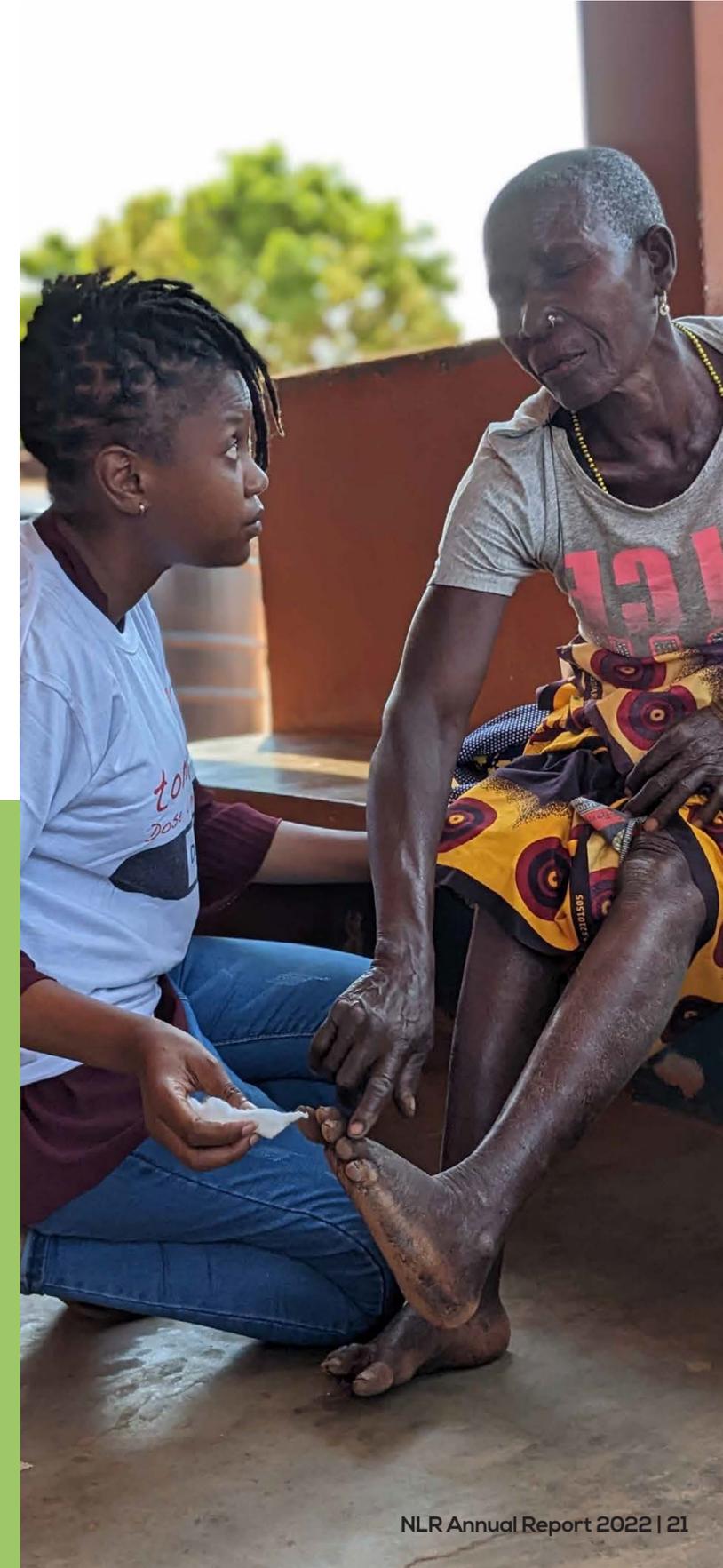


Our Zero Disability programme aims to prevent persons affected by leprosy from developing new disabilities during or after treatment and to contribute to their mental well-being.

Zero Exclusion



Our Zero Exclusion programme aims to promote inclusive societies and improve lives for persons affected by leprosy by strengthening organisations that voice their rights and needs and by removing barriers to services and community activities.





Zero Transmission



Our Focus

NLR's goal is to help stop the transmission of leprosy by accelerating a decline in the number of new patients detected annually. The organisation has been actively involved in proving the effectiveness of SDR-PEP and preventive treatment against leprosy, and in integrating this innovative approach into leprosy control programmes. Contacts of leprosy patients are screened for the disease before receiving SDR-PEP, which helps to detect new patients early and to prevent disabilities.

When SDR-PEP is administered, it kills most leprosy bacteria in those who have been infected but have not yet developed the disease. Therefore, SDR-PEP also prevents the risk of further leprosy transmission. Since the WHO endorsed the implementation of SDR-PEP in 2018, NLR has been a vocal proponent of its expanded use. With the use of preventive medication and early diagnosis of leprosy patients, NLR is committed to achieving Zero Leprosy by 2040.

What we do

NLR advocates for the widespread implementation of SDR-PEP and supports endemic countries in adopting this preventive medication by providing technical advice, sharing practical tools, and offering lessons learned. The organisation leads several international projects that focus on improving early case finding and the implementation of preventive treatment in diverse contexts. NLR is also studying a new regimen to enhance the effectiveness of preventive medication.

Zero Transmission

Flagship projects

From the field

“I don't want to stay alone at home. This will make me sad if I have to lock myself in the room because of this leprosy. I go to school every day to become a doctor so that I can cure people in my village.”

Laura* (13), Indonesia

* For the privacy and protection of minors we changed the name. Real name is known with NLR.

Stop the Transmission of Leprosy! Project (PEP++)

“[The Stop the Transmission of Leprosy! Project \(PEP++\)](#)” reached a major milestone in October 2022, as all five countries had started enrolment in the enhanced preventive medication regimen clinical trial. After many months working to attain final ethical approvals, political clearance, and drug shipments, the study advanced to full implementation in Nepal and India, joining Brazil, where it started in 2021. Bangladesh and Indonesia conducted smaller-scale pilot tests that gave them experience in running the trial procedures. The full implementation of the project is now a reality after years of preliminary studies.

While it is positive that all countries have included close contacts of persons affected by leprosy in the clinical trial, the study is still behind its implementation targets. The end of the year saw a total of 9,806 enrolments—those listed by persons affected by leprosy and located by research assistants. Of these, 7,744 were effectively included in the study after taking



either the new enhanced PEP++ regimen or SDR-PEP. The annual totals were less than expected, an effect caused by various factors including bureaucratic challenges in Indonesia, India, and Bangladesh; the transfer of research staff in Brazil; and rifampicin shortages in several countries. This longer duration has an impact on budget projections for coming years. Furthermore, a series of adjustments has been made to reduce costs and increase financial support moving forward.

This NLR flagship project is a source of great excitement in the leprosy world. It provides hope for a major new tool to achieve the dream of Zero Leprosy. At the 21st International Leprosy Congress (ILC) in Hyderabad, India, in November 2022, the Assistant Director General of Health of the Government of India, Dr Anil Kumar, called this study “the next big promise for leprosy prevention” and announced that “the world is eagerly awaiting our results as evidence for further roll-out.”



Zero Transmission

Flagship projects

From the field

“This approach could increase the chance of finding hidden leprosy patients and also significantly reduce discrimination against leprosy patients.”

Marga*, Ethiopian Nurse,
working in skin camps

* Pseudonym

PEP4LEP

PEP4LEP researches the best methods in screening and preventing leprosy in Mozambique, Ethiopia, and Tanzania. Thirty thousand contacts of leprosy patients in the three countries are being screened for leprosy and other skin diseases, and they receive SDR-PEP when eligible. The project involves two interventions, community-based "skin camp" and a health centre-based approach.

Project partners include four knowledge institutes (Erasmus MC the Netherlands, Lúrio University Mozambique, CUHAS University Tanzania, and AHRI Ethiopia), the German Leprosy and Relief Association, and the Ministries of Health in the three African countries.

Currently, the project is still experiencing medication shortages because of the aftermath of COVID-19 and global challenges in the production of pharmaceuticals. Nevertheless, the project team is proud to announce that in 2022 the 50% milestone of participants' inclusion was reached!

Other 2022 project results include:

- In April, the first PEP4LEP skin camp in Mozambique was organised under a mango tree in Cazuzo, Murrupula district. All three PEP4LEP countries are now implementing both study interventions.
- In all countries combined, 9,318 contacts of leprosy patients were screened for leprosy and other skin diseases. Of these contacts, 8,439 received SDR-PEP.
- A total of 144 new leprosy patients were detected through the PEP4LEP project.
- In addition, 4,455 people were diagnosed with skin diseases that were not leprosy. These contacts received topical skin medication or were referred to specialised care when needed.
- Six articles were published and made freely available (open access) in medical scientific journals.
- Early project results were presented on various platforms, including the 21st International Leprosy Congress 2022 in Hyderabad, India.



EDCTP



Zero Transmission

Flagship projects

From the field

“I have never seen an intervention that benefited us like this. In addition to providing me with treatment, all my loved ones have received a medicine that will protect them. Two other people close to me have been identified with leprosy and have been treated.”

Kamal*, Leprosy patient,
Chaichai community Nigeria

* Pseudonym

Ready4PEP

In Ready4PEP, we implement SDR-PEP in Mozambique and Nigeria and improve care for persons affected by leprosy. In 2022, Nigeria and Mozambique faced many challenges that hampered the continuation of activities, including cyclones and heavy rains, security issues, and delays in medication deliveries in both countries. Government officials continue supporting the project as they acknowledge the added value of Ready4PEP for leprosy control. A major success was the peer exchange visit to Nigeria in September. There, the Mozambique and Nigeria teams shared lessons learned, developed ideas for how to overcome challenges, assessed field activities, and made plans for advocacy opportunities.

In Mozambique, meetings were organised with the National Leprosy Programme and provincial supervisors to discuss further upscaling the project. Capacity building activities continued and included trainings on clinical management of leprosy and SDR-PEP administration for health professionals in three new districts. SDR-PEP administration started in all seven districts, and the team is now starting community campaigns (home visits) to reach close contacts of persons affected by leprosy who are most at risk of developing the disease. In addition, the lack of a drug management system

and shortages of leprosy medication resulted in further delays and a lower number of contacts that could otherwise be included. Although four new self-care groups were created and four more were revitalised, more groups need to be set up. If established, such groups will help persons affected by leprosy take sufficient care of their affected eyes, hands, and feet.

Nigeria has scaled-up activities to 14 new local government areas. We have also seen considerable progress towards the three key project outcomes: the national programme included SDR-PEP and combined self-care groups as part of the national leprosy and disability prevention strategy; all 26 local government areas have (partly) functioning leprosy services; and there is an increased change in behaviour of stakeholders across all levels. Moreover, significant improvement in wound care has been observed in 41 self-care groups, and members of such groups expressed positive impact on their lives. Successful capacity building activities were conducted, such as training leprosy staff at various levels. Although activities were hampered due to rifampicin shortages, the team was able to screen and treat 10,860 contacts this year.



Zero Transmission

Flagship projects

Leprosy Vaccine: LepVax

While working alongside the Infectious Disease Research Institute in Seattle, Washington, U.S., the American Leprosy Missions (ALM) initiated the development of a leprosy-specific vaccine. The objective of this vaccine is to protect contacts of leprosy patients from the disease and reduce transmission. Investments by multiple partners—including ALM, NLR, and the Leprosy Research Initiative—resulted in LepVax. Up until now, LepVax study results are not only promising for leprosy prevention, but are also showing to be a potential treatment option for leprosy patients.

NLR's medical director is a member of the LepVax Vaccine Advisory Group, which provides recommendations for the LepVax research trajectory. Vaccine development is a very lengthy trajectory for most diseases. The phase of clinical safety trials of LepVax in healthy human volunteers has finished, and the vaccine is—after a long COVID-19 delay—heading into the next trial phase: testing it among those most at risk of developing leprosy. Fiocruz, the Institution of Science and Technology in Health in Latin America, based in Rio de Janeiro, Brazil, supports the execution of this new project phase.



Stefanie Weiland,
Executive Vice President
of Programs American
Leprosy Missions

“When I recently spoke with Artur Custodio Moreira de Sousa, MORHAN National Coordinator and Member of the Health Surveillance Commission of the National Health Council from the Ministry of Health in Brazil, he said, ‘We need innovation like this vaccine to end Hansen’s disease.’ I keep remembering his perspective as a representative of people affected, of the urgency and need and it drives me forward. We have an exceptional team of people involved in the development and trial of LepVax and I am confident that with their diverse expertise, we will take the potential of this tool as far as it can go to help end leprosy and leave a lasting legacy.”





Zero Disability



Our Focus

Leprosy can cause lasting nerve damage and physical disabilities, including blindness and impairments to hands and feet. NLR focuses on preventing the development of disabilities or the worsening of existing ones by promoting early diagnosis, adequate treatments, and self-care. We also focus on ensuring the mental well-being of persons diagnosed with leprosy. Many persons affected by leprosy experience depression, anxiety, and/or suicidal thoughts at some point in their lives, even long after they have been cured of the disease. Mental illness is a debilitating factor, potentially impacting people's day-to-day lives in the long term.

What we do

In 2022, we have intensified our actions in strengthening health systems to diagnose leprosy patients earlier and provide adequate support and care to people affected by leprosy both during and after treatment. We have been piloting approaches, training health workers, and advocating with authorities for better services to prevent disabilities. In 2022, we were able to more frequently visit and support newly created and existing self-care groups, allowing us to improve their results and link them to other community organisations. These groups—which also include persons affected by other diseases—support individuals in the management of the disease, its consequences, and the necessary treatment.

Last year, we also finalised and shared the main findings of the research and pilot projects on counselling approaches to ensure the mental well-being of persons affected by leprosy. We have collected additional data on mental well-being in different settings and started to integrate this aspect into other interventions, such as self-care groups or training of health workers.

Zero Disability

Flagship Projects

“Together with the local health centre’s leprosy worker, we regularly visit her and other persons who already completed the medical treatment to check their condition in order to avoid disability, any potential reactions and social problems.”

Dr Teky Budiawan,
NLR Indonesia
Senior Technical Advisor



House Visits and Counselling for Treatment of Disabilities Due to Leprosy in Indonesia

In Sulawesi, Indonesia, a project is being implemented to follow persons affected by leprosy who are at risk of developing (further) disabilities. Even after having been treated for leprosy, existing nerve damage or impairments may still worsen, or leprosy immune reactions may occur. To prevent this health deterioration, NLR Indonesia, together with local health clinics, set up a system of semi-active surveillance by trained health workers.

In 2022, 208 patients who completed their leprosy medication were supported to prevent the occurrence and worsening of disabilities. About 68 persons affected by leprosy visited the clinic of their own accord for a health check. For 123 people, it was difficult to visit the clinic for various reasons (e.g., they presumed they were not at risk, or they were suffering from ulcers on their feet, thus impairing their mobility). These 123 persons were visited at home by a health worker, who examined them and provided counselling. For these reasons, more persons who have been treated for leprosy are now convinced to visit their local health centres for regular check-ups.



Zero Disability

Flagship Projects

“NLR India supported me a lot. NLR’s officials regularly visited my place and also my school along with the government health staff. They sensitized and generated awareness among school teachers, students, and villagers on leprosy. They also taught us self-care techniques for eye, hand and feet to prevent them from further damage. Now I am practicing the exercises regularly at home and have started gaining the sensation and strength in my hand.”

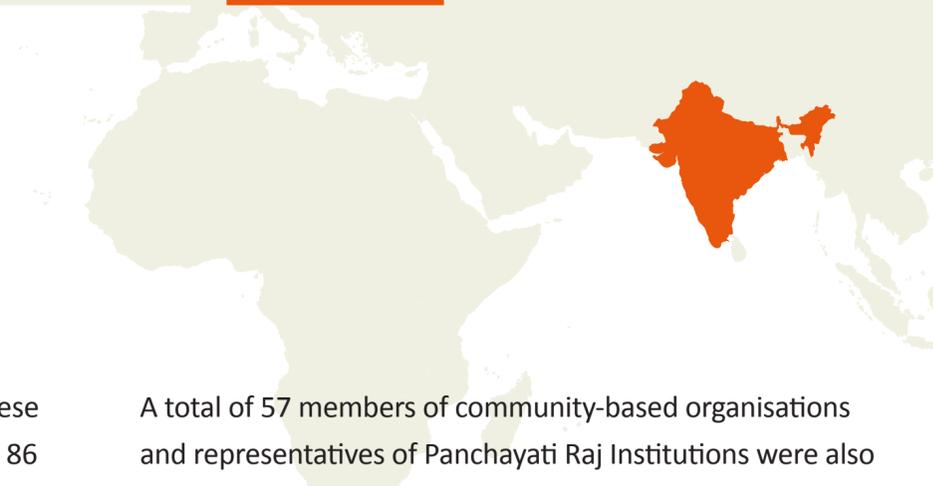
Sana* (14), India

* For the privacy and protection of minors we changed the name. Real name is known with NLR.

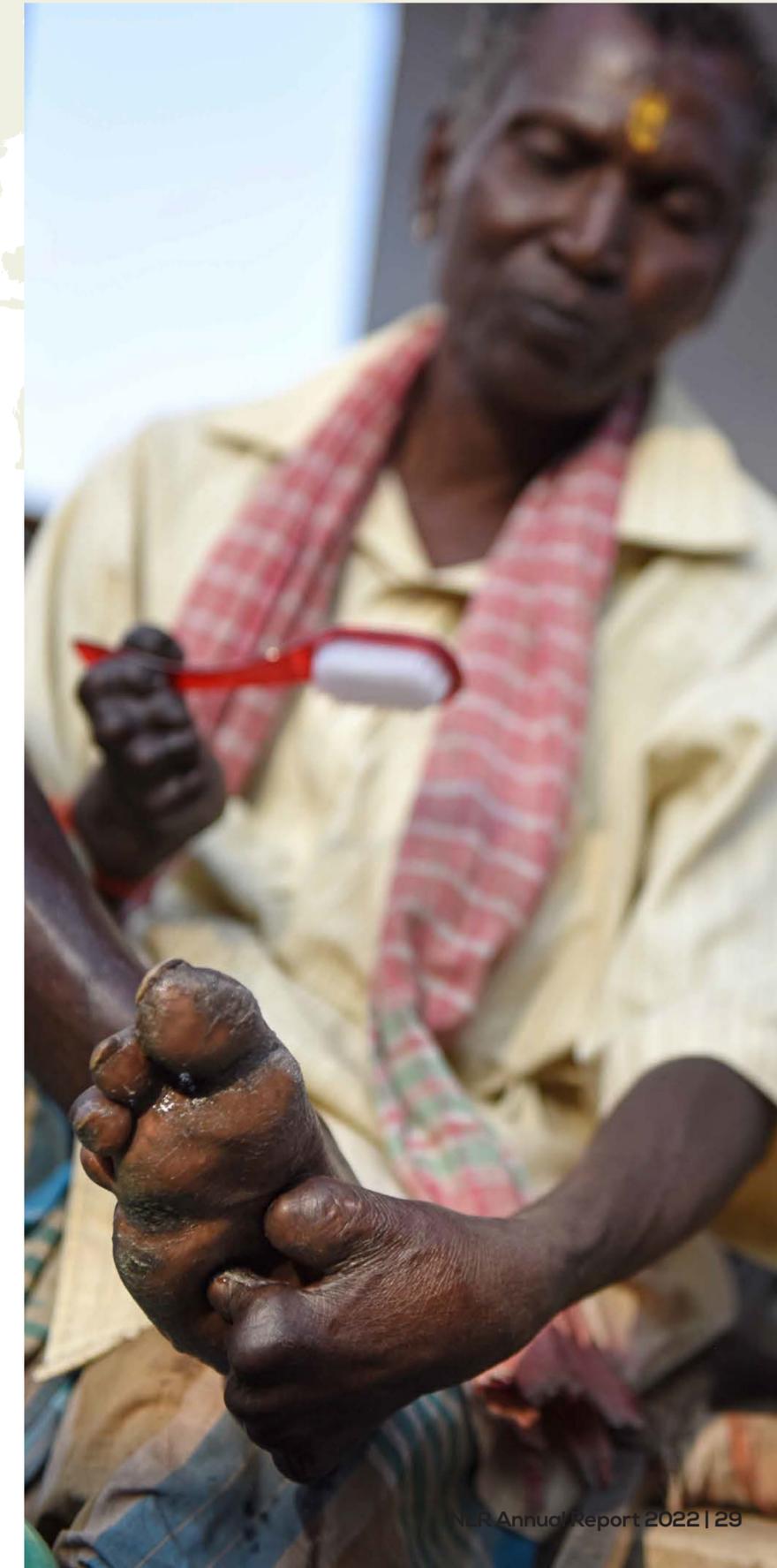
Self-Care Camps in India

In 2022, a total of 20 self-care groups were formed. These groups comprised 475 persons affected by leprosy and 86 persons with lymphatic filariasis. Staff at these groups were all trained in self-care practices. The number of health staff trained on self-care and nerve and muscle testing in this project was 175. A total of 263 community health volunteers were trained on the identification of disabilities due to leprosy and lymphatic filariasis.

Improvement in the condition of skin sores (ulcers) can be taken as an indicator of persons practising self-care. During 2022, a total of 116 persons affected by leprosy reported having ulcers in these self-care groups. But thanks to the self-care they practiced, ulcers healed in 95 (82%) of the group members.



A total of 57 members of community-based organisations and representatives of Panchayati Raj Institutions were also trained on the identification of disabilities caused by leprosy and lymphatic filariasis. In this project, one component was to facilitate reconstructive surgery for persons with a disability due to leprosy by counselling on the procedure. In 2022, NLR in India facilitated 51 persons with disabilities to undergo reconstructive surgery. Also, 455 persons with a disability were supported to receive assistive devices such as mobility aids.



Zero Exclusion



Our Focus

Persons affected by leprosy are often deprived of fundamental human rights, excluded from social and economic community activities, and cannot access basic medical services. NLR focuses on addressing multiple factors that contribute to this unfortunate situation, including discriminatory laws and regulations, barriers due to impairments caused by the disease, and stigma coming from family, community members, and even health workers. Moreover, persons affected by leprosy often experience feelings of low self-esteem and self-worth, which only further exacerbates their isolation. NLR therefore also pays attention to other interconnecting social factors that may exacerbate exclusion, such as gender, ethnicity, poverty, and lack of education.



Eduardo

“I see that our minds are open, we can see something when it is not done well, and it harms the rights of people with disabilities.”

What we do

In 2022, NLR alliance members continued to support leadership trajectories of persons affected by leprosy and strengthen their groups and associations to further drive change. We aim to expose and remove structural barriers to persons affected by leprosy and aid them in exercising their power. NLR has also engaged partner organisations and social actors to work towards disability-inclusive community models. In addition, we supported economic and business development initiatives to break the vicious cycle of leprosy, poverty, and exclusion. We also intensified our presence in (online) media to raise awareness of leprosy and its consequences, share anti-discrimination and advocacy messages, and offer a platform to persons affected by leprosy. Groups and organisations of persons affected by leprosy often work closely with more general organisations of persons with disabilities. This enhances the impact of advocacy and lobby efforts for more inclusive laws and policies.

Zero Exclusion

Flagship Projects

“ I know that it is very difficult for us to accept each other, first of all, to accept our condition and accept how others look at us. This is a disease that is historic and is carried with prejudice and a lot of bad things. But we have to change this view. And if we don't start with ourselves, the ones who are affected by leprosy, how do we expect others who are not affected to see it differently? First, we have to come to understand that it is a disease. It has treatment, it has a clinical cure, but we have to change our internal view of it.”

Tiago (30), India

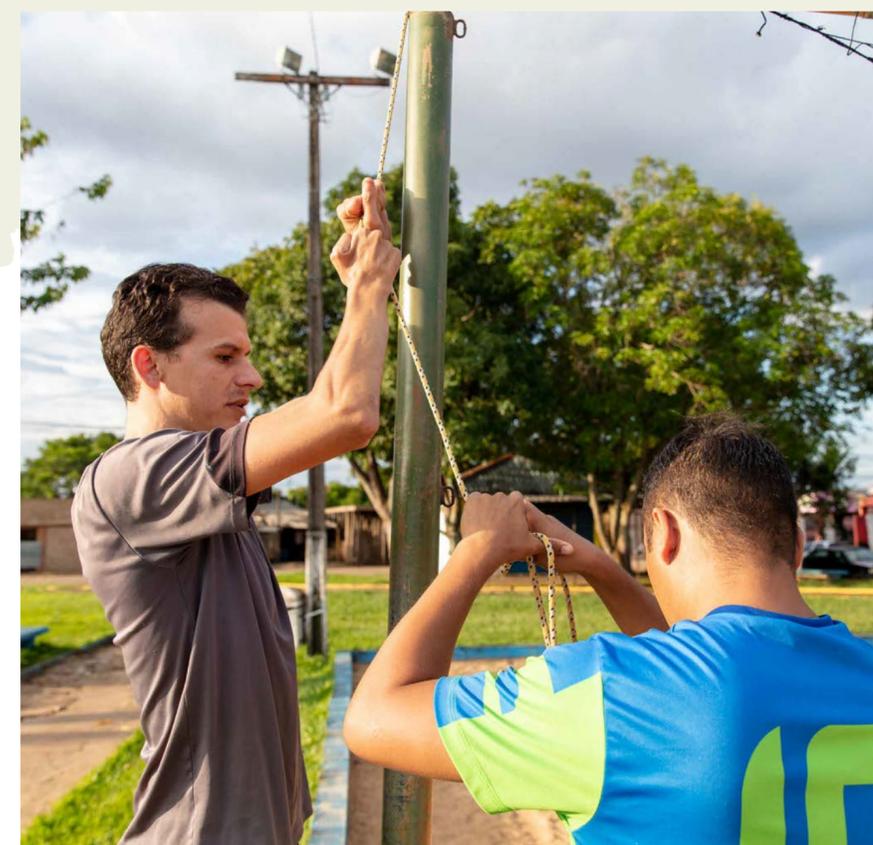


Local Inclusive Development in Brazil

The Inclusive Development project in Brazil addresses the needs of persons affected by leprosy at the local level. The project aims to work in a multisectoral approach, improving the linkage between the Ministries of Health and Social Affairs at the municipal level. Persons affected are organised in groups and receive psychological support, which became even more important during the COVID-19 pandemic. They often encounter difficulties to earn a living and are therefore trained to develop economic activities such as making and selling bio jewellery.

They are empowered and informed about their rights and how to stand up to defend these rights. With support from the Ministry of Health, an (online) Empowerment and Self-Care Guide with practical activities for the group coordinators has been published. This guide is also based on NHR Brasil's experiences with such groups.

Raising awareness and disseminating accurate information is crucial—not only for persons affected by leprosy, but also for other community members and local authorities who must assume their responsibilities. In Sobral, Brazil, a local football team was enlisted to assist in strengthening community education efforts. The local government body responsible for coordinating human rights and the local Council of Persons with a Disability responded by including needs of persons affected by leprosy in their advocacy. Leprosy and its consequences were mentioned for the first time as a point of attention in a local decision-making forum.



Zero Exclusion

Flagship Projects

Towards Inclusion at National Level

In **Brazil**, we contributed to medical guidelines for the Ministry of Health, which were launched in 2022. These guidelines include the need to address stigma and discrimination, as well as to set-up strategies to improve the mental well-being of persons affected by leprosy.

In addition, NHR Brasil developed a leadership course to train leaders of groups and networks of persons affected by leprosy and other NTDs to improve their advocacy skills. NHR Brasil further facilitates their participation in a yearly forum that is part of the national Tropical Medicine Congress. In 2022, these group asked to attend the event for the first time and presented a declaration that included their demands on improving the lives of persons affected by leprosy to the president of the congress. Some weeks later, the congress president was nominated as the new Minister of Health for Brazil.

In **Indonesia**, we developed partnerships with Indonesia's national disability networks to bring the challenges faced by people affected by leprosy to the government's attention. In July 2022, the disability network FORMASI, in collaboration with NLR Indonesia, submitted a report to the national government citing specific challenges faced by persons affected by leprosy. NLR Indonesia was asked by the Ministry of National Development Planning to assist the provincial governments in developing regional action plans for persons with disabilities and help ensure that persons with disabilities due to leprosy be involved.

In **India**, NLR India—as national coordinator of the International Federation of Anti-Leprosy Associations (ILEP) and in collaboration with the Association of People Affected by Leprosy (APAL)—has been active against discriminatory laws towards persons affected. NLR India submitted official requests at the national and state level to repeal these existing laws. A positive response in terms of taking action has been received from six out of 20 states. Currently, India still has 95 discriminatory laws that the joint ILEP members continue to advocate against.



Our Impact in Numbers

To understand the progress towards zero leprosy and further enhance our impact, we monitor and evaluate our projects. We use a set of standard indicators and several customised indicators that enable us to gauge the implementation of our projects and the achievement of our targets and milestones. We complement these indicators with qualitative information to understand how our actions truly change services, policies, behaviours, and attitudes. We aim to further expand our capacity and the quality of our monitoring and evaluation system and continuously use the information gathered to shape our future actions.

New leprosy patients are detected and reported both by health workers trained by NLR and employed in health systems and by specific activities conducted by NLR and its partners. In 2022, in most countries we have seen a slight increase in the number of detected leprosy patients, after the decline in 2020 and 2021 which we had attributed to the impact of COVID-19 on health systems during those years. The increase in patients reflects the reactivation of health care services, the increase of trained healthcare providers in health facilities, and the active case-finding approach in community campaigns. One of the key strategies we are promoting to stop the transmission of leprosy is the adoption of SDR-PEP as an integral part of leprosy programmes. In 2022, we have intensified our support to health authorities in endemic areas to identify and screen contacts of leprosy patients.

This has led to a higher number of **contacts who received SDR-PEP** and **the introduction of SDR-PEP in new areas** (districts, provinces, municipalities). The expansion has been limited by the challenges of many countries to ensure availability of the necessary drugs to prevent and treat leprosy. Production and distribution of drugs remain a global issue due to the lack of raw materials and the contraction of logistic services in past years.

We focus on **training health workers** to improve their competencies and their ability to provide quality services. In 2022, we trained 4.730 health staff in leprosy diagnosis, treatment, and SDR-PEP, and 543 to prevent disabilities of persons affected by leprosy. We have sensitised 5.030 health staff to issues of stigma.

We also work to **engage** locally relevant organisations, communities, and institutions (**local actors**). For example: self-help groups,

Organisations of People with Disabilities, media, and village committees. We sensitise them to issues of stigma and support them in taking action **to voice the rights and concerns** of persons affected by leprosy so that they can contribute to more inclusive societies. In 2022, more groups involving persons affected by leprosy could gather again in-person in group settings, and new ones could be activated and supported by NLR. Naturally, improving the socio-economic participation of those affected by leprosy is an important part of our Zero Exclusion initiative. We consider equal participation in society as a basic human right. We monitor this by keeping track of how many persons affected by leprosy **improved their socioeconomic situation**. Thanks to advocacy efforts of different actors and NLR, persons affected by leprosy were able to attend schools and access services, loans, and agricultural inputs.

Zero Transmission



33.734

Newly detected leprosy patients in NLR intervention areas



1.609 children

Among those new leprosy cases



308.105

Contacts received SDR-PEP in 257 areas



4.703

Health staff trained on leprosy



Zero Disability



543

Health staff trained on prevention of disabilities due to leprosy



Zero Exclusion



1.066

Local actors better voicing concerns and needs of persons affected



5.030

Health staff sensitised on stigma



3.237

Persons affected with improved socio-economic situation



Partners and Collaborations

To achieve Zero Leprosy, collaboration with various partners is vital. NLR plays a significant role in the following partnerships, which make substantial contributions to our mission.

Infolep and InfoNTD

[Infolep](#) and [InfoNTD](#) are two online platforms for leprosy and NTD professionals, making knowledge and information more easily accessible. Infolep, focusing on leprosy, contains over 31,400 publications and attracted 40,800 unique visitors from all over the world in 2022, an increase of 28% compared with 2021.

InfoNTD is a one-stop platform that covers cross-cutting issues in neglected tropical diseases (NTDs). Continuously growing, and attracting over 42,900 unique visitors in 2022, the InfoNTD portal offers access to more than 6,400 publications, most of which are open access.

In 2022, a practical tools portal was developed on both platforms. This portal aimed to share training materials, information leaflets, and other free non-scientific tools with a bigger audience. NLR supports the mission of both portals by managing and housing the Infolep and InfoNTD team, and by financially contributing to both portals.

Leprosy Research Initiative (LRI)

The [Leprosy Research Initiative \(LRI\)](#) plays a key role in strategically funding leprosy research, strengthening research capacity, and facilitating uptake of research findings into policy and practice. NLR was a founding partner of the Initiative in 2013 and has remained a strong partner ever since. The CEO of NLR is also the Director of LRI and chairs the Executives Group, LRI's highest decision-making body; NLR's Medical Director is also a member of the Steering Committee; and NLR's Supervisory Board oversees the proceedings of the LRI. In 2022, a total of 24 ongoing and seven new research projects from various countries received funding support, including several NLR research groups. At the end of 2022, a new research capacity strengthening grant was launched that aimed to support early career researchers. The annual LRI Spring Meeting was organised as a virtual event, with 195 participants from 48 countries. LRI organised a data analysis workshop in Nepal, where NLR was represented by participants and tutors.

World Health Organization (WHO)

NLR values its fantastic and long-lasting collaboration with the WHO. In 2022, NLR's Medical Director continued his work on technical guidance based on proceedings from the WHO Task Force on Criteria for Elimination of Leprosy. A success of this Task Force is the design of the Leprosy Elimination Monitoring Tool, which was presented at the International Leprosy Congress (ILC) in Hyderabad, India. NLR helps the WHO in making this tool more broadly available and user friendly for leprosy programme managers and technical staff in endemic countries. Furthermore, the NLR SkinApp has been adopted by the WHO and will be merged into the WHO Skin NTD App—an incredible result that shows how much we value our relationship with the WHO!

Global Partnership for Zero Leprosy (GPZL)

The [Global Partnership for Zero Leprosy \(GPZL\)](#) is a coalition of organisations and individuals committed to ending leprosy. Because of the wide representation of stakeholders, GPZL plays an important role in lobbying for the strengthening of leprosy programmes through collaboration, innovation, and increased resources. NLR staff is part of the Leadership Team, taking part in activities across GPZL's pillars of Country Partnerships, Advocacy, and Research. Since 2021, LRI's coordinator has worked as a consultant to the Global Partnership to support implementation of the research agenda.





International Federation of anti-Leprosy Associations (ILEP)

[ILEP](#) is a key international player on the road towards Zero Leprosy. NLR staff plays an important role within ILEP: the NLR CEO is part of the ILEP CEO group, NLR's medical director chairs the ILEP Technical Commission (ITC), and several NLR staff are members of working groups within the ILEP. Other senior NLR staff liaise closely with ILEP member colleagues regarding availability of medicines, leprosy programmes, fundraising, and communication. NLR has shared its expertise by supporting other ILEP partners on request to help implement SDR-PEP, develop joint proposals, assist with medical technical support, or facilitate training sessions. We are also proud to announce that NLR is taking the lead in two new ILEP-funded projects that started in 2022: Lift Leprosy Learning (2022-2025) and From Words to Action. NLR is also taking part in a third new joint ILEP project: Global Leprosy Mapping Initiative.

Dutch Coalition for Disability in Development (DCDD)

NLR's Head of Fundraising and Communication is a board member of the Dutch Coalition for Disability in Development (DCDD). This Coalition encompasses more than 20 organisations and professionals who lobby the Dutch Ministry of Foreign Affairs for better policies about the inclusion of people with disabilities, including those affected by leprosy.

Dutch Global Health Alliance (DGHA)

The Dutch Global Health Alliance is a network of Dutch NGOs working together on matters of global health. The Alliance and its members are dedicated to raising awareness surrounding the need for more concerted global health action. They also focus on working towards concrete policy options for the Dutch government, which will contribute to stronger health systems worldwide. Since its inception, the Dutch Global Health Alliance has been advocating for the Netherlands to adopt a global health strategy. The Dutch Ministry of Foreign Affairs recently released the first draft of its Dutch Global Health Strategy 2023-2030: "Working together for health worldwide". This draft is the first step taken by the Netherlands to strengthen the country's approach to global health. NLR, as part of the DGHA, will continue to monitor the development of the Dutch Global Health Strategy.

Coalition for Operational Research in Neglected Tropical Diseases (COR-NTD)

COR-NTD is a community of researchers, country partners, and programme implementers with the mutual goal of promoting research to optimise the control and elimination of NTDs. COR-NTD is funded by the Bill and Melinda Gates Foundation, USAID, and UK Aid and is a programme of the Task Force for Global Health. It funds operational research projects on NTDs. NLR received funding from COR-NTD for projects in Mozambique and India. In the annual COR-NTD meeting, NLR played an active role in presenting research results and practical tools.

The NTD NGO Network (NNN)

The NTD NGO Network (NNN) is a global forum of over 80 organisations working towards the control, elimination, and management of consequences of NTDs as outlined in the WHO's NTD Roadmap 2021-30. NLR staff members actively participate in the NNN's cross-cutting working groups, including the DMDI (Disease Management, Disability, and Inclusion) Group and the Skin NTD Cross-Cutting Group. In September 2022, NLR presented lessons learned with other NTD partners during the 13th Annual NNN Conference in Kathmandu, Nepal.

Erasmus MC

NLR has a longstanding research partnership with Erasmus MC that includes collaborations on major international studies on leprosy prevention such as COLEP and LPEP. Their ongoing work includes joint efforts on the "Stop the Transmission of Leprosy! Project (PEP++)", the PEP4LEP project, leprosy incidence modelling, and the mapping of persons affected by leprosy. Erasmus MC also provides dermatological expertise for the NLR SkinApp. Additionally, NLR and Erasmus MC collaborate to build the capacity of international PhD students in the field of leprosy.

Highlights



1.

Enhanced preventive treatment in Brazil, India, Nepal, and Bangladesh

The biggest achievement for the [Stop the Transmission of Leprosy! \(PEP++\)](#) project in 2022 was the start of the randomised controlled trial of the enhanced post-exposure prophylaxis regimen in all countries involved.

After an extensive preparation phase, the project is now well underway. Contacts of persons affected by leprosy receive the newly enhanced preventive treatment (PEP++), which is expected to have an even stronger protective effect than [SDR-PEP](#).



2.

India: Scale-up call-centre-based follow-ups of leprosy patients

NLR India celebrates the successful scale-up of call-centre-based follow-ups of leprosy patients still under treatment. The state government of Rajasthan plans to support this initiative further with approval from the government of India. As a result, monitoring of the treatment no longer needs to take place in a health centre, which significantly increases efficiency.

Dr Ashok Agarwal, CEO of NLR India, shared his thoughts on the achievement, saying: *"The sustainability of any programme increases once it is owned by the government. In this case, the government has not only accepted the model, but they are also putting the model into practice through their own system and budget."*

3.

Mozambique: Earlier detection through health workers

As a result of health worker training sessions provided by NLR projects, health workers in peripheral health facilities now can more accurately refer people they suspect of having leprosy to advanced forms of medical care. As a result, the capacity to diagnose leprosy has increased, meaning more people are diagnosed and treated in time. This is in large part due to the interventions linked to our preventive implementation project: [Ready4PEP](#).



4.

Brazil: In defence of democracy and rights for neglected populations

After two years of virtual meetings due to the COVID-19 pandemic, the 7th Brazilian Social Forum for Confronting Infectious and Neglected Diseases brought together leaders from various organisations and social movements to highlight the rights of people and communities affected by diseases like leprosy.

In addition to NHR Brasil, the Forum is held with the support of Doctors Without Borders in Brazil, Drugs for Neglected Diseases initiative (DNDi), Universities Allied for Essential Medicines (UAEM), Cuida Chagas, Federal University of Ceará (UFC), Federal University of Bahia (UFBA), the University of the State of Pará (UEPA), and the Ministry of Health of Brazil.

5.

Nepal: NLR Nepal started as a fully functioning national NGO

In December 2021, NLR Nepal completed the transition process in full and signed the first collaboration agreement with NLR in our Alliance! As per January 1, 2022, NLR Nepal is the first national NGO with its own board and registration independent from NLR in the Netherlands.

As the chair of the board of NLR Nepal, Mr Prakash Wagle says, *"We are independent, but at the same time I look at NLR as interdependent NGOs working together towards the same goal within an alliance. After thorough preparations in the past five years, this is a great step for all of us. I am very happy to be part of it!"*



6.

NLR Indonesia strengthens ties with the Leprosy Mission Australia with new projects

NLR is currently transitioning into an alliance with national NGOs. This also means that these NGOs take more responsibility related to diversification of fundraising and financing of leprosy activities. On that note, it was extremely encouraging to see NLR Indonesia sign contracts with the Leprosy Mission Australia for two projects:

- Leprosy Friendly Village: Ensuring Community Participation in Leprosy Case Finding
- Urban Leprosy: Increasing Health Seeking Behaviour on Leprosy



7.

Showcasing NLR projects at international congresses and conferences

In September 2022 and November 2022, NLR was present at the Global Conference on Neglected Tropical Diseases in Kathmandu, Nepal, and at the International Leprosy Congress in Hyderabad, India. NLR was an active contributor at both events. For example, our organisation gave (keynote) presentations, set up an information booth, organised side meetings, and hosted conference sessions. Early career researchers from Mozambique, Nigeria, Ethiopia, Tanzania, India, Brazil, Nepal, Bangladesh, and Indonesia — who are involved in NLR research projects such as “Stop the Transmission of Leprosy! Project (PEP++)”, PEP4LEP, and Ready4PEP — were there to present their work. In addition, the WHO Leprosy Elimination Monitoring Tool, which was developed by the WHO with joint support from NLR, was presented in Hyderabad.

8.

PEP4LEP skin camps enable timely diagnosis and treatment

In Ethiopia, Mozambique, and Tanzania, skin camps were combined with the distribution of preventive medication for leprosy (SDR-PEP) in hopes of increasing the health impact and efficiency. The effects of these skin camps are being studied as part of the PEP4LEP project. Half of the visitors of skin camps in these countries were suffering from skin diseases; these were people who were otherwise not likely to be timely diagnosed and treated. Since the start of the PEP4LEP skin camps, 166 new leprosy patients were detected. Over 13,000 people received preventive medication for leprosy after their skin was screened during these community events. The project is funded by the European & Developing Countries Clinical Trials Partnership (EDCTP) and supported by the European Union and the Leprosy Research Initiative.

9.

Donor meetings in the Netherlands

In April 2022, NLR organised donor meetings to inform our donors and show our appreciation for their support towards a world free from leprosy and its consequences. In the Central Museum in Utrecht, we informed donors of current leprosy-related issues and updated them on progress relating to specific projects they have contributed to. After two long and often strenuous years dominated by COVID-19, it was great to meet our donors in-person again and hear their thoughts about why our cause is so important.



10.

Thanks to all our supporters, partners, and donors

In 2022, we reconnected with colleagues, partners, and donors in real life and restarted fieldwork and research projects.

To be more specific, we welcomed 6,000 new donors in the Netherlands in 2022. Now, a total of 46,500 individual donors support and amplify our work towards a leprosy-free world. Loyalty from all our supporters enables NLR to keep working towards a world without leprosy and its many consequences.

On behalf of all persons affected by leprosy, NLR staff members, NLR's trusted partners, and NLR as a whole, we thank you from the bottom of our hearts for all your continued support. With your trust and collaboration, we can continue until **No Leprosy Remains.**

Our Organisation





Achieving Zero Leprosy requires a solid, goal-oriented organisation that allows flexibility to change when necessary. We were able to support and stay connected with persons affected by leprosy during the second year of the pandemic. This was made possible through the dedication and hard work of our office and field staff, NLR's Supervisory Board, donors, volunteers and partners. We are very proud of their resilience, expertise and perseverance. In most countries we worked mainly from home. This was another year in which we achieved results and kept our eyes on the goal of a world free from leprosy and its consequences.

“We aim for the day that the world will celebrate Zero Leprosy, that wonderful day when NLR will close shop, mission accomplished!”

Staff Composition

NLR's international office is based in Amsterdam, the Netherlands, where at the end of 2022 our staff comprised 37 employees (33 full-time equivalent) and 100 volunteers. In 2022, the management and implementation of activities was delegated to four professional country offices located in Mozambique (17 employees), India (80 employees), Indonesia (58 employees), and Brazil (48 employees). NLR Nepal (49 employees) was part of the alliance as an independent member. Altogether, 252 people are employed through NLR.

Sickness Absence Rate

The national average absence rate in the Netherlands in 2022 was 5.0%. NLR's target maximum is set at 4.1%. The overall absence rate in 2022 was 5.6%, a decrease from 9% in 2021.

Four employees dealt with long-term sickness due to various reasons, which accounts for more than 90% of the total sickness absence. This high rate of long-term sickness absence has been monitored closely by HR and management.

In December 2022, we also started (on a voluntary basis) a Periodic Medical Examination (PMO) for our staff. The purpose of this examination is to prevent or reduce potential employee health risks, thereby increasing mental and physical well-being.

Working Place and Conditions

During the first quarter of 2022, we were still facing certain obstacles brought on by the COVID-19 pandemic. Luckily, COVID-19's impact in 2022 was less severe than in previous years, and hybrid working was progressing seamlessly. The “work from home” arrangement has been adapted to suit our new situation as of 2022.

Plans for related changes to the office and new ways of working are moving forward.



Employee Representative Body

Employee participation in the international office is a great asset for NLR. The Employee Representative Body (PVT) is entitled to advise NLR's CEO on planned changes within the organisation, labour conditions, and any terms of employment that affect more than 25% of staff at the international office.

Through the PVT, employees can influence decisions that are important to them and provide insight to the CEO regarding plans across the organisation. In 2022, the main points of attention included (1) the staff survey and its outcomes, (2) long-term sickness absence, (3) the impact of inflation on staff, and (4) the organisational transition.

The PVT provided advice on a new work-from-home policy, including travel compensation, which became effective in April 2022. Furthermore, the members developed new PVT regulations. The PVT also discussed several organisational developments and focus areas that impact staff with NLR's CEO and the Chair of NLR's Supervisory Board. Finally, a PVT evaluation was shared with all staff at the international office. The outcomes were overall very positive, and feedback was incorporated wherever possible.

Risk Analysis and Control

NLR's alliance members and the departments at the international office conduct an annual risk analysis. This analysis identifies the main threats to (the continuity of) our operations. To mitigate these risks, we identify and implement certain monitoring initiatives. We have systems in place to oversee both our financial progress and the progress of our leprosy projects. In 2022, four quarterly reports have been delivered, all of which were discussed by management and NLR's Financial Audit Committee and shared with the Supervisory Board.

In Control Statement

NLR has conducted a risk assessment by identifying potential risks, evaluating their probability of occurrence, and assessing their potential impact. Management has measures in place to monitor these risks, ensure early warning, and minimise the chance of their occurrence and impact. The Financial Audit Committee and the Supervisory Board expressed confidence that NLR has sufficient influence over the risks identified.

Quality System (ISO)

In October 2020, NLR received the extension of the ISO9001:2015 and the branch-specific ISO 9001:2015 Partos certifications for a further three years. We received the recertification in 2022 with a motivating message from the auditor, who described us as "A self-critical organisation that applies quality processes". The related audit highlighted several opportunities for improvement, all of which were or will be addressed in 2022/2023. A full audit is planned for September 2023.

The Netherlands Fundraising Regulator (CBF)

When a fundraising organisation is recognised by the fundraising regulator, you can trust that the organisation has been closely reviewed. In 2022, NLR supplied data for the Annual Check and Reflection of the CBF. In their Interim Test, the CBF checked whether any circumstances or events required NLR to take action to continue to meet their standards. No deviations from the standards of NLR's accredited scheme have been observed. So, our recognition continues.

General Data Protection Regulation (GDPR)

Adhering to the General Data Protection Regulation is a huge focus for our organisation and a vital part of our day-to-day operations. We have appointed a data protection and privacy officer who monitors any issues that may arise related to data protection. Compliance and security measures we had in place were continued and consolidated in 2022. We ensured that all our suppliers and vendors operate in line with our GDPR. Agreements have been made with new cooperation partners regarding the compliant exchange of data and associated security measures.

One data security incident was reported to the “Autoriteit Persoonsgegevens” due to a hacking at one of our suppliers. The hacked information caused a disruption that impacted the availability of our financial software system, though it could not be linked to any personal data.

IT and Other Investments

Work was carried out to upgrade our financial system from Navision to Microsoft Business Central. We will finish this project in 2023. With this upgrade, we digitised our procurement processes.

Following the COVID-19 pandemic, we have continued hybrid working. Our staff was able to work from home as well as in the office without disruptions. Small investments have been made to ensure our equipment remains up to date

Corporate Social Responsibility

In accordance with the Financial Management of Fundraising Institutions guidelines issued by Goede Doelen Nederland (the Dutch branch organisation for charities), the key goal in the management of our reserves and funds is to responsibly preserve our capital.

In line with our investment policy, we invest exclusively in financial products offered by governments and companies that respect human rights, reject child labour, and manage their operations sustainably.

NLR strives to operate on a carbon-neutral basis. As in previous years, in 2022 our CO2 emissions from air travel, office heating, and printing were compensated by contributions to sustainable energy projects. Total emissions in 2022 amounted to 127 tonnes of CO2, an increase compared to 36 tonnes in 2021. However, emissions in 2021 were heavily influenced by the fact that NLR staff travelled less due to COVID-19 restrictions.





Integrity

We work with vulnerable groups of people who must be treated with respect and dignity. Our donors entrust us with financial resources, which our staff and partners spend responsibly and handle with the utmost integrity. We set quality standards for the integrity policy framework for all NLR alliance members. These standards cover the following:

- The overall integrity policy
- The Code of Conduct
- Complaint and Whistle-blower Policy
- Anti-Fraud and Anti-Corruption Policy
- Policy on Inappropriate Behaviour
- Communication Policy and Crisis Protocol

In 2022, refresher workshops about our integrity policy were organised at the international office in Amsterdam and virtually for other staff. All chairs from the boards of the alliance met the integrity officer in-person in September. The confidential advisor(s) for the international office received no issues to report.

Per December 1, 2022, a new confidential advisor started at NLR.

Governance

Supervisory Board

The Supervisory Board is NLR's highest governing body. It oversees the performance of NLR's CEO, Linda Hummel, as well as our policies and general course of affairs. The CEO is responsible for the organisation's management, and Mrs Hummel is supervised by the Supervisory Board. The division of responsibilities between the Board and management is specified in detail in our bylaws.

Supervisory Board members serve a maximum of two terms of four years each. The Supervisory Board meets the criteria of the Dutch Management and Supervision Act (Wet Bestuur en Toezicht) which, among other things, requires gender diversity. The NLR Supervisory Board comprised three female members and three male members in 2022.



In 2022 the Supervisory Board comprised the following members:

Mr A. van Ojik

Chair

Second term, until 1 January 2024.

- Chair, Window to Russia (Raam op Rusland)
- Chair, Covenant Dignified Livestock Farming (Convenant Dierwaardige Veehouderij)

Mr V. van Slingerland

Chair, Financial Audit Committee

First term, until 31 December 2025.

- Director, Deloitte Accountancy & Advisory B.V.

Mrs E. J. C. Bongers

Second term, until 19 May 2025.

- Executive Board, Beweging 3.0 and RIBW K/AM
- Vice-Chair, Supervisory Board of Dianet.
- Member of the Supervisory Board, Viattence.

Mrs D. M. P. J. Go-Feij

Second term, until 1 April 2023.

- Director and Owner, Caraz Consultancy.
- Member of the Exam Committee Management Studies, NCOI.
- Visiting Lecturer Fundraising, Grant Making & Sponsoring, University of Applied Sciences Windesheim.
- Member of the Board, Vereniging de Hollandsche Molen.
- Secretary of the Board, Teenstra Foundation
- Member of the Board, Stichting Hoormij

Mr M. R. A. van Cleeff

Chair, Technical Committee

Second term, until 1 June 2023.

- Director Van Cleeff Consult.
- Board member, Foundation for the Global Fight Against Tuberculosis.
- Member of the International Union Against TB and Lung Disease.

Mrs N. Tromp

First term, until 18 June 2025.

- Health systems advisor, KIT Royal Tropical Institute
- Member of The Netherlands Society for Tropical Medicine and International Health.
- Associate editor of the academic journal Human Resources for Health



Main activities and decisions of the Supervisory Board

Supervisory Board members were able to resume travel after COVID-19 measures had ended. To attend workshops with the national Supervisory Boards in India and Indonesia as part of the transition audit process, four Board members travelled to our offices in these countries. Three Board members were also able to visit leprosy projects during these visits. Supervisory Board members also joined the September live meetings for the Round Table and Council of Chairs in Amsterdam, which also included (former) staff members.

The Financial Audit Committee met four times to discuss a variety of finance-related issues in preparation for board meetings. Regular financial topics such as annual budgets, quarterly reporting, annual accounts, and updates on our investment portfolio were discussed.

In addition, we also debated our IT-programme, our transition process, and our investments in fundraising. The Technical Committee met twice. These meetings were held to advise the staff and Supervisory Board and to monitor and discuss the efficiency and impact of NLR's expenditure on leprosy programmes and projects.

In its 2022 meetings, the Supervisory Board addressed the following:

- Progress presented by the CEO on the execution of the annual plan and budget were discussed on a quarterly basis. In an extra meeting (and in a September strategy session) the Board also discussed the development of the next multi-annual strategy.

Further activities and decisions included:

- The progress of the transition process was discussed in every meeting. In June, the transition of NLR India and NLR Indonesia to independent national NGOs was approved after the successful completion of a pre- and final audit. In September, the agreement to start this transition process for NLR Moçambique was signed.
- In June, the Board approved the 2021 Annual Report and Annual Accounts of NLR and the 2021 Annual Report and Annual Accounts of LRI.
- In October, the NLR Staff Survey was presented and discussed. An update was also made to the statutes to incorporate new legislation.
- At its December meeting, the Board approved the 2023 Annual Plans and Budgets of NLR and the LRI. In the same meeting, adjustment of the statutes was approved and developments in the Dream Fund project "Stop the Transmission of Leprosy" (PEP++) were discussed.

In December 2022, the Supervisory Board carried out a self-evaluation. In general, the Board is satisfied with the way it operates and continues to strive for a better balance in meetings between receiving information, discussion, and decision making.

Remuneration of the Chief Executive Officer

The Supervisory Board is responsible for NLR's remuneration policy and determines the salary of our CEO. NLR complies with the regulations of Goede Doelen Nederland. Compared to positions of similar complexity and responsibility, the Supervisory Board considers the CEO's current remuneration fair and reasonable.

Furthermore, the Supervisory Board regards the position of NLR's CEO as more than a full-time job. It is a role with great responsibility that requires a high profile and professional performance. Every three years, the Supervisory Board reviews the remuneration of the CEO, with the most recent review having taken place in 2020. The regulation uses three criteria to define the maximum standards for annual income: size, complexity, and organisational context. In total, these criteria led to a total score of 465 points (based on the Basic Score Director position scorecard).

In 2022, this amounted to a maximum average annual income of €148,215 (compared to €141,765 in 2021). Meanwhile, Linda Hummel's annual salary in 2022 was €122,492 (compared to €120,987 in 2021). The combined total of annual income, taxable allowances/additions, pension charges and pension compensation, and other (future) rewards amounted to €148,608, which remains below the maximum allowed in the regulations of €216,000 per year for 2022 (compared to a maximum of €209,000 in 2021).

Name	L. Hummel	L. Hummel
Function	CEO	CEO
Employment	2022	2021
Duration contract	Indefinite	Indefinite
Hours/week	40	40
Part-time percentage	100	100
Period	1/1-31/12	1/1-31/12
Remuneration in EUR	2022	2021
Annual Income		
Gross wages/ salary	109,368	107,220
Holiday allowance	8,749	9,478
End-of-year payment	4,375	4,289
Variable annual income	-	-
Total reward	122,492	120,987
Social security charges (employer's contribution)	10,151	9,474
Pension charges (employer's contribution)	15,965	15,106
Other remuneration	-	360
Total other charges and compensations	26,116	24,940
Total remuneration	148,608	145,927



Progress on Alliance Development

A major step forward in NLR's history took place in 2022: NLR India and Indonesia completed their transition requirements successfully and signed collaboration agreements with NLR in our alliance.

In 2023, both countries will begin to perform their activities as national NGOs with their own Supervisory Board and registration independent from NLR in the Netherlands.

The transition agreements with NLR Moçambique and NHR Brasil were signed in 2022, marking the start of a trajectory to install national governance in these countries as well. Both countries have statutes and a national board in place, and they both elected a Chair of their Supervisory Board.

Our transition into an alliance of national NGOs paves the way to more national ownership and leadership. This shift of power best serves persons affected by leprosy, as each individual office is more capable of adjusting their strategies to national contexts and needs. Together, we keep moving forward, and we all maintain the same mission and vision.

Looking forward

Delays due to COVID-19 are behind us. It is time to accelerate and speed up our projects. For the "Stop the Transmission of Leprosy! Project (PEP++)", in which we test an enhanced preventive treatment (PEP++), it is time to enrol study participants fast and in great numbers. Over the course of the past year, NLR has worked on its new multi-annual strategy (2024-2028). In developing this long-term strategy, we collected input from external stakeholders. Many stakeholders provided direct input to identify NLR's strengths and future focus points. With clear objectives, we know where our organisation is heading and have a decision-making tool in hand to steer our efforts. The WHO described leprosy as one of four neglected tropical diseases to be eliminated within the next generation. That makes our vision of a world without leprosy in 2040 an inspiring and attainable goal to work towards.

We are evolving as an organisation. In the past, we were providing care and cure, after which we developed a strength in research and innovation. And in the future, we must continue to become stronger advocates for leprosy elimination and work even more closely with governments and donors. We must also keep working with and listening to persons affected by leprosy.

Our transition into an alliance with national NGOs is approaching its final phase. NHR Brasil and NLR

Moçambique are taking the necessary steps towards independence. We inspire others with both our approach and our concrete results, helping us to truly shift the power and solve problems where they occur.

Internally, we are retaining and sharing our programmatic and medical-technical skills. And at the same time, we are looking to train beyond the borders of our own organisation and take a leading role within the leprosy sector.

As is a given for most NGOs, NLR works with limited resources and limited time. For that reason, we need a clear focus to make headway towards zero leprosy. Therefore, income diversification is an important development area. We will invest in different—and new—forms of fundraising for each alliance member. External factors may positively influence our quest for financial support. The end of COVID-19 opens the space in national health systems to shift attention to different diseases, such as leprosy. A new president in Brazil may also represent an opportunity to gather donor and governmental support. In any case, we are, and strive to remain, a financially stable organisation able to invest in promising innovations, research, and developments to ensure sustainable results. We work with our hands and minds in the present, but we keep our eyes to the future until **No Leprosy Remains**.



Finances

Result 2022 in short

The annual accounts are a consolidation of the annual accounts of both NLR and the Leprosy Research Initiative (LRI). The total consolidated income in 2022 was €11.6 million (2021: €9.6 million), while €9.8 million was budgeted. Total expenses were €13.4 million (2021: €11.2 million), while €14.1 million was budgeted.

After subtracting the negative result of our financial investments (€1.0 million), the overall negative result for 2022 is €2.8 million (2021: €0.7 million negative result), which was withdrawn from our reserves and funds. We budgeted a negative result of €3.9 million including the budgeted expenditure from earmarked reserves and funds that had been set aside in previous years.

[This chapter provides a summary of our finances. Please see the annual accounts for more information and details.](#)

Financial Highlights

2022: Income

Overall Income

Total income in 2022 was significantly higher than last year and higher than budget. Income from individual donors was equal to budget and higher than last year. Income from legacies was significantly higher than last year. Once again, we were happy to receive our annual contribution of €1.35 million as a beneficiary of the Dutch Postcode Lottery. Our income from other not-for-profit organisations totalled €2.5 million. This was higher than last year but still below budget, as institutional donor income expected for 2022 shifted to the following year due to delays in the execution of projects caused by COVID-19 in early 2022.

Bonds and shares are valued at market value as of the balance sheet date. For listed investments, this is the market price at the balance sheet date. Realized and unrealized increases and decreases in value are recognized through the statement of income and expenditure. We reported an unrealized decrease of €1.0 million in 2022 in our statement of income and expenditure (2021: an increase of €0.9 million).

Fundraising in the Netherlands

In the 2022 budget, we anticipated income from our own fundraising (excluding income from legacies) to increase to €2.9 million. This was achieved as a direct result of an additional investment made in our successful door-to-door donor recruitment campaign. As a result of this campaign, the number of committed donors continued to grow in 2022, thereby strengthening our structural income in the coming years.

Legacies

We budgeted our 2022 income from legacies at €1.6 million based on the analysis of our income from legacies during the last 10 years. In 2022, we received €4.0 million from legacies. The number and the average amount from legacies were higher than in 2021 (€1.9 million).

European and Developing Countries Clinical Trial Partnership (EDCTP)

In 2018, a total of almost €3.2 million was awarded by the EDCTP for the PEP4LEP project. This multi-partner project began its steady implementation (over a period of 52 months) starting on 1 October 2018. On 31 October 2022, EDCTP agreed to extend the duration of this project for an additional 20 months (no-cost extension). In 2022, €490,000 was recognised as income from this grant.





Financial Highlights

2022: Expenditures

Overall Expenditure

Total expenditure was slightly below budget and significantly higher than last year, which was again the direct result of the COVID-19 pandemic affecting our work. In 2022, we spent €11.1 million on our objectives, which was 83% of our total expenditure (2021: 82%).

International Leprosy Programmes

To fulfil our mission, we have operations in the Netherlands and nine leprosy-endemic countries. Despite our work being made difficult by COVID-19, we were able to spend €8.7 million on international leprosy programmes, which was below to our budget of €9.3 million.

Information and Awareness Raising

Total expenditure on information and awareness raising initiatives was €0.7 million, while €0.5 million was budgeted. This is higher than last year's expenditure.

Scientific and Operational Leprosy Research

In 2022, €1.7 million was spent on research projects and their associated running costs. Total expenditure was €0.3 million lower than budgeted. But it was significantly higher than the 2021 expenditure of €0.9 million.

Fundraising

Expenditure on fundraising was €1.7 million, whereas we had budgeted €1.8 million. We continued to invest in attracting more committed donors in an effort to secure future growth in fundraising income, which will enable expansion of our leprosy programmes in endemic countries.

Total spending on our own fundraising in relation to total income amounted to 15% (2021: 16%).

Financial Income and Expenditure

The balance of financial income and expenses of invested reserves was €1.0 million negative, mainly unrealised losses. This was a very substantial decrease against budget (€0.4 million positive) and last year (€0.9 million positive). The war in Ukraine, high inflation rates, and increasing interest rates had a very negative impact on our financial investments.

Expenses from our Earmarked Reserves

We spent a total of €1.4 million from earmarked reserves; €0.6 million on investments in our fundraising; €0.3 million on projects in leprosy-endemic countries; €0.2 million on transforming our branch offices into national NGOs; €0.1 million in medical technical capacity building; and €0.1 million on investments in our IT.

Expenses from Earmarked Funds

In 2017, we received €9.4 million from the Dutch Postcode Lottery for our Dream Fund: "Stop the Transmission of Leprosy! Project (PEP++)". The funds that remained unspent at the end of 2017 were placed in an earmarked fund. While the project was initially planned for a five-year period in three countries with coordination in the Netherlands, the Postcode Lottery agrees with the fact that the project takes longer than initially planned.

In 2022, activities were planned for a total budget of €1.7 million. A total of €1.6 million was spent, compared to €1.4 million in 2021. Earmarked funds at the end of 2022 amount to €2.0 million, which are due to be spent in 2023 and beyond.



Special Notes

Consolidated Annual Accounts

The Leprosy Research Initiative (LRI) was registered as a foundation under Dutch law on 1 June 2015. The LRI represents a unique model of cooperation and coordination in the funding of leprosy research. Partners of LRI include American Leprosy Missions (ALM), the German Leprosy Relief Association (GLRA), The Leprosy Mission International (TLMi), Damien Foundation, the Anesvad Foundation, and NLR. Together, these organisations remain committed to the fight against leprosy—and for that reason, they have combined their funding for leprosy-related research in the joint LRI fund. NLR manages LRI operations, implementing the decisions of the LRI Executives Group as they are overseen by the NLR Supervisory Board. The LRI and NLR Annual Accounts have therefore been consolidated.

Reserves Policy

NLR has drafted a reserves policy to ensure the continuity of our work and set aside funds for the future. This policy identifies three categories: continuity reserves, earmarked reserves, and earmarked funds.

Continuity reserves cover risks in the continuity of the organisation and help ensure it can meet its future obligations. According to the guidelines of the Dutch Charities Branch Organisation (Goede Doelen Nederland), this reserve can be a maximum of 1.5 times the annual organisation costs. NLR aims to have continuity reserves of between 0.5 and 1 times the annual costs of the organisation's work.

Earmarked reserves are funds that are set aside and approved by the Supervisory Board for specific purposes to spend in years ahead. The balance of the earmarked reserves is re-evaluated and redetermined by board approval on a yearly basis.

Earmarked funds are funds received from a third party to be used for a specific purpose in the future. They are therefore earmarked to be used for this purpose only.

Investment Policy

Our investment policy prescribes investments in sustainable, socially responsible, and low-risk bonds as well as in sustainable, socially responsible shares. The investment horizon is limited to 31 December 2040, and is in line with NLR's goal of zero leprosy in 2040. The portfolio has a defensive profile.

The portfolio bandwidth is as follows: shares 10-30%, bonds 50-90%, micro-loans 0-5%, and liquidities 0-50%. The portfolio is managed by Rabobank and the investment manager checks adherence to this policy twice a year. Quarterly reports on our portfolio are shared and discussed with the NLR Financial Audit Committee of the Supervisory Board.

Beyond 2022

Going forward in 2023, NLR continues to generate income by focusing on both individual and institutional donors. The total budgeted income for 2023 is €8.8 million.

To finance our ambitious plans for 2023, we are budgeting a total expenditure of €12.2 million. This will allow us to invest further in our expenditure on objectives and help us strengthen our fundraising income and organisational structure. From this total expenditure, €3.5 million is budgeted to be spent from earmarked reserves and funds.

NLR Budget 2023

This is the approved consolidated NLR 2023 budget. For the separate 2023 LRI budget, please refer to LRI's [annual accounts](#) of 2022.

Income	x €1.000
Income from individuals	4.606
Grants from governments	356
Income from other non-profit organisations	2.464
Income from companies	-
Income from lotteries	1.350
Income from allied and joint non-profit organisations	-
Income from sales of products and services	-
Other income	-
Total income	8.776

Expenses	x €1.000
International Leprosy programmes	8.569
Information and awareness raising	989
Scientific and operational leprosy research	465
Spending on objectives	10.023
Fundraising expenses	1.748
Management and administration	450
Total expenditure	12.221
Balance of income and expenditure	-3.445
Financial Income and Expenses	-50
Balance of income and expenses	-3.495
Destination of the balance of income and expenses	
Additional / Withdrawal from	
Continuity reserve	-
Earmarked reserves	-2.490
Earmarked funds	-1.006
Total mutation of reserves and funds	-3.495

Colophon

NLR (known as Leprastichting), registered under Chamber of Commerce Number 41199723, resides at Wibautstraat 137k, 1097 DN in Amsterdam, the Netherlands.

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until
No Leprosy Remains



NLR Annual Accounts 2022

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Summary of Finances

These are NLR and LRI's consolidated annual accounts for 2022.

Summary of Consolidated Statement of Income and Expenditure

Description	2022 Actuals	2022 Budget	2021 Actuals
A Total income	11.565.997	9.812.835	9.630.145
B Objectives	11.128.634	11.778.089	9.199.960
C Fundraising	1.703.695	1.820.174	1.577.885
D Management and administration	516.746	507.082	411.221
Total expenditure	13.349.075	14.105.346	11.189.065
Balance of income and expenditure	-1.783.079	-4.292.510	-1.558.920
E Financial income and expenditure	-994.345	400.000	887.295
Balance of income and expenditure	-2.777.423	-3.892.510	-671.625

The total consolidated income in 2022 is above budget. The main contributing factor to this was income from legacies, which totalled €4 million against a budget of €1.6 million.

Total expenditure was below budget, albeit significantly higher than last year. This was mainly due to the ongoing impact of the COVID-19 pandemic.

The financial income and expenditure results were heavily influenced by the war in Ukraine, high inflation, and increasing interest rates.

Financial Ratios

Description	Target percentages	2022 Actuals	2022 Budget	2021 Actuals
1. % Spent on objectives	75%	83%	83%	82%
2. % Fundraising expenditure	20%	13%	13%	14%
3. % Management and administration	5%	4%	4%	4%
Total	100%	100%	100%	100%
4. % Fundraising expenditure of income	25%	15%	19%	16%

In line with the Dutch Accounting Standards Board guidelines for annual reporting (RJ650), ratios are presented as part of the total expenses over the three sections in our Statement of Income and Expenditure. NLR decides which costs are attributed to these categories, provided we apply the method consistently.

The Dutch Charities Branch Association (*Goede Doelen Nederland*) has issued recommendations on the implementation of guidelines to ensure transparency and comparability in our sector. NLR follows these guidelines.

The first three ratios are calculated by dividing the amount spent in the particular section by the total expenditure. The fourth ratio is calculated by dividing the fundraising expenditure by total income raised.

1. Percentage spent on objectives

The total percentage spent on objectives is higher than last year.

2. Percentage of fundraising expenditure

In 2022, NLR continued to invest in our fundraising efforts much as we did in 2021. As a result of higher income from legacies and focus on costs, the total percentage was lower than last year.

3. Percentage spent on management and administration

NLR has set the ratio for expenses on management and administration as 5% of total expenses. We met this ratio in 2022.

4. Percentage of fundraising expenditure of income

The percentage of fundraising expenditure as part of the income raised should not be higher than 25%. However, it should also maintain a certain level ensuring future income and the continuity of our work. In 2022, this percentage was 15%, which came in under budget.

General Information and Accounting Policies

General Accounting Policies

The annual accounts have been prepared on a historical cost basis of accounting and are drawn up with reference to an accounting period of one financial year, which is equal to the calendar year.

These annual accounts have been prepared in accordance with Guideline (*Richtlijn*) 650 for the Reporting of Fundraising Institutions published by the Dutch Accounting Standards Board (*Raad voor de Jaarverslaggeving*). Furthermore, they have been drawn up in accordance with the Guideline for Fundraising Institutions (*Richtlijn Fondsenwervende Instellingen: RJ 650*), part of the standards produced by the Dutch Accounting Standards Board (*Raad voor de Jaarverslaggeving*).

All amounts mentioned are in euro and are compared with 2021 actuals and the 2022 budget.

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

In general, assets and liabilities refer to the amounts at which they were acquired or incurred, or the current value, unless specifically stated otherwise.

Estimates

In applying the principles and guidelines for preparation of the annual accounts, NLR's management uses different judgements and estimates that may be essential for the amounts in the financial statements. Where necessary, the type of these judgements and estimates are mentioned in notes on the relevant financial statements, including the associated assumptions, in accordance with Section 2:362 (1) of the Dutch Civil Code.

Foreign currency

Transactions in foreign currency are converted to euro at the exchange rate on the date of transaction. At the end of the financial year all accounts receivable and liabilities in foreign currency are converted to euro at the exchange rate on the balance date. Exchange rate results have been added to the Statement of Income and Expenditure.

Accounting Policies for the Valuation of Assets and Liabilities

Fixed assets

Fixed assets and prepayments on tangible fixed assets in the Netherlands are valued at purchase price minus cumulative depreciation. Fixed assets in programme countries are expensed.

Depreciation is on a straight-line basis and based on expected economic life, taking residual value into account.

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

Investments

Investments are stated at market value, and an increase in value is added to the Statement of Income and Expenditure. Transaction costs are expensed in the Statement of Income and Expenditure. All securities have been administered by an external agency since 2010 with a mandate in line with the NLR investment policy (updated in March 2020). NLR has a conservative and sustainable investment policy that emphasises risk minimisation. In line with this policy, NLR invests a small percentage of the investment portfolio in shares with a low-risk rating.

To be received country offices

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

Liabilities in our country offices and projects at the end of the year are presented as short-term liabilities.

Cash and cash equivalents

Cash and cash equivalents include cash, bank balances, and immediately accessible savings with a maturity of less than 12 months.

Continuity reserve

A continuity reserve has been formed in accordance with a resolution of the Supervisory Board. The continuity reserve has been drawn up to cover risks in the short-term to ensure that NLR can meet its future obligations. According to the conditions of the CBF certification and the guideline of the Dutch Charities Branch Organisation (*Goede Doelen Nederland*), the continuity reserve should not exceed a maximum of one and half times the yearly costs for operational activities.

Earmarked reserves

Earmarked reserves are funds that are set aside and approved by the Supervisory Board for a specific purpose to be spent in the years ahead.

Earmarked funds

Earmarked reserves are also funds that are set aside and approved by the Supervisory Board for a specific purpose to be spent in the years ahead. Each year, the balance of the earmarked reserves is evaluated and redefined by the Board.

Retirement system

The current retirement system for Dutch NLR employees is arranged by the Care and Welfare Pension Fund (*Pensioenfonds Zorg en Welzijn*). The contributions and premiums are presented as liabilities in the year they relate to.

Accounting Policies to Determine Results

Revenue and expenses in the Statement of Income and Expenditure are allocated to the period to which they relate. A consistent concept is used to determine its proportion: the difference between income generated by contributions and others on the one hand, and the costs and other charges for the year on the other hand.

Unless otherwise stated, income is shown as gross *before* any deduction of associated costs. Any costs necessary to realise certain benefits are presented in the Statement of Income and Expenditure as an expense.

Donations and gifts in kind

This income consists of proceeds from contributions, donations, grants, and other income and is ascribed to the financial year concerned. Donations are accounted for in the year of receipt. Donations and gifts in kind are valued according to a conventional concept of fair value in the Netherlands.

Legacies

Income from legacies is accounted for once the entitlement has been confirmed, reliably quantified, and the ultimate receipt of that amount is judged to be reasonably certain. Advances are recognised in the year of receipt.

Legacies subject to usufruct

Guideline 650 stipulates that any legacies subject to usufruct must be valued. NLR follows the guidelines for valuation of legacies under usufruct as provided by the Dutch Charities Branch Organisation (*Goede Doelen Nederland*).

Employee benefits

Wages, salaries, and social security charges are recorded in the Statement of Income and Expenditure based on the terms of employment.

Interest paid and received

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

Related parties

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

Significant transactions with related parties are disclosed insofar as they are not transacted under normal market conditions. The nature and size of the transaction and other information necessary for giving insight will be explained.

Cost allocation

All expenditures in our annual accounts are allocated towards their respective section in the Statement of Income and Expenditure. NLR distinguishes between (B) total spent on objectives, (C) fundraising expenditure, and (D) management and administration. These distinctions are reported in accordance with the Dutch Accounting Standards Board guidelines for annual reporting (RJ650).

The expenditure in these sections is divided into direct costs and support costs. The latter are charges of general costs made in support of all activities and departments at NLR international. Direct costs are attributed directly.

Costs related to information and awareness raising (section B2) are aimed at promoting public awareness and support for the fight against leprosy, while fundraising costs are focused on the acquisition of income. Where there are joint information and fundraising activities, costs are divided 50/50.

Management and administration costs are allocated in accordance with the guidelines of the Dutch Charities Branch Organisation (*Goede Doelen Nederland*).

Audit expenses are entirely attributed to management and administration, while bank costs that are directly related to fundraising activities (direct debit) are allocated to fundraising expenditure. All other bank costs are allocated to management and administration.

The salary costs for the director, management support, and finance staff that cannot be allocated directly to (institutionally financed) projects are all allocated to management and administration. All other staff in the organisation department are allocated based on a predefined cost allocation key.

A uniform cost allocation key is used for allocation of all non-staff expenditure in the management and administration section: budgeted or actual number of FTEs per department.

NLR Annual Accounts (Singular)

The singular NLR Annual Accounts consist of the Balance Sheet and the Statement of Income and Expenditure. All line items are specified, and variances are explained in the notes to both the Balance Sheet and Statement of Income.

NLR Balance Sheet (Singular)

Description	31 December 2022	31 December 2021
A Tangible fixed assets	61.138	83.102
B Receivables	6.041.663	5.540.753
C Securities	7.840.179	10.867.243
D Cash and cash equivalents	1.510.989	1.118.755
B, C & D Current Assets	15.392.831	17.526.750
ASSETS	15.453.970	17.609.852
E Continuity reserve	4.708.000	4.647.404
F Earmarked reserves	5.656.643	6.666.911
G Earmarked funds	2.028.400	3.634.959
E, F & G Reserves and funds	12.393.044	14.949.275
H Short-term liabilities	3.060.926	2.660.578
LIABILITIES	15.453.970	17.609.852

Statement of NLR Income and Expenditure (Singular)

Description	2022 Actuals	2022 Budget	2021 Actuals
A1 Income from individuals	6.926.664	4.455.086	4.941.977
A2 Grants from governments	489.594	758.971	598.399
A3 Income from other non-profit organisations	1.645.770	2.059.778	1.506.984
A4 Income from companies	-	-	29.567
A5 Income from lotteries	1.350.000	1.350.000	1.350.000
A6 Income from allied and joint non-profit organisations	-	-	-
A7 Income from sales of products and services	2.588	-	3.424
A8 Other income	57.735	33.000	32.124
Total income	10.472.351	8.656.835	8.462.475
B1 International leprosy programmes	8.707.704	9.268.324	7.727.116
B2 Information and awareness raising	756.091	548.490	591.257
B3 Scientific and operational leprosy research	350.000	350.000	350.000
B Objectives	9.813.795	10.166.813	8.668.373
C Fundraising	1.703.695	1.820.174	1.577.885
D Management and administration	516.746	507.082	411.221
Total expenditure	12.034.236	12.494.070	10.657.479
Balance of income and expenditure	-1.561.886	-3.837.234	-2.195.004
E Financial income and expenditure	-994.345	400.000	887.295
Balance of income and expenditure	-2.556.230	-3.437.234	-1.307.709
Destination of the balance of income and expenses			
Addition / Withdrawal from			
F1 Continuity reserve	60.596		299.804
F2 Earmarked reserves	-1.010.268	-1.762.234	-229.191
F3 Earmarked funds	-1.606.559	-1.675.000	-1.378.322
Total mutation of reserves and funds	-2.556.230	-3.437.234	-1.307.709

Notes on the NLR Balance Sheet (Singular)

A. Tangible fixed assets

Description	BOOK VALUE	INVESTMENTS	DEPRECIATION	BOOK VALUE
	31-12-2021	2022	2022	31-12-2022
A1 Office inventory	39.846	0	15.902	23.944
A2 Office installations	14.462	0	5.005	9.457
A3 Hardware and software	28.794	17.532	18.589	27.738
A Tangible fixed assets	83.102	17.532	39.495	61.138

Description	PURCHASE VALUE 31-12-2022	CUMULATIVE DEPR. 2022	PURCHASE VALUE 31-12-2021	CUMULATIVE DEPR. 2021
A1 Office inventory	354.998	331.054	354.998	315.152
A2 Office installations	70.832	61.376	70.832	56.371
A3 Hardware and software	394.932	367.194	377.400	348.606
A Tangible fixed assets	820.762	759.624	803.230	720.128

Limited investments were made in 2022, including upgrading financial software and replacing laptops.

B. Receivables

The balance of prepaid amounts and amounts to be received is shown under B Receivables. All receivables are due within one year.

Description	31 December 2022	31 December 2021
B1 Debtors	6.783	15.769
B2 Legacies to be received	3.450.217	2.475.825
B3 Other amounts to be received	1.368.090	1.515.058
B4 Prepaid amounts	83.075	47.671
B5 To be received country offices	1.133.499	1.486.430
B Receivables	6.041.663	5.540.753

There were a few invoices outstanding to be paid by our debtors at the end of 2022.

The legacies to be received are expected, but not yet received, income. This income is accounted for once the entitlement has been confirmed, reliably quantified, and the ultimate receipt of that amount has become reasonably certain. At the end of 2022, around €3.4 million was to be received in 2023 or later.

Other amounts to be received are mainly from the Dutch Postcode Lottery (€1.35 million) for their annual contribution.

Several invoices from 2022, including office rent and income tax, have been paid in advance for costs applicable to 2023.

To be received country offices refer to the balances of cash, bank, and receivables held in our country offices at the end of the financial year. Around €0.9 million of the total balance relates to cash in bank accounts in country offices, a decrease in comparison to 2021 (€1.3 million).

C. Securities

Those reserves and funds, which are held for continuity or will be spent over the coming years, are invested in our security portfolio. All securities have been administrated by an external agency since 2010. The portfolio investments are in line with the NLR investment policy, which prescribes investments in sustainable, socially responsible, low-risk bonds and stocks. The market value of the portfolio is based on the known market prices for the specific bonds and shares in the portfolio at year's end. The composition and results of the portfolio are as follows:

Description	31 December 2022	31 December 2021
C1 Bonds	6.149.784	7.417.076
C2 Shares	1.520.034	3.059.374
C3 Cash	170.362	390.792
C Securities	7.840.179	10.867.243

The decrease in the balance of the investment account is a direct result of the negative investment result over 2022. This is coupled with minus cash withdrawals made during the year for financing project activities from earmarked funds.

Description	2018	2019	2020	2021	2022
C1 Bonds	7.618.000	7.200.585	6.802.092	7.417.076	6.149.784
C2 Shares	2.582.000	3.492.000	3.291.445	3.059.374	1.520.034
C3 Cash	2.079.756	2.037.297	1.100.978	390.792	170.362
C Securities	12.279.756	12.729.881	11.194.515	10.867.243	7.840.179

In addition to the shares and bonds, cash is held within the security portfolio and additions are bought from this account. All securities are freely available to NLR.

Revenues from securities are classified as financial income and are detailed in section E of our Statement of Income and Expenditure.

D. Cash and cash equivalents

Cash and cash equivalents are cash and bank balances in the Netherlands held by the NLR office in Amsterdam. At year end, NLR holds current accounts at ING and Triodos.

Description	31 December 2022	31 December 2021
D1 Cash	285	1.193
D2 Current accounts	1.510.703	1.117.562
D Cash and cash equivalents	1.510.989	1.118.755

At year end in 2022, our cash position is significantly higher than last year. Funds that are not directly needed are preferably held in our security portfolio rather than in our saving accounts, where almost no interest is received over the outstanding balance.

E., F., and G. reserves and funds

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

Description	2021 31 December	2022 Additions	2022 Withdrawals	2022 31 December
E Continuity reserve	4.647.404	60.596		4.708.000
F Earmarked reserves	6.666.911	429.626	1.439.894	5.656.643
F1 Investments	3.077.149	429.626	1.439.894	2.066.880
F2 Projects	3.589.763	-	-	3.589.763
G Earmarked funds	3.634.959	-	1.606.559	2.028.400
G1 Earmarked Fund NPL	3.634.959	-	1.606.559	2.028.400
E, F & G Reserves and funds	14.949.275	490.222	3.046.453	12.393.044

E. Continuity reserve

The continuity reserve covers risks in the continuity of the organisation and ensures that it can meet obligations in the future. According to the guidelines of the Dutch Charities Branch Organisation (*Goede Doelen Nederland*), this reserve can amount to a maximum of 1.5 times the annual organisational costs. NLR aims to keep a continuity reserve of between 0.5 and 1 times the yearly costs of the organisation, including personnel costs, rent for the Amsterdam office, other office and administration costs, and fundraising costs.

The total cost of the work in our 2023 budgets is €4,708,000 (compared to a 2022 budget of €4,647,000). With a ratio of 1.0, this equals the desired maximum of the continuity reserve, and therefore, an addition of €60,596 was made towards the continuity reserve at the end of 2022.

F. Earmarked reserves

Earmarked reserves are reserves set aside for specific purposes approved by our Supervisory Board. At year end in 2022, NLR had two earmarked reserves:

F1. Investments (€2.1 million)

The total withdrawal in this reserve is €1.4 million and consists of investments and capacity building. The largest investments in 2022 included our fundraising programmes (€594k), the development of a Major/Middle Donor programme (€135k), transition of the country offices (€128k), technical capacity building (€93k) and the Knowledge Management and Collaboration project (€44k).

In line with our reserves policy, after allocating designated expenditure in all earmarked reserves and funds, the total balance of €0.4 million is added to the investment reserve. At year end, the balance of the investment reserve is €2.1 million, all of which is allocated to the budget for 2023.

F2. Earmarked reserve for projects (€3.6 million)

NLR's reserve policy is linked to the long-term relationship with our country offices and alliance partners. We want them to be able to rely on NLR to fulfil its commitments. Therefore, we hold an earmarked reserve for project funding over the coming years. No extractions or additions have been made for 2022. As a result the balance remains €3.6 million, which equals 60% of the total 2023 country budgets.

G. Earmarked funds

In 2017, the Dutch Postcode Lottery awarded €9,375,000 to NLR for its 'Stop the Transmission of Leprosy' Dreamfund Project. Funds that remained unspent in 2017 were transferred to an earmarked fund. The project was initially planned for a five-year period in three countries with project coordination carried out in the Netherlands. The Dutch Postcode Lottery agrees with the fact that the project takes longer than initially planned.

At year end in 2022, NLR has one earmarked fund, which is for the Dutch Postcode Lottery 'Stop the Transmission of Leprosy' project. The balance of this earmarked fund is as follows:

Description	2017	2018	2019	2020	2021	2022
	31 December					
Starting Balance	9.375.000	8.838.020	7.948.468	6.598.825	5.013.281	3.634.959
NLR International	319.223	353.552	486.214	513.875	434.102	371.524
NHR Brazil	104.855	161.286	248.055	397.532	279.113	357.937
NLR India	53.251	275.107	360.927	414.032	349.905	323.967
NLR Indonesia	59.650	99.608	254.447	260.104	256.662	253.131
NLR Nepal	0	0	0	0	58.541	300.000
Subtotal	536.980	889.552	1.349.643	1.585.544	1.378.322	1.606.559
Ending Balance	8.838.020	7.948.468	6.598.825	5.013.281	3.634.959	2.028.401

2022 activities were planned with a total budget of €1.7 million in mind, and at the end of the year €1.6 million was spent, leaving €2.0 million to be spent in 2023 and beyond.

H. Short-term liabilities

All current liabilities fall due in less than one year. Due to their short-term character, the fair value of the current liabilities approximates the book value.

Description	31 December 2022	31 December 2021
H1 Received project funding	419.027	572.627
H2 Accounts payable/ Creditors	293.468	177.940
H3 Payable staff cost	219.810	186.668
H4 Liabilities Country Offices	620.429	403.423
H5 Other payable cost	287.431	211.899
H6 Intercompany account - LRI	1.220.761	1.108.020
H Short term Liabilities	3.060.926	2.660.578

Payable project costs are funds received by NLR from institutional donors for projects that are currently in progress. At year end in 2022, an amount of €0.4 million qualified for work in progress.

At year end in 2022, we have outstanding invoices that are payable to our vendors for a total of around €0.4 million. All outstanding invoices of less than 60 days will be paid in 2023.

At year end in 2022, accruals are made for payable holiday allowance and holiday leave as well as a reservation for jubilee payments presented as payable staff cost. This amount is slightly higher than last year's closing balance.

Liabilities of country offices relate to the outstanding amounts in our country offices at the end of the financial year. This is higher than last year's balance.

Other payable cost are amounts paid in 2023 that concern activities in 2022. Expenditure includes invoices received in 2023, bank costs, payable taxes, and pensions.

At year end, around €1.2 million is LRI's outstanding intercompany balance. This amount includes an outstanding payable for contribution from NLR to LRI as well as a €1 million cash advance, which is currently being held at NLR on behalf of LRI for cash management purposes.

I. Commitments and rights not included in the balance sheet

Commitments

NLR is housed in the office building at Wibautstraat 135-137, Amsterdam. The long-term contract is agreed-upon until 1 July, 2028. The rental amount is indexed each year and currently stands at €117,219 (including service costs) per year (2022: €110,584). Our copiers and printer are leased for a period of five years until September 2024, with a yearly rent of €2,650.

The total yearly rent in NLR Representative Offices, which have a rental contract that exceeds one year, is €29,000 (2021:€80,000). Rental contracts in Nepal, Indonesia and India have been transferred from the Country Office into the National NGO and therefore no longer accounted for in our Annual Accounts.

To become a fully-fledged independent alliance member some countries need capital reinforcement. For each country, it will be looked at what is needed for this.

Rights

There are four legacies subject to usufruct, one of which is for €21,000. As the usufructuary has the right to use, dispose of, or invest the legacy, the financial benefit of the remaining legacies subject to usufruct cannot be valued.

J. Events after balance date

NLR India and NLR Indonesia signed collaboration agreements with NLR in our alliance. In 2023, both countries will begin to perform their activities as national NGO's with their own Supervisory Board and registration independent from NLR in the Netherlands.

Notes on the NLR Statement of Income and Expenditure (Singular)

A. Income

A1. Income from individuals

Description	2022	2022	2021
	Actuals	Budget	Actuals
A11 Regular donors	1.860.443	1.833.193	1.781.385
A12 Middle donors	565.736	632.001	633.590
A13 Major donors	451.691	389.892	620.715
A14 Legacies	4.048.795	1.600.000	1.906.287
A1 Income from individuals	6.926.664	4.455.086	4.941.977

In 2022, NLR received €6.9 million from individual donors, including legacies, which is a significantly higher amount than we budgeted for in 2022 or received in 2021. All our income from individuals is received by donations, except for legacies.

2022 was a difficult year for everyone. So, we are very grateful that our individual donors remained dedicated to our cause. We received almost €2.9 million in donations (against €2.9 million at budgeted level).

The income from legacies totalled €4.0 million (2021: €1.9 million). The average duration for the settlement of legacies is approximately nine months. There are four legacies subject to usufruct, one of which is for €21,000.

A2. Grants from governments

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

Description	2022 Actuals	2022 Budget	2021 Actuals
A21 Dutch Ministry of Foreign Affairs (LEAP)	-	-	62.774
A22 EU (EDCTP)	489.594	758.971	535.625
A2 Grants from governments	489.594	758.971	598.399

€3,198,356 was awarded in 2018 by the European and Developing Countries Clinical Trials Partnership (EDCTP) for an EDCTP2 project, supported by the European Union and LRI. PEP4LEP compares the effectiveness and feasibility of skin camp intervention to a health centre-based intervention in chemoprophylaxis for leprosy. The trial implementation took place in Mozambique, Ethiopia, and Tanzania. This multi-partner project originally was meant to run for 52 months, from 1 October, 2018, to 31 January, 2023. However, a no-cost extension was approved, and the project will now run until 30 September, 2024.

In 2022, €489,594 was spent in line with this grant and expenditure was lower than the budget due to delays in implementation.

A3. Income from other non-profit organisations

NLR's work is supported by other non-profit organisations through our office in Amsterdam and directly through our country offices.

Description	2022 Actuals	2022 Budget	2021 Actuals
A31 Ready4PEP	602.204	904.939	646.228
A32 Liliane Foundation	632.197	576.697	359.067
A33 COR-NTD	77.506	35.626	165.615
A34 Contributions Infolep & InfoNTD	92.649	108.000	100.585
A35 LRI	29.992	287.000	46.706
A36 Other NGOs	211.222	147.517	188.783
A3 Income from other non-profit organisations	1.645.770	2.059.778	1.506.984

We received around €1.6 million in 2022 from other non-profit organisations. These funds were earmarked and to be spent on specific projects. In line with RJ650 regulations, most of the income recognised under section A3 of our annual accounts equals the expenditure made in 2022.

The income recognised for the Ready4PEP project was related to expenditure by NLR Mozambique for €307,031, LTR Nigeria for €193,111, and expenditure by the international office of NLR for €102,062.

A4. to A8. Other sources of income

Description	2022 Actuals	2022 Budget	2021 Actuals
A4 Income from companies	-	-	29.567
A5 Income from lotteries	1.350.000	1.350.000	1.350.000
A6 Income from allied and joint non profit organisations	-	-	-
A7 Income from sales of products and services	2.588	-	3.424
A8 Other income	57.735	33.000	32.124
A4. to A8. Other sources of income	1.410.322	1.383.000	1.415.115

In 2020, our partnership with the Dutch Postcode Lottery (Nationale Postcode Loterij) received a positive evaluation and was renewed for another five years. This means that NLR can once again count on the continued support of the Dutch Postcode Lottery as well as their annual donation of €1.35 million.

In 2022, we were the beneficiary of product sales through the Jan Kruis Museum, which unfortunately halted operations during the COVID-19 pandemic. However, they still contributed €2.5k to our cause. Recorded under A8 is unearmarked income generated in all our country offices for a total amount of €58k.

Expenditure

NLR distinguishes between (B) spending on objectives, (C) fundraising expenditure, and (D) management and administration expenditure. This distinction is reported in accordance with the Dutch Accounting Standards Board guidelines for annual reporting (RJ650).

The expenditure in these sections is divided into direct costs and support costs. The latter are charges of general costs made in support of all activities and departments at NLR internationally.

The rationale for the allocation of expenditure can be found in the General Information and Accounting Policies chapter. Details on calculations for 2022 are described further under cost allocation schedule RJ650, which is presented at the end of the Notes on the Statement of Income and Expenditure chapter.

B1. International programme activities

Description	2022 Actuals	2022 Budget	2021 Actuals
B11 NHR Brazil	808.180	836.946	727.321
B12 NLR Mozambique	1.101.732	1.097.671	982.566
B13 NLR Indonesia	2.037.403	1.918.725	1.507.130
B14 NLR India	1.112.342	1.043.571	919.197
B15 NLR Nepal	731.589	726.864	475.954
B16 Other country expenses	440.391	803.239	621.194
B17 International Programme & Technical expenditure	2.476.067	2.841.308	2.493.755
B1 International leprosy programmes	8.707.704	9.268.324	7.727.116

To fulfil our mission, we have operations in nine leprosy endemic countries as well the Netherlands. Of the total €8.7 million spent, around €6.2 million was spent in endemic countries. Although all our work was difficult because of COVID-19, we were able to spend almost 97% of our country budgets and continue our work.

B17. International programme and technical expenditure

Description	2022 Actuals	2022 Budget	2021 Actuals
B171 Programme & alliance development and support	169.432	334.000	95.578
B172 Technical advice and support	90.768	112.000	33.942
B173 IT investments	12.138	26.000	77.862
B174 ILEP and GPZL contribution	85.174	89.000	76.628
B175 International office of NLR project expenditure	880.102	280.000	850.015
B176 International staff cost	818.251	1.732.353	1.063.623
B177 Charged support cost	420.201	293.645	252.532
B17 International Programme & Technical expenditure	2.476.067	2.866.999	2.450.180

Around 28% of our international programme activity spending is carried out from our international office in the Netherlands. A breakdown of this expenditure can be seen above.

Expenditures on programmes, technical advice, support, and development were behind budget, which was mainly caused by the COVID-19 pandemic. As a result, we have not been able to travel and organise in-country workshops and visits in 2021 or the first quarter of 2022.

International project expenditure includes recharged staff costs as agreed with the designated institutional donor. While this staff recharge is accounted for in our budget, it is not fully allocated in the numbers—therefore, sections B175 and B176 should be seen combined.

The total of these sections (our NLR international project expenditure and staff costs) combined led to a total of €1.7 million expenditure against a budget of €2.0 million.

B2. Information and awareness raising

Description	2022 Actuals	2022 Budget	2021 Actuals
B21 Brand	119.203	102.368	113.710
B22 Campaigns	133.590	132.200	147.348
B23 International staff cost	310.421	299.872	277.579
B24 Charged support cost	192.876	14.050	52.621
B2. Information and awareness raising	756.091	548.490	591.257

Due to the COVID-19 pandemic, planned activities to invest further in our brand as well as planned campaigns were halted in 2021. As a result, expenditures in 2022 were higher than the previous year.

B3. Scientific and operational leprosy research

Description	2022 Actuals	2022 Budget	2021 Actuals
B31 LRI Contribution	350.000	350.000	350.000
B3. Scientific and operational leprosy research	350.000	350.000	350.000

Last year, and in line with budget, NLR contributed around €350,000 towards the Leprosy Research Initiative. As a major funder of LRI, NLR is committed to scientific leprosy research.

C. Fundraising

Description	2022 Actuals	2022 Budget	2021 Actuals
C1 Acquisition	633.826	755.408	638.788
C2 Retention	307.793	223.985	284.194
C3 Major Donors	136.068	168.959	148.379
C4 Database	70.851	65.647	83.906
C5 International staff cost	363.908	384.187	369.996
C6 Charged support cost	191.248	221.988	52.621
C Fundraising	1.703.695	1.820.174	1.577.885

Within our 2022 budget, around €1.7 million was spent on fundraising. And in addition to the 2022 budget, early 2022 investments were approved by our Supervisory Board. The additional investments were dedicated to our donor acquisition programmes and our Major/Middle Donor programme.

D. Management and administration

Description	2022 Actuals	2022 Budget	2021 Actuals
D1 Supervisory Board (RvT)	10.387	7.000	21.628
D2 Governance	25.968	45.377	48.358
D3 Finance	119.836	134.000	163.304
D4 IT	155.399	205.000	108.440
D5 Human Resources	155.529	118.000	173.501
D6 Facilities	196.438	116.000	118.489
D7 Staff cost	370.867	332.887	312.572
D8 Charged support cost	-517.678	-451.182	-535.070
D Management and administration	516.746	507.082	411.221

Expenses on management and administration include costs that the organisation incurs in the context of (internal) management, administration, and control and that are not allocated to fundraising objectives.

Rationale for the allocation of expenditure can be found in the general information and accounting policies chapter. Details of the calculation for 2022 are provided in the RJ650 cost allocation schedule presented at the end of the Notes on the Statement of Income and Expenditure chapter.

Before allocation of staff and support costs towards objectives and fundraising (D8), NLR spent €1.1 million against €0.9 million last year.

E. Financial income and expenditure

Our securities portfolio is managed by an investment manager of an external agency who selects bonds and shares that are in line with NLR's investment policy. This is periodically screened.

Description	2022 Actuals	2022 Budget	2021 Actuals
E1 Financial income	-953.227	450.000	947.062
E11 Interest received	30.968	-	14.567
E12 Dividend received	50.228	-	59.521
E13 Coupons received	60.300	-	91.888
E14 Gains and losses - realised and unrealised	-1.094.722	-	781.086
E2 Financial expenditure	41.118	50.000	59.767
E21 Cost financial asset management	41.118	-	59.767
E22 Interest paid	-	-	-
E Financial income and securities	-994.345	400.000	887.295

2022 was an exceptional year with an -8.8% yield on the portfolio, a number that was significantly lower than the exceptional performance of 2021 (+8%). The (unrealised) results in 2022 were heavily influenced by the war in Ukraine, high inflation, and increasing interest rates.

The development of our financial income and expenditure is shown below.

Description	2019 Actuals	2020 Actuals	2021 Actuals	2022 Actuals
E1 Financial Income	1.074.857	444.933	947.062	-953.227
E11 Interest received	-	10.944	14.567	30.968
E12 Dividend received	99.150	52.868	59.521	50.228
E13 Coupons received	942.707	109.359	91.888	60.300
E14 Gains and losses - realised and unrealised	33.000	271.762	781.086	-1.094.722
E2 Financial expenditure	31.946	28.363	59.767	41.118
E21 Cost financial asset management	31.946	28.363	59.767	41.118
E22 Interest paid	-	-	-	-
E Financial income and securities	1.042.910	416.569	887.295	-994.345

RJ650 cost allocation schedule (singular)

In line with the prescribed format of RJ650, the specification below presents our 2022 expenditure per section (spending on objectives, fundraising expenditure, and management and administration) and shows the predefined category of costs.

Cat.	Description	B1	B2	B3	C	D	ACTUAL	BUDGET	ACTUAL
		International programme activities	Information and awareness raising	Scientific and operational leprosy research	Fundraising expenditure	Management and administration	2022	2022	2021
CAT01	Grants and contributions	591.463	0	0	0	0	591.463	803.239	828.280
CAT02	Payments to affiliated organisations	5.852.113	0	350.000	0	0	6.202.113	6.062.745	4.959.438
CAT03	Purchases and acquisitions	284.546	23.774	0	75.974	21.726	406.020	2.218.557	407.364
CAT04	Outsources activities	14.488	205.350	0	1.100.782	0	1.320.620	0	1.254.923
CAT05	Communication costs	20	23.669	0	9.184	0	32.873	248.618	14.347
CAT06	Staff costs	1.621.372	396.480	0	410.939	370.867	2.799.658	2.556.517	2.585.533
CAT07	Housing costs	58.020	18.032	0	18.032	31.600	125.683	117.000	113.950
CAT08	Office and general costs	267.451	83.119	0	83.119	82.623	516.312	447.392	453.154
CAT09	Depreciation	18.232	5.666	0	5.666	9.930	39.495	40.000	40.490
	Total	8.707.704	756.091	350.000	1.703.696	516.747	12.034.237	12.494.069	10.657.479

Rationale for the allocation of expenditure can be found in the general information and accounting policies chapter.

Specification of staff expenditure

Description	2022 Actuals	2022 Budget	2021 Actuals
CAT0601 Salaries	2.220.461	2.507.089	2.210.401
CAT0602 Social benefits	353.848		322.170
CAT0603 Pensions	264.198		252.053
CAT0604 Staff allowances	39.151		25.834
CAT0605 Volunteers	-		-
CAT0606 Hiring of staff	76.280		3.146
CAT0607 Other staff cost	156.435	49.428	67.587
CAT0608 Reimbursements staff	-118.188		-98.703
CAT0609 Charged to related parties	-192.528		-196.955
CAT06 Staff expenditure	2.799.658	2.556.517	2.585.533

In 2022, NLR's total staff expenditure amounted to €2.8 million, which was above budget. A total of €193k was recharged outside of NLR to LRI. Other staff costs were higher than expected, mainly due to recruitment costs to find two heads of departments.

NLR has its own employment regulations, salary structure, and job classifications. Salary scales are also generally indexed annually. NLR follows the Statistics Netherlands (*Centraal Bureau voor de Statistiek* or CBS) index, which resulted in a salary scale increase in 2022 of 1.8% compared to 2021. (2021 to 2020: 2.7%). The total overview of average FTEs after recharging is as follows:

Description	2022 Actuals	2022 Budget	2021 Actuals
1 ED office	1,00	1,84	1,63
2 Organisational department	6,93	6,32	6,16
3 Fundraising and communication	9,05	8,39	7,24
4 Medical Technical	6,39	5,97	7,01
5 Programmes	8,17	9,67	10,37
Total Staff in fte's	31,54	32,19	32,41

In total, 34.8 FTEs were budgeted for 2022, including LRI staff (2.6 FTEs) before recharging.

Specification of the remuneration of the Chief Executive Officer can be found in our Annual Report.

Remuneration of the Supervisory Board

No remuneration was paid to the Supervisory Board members in 2022, and no loans, advances, or guarantees were given. No expenses were reimbursed either.

Annual Accounts NLR (Consolidated)

General Information on Consolidation

Consolidation includes the financial information of NLR, its group companies, and other entities over which it exercises control or whose central management it conducts. Group companies are entities in which NLR exercises direct or indirect control based on a shareholding of more than half of the voting rights, or of which it has the authority to otherwise govern their financial and operating policies. Potential voting rights that can be exercised directly from the balance sheet date are also considered.

Group companies and other entities over which NLR exercises control or whose central management it conducts are consolidated in full. Participating interests in group equity and group results are disclosed separately, while participating interests over which no control can be exercised (associates) are not included in the consolidation. The Board and Supervisory Board of both entities are the same.

NLR's interests in joint ventures are accounted for by proportionate consolidation. An entity qualifies as a joint venture if its participants exercise joint control under a collaborative agreement.

Intercompany transactions, profits, and balances among group companies and other consolidated entities are eliminated, unless these results are realised through transactions with third parties. Unrealised losses on intercompany transactions are also eliminated, unless such a loss qualifies as an impairment. The accounting policies of group companies and other consolidated entities have been changed where necessary to align them to the prevailing group accounting policies.

The consolidated organisations are listed below:

- NLR, Amsterdam, the Netherlands (100%)
- Leprosy Research Initiative, Amsterdam, the Netherlands (100%)

NLR (also known in Dutch as *Nederlandse Stichting voor and Leprastichting*), with the Chamber of Commerce Number 41199723, is located at Wibautstraat 137k, 1097 DN Amsterdam, the Netherlands, and is committed to a world without leprosy and its consequences. The objectives of the foundation are described in detail in the Annual Report.

LRI (Leprosy Research Initiative), located at Wibautstraat 137k, 1097 DN Amsterdam, is a combined foundation that manages a joint-funding mechanism of NLR, American Leprosy Missions (ALM), German Leprosy and Tuberculosis Relief Association (GLRA), The Leprosy Mission International (TLMi), Damien Foundation, and the Anesvad Foundation. Guided by a policy with clearly defined research priorities, the partners have established a joint fund to support leprosy research that is exclusively or strongly related to leprosy.

All accounting policies for the consolidated NLR annual accounts are the same as those of the singular NLR annual accounts.

NLR Balance Sheet (Consolidated)

Description	31 December 2022	31 December 2021
A Tangible fixed assets	61.138	83.102
B Receivables	6.041.663	4.472.262
C Securities	7.840.179	10.867.243
D Cash and cash equivalents	2.255.911	1.921.361
B, C & D Current Assets	16.137.753	17.260.865
ASSETS	16.198.892	17.343.967
E Continuity reserve	4.708.000	4.647.404
F Earmarked reserves	7.052.544	8.284.006
G Earmarked funds	2.028.400	3.633.447
E, F & G Reserves and funds	13.788.945	16.564.857
H Short-term liabilities	2.409.947	779.110
LIABILITIES	16.198.892	17.343.967

Statement of NLR Income and Expenditure (Consolidated)

Description	2022 Actuals	2022 Budget	2021 Actuals
A1 Income from individuals	6.926.664	4.455.086	4.941.977
A2 Grants from governments	489.594	758.971	598.399
A3 Income from other non-profit organisations	2.474.770	2.888.778	2.381.178
A4 Income from companies	-	-	29.567
A5 Income from lotteries	1.350.000	1.350.000	1.350.000
A6 Income from allied and joint non-profit organisations	-	-	-
A7 Income from sales of products and services	18.065	14.000	46.820
A8 Other income	306.904	346.000	282.204
Total income	11.565.997	9.812.835	9.630.145
B1 International Leprosy programmes	8.707.704	9.268.324	7.727.116
B2 Information and awareness raising	756.091	548.490	591.257
B3 Scientific and operational leprosy research	1.664.839	1.961.276	881.587
B Objectives	11.128.634	11.778.089	9.199.960
C Fundraising	1.703.695	1.820.174	1.577.885
D Management and administration	516.746	507.082	411.221
Total expenditure	13.349.075	14.105.346	11.189.065
Balance of income and expenditure	-1.783.079	-4.292.510	-1.558.920
E Financial income and expenditure	-994.345	400.000	887.295
Balance of income and expenditure	-2.777.423	-3.892.510	-671.625
Destination of the balance of income and expenses			
Addition / Withdrawal from			
Continuity reserve	60.596	-	299.804
Earmarked reserves	-1.231.461	-2.217.510	408.405
Earmarked funds	-1.606.559	-1.675.000	-1.379.834
Total mutation of reserves and funds	-2.777.424	-3.892.510	-671.625

Notes on the NLR Balance Sheet (Consolidated)

In the Notes on the Balance Sheet section, only variances against the NLR singular balance sheet are elaborated upon further.

B. Receivables

LRI's income from contributions is accounted for once the commitment has been confirmed.

Intercompany receivables between NLR and LRI with a total of €1,220,761 are eliminated in the consolidated balance sheet, which is thereby lowered.

C. Cash and cash equivalents

The LRI cash and cash equivalents balance for the year ending 31 December, 2022, is €744,922. Cash and cash equivalents are cash and bank balances in euro held by the LRI office in Amsterdam in its main current account with ING Bank in the Netherlands. An amount of €1 million has been temporarily deposited into the account of NLR as part of LRI's cash management strategy and is included in the intercompany amount.

F. Earmarked reserves

Part of the consolidated reserves is the LRI earmarked reserve for projects. Within the LRI balance sheet, an amount is reserved for future research projects. At the end of 2022, this reserve totals €1,395,902 (2021: €1,617,095). The negative result of LRI in 2022 amounted to €221,193 and is added to the earmarked reserves of LRI.

H. Short-term liabilities

LRI accounts payable refers mainly to audit and research costs in 2022, which is not yet formally invoiced by the researchers and institutes concerned. Amounts received in advance (a total of €341,528) are also categorised as short-term liabilities, which are unspent funds from Turing Foundation and other contributors towards research projects.

I. Commitments and rights not included in the balance sheet

In addition to the commitments made by NLR, LRI has made commitments to running research projects for a total value of €1,782,602 for 2023 and beyond. These are multi-annual financial commitments and are covered by future income from LRI partners.

Notes on the Statement of NLR Income and Expenditure (Consolidated)

In the Notes on the Consolidated Statement of Income and Expenditure section, only variances against the NLR singular Statement of Income and Expenditure are elaborated on further.

A3. Income from other non-profit organisations

LRI receives income from partners, each of which has committed an annual contribution to the joint LRI research fund and an equal share to LRI's running costs. In 2022, the current partners are: American Leprosy Missions (ALM), German Leprosy and Tuberculosis Relief Association (GLRA/DAHW), The Leprosy Mission International (TLMI), Action Damien, Anesvad Foundation, and NLR. LRI's total income from other non-profit organisations in 2022 was €1,179,000.

Income received from NLR by LRI (€350,000) is eliminated in the Consolidated Statement of Income and Expenditure.

A4. to A8. Other sources of income

We received a contribution of €155,756 from Turing Foundation for the running costs of LRI. The Turing Foundation contributes 5% of their co-funded allocated budget on project funding towards running costs as realised at the end of 2022. Additional funds were received in surplus funds after completing projects. LRI received an amount of €15,477 as a contribution to the Global Partnership for Zero Leprosy. This contribution went towards salary cost for the LRI coordinator for a specific assignment.

B3. Scientific and operational leprosy research

All LRI expenditure is categorised as spent on objectives. In 2022, LRI spent €1,411,106 on research projects, which was around 85% of the budget, due to the ongoing impact of the COVID-19 pandemic. Several newly granted projects started activities in the second half of 2022, though the budget foreseen had been for a full calendar year.

A total of €253,733 was spent on running costs, including salaries, pension costs, and social security charges of €190,529. €37,000 was spent on housing and office costs.

The contribution paid to LRI by NLR of €350,000 is eliminated in the consolidated Statement of Income and Expenditure.

RJ650 cost allocation schedule (consolidated)

In line with the prescribed format of RJ650, the specification below presents our 2022 expenditure per section (spending on objectives, fundraising expenditure, and management and administration) and shows the predefined category of costs.

Cat.	Description	B1	B2	B3	C	D	Actual 2022	Budget 2022	Actual 2021
		International programme activities	Information and awareness raising	Scientific and operational leprosy research	Fundraising expenditure	Management and administration			
CAT01	Grants and contributions	591.463	0	1.411.106	0	0	2.002.569	2.507.915	1.400.971
CAT02	Payments to affiliated organisations	5.852.113	0	0	0	0	5.852.113	5.712.745	4.656.144
CAT03	Purchases and acquisitions	284.546	23.774	26.204	75.974	21.726	432.224	2.255.157	434.598
CAT04	Outsources activities	14.488	205.350	0	1.100.782	0	1.320.620	0	1.254.923
CAT05	Communication costs	20	23.669	0	9.184	0	32.873	248.618	14.347
CAT06	Staff costs	1.621.372	396.480	190.529	410.939	370.867	2.990.187	2.739.517	2.782.488
CAT07	Housing costs	58.020	18.032	20.000	18.032	31.600	145.683	137.000	134.950
CAT08	Office and general costs	267.451	83.119	17.000	83.119	82.623	533.312	464.392	470.154
CAT09	Depreciation	18.232	5.666	0	5.666	9.930	39.495	40.000	40.490
Total		8.707.704	756.091	1.664.839	1.703.696	516.747	13.349.076	14.105.345	11.189.064

Rationale for the allocation of expenditure can be found in the general information and accounting policies chapter.

INDEPENDENT AUDITOR'S REPORT

To: the Director and the Supervisory Board of the Netherlands Leprosy Relief.

A. Report on the audit of the financial statements 2022 included in the annual report.

Our opinion

We have audited the financial statements 2022 of the Netherlands Leprosy Relief based in Amsterdam, the Netherlands.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Netherlands Leprosy Relief at 31 December 2022 and of its result for 2022 in accordance with the 'RJ-Richtlijn 650 Fondsenwervende organisaties' (Guideline for annual reporting 650 'Fundraising Organisations') of the Dutch Accounting Standards Board).

The financial statements comprise:

1. the company and consolidated balance sheet as at 31 December 2022;
2. the company and consolidated statement of income and expenditure 2022; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of the Netherlands Leprosy Relief in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

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B. Report on the other information included in the annual report.

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the Management Board's report.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, being the Management Board's report in accordance with Guideline for annual reporting 'RJ-Richtlijn 650 Fondsenwervende organisaties' (Guideline for annual reporting 650 'Fundraising Organisations').

C. Description of responsibilities regarding the financial statements

Responsibilities of the Director and the Supervisory Board for the financial statements.

The Director is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 'RJ-Richtlijn 650 Fondsenwervende organisaties' (Guideline for annual reporting 650 'Fundraising Organisations'). Furthermore, the Director is responsible for such internal control as the Director determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Director is responsible for assessing the foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Director should prepare the financial statements using the going concern basis of accounting, unless the Director either intends to dissolve the foundation or to cease operations, or has no realistic alternative but to do so.

The Director should disclose events and circumstances that may cast significant doubt on the foundation's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for monitoring the financial reporting process of the organization.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion. Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements.

Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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;
- obtaining 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 purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of the Director's 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 foundation'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 a foundation to cease to continue as a going concern.
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 findings in internal control that we identify during our audit.

Amsterdam, 29 June 2023

Dubois & Co. Registeraccountants

A.P. Buteijn RA

A. Koek RA