

THE KAREN HILL TRIBES TRUST

England & Wales · Charity number 1093548

Details

Other names THE KAREN HILLTRIBES TRUST

Status Registered

Legal form Charitable company

Company number [04484077](#)

Registered 2002-08-27

Register [View on the Charity Commission register](#)

Contact

Address Tower House Business Centre
Fishergate
York
YO10 4UA

Phone 01904373001

Email enquiries@karenhilltribes.org.uk

Website www.karenhilltribes.org.uk

Activities

Objects: - TO IMPROVE THE HEALTH, LIVELIHOODS, AND ACCESS TO EDUCATION OF KAREN COMMUNITIES IN NORTHERN THAILAND- ANY OTHER CHARITABLE PURPOSE FOR THE BENEFIT OF THE KAREN COMMUNITIES OF NORTHERN THAILAND

Activities: Our mission is to partner with Karen communities to improve their health, livelihoods, and access to education, namely to:1) Enhance community health by improving sanitation, hygiene, and access to safe water2) Secure sustainable livelihoods through increased food security and income generation.3) Increase access to education for children and young adults to improve their opportunities.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Accommodation/housing, Animals, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People Of A Particular Ethnic Or Racial Origin

Geography

- **Area of benefit:** NORTH WEST THAILAND
- Thailand

Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£467,361	£367,647	-	-
2023-09-30	£347,315	£397,991	-	-
2022-09-30	£324,831	£324,415	-	-
2021-09-30	£272,699	£266,302	-	-
2020-09-30	£402,614	£336,920	-	-

Trustees

Name	Role	Appointed
Chad Shampine		2018-01-04
Daniel Shurman		2017-01-23
Ed Holroyd - Pearce		2024-06-27
Harriet Robson		2024-06-27
Jenifer Delaney		2016-09-26
John Donald Ballantine		2021-05-10
John Heelham		2020-01-12
RICHARD ELLIS		2014-01-30
Simon Gregory Makinson		2025-06-27

THE KAREN HILL TRIBES TRUST

England & Wales - Charity number 1093548

Accounts

Registered number: 04484077
Charity number: 1093548

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

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THE KAREN HILL TRIBES TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

Trustees

B Wiggan (Resigned 17 November 2024)
J D Ballantine
J P Monaghan (Resigned 19 December 2023)
H Bilton (Resigned 27 June 2024)
R Ellis
C Champine
J Heelham
B Smith (Resigned 26 February 2024)
J Delaney
T A Y Wright (Resigned 26 February 2024)
D Shurman
H R Robson (Appointed 26 February 2024)
M V Jenkins (Appointed 27 June 2024)
E W Holroyd Pearce (Appointed 27 June 2024)

**Company registered
number** 04484077

**Charity registered
number** 1093548

Registered office Tower House Business Centre
Fishergate
York
YO104UA

Independent Examiner Susan Seaman, BA, FCA, CIOT
AAB Audit & Accountancy Limited
Gresham House
5-7 St Pauls Street
Leeds
LS1 2JG

THE KAREN HILL TRIBES TRUST
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CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2024

The chairman presents his statement for the year.

The Karen Hill Tribes Trust continued to have a huge impact on the Karen communities of Northern Thailand during the year 2023/24, with our 5 year operational strategy making gains in improving the outreach and impact of the interventions, whilst also improving the organisation's efficiency.

With the support of a number of donors we were able to support nearly 1,500 people with water and sanitation facilities, including filters to ensure that the water is fully suitable for drinking. We helped over 1,200 Karen villagers with flood resistant irrigation systems, supporting their ability to grow crops benefiting their families throughout the year. We were also able to support hundreds of children and budding students with access to education activities including continuation of the bus routes, meal support, and university scholarships.

During the year the impact of climate change became acutely evident, with flooding and landslides devastating two Karen villages. With the rapid help of our fantastic donors and the quick action of our staff and trustees, KHT were able to support with the immediate necessities, such as food and water, and continue to support these communities for the foreseeable future. The resilience of both KHT as an organisation and the Karen communities was clearly visible during this period, and the organisation will continue to work on improving the strength and resilience of Karen populations through monitoring and learning from our interventions.

Of course this can only be done through the support of our generous donors and committed staff. The economic landscape continues to look challenging, and we thank each and every donor for their commitment in improving Karen lives through enhanced community health, securing sustainable livelihoods and an increased access to education. KHT continues to make great strides, and we feel optimistic and hopeful in our plans for the future.

John Heelhan

Co-Chairman
Date: 9 June 2025

THE KAREN HILL TRIBES TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Trustees Report

The Karen Hill Tribes Trust (KHT) is a community-led organisation that has been working with marginalised Thai-Karen communities in Northern Thailand for the past three decades. The Karen are one of the largest ethnic minority groups in Thailand, with most communities residing in low resource, rural and mountainous areas of Northern Thailand. By taking a holistic approach to the complex socio-economic issues at hand, KHT aims to achieve sustainable change by empowering communities to improve their own lives.

OUR VISION

A secure future for the Karen communities of Northern Thailand.

OUR MISSION

To partner with Karen communities to improve their health, livelihoods, and access to education.

OUR GOALS

To enhance community health by improving sanitation, hygiene, and access to safe water. To secure sustainable livelihoods through increased food security and income generation. To increase access to education for children and young adults to improve their opportunities.

OUR APPROACH

KHT's approach begins and ends with the Karen People of Northern Thailand. As one of the few organisations operating across the Mae Hong Son Province, KHT works in a holistic and sustainable manner to improve the lives of marginalised indigenous Thai-Karen communities.

KHT works in three main areas: Community Health, Sustainable Livelihoods and Access to Education. As such, our projects support immediate, short term and long-term needs of the Karen, and we work with local communities with a key priority being their dignity and betterment.

This unique approach is based on the expressed needs of target communities and involves their local knowledge in all stages of our projects, including design, implementation, maintenance, and evaluation. Projects are focused on promoting self-reliance leading to improved well-being, whilst helping Karen communities retain their unique identity and culture. Not only does this approach guarantee projects have a positive impact, but also supports community ownership and long-term sustainability.

KHT's Impact to Date:

Transformed health and well-being for over 51,100 people through providing cleaner drinking water, improved sanitation facilities and hygiene education.

Allowed 19,500 farmers to secure agriculture as a sustainable livelihood through the construction of flood-resistant irrigation systems

Increased access to education for over 16,000 children and young adults through the provision of school meals, transport and accommodation, and higher education scholarships.

*KHT revised its beneficiary figures in 2023, utilising its new database and checking historical data. There is a slight decrease in direct beneficiary figures in large part because KHT can account for individuals being beneficiaries of multiple projects.

Key Achievements in 2023-2024

Access to Education

- 20 Villages served by bus routes transporting 344 children.
- 251 children and 7 schools supported for meals.
- 31 vocational and university scholarship students supported, with 19 students graduating in 2024.
- 658 students and their teachers treated with deworming medication.
- 200 students benefiting from STEM equipment across three schools.

THE KAREN HILL TRIBES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Securing Livelihoods

- Construction of Flood Resistant Irrigation Systems in 6 villages, directly helping 1248 people, and more indirect beneficiaries.
- 141 villagers receiving livelihoods training.

Improving Community Health

- Gravity Fed Water Systems and Sanitation facilities constructed for 7 villages and supporting 1493 people.
- 779 villagers receiving First Aid training and kits for home use.

Emergency Response:

- Supported over 700 villagers across two villages impacted by devastating flooding and landslides.
- Provided over 2000kg of rice, 500 blankets and other items such as dry food, clothes and hygiene supplies to impacted families.
- Provided temporary piped water systems to both villages to ensure a consistent water supply.

ACHIEVEMENTS AND PERFORMANCE

In the last 12 months, KHT has supported upwards of 4,600 Karen people in Northern Thailand through its charitable activities. KHT also faced several challenges during the year, including natural disasters impacting our projects and destroying villages. We also faced a reduced team due to staff resignations and ongoing challenges related to weather, access to villages and funding.

KHT completed four of its scheduled 'Integrated' projects during this financial year (providing all three interventions per village), as well as adding new elements to our projects and trialling two new water filters. We responded to an emergency caused by flooding and landslides promptly and to the satisfaction of the villages and our donors.

The charity continues to improve its administrative processes, internal operations and liaising with other organisations and groups for best practice and support.

Below is a summary of our main charitable achievements and activities in the past 12 months:

Transforming Community Health Through Water, Sanitation and Hygiene

Water poverty remains a concern for Karen communities across Mae Hong Son. The remoteness of villages, poverty and environmental factors continue to have a detrimental effect on access to clean water and adequate sanitation for the Karen. Water is scarcer during the dry season, whilst water sources may face the risk of contamination during the rainy season. The Karen continue to be reliant on unsafe water for drinking, cooking and bathing, increasing the risk to health from typhoid, cholera, parasites and diarrhoea. A 2020 study by Sudsandee et al. found that many unprotected water sources used by hilltribes were contaminated by faeces and harmful bacteria. There is also growing concern of chemical contamination as people use chemical fertilisers.

Water poverty has a demonstrable short and long term impact on the health, livelihoods and growth of communities. KHT's water and sanitation projects aim to address this lack of access for the Karen and bring cleaner water and sanitation facilities to forgotten and marginalised villages. Our team also provide hygiene education and work closely with the communities to set up Water Committees to maintain systems and ensure there is community buy-in and empowerment. During this financial year, KHT also provided First Aid training and kits to villages to further improve community health.

Ongoing and comprehensive evaluation of our Health programme led KHT to trial two new filters during this year. Both filters work at the community level and require minimal maintenance for the community. KHT continues to revisit sites, support the Water Committees and monitor how well these filters have been working. Overall, it has been a positive experience, with water tests showing no E.Coli contamination and excellent feedback from the villages.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

In 2023-2024, KHT:

- Constructed Water Systems in 7 villages, built over 140 latrines and provided hygiene education.
- Installed 3 different types of filters to support access to safer water.
- Provided first aid training and first aid kits across 4 villages
- Continued water testing and monitoring and evaluation.

KHT’s 2021-2022 evaluation pointed to the positive impact of our water systems, and we are continuing to collect data to ensure we can evaluate the new aspects of our programme. Initial analysis of our surveys continues to highlight a positive trend between improved health and KHT’s Water Systems being present in villages.

Our Health Programme impacted the following UN Sustainable Development Goals



Securing Sustainable Livelihoods Through Flood Resistant Irrigation Systems

Thailand’s wealth gap is the largest in Southeast Asia. Whilst the country has achieved impressive economic gains, more than 2.3 million people are still classified as ‘poor’ and living on less than \$2.15 per day. Income inequality continues to impact people and many communities are struggling with the rising cost of living.

Most of these impoverished people are from rural communities and the poverty rate in Mae Hong Son is estimated as 34%, compared to 11% being the national average. Current and exact data on household incomes is difficult to find, however rural households are often earning only 68% of what urban households can earn.

The Karen earn their subsistence and livelihoods overwhelmingly through farming and are a rural and isolated community. In times of climate crises, this leaves them vulnerable to seasonal shifts that cause flooding, dry seasons, and limited access to support to address these. KHT’s research shows that at least 50% of villagers do not produce enough rice to last them throughout the year, leaving them food insecure for many months.

KHT’s Flood Resistant Irrigation Systems (FRIS) are a simple, durable, and appropriate solution for Karen farmers. The FRIS ensures that water is directed safely to farmland, so it can be used all year-round. As shown in our 2020-2021 Livelihoods Evaluation, the FRIS improved use of farmland, household incomes and reduced food insecurity. The systems can last up to 20 years and KHT have built 112 of these across Mae Hong Son to date.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

In 2023-2024, KHT:

- Constructed 6 FRIS systems, supporting 1248 Karen people as well as indirectly benefiting other villages and local markets.
- KHT provided livelihoods training for 141 people on the subject of natural pesticides and caring for crops.

Our work supports the following UN Sustainable Development Goals



Villages Facing Devastation: KHT's Emergency Response

2024 was a year in which environmental factors greatly impacted KHT's work. Forest fires during the dry season caused delays in our work whilst floods and landslides devastated some of our beneficiary communities.

In August 2024, Ban Kophee faced a flash flood whilst Ban Mae La Ka Tai was hit with an unexpected landslide. KHT's water systems were destroyed in both villages (with some salvageable components). The impact of these natural disasters on Karen villagers means they not only lose access to necessities but they are also left more vulnerable by the impact on their livelihoods. With rice fields damaged or flooded and rice granaries washed away, food insecurity has grown. Many people lost valuable possessions and equipment that they had spent years saving to buy.

KHT responded to this emergency by:

- Setting up an emergency appeal across all our platforms to communicate the needs.
- Supporting over 700 villagers across the two villages.
- Providing rice, blankets and other items such as dry food, clothes and hygiene supplies to impacted families.
- Partnering with The Ford Fund, who not only provided funding but also supported the distribution of aid.
- Providing temporary piped water systems to both villages to ensure a consistent water supply.
- Planning to provide new WASH systems to both villages once the villages have been successfully relocated and established in the coming year.

Case Study:

Mr Pornsriworakorn lives with his family in Ban Kophee and was there when a devastating flood destroyed many homes, destroyed KHT's water system (built in 2015), washed away rice granaries and damaged the rice fields. "I am 50 years old and I live with my wife, my three children, a daughter in law and my grandson. After the flooding and landslide, nothing is normal for us. Our rice granary was destroyed in the flood. We worked so hard to harvest it and now it is all gone. Our home was flooded and we have lost our possessions, and I have no way to buy things my family needs right now. It was not easy to build my home, and in one moment everything is gone. All the hard work and money we spent to improve our lives has been washed away. I also lost money that we were saving and kept at home. I was hoping to buy a truck one day to help me with my farming as I am getting older. My family are all living in the school and we worry there will be more disasters. We can't access our rice field but the rice is still there and hopefully we can grow and harvest again soon. I also have a corn field and I am worried the flooding will mean we can't access the field or it is damaged. Selling corn is one way I can earn some money, but everything is uncertain right now! I am worried for my family. It is my job to feed them and I feel like we will never have enough rice now. I don't worry about myself but I worry about them."

KHT supported Mr Pornsriworakorn through the provision of emergency supplies including food, blankets, drinking water and rice. This allowed him and other families to recover from the disaster without worrying about hunger and provided relief in a time of devastation. KHT will also be supporting the village of Ban Kophee by installing a clean water system and building latrines for the people impacted by the flooding.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Access to Education for Marginalised Karen Children and Youth

Supporting Karen children and youth is a vital step in ending the 'poverty trap' for Karen communities. KHT continued providing Karen children with safe transport to school, school meals for dormitories and scholarships for higher education in this financial year.

There is a lack of data on access to education for Karen children, however as they tend to be from poorer communities, they are also less likely to complete upper secondary school and therefore move into higher education. The remoteness of villages means many children cannot safely travel to school, and sickness and poverty also hinder their attendance. KHT has also noted the relationship between health, incomes and access to education. Our 'Integrated' programme provided all three projects to 4 villages, and we hope this will provide a foundation of development that will be especially beneficial to the younger generations in these villages.

In this financial year, KHT:

- Funded 20 bus routes that serve more than 344 children so ensure they can safely travel to and from school.
- Supported 7 schools with funds for school meals, so children unable to travel home are well fed and can afford to stay at school.
- Sponsored 31 university and vocational students with scholarships and helped 19 of these students to graduate.
- Provided deworming medication to 658 students and teachers across 6 schools.
- Provided Science and Technology equipment for 3 schools, serving over 200 students.

Our work supports the following UN Sustainable Development Goals:



KHT's Integrated Programme:

KHT's projects provide a foundational level of support and development for Karen villages. In line with our commitment to providing the support requested by villages, KHT completed 3 of these villages in the last financial year, and was able to complete another 4 more in this financial year.

By providing all three interventions within the village, KHT were able to spend more time with communities, understand their needs, provide supplemental support such as training and First Aid kits, as well as improve our own Monitoring and Evaluation practices.

KHT continues to learn from this approach and once the monitoring is completed for these villages, we hope the information gained will provide further insight on how best to support communities in more innovative and comprehensive ways.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Structure, Governance and Management

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the Charity for the year ended 30 September 2024.

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment & appointment of new trustees

Up to 12 trustees are appointed to the board on a three-year rotational basis. As of September 2024, there were 10 trustees on the board, with one further trustee retiring in November 2024. Trustees are recruited by the Board of Trustees based on nominations from existing trustees. The Board of Trustees seeks to ensure a mix of skills and diversity and selects each trustee according to their skills or interest.

Induction and training of new trustees

Before being formally appointed, all trustees are provided with appropriate information to ensure that they have a good understanding of the roles and responsibilities of a trustee, the charity itself and its target beneficiaries. This includes, but is not limited to, the Essential Trustee Guide from the Charity Commission, the Charity Commission's webpages on "Public Benefit", and the Charity's governing document, strategic plan, recent annual reports, M&E/impact reports, meeting minutes, and Board Basics & Becoming a Trustee Policy document.

Organisational structure

The Board of Trustees are collectively responsible for ensuring that the Charity is effectively and responsibly governed and that it delivers its charitable objectives for the public benefit. All trustees give their time freely and do not receive remuneration or other benefits for their role. KHT has a trustee indemnity insurance policy in place that covers the Trustees and Charity up to £250,000.

The Trustees, together with the Director, meet three times a year to discuss and determine strategic, financial, and operational requirements, with the annual general meeting (AGM) being held in February each year. Following a full review of the Board of Trustees by the Chair in 2023, 3 new trustee sub-committees were introduced to support KHT staff in the key areas of Governance and Risk, Programmes, and Fundraising. These sub-committees also involve some additional external expert support, for example via a Professional Advisory Board for Programmes, and fundraising mentorship. The impact of these committees has been to provide more support to the Director and improve governance.

Summereen Khan was appointed as Director in July 2022 and has been working with the Board of Trustees and staff to lead daily operations, ensure legal requirements, and the charitable objects of KHT are met.

The Director reports to the Board of Trustees in the UK and is responsible for ensuring that the charity achieves its mission through key performance indicators agreed by the Trustees.

All of the charity's other employees and volunteers report directly to the Director. KHT delivers its charitable objectives in Northern Thailand in partnership with a Thai registered foundation, the Foundation for Karen Hilltribes in Thailand (KHTF). Collectively, the Charity's team is based across locations in the UK and Khun Yuam, Thailand. In the UK, the Charity's team includes the Director, Fundraising Manager, Programmes Officer and Finance Administrator. Although York is KHT's registered office address for postal services, the Charity does not operate a physical office and all UK employees work remotely. Together, the main responsibility of the UK charity is to raise funds, maintain robust financial systems, distribute communications, provide oversight and management on all charitable activities and work with the UK-based Board of Trustees to ensure good governance.

In Thailand, KHTF maintains a small office in Khun Yuam, which coordinates the implementation of all the charity's projects. Nine Thai-Karen staff are based in this office. The Thai-Karen staff lead all project activities and Thai administration.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

The Director has regularly travelled to Thailand to support KHT's operations this year. Direct visits and time spent in Mae Hong Son is vital to ensure projects are performing as needed and important for ongoing fundraising efforts. The Director's visits are also part of supporting the development of the Thai-Karen team and the implementation and evaluation of the charity's projects through their expertise and technical skills. Oversight and ensuring better reporting for trustees and donors and is also an important benefit to extended visits to Mae Hong Son. KHT extends invites to its donors to Mae Hong Son and one key donor was able to visit projects in September 2024 to meet with our local team and support aid distribution.

Related parties

The Foundation for Karen Hilltribes in Thailand (KHTF) was established under Thai law in Bangkok by representatives of KHT in December 2002 (Registered in Thailand by Permit 242/2525). KHTF has its own Board of Trustees and employees and works in partnership with KHT according to a mutually agreed Memorandum of Understanding (MoU) which defines the relationship between the two entities. Accounts for KHTF are registered and submitted under Thai law and are incorporated into KHT's financial statements.

Although it is a separate legal entity, KHTF has identical aims to KHT, and the two entities work in close partnership towards a common vision and mission. To achieve these shared goals, KHT organises operations and fundraising from the UK, where its financial centre is based, whilst KHTF acts as the implementing arm that delivers activities.

Risk management

The Board of Trustees and Director of KHT believe that sound risk management is integral to both good management and good governance practice, and ultimately to the sustainability and success of the charity. Risk management is therefore an integral part of the charity's decision-making process and is incorporated within all strategic and operational planning. KHT manages its exposure to risk through a robust risk management framework, which ensures the charity can identify, assess and respond to risks that it may face when conducting activities.

The framework is based on guidance published by the Charity Commission in "Charities and risk management (CC26)" and focuses on assessing six key areas of risk: Governance, Operational, Financial, External, Compliance (law or regulation), and Safeguarding - safeguarding was recently highlighted as its own category of risk to ensure KHT is upholding the best possible safeguarding standards across the Charity. Although a culture of effective risk management is promoted at all levels of the charity, the implementation and adherence to the risk framework is overseen by the Director and Board of Trustees. The Board of Trustees Risk Management Sub-Committee holds risk management meetings three times a year to review and update the risk management framework. Any risks identified as major or extreme are then reported to the full Board of Trustees at Trustees' meetings for discussion before appropriate action is then taken to reduce the risk.

KHT Organisational Strategy 2023-2028:

In 2023, KHT approved a 5-year strategy to take over from the interim strategy implemented in 2022. This strategy was developed by the new Director in collaboration with the trustees and the aim to is review the key indicators annually and ensure the charity is on track for its larger goals. The key goals are below and will be monitored and evaluated based on measurable indicators.

1. KHT has a defined and efficient governance and organisational culture
2. KHT improves its administrative and operational practices including data, software, and HR
3. KHT's projects demonstrate efficacy and sustainability
4. KHT's fundraising stream is consistent, consolidated, and diverse

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Objectives and Activities

History

KHT was first registered as a charity in 1989 to address the lack of clean water in Karen villages, under the name Mae Phon Karen Hill Tribes Trust (Charity number 800796). The charity was formed through a partnership with current Karen Manager Wichien Bunrachaisavan (Salahae) and a former British diplomat working in Thailand. By working with Karen communities, cleaner water systems were designed and put in place to provide a source of life-changing access to cleaner water. In response to the expressed needs of the Karen, the work of KHT has now expanded into the areas of livelihoods and education with the aim to support the Karen in building a more sustainable future. Over time, KHT continues to adapt and improve its programmes and has expanded its community health programme into supporting improvements in sanitation and hygiene, in addition to its traditional focus on cleaner water. To aid this mission, a strong link with the UK was formed. This has resulted in over 400 volunteers travelling to Thailand to help construct cleaner water systems and teach English in Karen schools. In 1999, a fundraising office was opened in York and the charity was re-registered under the name The Karen Hill Tribes Trust in 2002 by Penelope Worsley, the mother of a former volunteer. After over 30 years Salahae continues to lead the work in Thailand, supported by a team of nine Karen staff who fully involve the local community to ensure projects promote self-help and sustainability. To date, over £5.7 million has been raised for projects which have helped improve the lives of tens of thousands of Karen people living in Northern Thailand.

Charity Objectives

KHT was formally established in 2002 to benefit the Karen people of Northern Thailand. In the financial year ending 30th September 2024, the Board of Trustees have been able to continue working towards achieving its objectives.

- To improve the health, livelihoods, and access to education of Karen Communities in Northern Thailand.
- Any other charitable purpose for the benefit of the Karen communities of Northern Thailand

Public benefit

All the Charity's aims, activities and achievements in the year ending 30th September 2024 are set out in this report and have been undertaken to further KHT's charitable purposes for the public benefit. The Board of Trustees confirm that they have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission, and that they have referred to this guidance and the Charity Commission general guidance on public benefit when reviewing the Charity's aims, objects and in deciding what activities the Charity should undertake. KHT can also confirm that it has policies and procedures in place to protect people involved with the Charity, including complaints handling, conflicts of interest, risk management, safeguarding vulnerable beneficiaries, and volunteer management policies. In the financial year ending 30th September 2024, no safeguarding concerns were reported to KHT or its partner foundation.

Fundraising Activities

The majority of KHT's funding is derived from grants made by trusts and foundations. KHT works with the Myriad USA Platform, as well as CAF to ensure we can receive funding from the US and from Europe. In addition to this, KHT has several loyal individual donors that support our projects through unrestricted donations.

The Director and Fundraising Manager work to find new avenues of funding, both from institutions and individuals and in 2023-2024, KHT was able to secure grants from 4 new grant giving institutions, as well as continuing to strengthen its relationship with current and past donors.

In 2023-2024, KHT held an Emergency online appeal raising more than £4000 and sent out calls to donate via its Christmas and Easter Newsletters, as well as the monthly online newsletter. Our ongoing and regular campaigning raised more than £22,000 in the year. In addition to this, KHT held its annual 'Jungle Trek' in January 2024, which involved 13 participants and fundraised more than £13,000.

Volunteers

In the past 12 months, KHT has been able to welcome one teaching volunteer, two water volunteers and a group of 22 volunteers to support our July water system construction project.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

KHT utilised social media and previous links with schools to help recruit volunteers. We hope to continue increasing volunteers in the coming year.

KHT aims to welcome both short-term teaching and water project volunteers to Thailand each year. Teaching volunteers spend 3 months teaching English in local schools, whilst water volunteers support the construction of water systems in remote Karen villages. KHT is grateful to its volunteers for continuing to support the charity in various ways and volunteers remain a vital part of our work and contribution.

Plans for the Future Period

KHT has seen many challenges and changes over the last year, however the charity has continued to complete its planned projects and improve its work in Thailand.

The past 12 months have seen environmental disasters, staff and Board changes as well as narrowing funding climate. This has impacted how KHT works and how the charity will continue its 5-year strategic plan. The trustees have worked to improve governance and operations through specific committees. With changes to the board of trustees, including the retirement of many long serving trustees, there will be further changes, however KHT has a good foundation to build on in terms of utilising the trustees and supporting the Director and team.

The ongoing shrinking of opportunities to achieve grants and find new donors continues to be a concern. The coming year will see more focus on finding new donor institutions, improving the engagement with current donors and finding new avenues of funding including corporate partnerships.

Looking ahead to the 2024-2025 year, KHT aims to continue achieving the aims of its strategy whilst adapting to changes in the organisation. The year will be a time of growth, challenges and success in supporting our beneficiaries. KHT remains focused on empowering the Karen and building solidarity with them amongst new audiences.

FINANCIAL REVIEW

As of 30th September 2024, KHT held funds totaling £225,712 (FYE 2023: £125,998). Income for the year ending 30th September 2024 totalled £467,361 (FYE 2023: £347,315) and expenditure totalled £367,647 (FYE 2023: £397,991), creating a surplus of £99,714 (FYE 2023: £50,676 deficit) in the year. Of the income received, £137,684 (FYE 2023: £133,528) as unrestricted and £329,677 (FYE 2023: £213,786) was restricted. Charitable spend made up 80% of the expenditure, 11% was expended on support costs and just 9% on raising funds.

Principal funding sources Income is generated from donations, grants, events and volunteers. Specific major grants have been received from:

- The Ford Fund
- The Jan and Oscar Foundation
- The Jephcott Charitable Trust
- The Souter Charitable Trust
- WF Southall Trust

KHT has also received donations and grant funding from a number of other donors who have requested to remain anonymous. These Financial Statements reflect the UK-generated income of KHT and include funds that are raised in Thailand. For operational reasons, funds raised in Thailand are processed through The Foundation for Karen Hilltribes in Thailand (KHTF).

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Fundraising

KHT would not be able to carry out its work without its dedicated supporters and is therefore committed to achieving the highest standard in fundraising. KHT does this by ensuring it abides by the Code of Fundraising Practice, set by the Fundraising Regulator, in all fundraising activities that it conducts. KHT is also committed to protecting privacy and will process personal data in accordance with the General Data Protection Act 2018 and its Privacy and Data Protection Policy. Personal details will always be kept safe and secure and will only be used by us or those who work for us. We promise never to share or rent personal details to third parties for marketing purposes.

Investment policy & objectives

There are no current restrictions on investment. Any investments are held on interest earning deposit at the bank for ease of access and minimal risk of loss.

Reserves policy

Total funds held by the Charity at year end were £225,712 (FYE 2023 £125,998), of which £164,662 (FYE 2023 £68,640) were restricted and not available for general purposes of the Charity. The Charity's reserves level is calculated using major/catastrophic risks highlighted in the Charity's detailed risk management framework. The current level of unrestricted reserves is set at a range of £55,000 to £65,000.

This is calculated as the total amount of funds required to:

- Safeguard unrestricted budgeted operations for a minimum period of three months in the event of unforeseen circumstances or events;
- Mitigate an unexpected fluctuation in exchange rates; and
- Manage the loss of key personnel.

The Charity held unrestricted funds of £61,050 (FYE 2023: £57,358) which is within its reserves policy at year end. Reserves are regularly monitored by the Treasurer and Director and reviewed annually by the Board of Trustees. KHT expects its unrestricted reserves level to reduce to £44,000 in the 2024/25 financial year.

As a result, unrestricted reserves are budgeted to be outside the range calculated above at 30th September 2024, however the 2024/25 budget has been prepared on a cautious basis particularly in terms of budgeted income to be received from various fund-raising activities. Furthermore, there are also plans to develop external fund-raising activities by making the Fund-Raising Officer a full – time role and by forming a trustee fundraising subcommittee to assist with fund raising.

It is hoped that these initiatives will help to reduce the budgeted shortfall in unrestricted funds in the long term.

Approved by order of the members of the board of Trustees and signed on their behalf by:

John Heelham

J Heelham

Date: 9 June 2025

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2024

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

John Heelham

J Heelham

Date: 9 June 2025 9 June 2025

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Independent Examiner's Report to the Trustees of The Karen Hill Tribes Trust ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 30 September 2024.

Responsibilities and Basis of Report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act;
or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

S Seaman

Signed:

Dated: 9 June 2025

Susan Seaman BA FCA CIOT

AAB Audit & Accountancy Limited
Gresham House
5-7 St Pauls Street
Leeds
LS1 2JG

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	-	94,458	94,458	114,090
Charitable activities	4	329,677	37,567	367,244	229,567
Other trading activities	5	-	4,769	4,769	3,295
Investments	6	-	890	890	363
Total income		329,677	137,684	467,361	347,315
Expenditure on:					
Raising funds	7	-	33,115	33,115	29,059
Charitable activities	8	228,785	105,747	334,532	368,932
Total expenditure		228,785	138,862	367,647	397,991
Net income/(expenditure)		100,892	(1,178)	99,714	(50,676)
Transfers between funds	16	(4,870)	4,870	-	-
Net movement in funds		96,022	3,692	99,714	(50,676)
Reconciliation of funds:					
Total funds brought forward		68,640	57,358	125,998	176,674
Net movement in funds		96,022	3,692	99,714	(50,676)
Total funds carried forward		164,662	61,050	225,712	125,998

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 30 form part of these financial statements.

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 04484077

BALANCE SHEET
AS AT 30 SEPTEMBER 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	22,795	166
		<u>22,795</u>	<u>166</u>
Current assets			
Debtors	14	1,655	1,973
Cash at bank and in hand		207,731	129,825
		<u>209,386</u>	<u>131,798</u>
Creditors: amounts falling due within one year	15	(6,469)	(5,966)
		<u>202,917</u>	<u>125,832</u>
Net current assets		<u>202,917</u>	<u>125,832</u>
Total assets less current liabilities		<u>225,712</u>	<u>125,998</u>
Total net assets		<u><u>225,712</u></u>	<u><u>125,998</u></u>
Charity funds			
Restricted funds	16	164,662	68,640
Unrestricted funds	16	61,050	57,358
		<u>225,712</u>	<u>125,998</u>
Total funds		<u><u>225,712</u></u>	<u><u>125,998</u></u>

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

John Heelham

J Heelham

Date: 9 June 2025

The notes on pages 18 to 30 form part of these financial statements.

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Tower House Business Centre, Fishergate, York, YO10 4UA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Karen Hill Tribes Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

2.3 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Details of these judgements are set out in the accounting policies.

2.4 Going concern

The trustees, having made due and careful enquiry, are of the opinion that the charity has adequate working capital to execute its operations over the next 12 months. The trustees, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

As a result, the trustees have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

2. Accounting policies (continued)

2.5 Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

2.6 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Wages costs are apportioned between charitable activities, raising funds, and support costs as appropriate

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	-	25%	Reducing balance
Fixtures and fittings	-	33%	Straight line
Computer equipment	-	33%	Straight line

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Pensions

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

3. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £
Donations	88,538	88,538
Legacies Income	1,000	1,000
Gift Aid	4,920	4,920
	<u>94,458</u>	<u>94,458</u>

	Unrestricted funds 2023 £	Total funds 2023 £
Donations	106,902	106,902
Legacies Income	2,022	2,022
Gift Aid	5,166	5,166
	<u>114,090</u>	<u>114,090</u>

4. Income from charitable activities

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Thailand Projects	<u>329,677</u>	<u>37,567</u>	<u>367,244</u>

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Thailand Projects	<u>213,787</u>	<u>15,780</u>	<u>229,567</u>

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

5. Income from other trading activities

	Unrestricted funds 2024 £	Total funds 2024 £
Fundraising Events	4,769	4,769
	<u>4,769</u>	<u>4,769</u>

	Unrestricted funds 2023 £	Total funds 2023 £
Fundraising Events	3,295	3,295
	<u>3,295</u>	<u>3,295</u>

6. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Deposit Account Interest	890	890
	<u>890</u>	<u>890</u>

	Unrestricted funds 2023 £	Total funds 2023 £
Deposit Account Interest	363	363
	<u>363</u>	<u>363</u>

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

7. Expenditure on raising funds

	Unrestricted funds 2024 £	Total funds 2024 £
Costs of raising funds	33,115	33,115

	Unrestricted funds 2023 £	Total funds 2023 £
Costs of raising funds	29,059	29,059

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £
Thailand Projects	228,785	105,747	334,532

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £
Thailand Projects	254,171	114,761	368,932

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

9. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Thailand Projects	294,904	39,628	334,532

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Thailand Projects	329,509	39,423	368,932

Analysis of support costs

	Management costs 2024 £	Total funds 2024 £
Management costs	8,947	8,947
Finance costs	4,399	4,399
Governance costs	26,282	26,282
	<u>39,628</u>	<u>39,628</u>

	Management costs 2023 £	Total funds 2023 £
Management costs	8,698	8,698
Finance costs	5,206	5,206
Governance costs	25,519	25,519
	<u>39,423</u>	<u>39,423</u>

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

10. Independent examiner's remuneration

	2024 £	2023 £
Fees payable to the Company's independent examiner for the independent examination of the Company's annual accounts	3,960	3,060
Fees payable to the Company's independent examiner in respect of: Other services not included above	7,560	9,072
	<u> </u>	<u> </u>

11. Staff costs

	2024 £	2023 £
Wages and salaries	77,732	88,708
Contribution to defined contribution pension schemes	2,691	3,124
	<u> </u>	<u> </u>
	<u>80,423</u>	<u>91,832</u>

The average number of persons employed by the Company during the year was as follows:

	2024 No.	2023 No.
Charitable activities	2	3
Administration and support	1	1
	<u> </u>	<u> </u>
	<u>3</u>	<u>4</u>

No employee received remuneration amounting to more than £60,000 in either year.

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 30 September 2024, no Trustee expenses have been incurred (2023 - £NIL).

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

13. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 October 2023	19,961	167	300	20,428
Additions	25,168	-	459	25,627
At 30 September 2024	<u>45,129</u>	<u>167</u>	<u>759</u>	<u>46,055</u>
Depreciation				
At 1 October 2023	19,961	65	236	20,262
Charge for the year	2,797	56	145	2,998
At 30 September 2024	<u>22,758</u>	<u>121</u>	<u>381</u>	<u>23,260</u>
Net book value				
At 30 September 2024	<u>22,371</u>	<u>46</u>	<u>378</u>	<u>22,795</u>
At 30 September 2023	<u>-</u>	<u>102</u>	<u>64</u>	<u>166</u>

14. Debtors

	2024 £	2023 £
Due within one year		
Prepayments and accrued income	1,296	1,973
Tax recoverable	359	-
	<u>1,655</u>	<u>1,973</u>

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

15. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	1,512	756
Other taxation and social security	1,210	1,550
Accruals and deferred income	3,747	3,660
	<u>6,469</u>	<u>5,966</u>

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

16. Statement of funds

Statement of funds - current year

	Balance at 1 October 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2024 £
Unrestricted funds					
Unrestricted fund - General funds	57,358	137,684	(138,862)	4,870	61,050
Restricted funds					
Health	5,154	160,732	(117,603)	-	48,283
Education	38,044	58,568	(31,823)	-	64,789
Livelihood	9,937	83,994	(71,882)	15,000	37,049
Vehicle	15,505	7,161	(2,796)	(19,870)	-
WASH Rectification	-	19,222	(4,681)	-	14,541
	<u>68,640</u>	<u>329,677</u>	<u>(228,785)</u>	<u>(4,870)</u>	<u>164,662</u>
Total of funds	<u><u>125,998</u></u>	<u><u>467,361</u></u>	<u><u>(367,647)</u></u>	<u><u>-</u></u>	<u><u>225,712</u></u>

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 October 2022 £	Income £	Expenditure £	Balance at 30 September 2023 £
Unrestricted funds				
Unrestricted fund - General funds	67,650	133,528	(143,820)	57,358
Restricted funds				
Health	53,607	90,417	(138,870)	5,154
Education	33,519	41,513	(36,988)	38,044
Livelihood	21,898	66,351	(78,312)	9,937
Vehicle	-	15,505	-	15,505
	<u>109,024</u>	<u>213,786</u>	<u>(254,170)</u>	<u>68,640</u>
Total of funds	<u><u>176,674</u></u>	<u><u>347,314</u></u>	<u><u>(397,990)</u></u>	<u><u>125,998</u></u>

The health fund promotes better community health through the delivery of clean water systems and latrine/shower units. The education fund helps children from isolated and marginalised communities complete their education. The livelihood fund aims to safeguard crops and fields from natural hazards. The vehicle fund relates to a grant for the purchase of a new vehicle for the charity's use, as the vehicle was purchased in the year, a transfer was made from restricted to unrestricted.

The WASH Rectification Fund is to support repairs, filters and improvements for water systems.

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	22,795	22,795
Current assets	164,662	44,724	209,386
Creditors due within one year	-	(6,469)	(6,469)
Total	<u><u>164,662</u></u>	<u><u>61,050</u></u>	<u><u>225,712</u></u>

THE KAREN HILL TRIBES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	166	166
Current assets	68,640	63,158	131,798
Creditors due within one year	-	(5,966)	(5,966)
Total	68,640	57,358	125,998

18. Pension commitments

Defined contribution plans

The amount recognised in income or expenditure in relation defined contribution plans was £2,691 (2023: £3,124).

THE KAREN HILL TRIBES TRUST

England & Wales - Charity number 1093548

Accounts



The Karen Hilltribes Trust ANNUAL REPORT & ACCOUNTS

1st October 2022 - 30th September 2023

COMPANY & CHARITY INFORMATION

Registered Company Number 04484077 (England & Wales)

Registered Charity Number 1093548

Registered Office Tower House Business Centre
Fishergate, York, YO10 4UA
United Kingdom

Trustees

B Wiggan - Chair of Trustees

J Ballantine - Secretary

J Delaney

R Ellis

J Heelham

C Shampine

D Shurman

H Bilton (resigned 26th February 2024)

J Monaghan (resigned 26th February 2024)

B Smith (resigned 26th February 2024)

T A Y Wright (resigned 26th February 2024)

Independent Examiner

Susan Seaman, BA FCA CIOT
Sagars Accountants Ltd Gresham House,
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Director

Summereen Khan



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Chair's Statement



Dr Beth Wiggan
Chair of Trustees

I would describe this past year 2022/2023 as a year of settling. After the dramatic changes and shifts of recent years, we have been finding some new steadiness and creating pathways to further and future stability.

Our new Director, and myself as the new Chair, have this year settled into our roles and really got to grips with the main challenges currently facing the organisation. That said, we have continued to push forward: This year, we have adopted a new 5 year operational strategy, restructured the Board of Trustees to best support KHT, trialled new water filters to find the best way to secure clean water for villagers, secured the support of a

number of new major donors, implemented a new integrated programme of holistic multi-project support in 3 villages, and introduced new elements to our programmes such as de-worming, hygiene education and first aid training. This is all alongside solidifying our 'business as usual' achievements in our core activities by constructing 7 water sanitation and hygiene (WASH) systems and 6 flood resistant irrigation systems, and supporting hundreds of young people via our Access to Education initiatives.

It's great to have seen our volunteer programme start to settle too, with volunteers back playing a key role in some projects, and I look forward to that extending to our other

programmes next year. Whilst the global economic landscape is challenging for small organisations like ours, I'm proud of the considerable fundraising achievements this year and feel confident in our plans for the coming year. This report shows that we have continued to make outstanding use of the funds we raise.

As always, thanks must go to our generous donors, fantastic staff, motivated volunteers and engaged communities, without whom we could not report here that we have again successfully met our goals to enhance community health, secure sustainable livelihoods, and increase access to education for our Karen beneficiaries.

Our new strategy means that 2023/2024 looks set to be a year of growth, in many forms, as we continue to work towards a secure future for the Karen communities of Northern Thailand.

Dr Beth Wiggan
Chair of Trustees



THIS YEAR, WE HAVE ADOPTED A NEW 5 YEAR OPERATIONAL STRATEGY, RESTRUCTURED THE BOARD OF TRUSTEES TO BEST SUPPORT KHT, TRIALLED NEW WATER FILTERS TO FIND THE BEST WAY TO SECURE CLEAN WATER FOR VILLAGERS, SECURED THE SUPPORT OF A NUMBER OF NEW MAJOR DONORS, IMPLEMENTED A NEW INTEGRATED PROGRAMME OF HOLISTIC MULTI-PROJECT SUPPORT IN 3 VILLAGES, AND INTRODUCED NEW ELEMENTS TO OUR PROGRAMMES SUCH AS DE-WORMING, HYGIENE EDUCATION AND FIRST AID TRAINING.



OUR MISSION, VISION & IMPACT

The Karen Hill Tribes Trust (KHT) is a community-led organisation that has been working with marginalised Thai-Karen communities in Northern Thailand for the past three decades. The Karen are one of the largest ethnic minority groups in Thailand, with most communities

residing in low resource, rural and mountainous areas of Northern Thailand. By taking a holistic approach to the complex socio-economic issues at hand, KHT aims to achieve sustainable change by empowering communities to improve their own lives.



OUR VISION

A secure future for the Karen communities of Northern Thailand.



OUR MISSION

To partner with Karen communities to improve their health, livelihoods, and access to education.



OUR GOALS

To enhance community health by improving sanitation, hygiene, and access to safe water. To secure sustainable livelihoods through increased food security & income generation. To increase access to education for children and young adults to improve their opportunities.

OUR APPROACH

KHT's approach begins and ends with the Karen People of Northern Thailand. As one of the few organisations operating across the Mae Hong Son Province, KHT works in an integrated and sustainable manner to improve the lives of marginalised indigenous Thai-Karen communities.

The KHT works in three main areas: Community Health, Sustainable Livelihoods and Access to Education. As such, our projects support immediate, short term and long term needs of the Karen, and we work with local communities with a key priority being their dignity and betterment

This unique approach is based on the expressed needs of target communities and involves their local knowledge in all stages of our projects, including design, implementation, maintenance, and evaluation. Projects are focussed on promoting self-reliance leading to improved well-being, whilst helping Karen communities retain their unique identity and culture. Not only does this approach guarantee projects have a positive impact, but also supports community ownership and long-term sustainability.

KHT's Impact to Date



Transformed health and well-being for over 48,000 people through providing cleaner drinking water, improved sanitation facilities and hygiene education.



Allowed 16,696 farmers to secure agriculture as a sustainable livelihood through the construction of flood-resistant irrigation systems



Increased access to education for 16,271 children and young adults through the provision of school meals, transport and accommodation, and higher education scholarships.

*KHT revised its beneficiary figures in 2023, utilising its new database and checking historical data. There is a slight decrease in direct beneficiary figures in large part because KHT can account for individuals being beneficiaries of multiple projects.

KEY ACHIEVEMENTS IN 2022-2023



WASH

Gravity Fed Water Systems and Sanitation facilities constructed for **7 villages** and supporting **1534 people**.



IRRIGATION

Construction of Flood Resistant Irrigation Systems in **6 villages, directly helping 2730 people**, and more indirect beneficiaries.



ACCESS TO EDUCATION

- **17 Villages** served by bus routes transporting **428 children**
- **297 kids & 6 schools** supported for meals
- **46 vocational & university** scholarship students supported
- **454 students & 52 teachers** treated with deworming medication
- Held a reunion event for our higher education scholarship students.



ACHIEVEMENTS & PERFORMANCE

In the last 12 months, KHT has supported upwards of 5,000 Karen people in Northern Thailand through its charitable activities. Whilst KHT continues to face challenges related to weather, accessing villages and rising material costs, the charity has managed to achieve its goals to support as many villages as possible

and provide reliable support improved health, improved livelihoods and support Karen children and youth accessing education. The charity continues to improve its administrative processes, internal operations and liaising with other organisations and groups for best practice and support.






TRANSFORMING COMMUNITY HEALTH THROUGH WATER, SANITATION AND HYGIENE

Ongoing poverty as well as the climate and remoteness of villages means that the Karen face water poverty and poor access to sanitation and hygiene facilities (WASH). With the seasons impacting the availability of water and the possibility of water borne disease, the reliance on unsafe water for drinking, cooking and bathing is often unavoidable for the Karen. Communicable diseases such as typhoid, cholera, parasites and diarrhoea have an impact on both immediate health, livelihoods and even life expectancies. KHT's WASH projects aim to address this lack of access for the Karen and bring cleaner water and sanitation facilities to forgotten and marginalised villages. Our team also provide hygiene education and work closely with the communities to set up Water Committees to maintain systems and ensure there is community buy-in and empowerment.

A 2020 study by Sudsandee et al. found that many unprotected water sources used by hilltribes were contaminated by faeces and harmful bacteria. There is also growing concern of chemical contamination as people use chemical fertilisers.

After a comprehensive evaluation of our WASH programme, KHT implemented slow sand filters into our WASH systems. In the reporting period, KHT installed 4 slow sand filters and we have been working with the communities to ensure they are able to provide the right support. As such we have revisited sites, supported maintenance, and will continue to monitor via water testing. As a precaution, KHT has encouraged communities to boil water under the biological layers grow in the filters and in case of overflow. KHT will also trial other filters and work to provide the most suitable solution for villages.

In 2022-2023, KHT:

-  Constructed WASH systems in 7 villages, including building latrines and providing hygiene education
-  Installed 3 different types of filters to trial new ways to support cleaner water
-  Provided first aid training and first aid kits across 2 villages
-  Continued water testing and monitoring and evaluation
-  Sent staff on training courses related to household water management and slow sand filters



KHT’S WASH EVALUATION:

A refugee influx due to fighting in Myanmar led to one KHT project being left incomplete in terms of the second filter. KHT will return to the village when possible and has advise the families to boil their drinking water. KHT’s rapid sand filter was installed and cleans the water or debris and sediment.

KHT’s 2021-2022 evaluation pointed to the positive impact of our WASH systems, and we are continuing to collect data to ensure we can evaluate the new aspects of our programme. Our WASH Programme impacted the following UN Sustainable Development Goals



SECURING SUSTAINABLE LIVELIHOODS THROUGH FLOOD-RESISTANT IRRIGATION SYSTEMS

Despite Thailand's middle-income status, wealth disparity is huge, and Thailand has the highest income inequality rate in East Asia. As reported by the World Bank in 2020, 6.8% of Thailand's population live below the international poverty line of \$2.15 dollars per day.

Most of these impoverished people are from rural communities and the poverty rate in Mae Hong Son is estimated as 34%, compared to 11% being the national average. Current and exact data on household incomes is difficult to find, however rural households are often earning only 68% of what urban households can earn. The impact of the Covid-19 Pandemic has also led to increased poverty and marginalised communities are struggling to recover.

The Karen earn their subsistence and livelihoods overwhelmingly through farming and are a rural

and isolated community. In times of climate crisis, this leaves them vulnerable to seasonal shifts that cause flooding, dry seasons, and limited access to support to address these. KHT's research shows that at least 50% of villagers do not produce enough rice to last them throughout the year, leaving them food insecure for many months.

KHT's Flood Resistant Irrigation Systems (FRIS) are a simple, durable, and appropriate solution for Karen farmers. The FRIS ensures that water is directed safely to farmland, so it can be used all year-round. As shown in our 2020-2021 Livelihoods Evaluation, the FRIS improved use of farmland, household incomes and reduced food insecurity. The systems can last up to 20 years and KHT have built 106 of these across Mae Hong Son to date.

In 2022-2023, KHT:

- Constructed 6 FRIS systems, supporting 2732 Karen people as well as indirectly benefiting other villages and local markets

OUR WORK SUPPORTS THE FOLLOWING UN SUSTAINABLE DEVELOPMENT GOALS



During the year, KHT has also invested time into researching how to support farmers more via training and links to other organisations. This includes liaising with other groups in Thailand working on improved farming practices including organic farming and seed saving. KHT will continue to work to understand what is best and most needed by Karen communities and how we can implement new components to our existing project.

2023 was a year in which environmental factors greatly impacted KHT's work. Unpredictable rainfall in the dry season, flash floods and landslides cause the KHT team delays and additional expenses. During the rainy season, a violent flood led to KHT's FRIS being destroyed along with a bridge and government dam. This was a rare occurrence in the village and the first time a FRIS has sustained irrevocable damage. KHT will return to the village once flooding subsides to understand what support is needed. The village does have another KHT FRIS, which is reassuring for the villagers.



ACCESS TO EDUCATION FOR MARGINALISED KAREN CHILDREN AND YOUTH

KHT has continued to support access to education for Karen children via school buses, school meals for dormitory students and student scholarships. The cost of living continues to impact families and the education of children is impacted when parents are struggling to manage all the needs of a family. It is estimated that only 19% of children from the poorest quintiles complete upper secondary school, whilst 76% of children from richer quintiles do.

The national average to complete upper secondary school is 47%, although most children do complete primary education. There is a lack of data on access to education for the Karen, leaving many children to fall through the gaps. The remoteness of villages means many children cannot safely travel to school, and sickness and poverty also hinder their attendance. KHT has also noted the relationship between health and access to education.



The Deworming Project was implemented after requests from local primary schools. KHT consulted with the schools, medical experts and completed research on the efficacy and methods of deworming. The project was well received, and the charity has received calls to continue it and include more schools. KHT is currently completing endline surveys for the schools to improve any future implementation.



IN THIS FINANCIAL YEAR, KHT:

- Funded 17 bus routes that serve more than 428 children so ensure they can safely travel to and from school.
- Supported 6 schools with funds for school meals, so children unable to travel home are well fed and can afford to stay at school.
- Sponsored 46 university and vocational students with scholarships to help them continue their higher education.
- Provided deworming medication to 454 students and 52 teachers across 7 schools.

OUR WORK SUPPORTS THE FOLLOWING UN SUSTAINABLE DEVELOPMENT GOALS:





KHT'S HOLISTIC PROGRAMME:

KHT's projects provide a foundational level of support and development for Karen villages. In line with our commitment to providing the support requested by villages, KHT aimed to complete 'holistic' or 'integrated' interventions of more than one KHT project. In 2023, KHT began this integrated approach, and 3 villages have benefited from more than one project. KHT has learned much from this new approach and will be implementing more projects like this in the coming year, according to donor requests. KHT also understands this approach is not always relevant or possible in all villages and has adapted what it does to best support the villages.

CASE STUDY: THE VILLAGE THAT COULDN'T GROW RICE

The village of Ban Mae La Ngew is home to 237 people and due to ongoing water scarcity, the village had been unable to grow rice for 5 years. This left many villagers growing corn to earn an income and having to use their incomes to buy rice to feed themselves. KHT provided the village with a WASH system, including latrines as well as a flood resistant irrigation system to further support their rice growing and improve crop diversity. KHT also provided 3 students from the village with scholarships to complete vocational studies. Ensuring Karen youth have a path to employment via vocational qualifications will support poverty reduction in the long term. Mr Pathuhae is a resident in Mae La Ngew, where he lives with his wife. He has lived in the village since he was born and is a farmer. He was unable to attend school because there was no school, road or electricity when he was growing up.

"In the past we carried water with bamboo from the river and it would take half the day. We had to wash ourselves and our clothes in the river too.

Eventually as roads were built the town also received a water system from the local government. However, this system is now many years old and there is a water shortage, especially in the dry season. For the farmers in the village, these last few years have been very difficult. There have been floods that have means they cannot grow rice. Without rice, the incomes in the village have lessened and poverty has increased.

We are so happy with your help. The villagers will now have water for drinking and using in our farming. It will help us live better lives. We are a harmonious village, and we help each other, and this is something I am proud of.

As Karen we are given less opportunities and slower than others because we are so far from everything, but you have come to help us." Although the road to the village is still a dirt road and this makes it difficult for villagers to travel and access services, improving the crop diversity, health and income generation in the village will go a long way towards improving lives.



STRUCTURE, GOVERNANCE & MANAGEMENT

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the Charity for the year ended 30 September 2023.

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006

Recruitment & appointment of new trustees

Up to 12 trustees are appointed to the board on a three-year rotational basis. As of September 2023, there are 11 trustees on the board. Trustees are recruited by the Board of Trustees based on nominations from existing trustees. The Board of Trustees seeks to ensure a mix of skills and diversity and selects each trustee according to their skills or interest.

Induction and training of new trustees

Before being formally appointed, all trustees are provided with appropriate information to ensure that they have a good understanding of the roles and responsibilities of a trustee, the charity itself and its target beneficiaries. This includes, but is not limited to, the Essential Trustee Guide from the Charity Commission, the Charity Commission's web-pages on "Public Benefit", and the Charity's governing document, strategic plan, recent annual reports, M&E/impact reports, meeting minutes, and Board Basics & Becoming a Trustee Policy document.

Organisational structure

The Board of Trustees are collectively responsible for ensuring that the Charity is effectively and responsibly governed and that it delivers its charitable objectives for the public benefit. All trustees give their

time freely and do not receive remuneration or other benefits for their role. KHT has a trustee indemnity insurance policy in place that covers the Trustees and Charity up to £250,000.

The Trustees, together with the Director, meet three times a year to discuss and determine strategic, financial, and operational requirements, with the annual general meeting (AGM) being held in January each year. Following a full review of the Board of Trustees by the Chair in 2023, 3 new trustee sub-committees were introduced to support KHT staff in the key areas of Governance and Risk, Programmes, and Fundraising. These sub-committees also involve some additional external expert support, for example via a Professional Advisory Board for Programmes, and fundraising mentorship. These recent changes will be embedded, and their impact will start to be felt in 2023/2024.

Summereen Khan was appointed as Director in July 2022 and has been working with the Board of Trustees and staff to lead daily operations, ensure legal requirements, and the charitable objects of KHT are met. The Director reports to the Board of Trustees in the UK and is responsible for ensuring that the charity achieves its mission through key performance indicators agreed by the Trustees.

All of the charity's other employees and volunteers report directly to the Director. KHT delivers its charitable objectives in Northern Thailand in partnership with a Thai registered foundation, the Foundation for Karen Hilltribes in Thailand (KHTF). Collectively, the Charity's team is based across locations

in the UK and Khun Yuam, Thailand. In the UK, the Charity's team includes the Director, Fundraising Manager, Programmes Officer and Finance Administrator. Although York is KHT's base and a registered office address is held for postal services, the Charity does not operate a physical office and all UK employees work remotely. Together, the main responsibility of the UK charity is to raise funds, maintain robust financial systems, distribute communications, provide oversight and management on all charitable activities and work with the UK-based Board of Trustees to ensure good governance. In Thailand, KHTF maintains a small office in Khun Yuam, which coordinates the implementation of all the charity's projects. Nine Thai-Karen staff are based in this office. The Thai-Karen staff lead all project activities and Thai administration. The UK team have travelled to Thailand to support KHT's operations this year. Direct visits and time spent in Mae Hong Son is vital to ensure projects are performing as needed and also important for ongoing fundraising efforts. The Director's visits are also part of supporting the development of the Thai-Karen team and the implementation and evaluation of the charity's projects through their expertise and technical skills. Oversight and ensuring better reporting for trustees and donors and is also an important benefit to extended visits to Mae Hong Son. KHT extends invites to its donors to Mae Hong Son and one key donor was able to visit projects in November 2022 to meet with our local team.

Related parties

The Foundation for Karen Hilltribes in Thailand (KHTF) was established under Thai law in Bangkok by representatives of KHT in December 2002 (Registered in Thailand by Permit 242/2525). KHTF has its own Board of Trustees and employees and works in partnership with KHT according to a mutually agreed Memorandum of Understanding (MoU) which defines the relationship between the two entities. Accounts for KHTF are registered and

submitted under Thai law and are incorporated into KHT's financial statements. Although it is a separate legal entity, KHTF has identical aims to KHT and the two entities work in close partnership towards a common vision and mission. To achieve these shared goals, KHT organises operations and fundraising from the UK, where its financial centre is based, whilst KHTF acts as the implementing arm that delivers activities.

Risk management

The Board of Trustees and Director of KHT believe that sound risk management is integral to both good management and good governance practice, and ultimately to the sustainability and success of the charity. Risk management is therefore an integral part of the charity's decision-making process and is incorporated within all strategic and operational planning. KHT manages its exposure to risk through a robust risk management framework, which ensures the charity is able to identify, assess and respond to risks that it may face when conducting activities.

The framework is based on guidance published by the Charity Commission in "Charities and risk management (CC26)" and focuses on assessing six key areas of risk: Governance, Operational, Financial, External, Compliance (law or regulation), and Safeguarding - safeguarding was recently highlighted as its own category of risk to ensure KHT is upholding the best possible safeguarding standards across the Charity. Although a culture of effective risk management is promoted at all levels of the charity, the implementation and adherence to the risk framework is overseen by the Director and Board of Trustees. The Board of Trustees Risk Management Sub-Committee holds risk management meetings three times a year to review and update the risk management framework. Any risks identified as major or extreme are then reported to the full Board of Trustees at Trustees' meetings for discussion before appropriate action is then taken to reduce the risk.

KHT Organisational Strategy 2023-2028:

In 2023, KHT approved a 5-year strategy to take over from the interim strategy implemented in 2022. This strategy was developed by the new Director in collaboration with the trustees and the aim is to review the key indicators annually and ensure the charity is on track for its larger goals. The key goals are below and will be monitored and evaluated based on measurable indicators.



OBJECTIVES & ACTIVITIES

History

KHT was first registered as a charity in 1989 to address the lack of clean water in Karen villages, under the name Mae Phon Karen Hill Tribes Trust (Charity number 800796). The charity was formed through a partnership with current Karen Manager Wichien Bunrachaisavan (Salahae) and a former British diplomat working in Thailand. By working with Karen communities, cleaner water systems were designed and put in place to provide a source of life-changing access to cleaner water. In response to the expressed needs of the Karen, the work of KHT has now expanded into the areas of livelihoods and education with the aim to support the Karen in building a more sustainable future. Over time, KHT continues to adapt and improve its programmes and has expanded its community health programme into supporting improvements in sanitation and hygiene, in addition to its traditional focus on cleaner water. To aid this mission, a strong link with the UK was formed. This has resulted in over 400 volunteers travelling to Thailand to help construct cleaner water systems and teach English in Karen schools. In 1999, a fundraising office was opened in York and the charity was re-registered under the name The Karen Hill Tribes Trust in 2002 by

Penelope Worsley, the mother of a former volunteer. After over 30 years Salahae continues to lead the work in Thailand, supported by a team of nine Karen staff who fully involve the local community to ensure projects promote self-help and sustainability. To date, over £5.5 million has been raised for projects which have helped improve the lives of tens of thousands of Karen people living in Northern Thailand.

Charity Objectives

KHT was formally established in 2002 to benefit the Karen people of Northern Thailand. In the financial year ending 30th September 2023, the Board of Trustees have been able to continue working towards achieving its objectives.

- To improve the health, livelihoods, and access to education of Karen Communities in Northern Thailand.
- Any other charitable purpose for the benefit of the Karen communities of Northern Thailand

Public benefit

All the Charity's aims, activities and achievements in the year ending 30th September 2023 are set out in this report and have been undertaken to further KHT's charitable purposes for the public benefit.

The Board of Trustees confirm that they have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission, and that they have referred to this guidance and the Charity Commission general guidance on public benefit when reviewing the Charity's aims, objects and in deciding what activities the Charity should undertake. KHT can also confirm that it has policies and procedures in place to protect people involved with the Charity, including complaints handling, conflicts of interest, risk management, safeguarding vulnerable beneficiaries, and volunteer management policies. In the financial year ending 30th September 2023, no safeguarding concerns were reported to KHT or its partner foundation.

Fundraising Activities

The majority of KHT's funding is derived from grants made by trusts and foundations. KHT works with the Give 2 Asia Platform, as well as CAF to ensure we can receive funding from

the US and from Europe. In addition to this, KHT has several loyal individual donors that support our projects through unrestricted donations.

The Director and Fundraising Manager work to find new avenues of funding, both from institutions and individuals and in 2022-2023, KHT was able to secure grants from 4 new grant giving institutions, as well as continuing to strengthen its relationship with current and past donors.

In 2022-2023, KHT held an online challenge raising more than £1000 and sent out calls to donate via its Christmas and Easter Newsletters, as well as the monthly online newsletter. KHT also partnered with two hostel organisations working in Thailand, which held special events for the charity and will also provide their customers with information on our volunteering programme. In addition to this, KHT held its annual 'Jungle Trek' in December 2022, which involved 16 participants and fundraised more than £15,000.



Volunteers

In the past 12 months, KHT has been able to welcome two teaching volunteers as well as a group of 26 volunteers to support our July wash project.

KHT utilised social media and previous links with schools to help recruit volunteers. We hope to continue increasing volunteers in the coming year.

As in pre-Covid times, KHT aims to welcome both short-term teaching and water project volunteers to Thailand each year. Teaching volunteers spend 3 months teaching English in local schools, whilst water volunteers support the construction of water systems in remote Karen villages. KHT is grateful to its volunteers for continuing to support the charity in various ways and volunteers remain a vital part of our work and contribution.

Plans for the Future Period

Following the disruption and challenges of the past 2 years cause by the Covid-19 Pandemic, KHT has managed to complete more projects in this year than the previous. This is in part to have a full complement of staff, the ability to travel to Mae Hong Son and positive outcomes with regards to fundraising efforts.

The past 12 months have also come with challenges, both internal and external. New aspects introduced as a result of extensive project evaluations and improving the capacity of the charity has led to a period of adjustment, we the charity amends administrative and operational processes. KHT is required to work within local regulations and restrictions, which can also lead to challenges and obstacles, alongside the unpredictability and operational impact of the weather and physical environment. KHT has also noted a shrinking of opportunities to achieve grants and support, which has led to more focus on community fundraising and strengthening links with long term donors. Ensuring KHT can lengthen its fundraising runway and reach more new donors, individual and institutional, is vital for our plans in the coming year.

KHT remains focused on meeting international standards, improving its monitoring and evaluation and on ensuring adaptability and flexibility in how it implements its projects and what its own goals are. A new strategy has been adopted by the trustees, as of June 2023, and this will help guide the charity for the next 5 years. Looking ahead to the 2023-2024 year, KHT aims to work in line with its new strategy and continue its important work in earnest. The year is shaping up to be an exciting time for project development, building recognition and improving operations. KHT aims to continue to support the Karen in achieving their basic human rights to water, education and livelihoods and to make the Karen people more visible to the world.



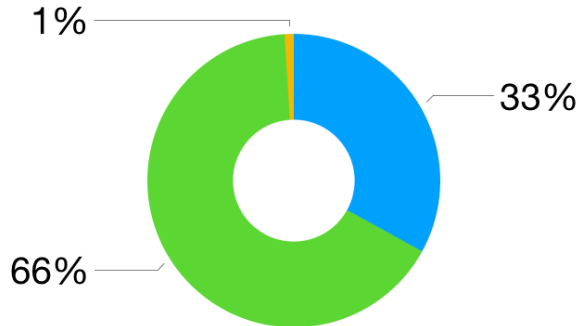
KHT remains focused on meeting international standards, improving its monitoring and evaluation and on ensuring adaptability and flexibility in how it implements its projects and what its own goals are. A new strategy has been adopted by the trustees, as of June 2023, and this will help guide the charity for the next 5 years.





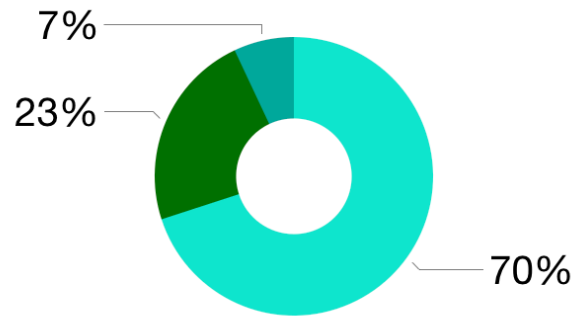
FINANCIAL REVIEW

Analysis of Income 2022/23



■ Donations & Legacies (33%)
 ■ Thailand Projects (66%)
 ■ Other Trading Activities & Investment Income (1%)

Analysis of Expenditure 2022/23



■ Charitable Activities (70%)
 ■ Support Costs (23%)
 ■ Raising Funds (7%)

As of 30th September 2023, KHT held funds totalling £125,998. Income for the year ending 30th September 2023 totalled £347,315 and expenditure totalled £397,991, creating a deficit of £50,676 in the year. Of the income received, £133,528 was unrestricted and £213,786 was restricted. Charitable spend made up 83% of the expenditure, 10% was expended on support costs and just 7% on raising funds.

KHT has also received donations and grant funding from a number of other donors who have requested to remain anonymous. These Financial Statements reflect the UK-generated income of KHT and include funds that are raised in Thailand. For operational reasons, funds raised in Thailand are processed through The Foundation for Karen Hilltribes in Thailand (KHTF).

Principal funding sources Income is generated from donations, grants, events and volunteers. Specific major grants have been received from:

Lloyd George Asia Foundation

Christadelphian-Meal-a-Day Asian Pacific Ltd.

Randal Charitable Foundation

King Baudouin Foundation

Scott Bader Foundation

Fundraising

KHT would not be able to carry out its work without its dedicated supporters and is therefore committed to achieving the highest standard in fundraising. KHT does this by ensuring it abides by the Code of Fundraising Practice, set by the Fundraising Regulator, in all fundraising activities that it conducts. KHT is also committed to protecting privacy and will process personal data in accordance with the General Data Protection Act 2018 and its Privacy and Data Protection Policy. Personal details will always be kept safe and secure and will only be used by us or those who work for us. We promise never to share or rent personal details to third parties for marketing purposes.

Investment policy & objectives

There are no current restrictions on investment. Any investments are held on interest earning deposit at the bank for ease of access and minimal risk of loss.

Reserves policy

Total funds held by the Charity at year end were £125,998, of which £68,640 were restricted and not available for general purposes of the Charity. The Charity’s reserves level is calculated using major/ catastrophic risks highlighted in the Charity’s detailed risk management framework. The current level of unrestricted reserves is set at a range of £55,000 to £65,000.

This is calculated as the total amount of funds required to:

- Safeguard unrestricted budgeted operations for a minimum period of three months in the event of unforeseen circumstances or events;
- Mitigate an unexpected fluctuation in exchange rates; and
- Manage the loss of key personnel.

The Charity held unrestricted funds of £57,358 which is within its reserves policy at year end.

Reserves are regularly monitored by the Treasurer and Director and reviewed annually

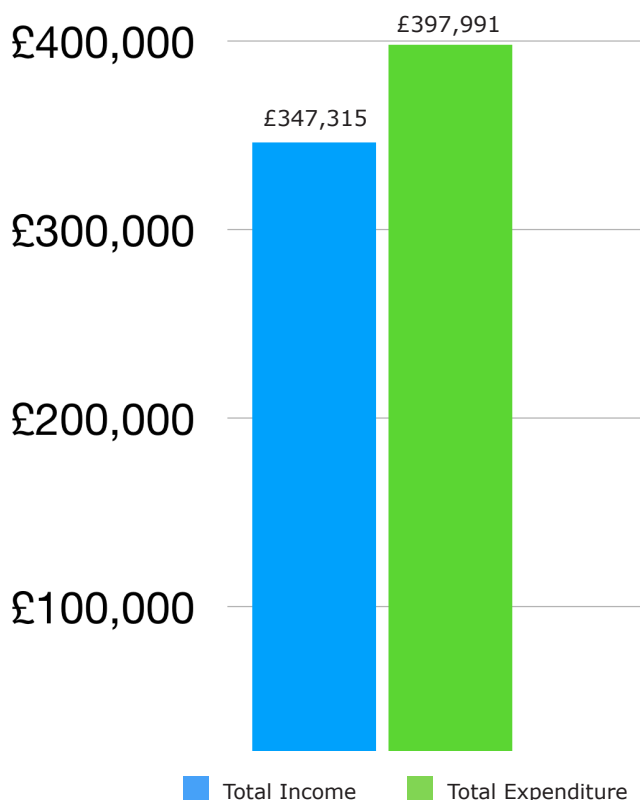
by the Board of Trustees. KHT expects its unrestricted reserves level to reduce to £40,000 in the 2023/24 financial year.

As a result, unrestricted reserves are budgeted to be outside the range calculated above at 30th September 2023, however the 2023/24 budget has been prepared on a cautious basis particularly in terms of budgeted income to be received from various fund-raising activities. Furthermore, there are also plans to develop external fund-raising activities by making the Fund-Raising Officer a full – time role and by forming a trustee fundraising subcommittee to assist with fund raising.

It is hoped that these initiatives will help to reduce the budgeted shortfall in unrestricted funds in the long term.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.



STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and Financial Statements in accordance with applicable law, regulations and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law in England and Wales requires Trustees to prepare financial statements for each financial year which give a true and fair representation of the state of affairs of the Charity and of the application of resources, including the income and expenditure, of the Charity for the period. In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- Follow applicable United Kingdom Accounting Standards and the Charities Statement of Recommended Practice (SORP), disclosing and explaining any departures in the Accounts; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue to operate.

The Trustees are responsible for keeping sufficient accounting records that accurately disclose the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Companies Act 2006, the applicable Charities (Accounts and Reports) Regulations and the provisions applicable to companies entitled to the small companies exemption. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees' annual report was approved and signed on behalf of the Board of Trustees by:

Beth Wiggan

Dr. Beth Wiggan - Chair of Trustees

26 February 2024

Date of Approval

COMPANY REGISTRATION NUMBER: 04484077
CHARITY REGISTRATION NUMBER: 1093548

The Karen Hill Tribes Trust
Company Limited by Guarantee
Unaudited Financial Statements
30 September 2023

The Karen Hill Tribes Trust
Company Limited by Guarantee
Financial Statements
Year ended 30 September 2023

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The Karen Hill Tribes Trust

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of The Karen Hill Tribes Trust

Year ended 30 September 2023

I report to the trustees on my examination of the financial statements of The Karen Hill Tribes Trust ('the charity') for the year ended 30 September 2023.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Susan Seaman, BA FCA CIOT
Sagars Accountants Ltd

Independent Examiner

Gresham House
5-7 St Paul's Street
Leeds
LS1 2JG

26 February 2024

The Karen Hill Tribes Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 September 2023

		2023			2022
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	114,090	–	114,090	61,732
Thailand projects	6	15,780	213,786	229,567	258,102
Other trading activities	7	3,295	–	3,295	4,720
Investment income	8	363	–	363	277
Total income		<u>133,528</u>	<u>213,786</u>	<u>347,315</u>	<u>324,831</u>
Expenditure					
Expenditure on raising funds:					
Raising funds	9	29,059	–	29,059	22,313
Thailand projects	10,11	114,761	254,170	368,932	302,102
Total expenditure		<u>143,820</u>	<u>254,170</u>	<u>397,991</u>	<u>324,415</u>
Net (expenditure)/income and net movement in funds					
		<u>(10,292)</u>	<u>(40,384)</u>	<u>(50,676)</u>	<u>416</u>
Reconciliation of funds					
Total funds brought forward		<u>67,650</u>	<u>109,024</u>	<u>176,674</u>	<u>176,258</u>
Total funds carried forward		<u>57,358</u>	<u>68,640</u>	<u>125,998</u>	<u>176,674</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The Karen Hill Tribes Trust
Company Limited by Guarantee
Statement of Financial Position
30 September 2023

	Note	2023	2022
		£	£
Fixed assets			
Tangible fixed assets	17	166	299
Current assets			
Debtors	18	1,973	2,584
Cash at bank and in hand		129,825	180,475
		<u>131,798</u>	<u>183,059</u>
Creditors: amounts falling due within one year	19	<u>5,966</u>	<u>6,684</u>
Net current assets		<u>125,832</u>	<u>176,375</u>
Total assets less current liabilities		<u>125,998</u>	<u>176,674</u>
Net assets		<u>125,998</u>	<u>176,674</u>
Funds of the charity			
Restricted funds		68,640	109,024
Unrestricted funds		57,358	67,650
Total charity funds	21	<u>125,998</u>	<u>176,674</u>

For the year ending 30 September 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on ~~26/02/24~~ and are signed on behalf of the board by:

Beth Wiggan

B Wiggan
Trustee

The notes on pages 30 to 37 form part of these financial statements.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 September 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Tower House Business Centre, Fishergate, York, YO10 4UA.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The charity qualifies as a small charity as defined in SORP FRS 102 and as such advantage has been taken to not include a cash flow within the financial statements.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Details of these judgements are set out in the accounting policies.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Wages costs are apportioned between charitable activities, raising funds, and support costs as appropriate.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	33% straight line
Motor vehicles	-	25% reducing balance
Equipment	-	33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Contributions are charged to the statement of Financial Activities in the period to which they relate.

4. Limited by guarantee

The charity is governed by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations	106,902	106,902	45,851	45,851
Gift Aid	5,166	5,166	15,881	15,881

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Legacies				
Legacies Income	2,022	2,022	–	–
	<u>114,090</u>	<u>114,090</u>	<u>61,732</u>	<u>61,732</u>

6. Thailand projects

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Thailand projects	15,780	213,786	229,567
	<u>15,780</u>	<u>213,786</u>	<u>229,567</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Thailand projects	888	257,214	258,102
	<u>888</u>	<u>257,214</u>	<u>258,102</u>

7. Other trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Fundraising events	3,295	3,295	4,720	4,720
	<u>3,295</u>	<u>3,295</u>	<u>4,720</u>	<u>4,720</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Deposit account interest	363	363	277	277
	<u>363</u>	<u>363</u>	<u>277</u>	<u>277</u>

9. Raising funds

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Costs of raising funds	29,059	29,059	22,313	22,313
	<u>29,059</u>	<u>29,059</u>	<u>22,313</u>	<u>22,313</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

10. Charitable activities costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Direct costs	75,339	254,170	329,509
Support costs	39,422	–	39,423
	<u>114,761</u>	<u>254,170</u>	<u>368,932</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Direct costs	41,408	227,133	268,541
Support costs	33,561	–	33,561
	<u>74,969</u>	<u>227,133</u>	<u>302,102</u>

11. Charitable activities costs

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
Direct costs	<u>329,509</u>	<u>39,423</u>	<u>368,932</u>	<u>302,102</u>

12. Analysis of support costs

	Management costs £	Total 2023 £	Total 2022 £
Finance costs	5,206	5,206	(2,388)
Governance costs	25,519	25,519	23,911
Management costs	8,698	8,698	12,038
	<u>39,423</u>	<u>39,423</u>	<u>33,561</u>

13. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	<u>133</u>	<u>85</u>

14. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	3,060	2,820
Other financial services	9,072	9,072
	<u>12,132</u>	<u>11,892</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023 £	2022 £
Wages and salaries	88,708	78,245
Employer contributions to pension plans	3,124	1,794
	<u>91,832</u>	<u>80,039</u>

The average head count of employees during the year was 4 (2022: 4). The average number of full-time equivalent employees during the year is analysed as follows:

	2023 No.	2022 No.
Charitable activities	3	3
Administration and support	1	1
	<u>4</u>	<u>4</u>

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

16. Trustee remuneration and expenses

There was no trustees' remuneration paid in the year (2022 - £nil).

17. Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 October 2022 and 30 September 2023	167	19,961	300	20,428
Depreciation				
At 1 October 2022	9	19,961	159	20,129
Charge for the year	56	–	77	133
At 30 September 2023	65	19,961	236	20,262
Carrying amount				
At 30 September 2023	102	–	64	166
At 30 September 2022	158	–	141	299

18. Debtors

	2023 £	2022 £
Trade debtors	–	10
Prepayments and accrued income	1,973	2,574
	<u>1,973</u>	<u>2,584</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 30 September 2023

19. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	756	1,847
Accruals and deferred income	3,660	3,576
Social security and other taxes	1,550	1,261
	<u>5,966</u>	<u>6,684</u>

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £3,124 (2022: £1,794).

21. Analysis of charitable funds

Unrestricted funds

	At 1 October 2022	Income	Expenditure	At 30 September 2023
	£	£	£	£
Unrestricted fund - General funds	67,650	133,528	(143,820)	<u>57,358</u>

	At 1 October 2021	Income	Expenditure	At 30 September 2022
	£	£	£	£
Unrestricted fund - General funds	97,315	67,617	(97,282)	<u>67,650</u>

Restricted funds

	At 1 October 2022	Income	Expenditure	At 30 September 2023
	£	£	£	£
Health	53,607	90,417	(138,870)	5,154
Education	33,519	41,513	(36,988)	38,044
Livelihood	21,898	66,351	(78,312)	9,937
Vehicle	-	15,505	-	15,505
	<u>109,024</u>	<u>213,786</u>	<u>(254,170)</u>	<u>68,640</u>

	At 1 October 2021	Income	Expenditure	At 30 September 2022
	£	£	£	£
Health	34,411	127,032	(107,836)	53,607
Education	27,654	42,395	(36,530)	33,519
Livelihood	16,878	87,787	(82,767)	21,898
Vehicle	-	-	-	-
	<u>78,943</u>	<u>257,214</u>	<u>(227,133)</u>	<u>109,024</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

21. Analysis of charitable funds *(continued)*

The health fund promotes better community health through the delivery of clean water systems and latrine/shower units. The education fund helps children from isolated and marginalised communities complete their education. The livelihood fund aims to safeguard crops and fields from natural hazards. The vehicle fund relates to a grant for the purchase of a new vehicle for the charity's use.

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	166	–	166
Current assets	63,158	68,640	131,798
Creditors less than 1 year	(5,966)	–	(5,966)
Net assets	<u>57,358</u>	<u>68,640</u>	<u>125,998</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	299	–	299
Current assets	74,035	109,024	183,059
Creditors less than 1 year	(6,684)	–	(6,684)
Net assets	<u>67,650</u>	<u>109,024</u>	<u>176,674</u>

23. Related parties

The foundation for Karen Hilltribes in Thailand was set up in 2002 with identical aims as The Karen Hill Tribes Trust.



Contact Us

The Karen Hilltribes Trust

Tower House, Fishergate, York, YO10 4UA | Tel: +44 (0) 1904 373 001
Director: Summereen Khan | director@karenhilltribes.org.uk

UK Registered Charity No. 1093548 | Company No. 04484077
Registered in Thailand by permit 242/2525

Follow us on Facebook: @TheKarenHilltribesTrust

www.karenhilltribes.org.uk



THE KAREN HILL TRIBES TRUST

England & Wales - Charity number 1093548

Accounts



The Karen Hilltribes Trust
ANNUAL REPORT
& ACCOUNTS

1st October 2021 - 30th September 2022

COMPANY & CHARITY INFORMATION

Registered Company Number 04484077 (England & Wales)

Registered Charity Number 1093548

Registered Office Tower House Business Centre
Fishergate,
York, YO10 4UA
United Kingdom

Trustees

B Wiggan - Chair of Trustees
T A Y Wright - Vice Chair of Trustees
J Monaghan - Treasurer
J Ballantine - Secretary
D Shurman
J Delaney
B Smith
C Shampine
R Ellis
J Heelham
H Bilton
V Pert (Resigned 24 January 2022)

Independent Examiner Susan Seaman, BA FCA CIOT
Sagars Accountants Ltd Gresham House,
5-7 St Pauls Street Leeds, LS1 2JG,
United Kingdom

Director Summereen Khan (appointed July 1 2022)
Matt Jenkins (Interim, appointed 1 December
2021- Resigned 31 August 2022)
Billy Curryer (resigned 4 February 2022)



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Trustees' Annual Report - Year Ended 30 September 2022

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Chair's Statement



THANKS TO OUR GENEROUS DONORS, FANTASTIC STAFF, MOTIVATED VOLUNTEERS AND ENGAGED COMMUNITIES, WE CAN CONFIDENTLY REPORT THAT WE HAVE AGAIN ACHIEVED OUR GOALS OF ENHANCING COMMUNITY HEALTH, SECURING SUSTAINABLE LIVELIHOODS, AND INCREASING ACCESS TO EDUCATION FOR OUR KAREN BENEFICIARIES.



Dr Beth Wiggan
Chair of Trustees

The year 2021/2022 has been a year of transition for KHT. As the world started to open up following the devastation of the Covid-19 pandemic, so too, cautiously, did we. We delivered a busy programme of projects and were even able to finally welcome volunteers back to Karen villages. Furthermore, we implemented major changes to our WASH programme following the recommendations of our comprehensive evaluation, recruited and welcomed an excellent new Director, and I took over as chair of trustees.

I'm therefore particularly pleased to be presenting our annual report and accounts for the first time, because this 2021/2022 report platforms the fantastic achievements of our UK and Karen teams this year as well as highlighting our significant impact as captured via recent advances in our monitoring and evaluation programme.

In reviewing this year's activities and outcomes, I'm proud of the way we have maximised the impact of the donations and funding we secured. Thanks to our generous donors, fantastic staff, motivated volunteers and engaged communities, we can confidently report that we have again achieved our goals of enhancing community health, securing sustainable livelihoods, and increasing access to education for our Karen beneficiaries. We look forward to a year of relative stability in 2022/2023, during which we can build on these recent changes to adopt our next organisational strategy, increase donations, and impact, and continue to work towards a secure future for the Karen communities of Northern Thailand.

OUR MISSION, VISION & IMPACT

The Karen Hill Tribes Trust (KHT) is a community-led organisation that has been working with marginalised Thai-Karen communities in Northern Thailand for the past three decades. The Karen are one of the largest ethnic minority groups in Thailand, with most communities

residing in low resource, rural and mountainous areas of Northern Thailand. By taking a holistic approach to the complex socio-economic issues at hand, KHT aims to achieve sustainable change by empowering communities to improve their own lives.



OUR VISION

A secure future for the Karen communities of Northern Thailand.



OUR MISSION

To partner with Karen communities to improve their health, livelihoods, and access to education.



OUR GOALS

To enhance community health by improving sanitation, hygiene, and access to safe water. To secure sustainable livelihoods through increased food security & income generation. To increase access to education for children and young adults to improve their opportunities.

OUR APPROACH

KHT's approach begins and ends with the Karen People of Northern Thailand. As one of the few organisations operating across the Mae Hong Son Province, KHT works in an integrated and sustainable manner to improve the lives of marginalised indigenous Thai-Karen communities.

The KHT works in three main areas: Community Health, Sustainable Livelihoods and Access to Education. As such, our projects support immediate, short term and long term needs of the Karen, and we work with local communities with a key priority being their dignity and betterment.

This unique approach is based on the expressed needs of target communities and involves their local knowledge in all stages of our projects, including design, implementation, maintenance,

and evaluation. Projects are focused on promoting self-reliance leading to improved well-being, whilst helping Karen communities retain their unique identity and culture.

KHT's Impact to Date



Transformed health and well-being for over **50,000** people through providing clean drinking water, improved sanitation facilities and hygiene education.



Allowed **16,000** farmers to secure agriculture as a sustainable livelihood through the construction of flood-resistant irrigation systems.



Increased access to education for **15,500** for children and young adults through the provision of school meals, transport and accommodation, and higher education scholarships.

KEY ACHIEVEMENTS IN 2021-2022



WASH

Gravity Fed Water Systems & Sanitation facilities constructed for **5 remote villages** & supporting over **1750 people**



IRRIGATION

Construction of Flood Resistant Irrigation Systems in **6 villages**, helping over **1900 people**



ACCESS TO EDUCATION

- **18 villages** served by bus routes and **402 children** have safe transport to school
- **304 children** and 6 schools provided school meals
- **46 scholarship** students



ACHIEVEMENTS & PERFORMANCE

In the last 12 months, KHT has supported upwards of 4350 Karen people in Northern Thailand through its charitable activities. With ongoing restrictions due to COVID-19, and challenges in the environment, KHT

managed milestones and achievements during this period of change and uncertainty. Below is a summary of our main charitable achievements and activities in the past 12 months.

TRANSFORMING COMMUNITY HEALTH THROUGH WATER, SANITATION AND HYGIENE

High levels of poverty facing Karen communities in Mae Hong Son coupled with the remoteness of villages often mean poor access to water, sanitation and hygiene (WASH) facilities. Water access is also impacted by the seasons, and many Karen people are forced to use unsafe water for drinking, cooking and bathing. Unsafe water and inadequate sanitation pose a significant risk to health and can increase communicable diseases such as typhoid, cholera, intestinal parasites, and diarrhoea. This leads to missed days from school and work, ongoing ill health, and further impoverishment.

KHT's WASH projects aim to address this lack of access for the Karen and bring cleaner water and sanitation facilities to forgotten and marginalised villages. Our team also provide hygiene education and work closely with the communities to set up Water Committees to maintain systems and ensure there is community buy-in and empowerment.

A 2020 study by Sudsandee et al. found that many unprotected water sources used by hilltribes were contaminated by faeces and

harmful bacteria. There is also growing concern of chemical contamination as people use chemical fertilisers.

KHT undertook a comprehensive evaluation of its WASH Projects, including water testing in line with its commitment to improved monitoring, evaluation, and learning. This water testing found E.Coli in many water sources and within our older systems pointing to the need to improve our Water System and include additional filters that can remove all bacterial contaminants. After deliberation and study, KHT implemented new slow sand filters in its June and July WASH projects, and we are seeing positive results from the early indications. KHT's WASH Evaluation also includes several other recommendations to support the team in Thailand, ensure international standards are being met and KHT is adapting to changes on the ground.

KHT's evaluation also pointed to the positive impact of the WASH Systems on the health and well-being of Karen villagers, improving health outcomes and general hygiene practices.

In 2021-2022, KHT:



Constructed WASH systems in 5 remote villages, providing access to cleaner water and providing latrines and hygiene education.



Installed 2 new slow sand filters to improve the overall efficacy of the system in safely managing water for people.



Completed a comprehensive evaluation on the WASH Programme and improved new data capturing for upcoming projects

KHT'S WASH EVALUATION:

Respondents from 92 different households across 13 villages were interviewed at baseline and endline between March 2019 and February 2022.

The responses highlighted that:

- The availability of drinking rose from 51% to 100% of the time in the wet season and from never to 93% in the dry season. This is a massive improvement for villagers in accessing water.
- Cases of diarrhoea decreased for households from 0.82 days to 0.1 days in the last month and for infants under 4 years from 0.44 days to 0 days in the past fortnight.
- Extrapolating this data to the year implies a significant impact on days spent unwell for adults & children.
- Adults reported missing less days of work due to sickness by missing on average 0.77 days in the last month as compared to 2.88 days prior to KHT's intervention. This is equal to almost 25 saved work days over a year.
- After KHT installed household latrines, 100% of households used these as opposed to shared bathrooms, older latrines, or the forest.
- KHT latrines were in better condition than older latrines, pointing to positive improvements in hygiene practices.
- Overall hygiene knowledge improved with 96% of respondents using soap in the latrines as opposed to 74% at baseline.



These are positive results that highlight the value of KHT's WASH Systems for isolated Karen communities. KHT will continue its M&E and ensure these results are replicated and improved upon in all new projects.

Our WASH Programme impacted the following UN Sustainable Development Goals:



SECURING SUSTAINABLE LIVELIHOODS THROUGH FLOOD-RESISTANT IRRIGATION SYSTEMS

The average annual income for Karen communities is just 24,000 THB (570GBP). This is well below the international threshold for extreme poverty and has serious consequences on the quality of life and future development of Karen communities.

The Karen are mostly farmers and rely on subsistence farming to survive. This leaves them vulnerable to changes in the weather, such as flooding, dry season and climate change impacting crops. KHT's research shows that at least 50% of villagers do not produce enough rice to last them throughout the year, leaving them food insecure for many months.

In 2021-2022, KHT:

- Constructed 6 FRIS systems, supporting over 1900 Karen people
- Our work supports the following UN Sustainable Development Goals



KHT's Flood Resistant Irrigation Systems (FRIS) are a simple, durable and appropriate solution for Karen farmers. The FRIS ensures that water is directed safely to farmland, so it can be used all year-round. As shown in our 2020-2021 Livelihoods Evaluation, the FRIS improved use of farmland, household incomes and reduced food insecurity.

The systems can last up to 20 years and KHT built its 100th FRIS in 2022. This is a major milestone and highlights the community trust in the FRIS, their efficacy and KHT's work.

BUILDING ON KHT'S SUCCESS

KHT's 2020-2021 Livelihoods Evaluation Report highlighted the many positive impacts on Karen communities after the construction of the FRIS. KHT continues to implement the recommendations laid out in the report, including improving the quality of data collection by reviewing and amending questions for respondents. KHT has also engaged with experts working in the field of hilltribes and agriculture to understand the increased use of insecticides and chemicals in farming. In the coming year, KHT will also be integrating its projects into a 'holistic' model and monitor how this further improves livelihoods for the Karen.



ACCESS TO EDUCATION FOR MARGINALISED KAREN CHILDREN AND YOUTH



Although Thailand has removed Covid-19 restrictions and schools have been back to normal in most ways, the impact of the Pandemic continues for the most vulnerable. Many children missed out on their classes and are behind, whilst university aged young people are finding it harder to afford fees and the cost of living.

It is estimated that only 41% of children in Mae Hong Son complete upper secondary school, which is well below the national average. The remoteness of villages means many children cannot safely travel to school, and sickness and poverty also hinder their attendance. There is a lack of data on access to education for the Karen, leaving many children to fall through the gaps.



OUR IMPACT - 2021/22

KHT was able to continue operating its services, especially its school meals and scholarships for students during lockdowns. In this financial year, KHT is:

- Funding 18 bus routes that serve more than 400 children so ensure they can safely travel to and from school.
- Supporting 6 schools with funds for school meals, so children unable to travel home are well fed and can afford to stay at school.
- Sponsoring 46 university and vocational students with scholarships to help them continue their higher education.

OUR WORK SUPPORTS THE FOLLOWING UN SUSTAINABLE DEVELOPMENT GOALS:



STRUCTURE, GOVERNANCE & MANAGEMENT

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the Charity for the year ended 30 September 2022.

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment & appointment of new trustees

Up to 12 trustees are appointed to the board on a three-year rotational basis. There is currently one vacancy on the board and the trustees are actively recruiting to fill it. Trustees are recruited by the Board of Trustees on the basis of nominations from existing trustees. The Board of Trustees seeks to ensure a mix of skills and diversity, and selects each trustee according to their particular skill or interest.

Induction and training of new trustees

Before being formally appointed, all trustees are provided with appropriate information to ensure that they have a good understanding of the roles and responsibilities of a trustee, the charity itself and its target beneficiaries. This includes, but is not limited to, the Essential Trustee Guide from the Charity Commission, the Charity Commission's web-pages on "Public Benefit", and the Charity's governing document, strategic plan, recent annual reports, M&E/ impact reports, meeting minutes, and Board Basics & Becoming a Trustee Policy document.

Organisational structure

The Board of Trustees are collectively responsible for ensuring that the Charity is effectively and responsibly governed and that it delivers its charitable objectives for the public benefit. All trustees give their time freely and do not receive remuneration or

other benefits for their role. KHT has a trustee indemnity insurance policy in place that covers the Trustees and Charity up to £250,000.

The Trustees, together with the Director, meet three times a year to discuss and determine strategic, financial, and operational requirements, with the annual general meeting (AGM) being held in January each year. Further monthly meetings are held to provide regular operational updates and foster communication between Thai and UK based teams.

KHT experienced several key staff changes during the reporting period.

Billy Curryer resigned as Director and was replaced in the Interim by Matt Jenkins as the charity actively recruited a new permanent Director. Summereen Khan was hired in July 2022 and has since taken over all daily operations.

The Director reports to the Board of Trustees in the UK and is responsible for ensuring that the charity achieves its mission through key performance indicators agreed by the Trustees.

All of the charity's other employees and volunteers report directly to the Director. KHT delivers its charitable objectives in Northern Thailand in partnership with a Thai registered foundation, the Foundation for Karen Hilltribes in Thailand (KHTF). Collectively, the Charity's team is based across locations in the UK and Khun Yuam, Thailand. In the UK, the Charity's team includes the Director, Fundraising Manager, Programmes Officer and Finance Administrator. Although York is KHT's base

and a registered office address is held for postal services, the Charity does not operate a physical office and all UK employees work remotely. Together, the main responsibility of the UK charity is to raise funds, maintain robust financial systems, distribute communications, provide oversight and management on all charitable activities and work with the UK-based Board of Trustees to ensure good governance.

In Thailand, KHTF maintains a small office in Khun Yuam, which coordinates the implementation of all the charity's projects. Eight Thai-Karen staff are based in this office. The Thai-Karen staff lead all project activities and Thai administration.

With Covid-19 restrictions removed, the UK team has been able to travel more freely to Thailand and regular, longer terms of stay as expected from the Director and Programmes Officer. This will allow them to support the development of the Thai-Karen team and the implementation and evaluation of the charity's projects through their expertise and technical skills. For the Director, this will also allow them to balance the implementation and oversight of the charity's activities in Thailand with attending trustee meetings, meeting with UK-based donors, stakeholders and service providers, and conducting other UK-based activities including fundraising and PR.

Related parties

The Foundation for Karen Hilltribes in Thailand (KHTF) was established under Thai law in Bangkok by representatives of KHT in December 2002 (Registered in Thailand by Permit 242/2525). KHTF has its own Board of Trustees and employees and works in partnership with KHT according to a mutually agreed Memorandum of Understanding (MoU) which defines the relationship between the two entities. Accounts for KHTF are registered and submitted under Thai law and are incorporated into KHT's financial statements.

Although it is a separate legal entity, KHTF has identical aims to KHT and the two entities work in close partnership towards a common

vision and mission. To achieve these shared goals, KHT organises operations and fundraising from the UK, where its financial centre is based, whilst KHTF acts as the implementing arm that delivers activities.

Risk management

The Board of Trustees and Director of KHT believe that sound risk management is integral to both good management and good governance practice, and ultimately to the sustainability and success of the charity.

Risk management is therefore an integral part of the charity's decision-making process and is incorporated within all strategic and operational planning. KHT manages its exposure to risk through a robust risk management framework, which ensures the charity is able to identify, assess and respond to risks that it may face when conducting activities.

The framework is based on guidance published by the Charity Commission in "Charities and risk management (CC26)" and focuses on assessing six key areas of risk: Governance, Operational, Financial, External, Compliance (law or regulation), and Safeguarding - safeguarding was recently highlighted as its own category of risk to ensure KHT is upholding the best possible safeguarding standards across the Charity. Although a culture of effective risk management is promoted at all levels of the charity, the implementation and adherence to the risk framework is overseen by the Director and Board of Trustees. To facilitate effective risk management and allow the Board of Trustees to take a more active role, a Board of Trustees Risk Management Sub-Committee has been established.

This sub-committee holds quarterly risk management meetings to review and update the risk management framework. Any risks identified as major or extreme are then reported to the full Board of Trustees at Trustees' meetings for discussion before appropriate action is then taken to reduce the risk.

OBJECTIVES & ACTIVITIES

History

KHT was first registered as a charity in 1989 to address the lack of clean water in Karen villages, under the name Mae Phon Karen Hill Tribes Trust (Charity number 800796). The charity was formed through a partnership with current Karen Manager Wichien Bunrachaisavan (Salahae) and a former British diplomat working in Thailand.

By working with Karen communities, cleaner water systems were designed and put in place to provide a source of life-changing access to cleaner water.

In response to the expressed needs of the Karen, the work of KHT has now expanded into the areas of livelihoods and education with the aim to support the Karen in building a more sustainable future.

Over time, KHT continues to adapt and improve its programmes and has expanded its community health programme into supporting improvements in sanitation and hygiene, as well as cleaner water. To aid this mission, a strong link with the UK was formed. This has resulted in over 400 volunteers travelling to Thailand to help construct cleaner water systems and teach English in Karen schools. In 1999, a fundraising office was opened in York and the charity was re-registered under the name The Karen Hill Tribes Trust in 2002 by Penelope Worsley, the mother of a former volunteer.

After over 30 years Salahae continues to lead the work in Thailand, supported by a team of seven Karen staff who fully involve the local community to ensure projects promote self-help and sustainability.

To date, over £5.5 million has been raised for projects which have helped improve the lives of tens of thousands of Karen people living in Northern Thailand.

Charity Objectives

KHT was formally established in 2002 to benefit the Karen people of Northern Thailand. In the financial year ending 30th September 2022, the Board of Trustees have been able to continue working towards achieving its objectives. KHT undertook a formal review of the Charity's objects as detailed in its Memorandum of Association in the previous financial year.

KHT's amended objects now read:

- To improve the health, livelihoods, and access to education of Karen Communities in Northern Thailand.
- Any other charitable purpose for the benefit of the Karen communities of Northern Thailand

Public benefit

All the Charity's aims, activities and achievements in the year ending 30th September 2022 are set out in this report and have been undertaken to further KHT's charitable purposes for the public benefit.

The Board of Trustees confirm that they have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission, and that they have referred to this guidance and the Charity Commission general guidance on public benefit when reviewing the Charity's aims, objects and in deciding what activities the Charity should undertake.

KHT can also confirm that it has policies and procedures in place to protect people involved with the Charity, including complaints handling, conflicts of interest, risk management, safeguarding vulnerable beneficiaries, and volunteer management policies. In the financial year ending 30th September 2022, no safeguarding concerns were reported to KHT or its partner foundation.



Volunteers

In the past 12 months, due to ongoing Covid-19 restrictions in Thailand, KHT was unable to welcome long or short-term volunteers from the UK as per the usual programme until September 2022.

KHT utilised social media and word of mouth marketing to re-start its volunteer programme and two teaching volunteers arrived in Khun Yuam in September 2022 to work with the local secondary school. In addition to this, the charity was able to utilise volunteer professionals already in Thailand, for remote volunteer support for projects and communications.

KHT normally welcomes short-term teaching and water project volunteers to Thailand each year. Teaching volunteers spend 3 months teaching English in local schools, whilst water volunteers support the construction of water systems in remote Karen villages. The charity is now actively recruiting again and hopes the volunteer programme will return to normal. KHT is grateful to its volunteers for continuing to support the charity in various ways and volunteers remain a vital part of our work and contribution.

Plans for the Future Period

Despite restrictions easing up towards the second half of the reporting year, the impact of Covid-19 still impacted KHT's operations.

The Trustees and Director meticulously considered the continued impact of COVID-19 on the organisation's operations and took steps to mitigate them as much as possible. KHT will continue to ensure it that the 'new normal' will include remaining compliant with all public health authority requirements and prioritising the safety of its team, beneficiaries, and the public.

Although the past 12 months have been challenging, with restrictions easing operations could return to a more usual

routine and process. KHT was able to successfully safeguard and develop its operations and policies, with strengthened emphasis on meeting international standards especially in regard to our WASH Programme. Investigating, assessing, and improving our water systems was a key task over the reporting period. This will continue into the next period and further enhance the efficacy of KHT's work.

The charity is now working on developing its next organisational strategy and improving donor engagement. This is an exciting time in which KHT anticipates increasing brand recognition, donations and impact, whilst continuing to improve as an aid and development agency.



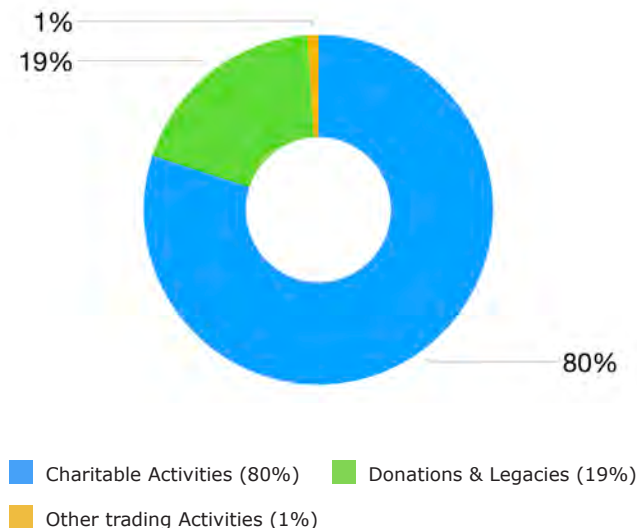
KHT will continue to ensure it that the 'new normal' will include remaining compliant with all public health authority requirements and prioritising the safety of its team, beneficiaries, and the public.



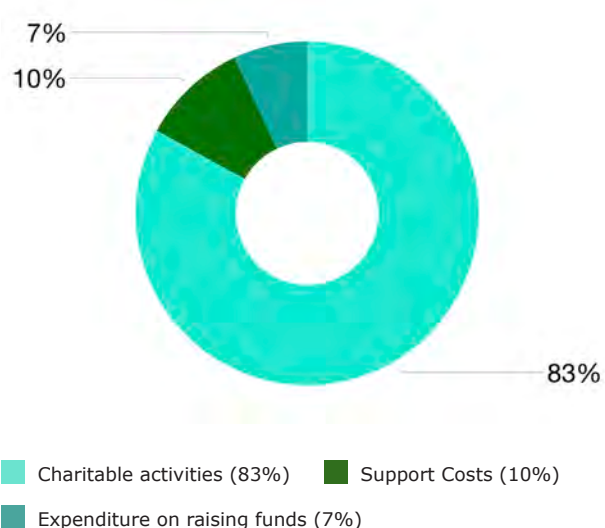


FINANCIAL REVIEW

Analysis of Income 2021/22



Analysis of Expenditure 2021/22



As of 30 September 2022, KHT held funds totalling £176,674. Income for the year ended 30th September 2022 totalled £324,831 and expenditure totalled £324,415, creating a surplus of 416.

Of the income received, £67,617 was unrestricted and £257,214 was restricted. Charitable spend made up 83% of the expenditure, 10% was expended on support costs and just 7% on raising funds.

Principal funding sources

Income is generated from donations, grants, events and volunteers. Specific major grants have been received from:

- Foundation Jan and Oscar
- Lloyd George Asia Foundation
- Christadelphian-Meal-a-Day Asian Pacific Ltd.
- Fresh Leaf Foundation
- The Alborada Trust

KHT has also received donations and grant funding from a number of other donors who requested to remain anonymous.

These Financial Statements reflect the UK – generated income of KHT and include funds that are raised in Thailand. For operational reasons, funds raised in Thailand are processed through The Foundation for Karen Hilltribes in Thailand (KHTF).

Fundraising

KHT would not be able to carry out its work without its dedicated supporters and is therefore committed to achieving the highest standard in fundraising. KHT does this by ensuring it abides by the Code of Fundraising Practice, set by the Fundraising Regulator, in all fundraising activities that it conducts.

KHT is also committed to protecting privacy and will process personal data in accordance with the General Data Protection Act 2018 and its Privacy and Data Protection Policy. Personal details will always be kept safe and secure and will only be used by us or those who work for us. We promise never to share or rent personal details to third parties for marketing purposes.

Investment policy & objectives

There are no current restrictions on investment. Any investments are held on interest earning deposit at the bank for ease of access and minimal risk of loss.

Reserves policy

Total funds held by the Charity at year end were £176,674, of which £109,024 were restricted and not available for general purposes of the Charity. The Charity's reserves level is calculated using major/catastrophic risks highlighted in the Charity's detailed risk management framework. The current level of unrestricted reserves is set at a range of £60,000 to £70,000.

This is calculated as the total amount of funds required to:

- Safeguard unrestricted budgeted operations for a minimum period of three months in the event of unforeseen circumstances or events;
- Mitigate an unexpected fluctuation in exchange rates; and
- Manage the loss of key personnel.

The Charity held unrestricted funds at a level within its reserves policy at year end. Reserves are regularly monitored by the Treasurer and Director and reviewed annually

by the Board of Trustees. KHT expects its unrestricted reserves level to reduce to £58,000 in the 2022/23 financial year due to implementing further activities that were postponed as a result of the COVID-19 pandemic. These additional funds will ensure the organisation can continue progressing towards achieving its charitable objectives. Although unrestricted reserves are budgeted to be marginally outside the range calculated above at 30th September 2023, the 2022/23 budget has been prepared on a cautious basis particularly in terms of budgeted income to be received from various fund-raising activities initiated following the appointment of a fund-raising manager last year.

It was also considered prudent post COVID - 19 pandemic to reduce the period of financial support in the event of unforeseen circumstances from six to three months.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.



Statement of the Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and Financial Statements in accordance with applicable law, regulations and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law in England and Wales requires Trustees to prepare financial statements for each financial year which give a true and fair representation of the state of affairs of the Charity and of the application of resources, including the income and expenditure, of the Charity for the period.

In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- Follow applicable United Kingdom Accounting Standards and the Charities Statement of Recommended Practice (SORP), disclosing and explaining any departures in the Accounts; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue to operate.

The Trustees are responsible for keeping sufficient accounting records that accurately disclose the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Companies Act 2006, the applicable Charities (Accounts and Reports) Regulations and the provisions applicable to companies entitled to the small companies exemption. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved and signed on behalf of the Board of Trustees by:

Beth Wiggan

Dr. Beth Wiggan - Chair of Trustees

18 January 2023

Date of Approval

COMPANY REGISTRATION NUMBER: 04484077
CHARITY REGISTRATION NUMBER: 1093548

The Karen Hill Tribes Trust
Company Limited by Guarantee
Unaudited Financial Statements
30 September 2022

The Karen Hill Tribes Trust
Company Limited by Guarantee
Financial Statements
Year ended 30 September 2022

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The Karen Hill Tribes Trust

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of The Karen Hill Tribes Trust

Year ended 30 September 2022

I report to the trustees on my examination of the financial statements of The Karen Hill Tribes Trust ('the charity') for the year ended 30 September 2022.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Susan Seaman, BA FCA CIOT
Sagars Accountants Ltd

Independent Examiner

Gresham House
5-7 St Paul's Street
Leeds
LS1 2JG

18 January 2023

The Karen Hill Tribes Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 September 2022

	Note	Unrestricted funds £	2022 Restricted funds £	Total funds £	2021 Total funds (restated) £
Income and endowments					
Donations and legacies	5	61,732	–	61,732	71,521
Thailand projects	6	888	257,214	258,102	189,038
Other trading activities	7	4,720	–	4,720	12,013
Investment income	8	277	–	277	127
Total income		<u>67,617</u>	<u>257,214</u>	<u>324,831</u>	<u>272,699</u>
Expenditure					
Expenditure on raising funds:					
Raising funds	9	22,313	–	22,313	11,220
Thailand projects	10,11	74,969	227,133	302,102	255,082
Total expenditure		<u>97,282</u>	<u>227,133</u>	<u>324,415</u>	<u>266,302</u>
Net income and net movement in funds		<u>(29,665)</u>	<u>30,081</u>	<u>416</u>	<u>6,397</u>
Reconciliation of funds					
Total funds brought forward		97,315	78,943	176,258	169,861
Total funds carried forward		<u>67,650</u>	<u>109,024</u>	<u>176,674</u>	<u>176,258</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 26 to 33 form part of these financial statements.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Statement of Financial Position

30 September 2022

	Note	2022 £	£	2021 £	£
Fixed assets					
Tangible fixed assets	17		299		217
Current assets					
Debtors	18	2,584		1,617	
Cash at bank and in hand		<u>180,475</u>		<u>179,834</u>	
		183,059		181,451	
Creditors: amounts falling due within one year	19	<u>6,684</u>		<u>5,410</u>	
Net current assets			176,375		176,041
Total assets less current liabilities			176,674		176,258
Net assets			176,674		176,258
Funds of the charity					
Restricted funds			109,024		78,943
Unrestricted funds			<u>67,650</u>		<u>97,315</u>
Total charity funds	21		176,674		176,258

For the year ending 30 September 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 18 January 2023, and are signed on behalf of the board by:

Beth Wiggan

B. Wiggan
Trustee

The notes on pages 28 to 35 form part of these financial statements.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 September 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Tower House Business Centre, Fishergate, York, YO10 4UA.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The charity qualifies as a small charity as defined in SORP FRS 102 and as such advantage has been taken to not include a cash flow within the financial statements.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Details of these judgements are set out in the accounting policies.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 30 September 2022

3. Accounting policies (*continued*)

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Wages costs are apportioned between charitable activities, raising funds, and support costs as appropriate. The prior year comparatives have been adjusted for consistency.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 30 September 2022

3. Accounting policies (*continued*)

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	33% straight line
Motor vehicles	-	25% reducing balance
Equipment	-	33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Contributions are charged to the statement of Financial Activities in the period to which they relate.

4. Limited by guarantee

The charity is governed by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations				
Donations	45,851	45,851	60,058	60,058
Gift Aid	15,881	15,881	11,463	11,463
	<u>61,732</u>	<u>61,732</u>	<u>71,521</u>	<u>71,521</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 30 September 2022

6. Thailand projects

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Thailand projects	888	257,214	258,102

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Thailand projects	7,962	181,076	189,038

7. Other trading activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Fundraising events	4,720	4,720	12,013	12,013

8. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Deposit account interest	277	277	127	127

9. Raising funds

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 (restated) £
Costs of raising funds	22,313	22,313	11,220	11,220

10. Charitable activities costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Direct costs	41,408	227,133	268,541
Support costs	33,561	–	33,561
	<u>74,969</u>	<u>227,133</u>	<u>302,102</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 (restated) £
Direct costs	16,865	184,683	201,548
Support costs	53,534	–	53,534
	<u>70,399</u>	<u>184,683</u>	<u>255,082</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 30 September 2022

11. Charitable activities costs

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 (restated) £
Direct costs	<u>268,541</u>	<u>33,561</u>	<u>302,102</u>	<u>255,082</u>

12. Analysis of support costs

	Management costs £	Total 2022 £	Total 2021 £
Finance costs	(2,388)	(2,388)	7,845
Governance costs	23,911	23,911	24,233
Management costs	12,038	12,038	21,456
	<u>33,561</u>	<u>33,561</u>	<u>53,534</u>

13. Net income

Net income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	<u>85</u>	<u>13</u>

14. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	2,820	2,740
Other financial services	9,072	8,694
	<u>11,892</u>	<u>11,434</u>

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022 £	2021 £
Wages and salaries	78,245	41,816
Employer contributions to pension plans	1,794	1,326
	<u>80,039</u>	<u>43,142</u>

The average head count of employees during the year was 4 (2021: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2022 No.	2021 No.
Charitable activities	3	1
Administration and support	1	1
	<u>4</u>	<u>2</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 30 September 2022

15. Staff costs (*continued*)

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

16. Trustee remuneration and expenses

There was no trustees' remuneration paid in the year (2021 - £nil).

17. Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 October 2021	–	19,961	300	20,261
Additions	167	–	–	167
At 30 September 2022	<u>167</u>	<u>19,961</u>	<u>300</u>	<u>20,428</u>
Depreciation				
At 1 October 2021	–	19,961	83	20,044
Charge for the year	9	–	76	85
At 30 September 2022	<u>9</u>	<u>19,961</u>	<u>159</u>	<u>20,129</u>
Carrying amount				
At 30 September 2022	<u>158</u>	<u>–</u>	<u>141</u>	<u>299</u>
At 30 September 2021	<u>–</u>	<u>–</u>	<u>217</u>	<u>217</u>

18. Debtors

	2022 £	2021 £
Trade debtors	10	–
Prepayments and accrued income	2,574	1,617
	<u>2,584</u>	<u>1,617</u>

19. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	1,847	890
Accruals and deferred income	3,576	3,576
Social security and other taxes	1,261	944
	<u>6,684</u>	<u>5,410</u>

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,794 (2021: £1,326).

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 30 September 2022

21. Analysis of charitable funds

Unrestricted funds

	At 1 October 2021 £	Income £	Expenditure £	Transfers £	At 30 September 2022 £
Unrestricted fund - General funds	97,315	67,617	(97,282)	–	67,650

	At 1 October 2020 £	Income £	Expenditure £	Transfers £	At 30 September 2021 £
Unrestricted fund - General funds	87,311	91,623	(81,619)	–	97,315

Restricted funds

	At 1 October 2021 £	Income £	Expenditure £	Transfers £	At 30 September 2022 £
Health	34,411	127,032	(107,836)	–	53,607
Education	27,654	42,395	(36,530)	–	33,519
Livelihood	16,878	87,787	(82,767)	–	21,898
	<u>78,943</u>	<u>257,214</u>	<u>(227,133)</u>	<u>–</u>	<u>109,024</u>

	At 1 October 2020 £	Income £	Expenditure £	Transfers £	At 30 September 2021 £
Health	42,556	89,167	(89,032)	(8,280)	34,411
Education	21,131	45,633	(39,110)	–	27,654
Livelihood	18,863	46,276	(56,541)	8,280	16,878
	<u>82,550</u>	<u>181,076</u>	<u>(184,683)</u>	<u>–</u>	<u>78,943</u>

The health fund promotes better community health through the delivery of clean water systems and latrine/shower units. The education fund helps children from isolated and marginalised communities complete their education. The livelihood fund aims to safeguard crops and fields from natural hazards.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 30 September 2022

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	299	–	299
Current assets	74,035	109,024	183,059
Creditors less than 1 year	(6,684)	–	(6,684)
Net assets	<u>67,650</u>	<u>109,024</u>	<u>176,674</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	217	–	217
Current assets	102,507	78,943	181,450
Creditors less than 1 year	(5,409)	–	(5,409)
Net assets	<u>97,315</u>	<u>78,943</u>	<u>176,258</u>

23. Related parties

The foundation for Karen Hilltribes in Thailand was set up in 2002 with identical aims as The Karen Hill Tribes Trust.



Contact Us

The Karen Hilltribes Trust

Tower House, Fishergate, York, YO10 4UA | Tel: +44 (0) 1904 373 001

Director: Summereen Khan | director@karenhilltribes.org.uk

UK Registered Charity No. 1093548 | Company No. 04484077

Registered in Thailand by permit 242/2525

Follow us on Facebook: [@TheKarenHilltribesTrust](https://www.facebook.com/TheKarenHilltribesTrust)

www.karenhilltribes.org.uk



THE KAREN HILL TRIBES TRUST

England & Wales - Charity number 1093548

Accounts

A young child with dark hair, wearing a red and white striped polo shirt, is crouching on a concrete step. The child is holding their hands under a green metal hand pump spout, drinking water. The background shows a rustic wooden structure. Below the child, a large black metal basin is filled with water, with some splashing visible.

The Karen Hilltribes Trust
**ANNUAL REPORT
& ACCOUNTS**

1st October 2020 - 30th September 2021

COMPANY & CHARITY INFORMATION

Registered Company Number 04484077 (England & Wales)

Registered Charity Number 1093548

Registered Office Tower House Business Centre
Fishergate,
York, YO10 4UA, United Kingdom

Trustees

V V Pert - Chair of Trustees (*resigned 24 January 2022*)
B Wiggan - Chair of Trustees (*appointed as Chair 24 January 2022*)
D Shurman - Vice Chair of Trustees (*resigned as Vice Chair 24 January 2022*)
T A Y Wright - Vice Chair of Trustees (*appointed as Vice Chair 24 January 2022*)
J Monaghan - Treasurer (*appointed 10 May 2021*)
J Ballantine - Secretary (*appointed 10 May 2021*)
J Delaney
B Smith
C Shampine
R Ellis
J Heelham
H Bilton (*appointed 10 May 2021*)
T S Nickson (*resigned 10 May 2021*)

Company Secretary J Ballantine (*appointed 10 May 2021*)

Independent Examiner Susan Seaman, BA FCA CIOT
Sagars Accountants Ltd
Gresham House, 5-7 St Pauls Street
Leeds, LS1 2JG, United Kingdom

Director Billy Curryer
(*resigned 4 February 2022*)
Matt Jenkins (*Interim, appointed 1 December 2021*)



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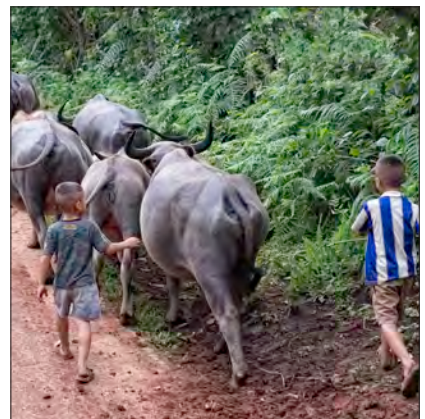
Trustees' Annual Report - Year Ended 30 September 2021

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WELCOME, FROM OUR OUTGOING CHAIR OF TRUSTEES

Once again I have pleasure in presenting our annual report. It has been another strange and exceptional year worldwide.

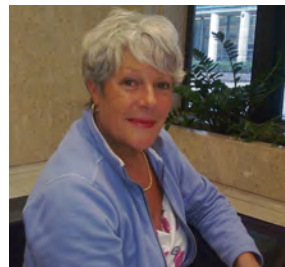
Although our UK staff have been unable to work out in Thailand, our local team have continued to carry out our projects, so essential to the Karen communities. My thanks go to Salahae and his wonderful team who have worked hard to maintain the confidence of those we work with in order for us to achieve our goals to enhance community health, to secure sustainable livelihoods and to increase access to education for the Karen in Northern Thailand.

With help from our generous donors we can continue to have such a significant impact on the lives of thousands of Karen families.

My heartfelt thanks, therefore, go to all our staff, to volunteers, to trustees and to those who support us. May we all enjoy a healthy and productive future.



...Salahae and his wonderful team who have worked hard to maintain the confidence of those we work with in order for us to achieve our goals to enhance community health, to secure sustainable livelihoods and to increase access to education for the Karen in Northern Thailand.



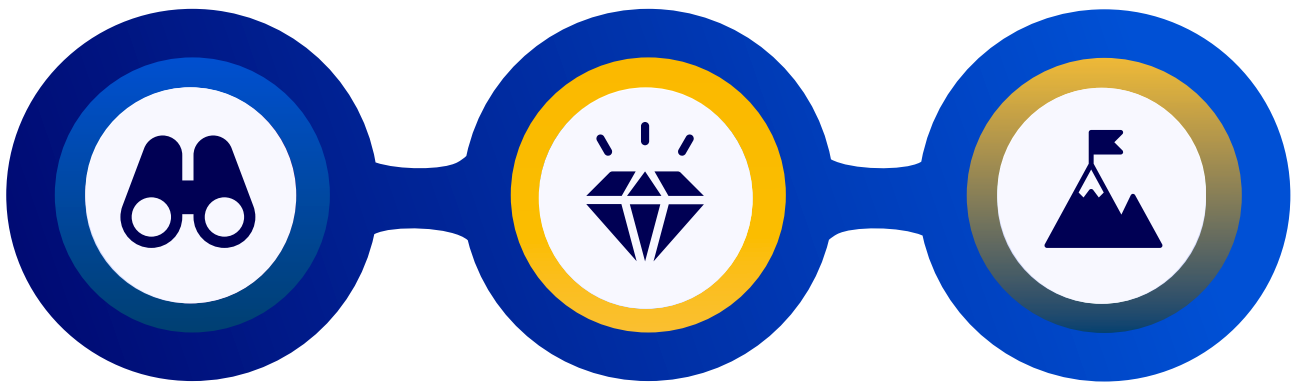
Vivien V Pert
Outgoing Chair of Trustees



OUR MISSION, VISION & IMPACT

The Karen Hill Tribes Trust (KHT) is a community-led organisation that has been working with marginalised Thai-Karen communities in Northern Thailand for the past three decades. The Karen are one of the largest ethnic minority groups in Thailand, with most communities residing in low resource, rural and mountainous areas of Northern Thailand.

By taking a holistic approach to the complex socio-economic issues at hand, KHT aims to achieve sustainable change by empowering communities to improve their own lives.



OUR VISION

A secure future for the Karen communities of Northern Thailand.

OUR MISSION

To partner with Karen communities to improve their health, livelihoods, and access to education.

OUR GOALS

To enhance community health by improving sanitation, hygiene, and access to safe water.

To secure sustainable livelihoods through increased food security and income generation.

To increase access to education for children and young adults to improve their opportunities.

OUR APPROACH

One of the few organisations operating in Mae Hong Son Province, Northern Thailand, KHT works to improve the lives of indigenous Thai-Karen communities in a holistic and sustainable manner. Through our three programme areas, Community Health, Sustainable Livelihoods and Access to Education, we run complimentary and coordinated projects to ensure immediate (health), medium (livelihoods), and long term (education) assistance is provided.

As a community-led organisation, KHT is also deeply embedded in the local community, with the majority of its staff being Thai-Karen and based in the local area. KHT's model therefore starts and finishes with the Karen People of Northern Thailand.

This unique approach is based on the expressed needs of target communities and involves their local knowledge in all stages of our projects, including design, implementation, maintenance, and evaluation. Projects are focussed on promoting self-reliance leading to improved well-being, whilst helping Karen communities retain their unique identity and culture. Not only does this approach guarantee projects have a positive impact, but also supports community ownership and long-term sustainability.

What Have We Achieved to Date



Transformed health and well-being for over **56,643** people through providing cleaner drinking water, improved sanitation facilities and hygiene education.



Allowed **20,053** farmers to secure agriculture as a sustainable livelihood through the construction of flood-resistant irrigation systems.



Increased access to education for **18,657** children and young adults through the provision of school meals, transport and accommodation, and higher education scholarships.

OUR IMPACT - 2020/21



HEALTH

3,734 Karen People

Supported through the provision of water systems and latrines in 6 villages and distribution of hygiene & COVID-19 education to 20+ communities



LIVELIHOODS

1,147 Karen farmers

Supported through the construction of 4 irrigation systems, providing reliable irrigation water to 136 acres of farmland.



EDUCATION

974 Children & Youth

Supported through daily provision of 18 school buses and 514 school meals, and funding of 37 scholarships to study at higher education institutions.



ACHIEVEMENTS & PERFORMANCE



In the last 12 months, KHT has supported upwards of 5,855 Karen people in Northern Thailand through its charitable activities. Although the COVID-19 pandemic has limited certain activities, KHT has successfully been able to have made these achievements in what has been a difficult period. Below is a summary of the main charitable activities completed in the past 12 months.

TRANSFORMING COMMUNITY HEALTH THROUGH WATER, SANITATION & HYGIENE

High levels of poverty often mean that Karen communities have limited access to adequate water, sanitation, and hygiene (WASH) facilities, with a significant proportion still reliant on contaminated water sources. A study published in 2020 (Sudsandee et al) found that a large number of unprotected water sources used by hilltribe communities in Northern Thailand were contaminated with faeces and harmful bacteria. This poses a significant risk factor for contracting numerous communicable illnesses including typhoid, cholera, intestinal parasites, and diarrhoea. The debilitating effects of illness contribute to low school enrolment, attendance, and retention rates among Karen children and youth and also reduce economic productivity of adults.

Through its Water, Sanitation & Hygiene Projects, KHT constructs gravity-fed water systems, builds and repairs sanitation units, and delivers hygiene education to improve health outcomes for Karen communities located across Northern Thailand. By working closely with Karen communities, this approach helps to break the cycle of poverty and disease, and to improve long-term health, education, and livelihood outcomes.

In 2020-2021, KHT:

-  Constructed water systems and latrines in 6 remote communities, supporting 734 Karen people to gain access to cleaner water, sanitation & hygiene services
-  Distributed hygiene & COVID-19 educational materials to 20+ communities, supporting more than 3,000 people

Our WASH work impacted the following UN Sustainable Development goals:



SECURING SUSTAINABLE LIVELIHOODS THROUGH FLOOD-RESISTANT IRRIGATION SYSTEMS

Poverty continues to be endemic for rural Karen communities. Average annual income is just 24,500 THB (570 GBP) per household, below the international line for extreme poverty even accounting for purchasing power. Dependency on subsistence agriculture makes households extremely vulnerable to changes in weather and climate. Heavy rain can sweep away crops, whilst the lack of rain can make crops wither. From KHT's research it is clear that in most villages at least 50% of villagers do not produce enough rice to last them through the year, with most families suffering from food shortages at least five times a month.

This financial year KHT has continued to expand its support for traditional livelihoods by installing flood-resistant irrigation systems. Four projects were implemented, reaching 1,147 people and bringing the total number of installed systems to 94. These provide long-term support to village incomes and food security; the estimated life-span is 20+ years and only four systems have required additional KHT assistance in 14 years.

A major focus for KHT has been to measure the impact of projects on beneficiaries. A recent KHT study followed nine projects from 2019 and 2020, checking in with households one year after completion to measure the changes in key indicators. The data is now available and the results are highly promising; more detail is provided overleaf.

KHT's monitoring and evaluation drive does not stop here. The study has provided further questions for future analysis, including how KHT can better identify beneficiary villages, quantifying how many trees are saved by projects and how this can help combat climate change.

Similar exercises are now being undertaken for the water and education projects and KHT hopes to have numbers to share in 2022.



OUR IMPACT IN SUPPORTING LIVELIHOODS:



For the past three years the livelihoods team has been surveying 20% of project beneficiaries, taking detailed surveys before and one year after the projects to track how their lives have changed since. The process is ongoing and the team will be growing the dataset to further understand how KHT's impact can be maximised.

Below are the key results, matched to the project's key indicators, and the impacted UN SDGs:



1: INCREASED RESILIENCE TO FLOODING AND DROUGHT

- 59% fewer households affected by flooding
- 96% reduction in paddy fields being unusable in the dry season



2: INCREASED CROP YIELDS

- Average crop output increased from 5 to 10.2 tonnes
- 94% of households saw crop production increases
- Almost 4 times quantity of crops grown in dry season



3: INCREASED AVERAGE ANNUAL HOUSEHOLD INCOME

- Average household income doubles, from 25,000 THB to 52,000 THB
- Income from crops increases 3.4 times



4: INCREASED FOOD SECURITY AND FEWER DAYS SPENT IN HUNGER

- Average days with insufficient food fell 82%
- 52% increase in crop diversification



5: DECREASED PRESSURE ON THE SURROUNDING ENVIRONMENT AND NATURAL RESOURCES

- All users of systems ceased building temporary wooden dams
- Further work needed to determine total number of trees not felled a year due to the project, and corresponding saving of CO2 equivalent greenhouse gasses





ACCESS TO EDUCATION FOR MARGINALISED KAREN CHILDREN



COVID-19 only added to the existing challenges faced by Karen communities in accessing education. The enrolment of Karen children in primary education is 51% (compared to the national average at 89%) and only 1 in 4 Karen children complete their secondary education.

With UNICEF estimating that globally more than 1 billion children are at risk of falling behind due to school closures, KHT’s work in supporting education has never been more important.

Whilst there has been some disruption to services, with periodic national or local lockdowns and some students having to learn remotely, overall KHT has been able to continue services in a COVID-safe manner. For those in commuting distance to schools, KHT supports school bus services so children can reach school safely.

For those in more remote villages, KHT funds the provision of food at dormitories to reduce the cost for children to attend. With education requirements for jobs becoming ever higher, KHT provides scholarships to young adults who would otherwise be unable to study at universities and vocational colleges.

The pandemic has also required KHT to be proactive and go beyond regular programming. Noting the poor diffusion of health education to remote communities, KHT used the school buses as a distribution network to disburse posters advising how to combat COVID-19 to villages. Additional school meals were also provided to one school that was placed into a four week lockdown and lacked funds to feed students during this period.

OUR IMPACT - 2020/21



Our Impact in Improving Access to Education:

Funded 18 school buses, providing 423 places for children from 30 villages

Provided 514 daily meals at 8 school dormitories

Gave scholarships to 37 students, with 12 graduating in April 2021

This work contributed to the following UN Sustainable Development Goals:



STRUCTURE, GOVERNANCE & MANAGEMENT

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the Charity for the year ended 30 September 2021.

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment & appointment of new trustees

Up to 12 trustees are appointed to the board on a three-year rotational basis. There were no vacancies at the end of this reporting period. Trustees are recruited by the Board of Trustees on the basis of nominations from existing trustees. The Board of Trustees seeks to ensure a mix of skills and diversity, and selects each trustee according to their particular skill or interest.

Induction and training of new trustees

Before being formally appointed, all trustees are provided with appropriate information to ensure that they have a good understanding of the roles and responsibilities of a trustee, the charity itself and its target beneficiaries. This includes, but is not limited to, the Essential Trustee Guide from the Charity Commission, the Charity Commission's web-pages on "Public Benefit", and the Charity's governing document, strategic plan, recent annual reports, meeting minutes, and Board Basics & Becoming a Trustee Policy document.

Organisational structure

The Board of Trustees are collectively responsible for ensuring that the Charity is effectively and responsibly governed and that it delivers its charitable objectives for the public benefit. All trustees give their time freely and

do not receive remuneration or other benefits for their role. KHT has a trustee indemnity insurance policy in place that covers the Trustees and Charity up to £250,000.

The Trustees, together with the Director, meet three times a year to discuss and determine strategic, financial and operational requirements, with the annual general meeting (AGM) being held in January each year. Further monthly meetings are held to provide regular operational updates and foster communication between Thai and UK based teams.

All daily operations of the charity in this reporting period were overseen by the Director, Billy Curryer, who was appointed on 1st November 2019 and resigned on 4th February 2022. Billy joined KHT in September 2017, and before becoming Director, spent extensive time both in the field and in a management capacity within the charity. The Director reports to the Board of Trustees in the UK and is responsible for ensuring that the charity achieves its mission through key performance indicators agreed by the Trustees. All of the charity's other employees and volunteers report directly to the Director.

KHT delivers its charitable objectives in Northern Thailand in partnership with a Thai registered foundation, the Foundation for Karen Hilltribes in Thailand (KHTF). Collectively, the Charity's team is based across two locations, York, UK and Khun Yuam, Thailand.

In the UK, the Charity's team includes the Director, Fundraising Manager, Programmes Officer and Finance Administrator. Although York is KHT's base and a registered office address is held for postal services, the Charity

does not operate a physical office and all UK employees work remotely. Together, the main responsibility of the UK charity is to raise funds, maintain robust financial systems, distribute communications, provide oversight and management on all charitable activities and work with the UK-based Board of Trustees to ensure good governance.

In Thailand, KHTF maintains a small office in Khun Yuam, which coordinates the implementation of all of the charity's projects. Eight Thai-Karen staff are based in this office. The Thai-Karen staff lead all project activities and Thai administration.

Unfortunately, the COVID-19 pandemic has meant that UK employees travel plans to Thailand have been significantly disrupted. However, moving forwards, the Director and Programmes Officer will be spending up to six months each year in Khun Yuam with KHT's Thai partner foundation. This will allow them to support the development of the Thai-Karen team and the implementation and evaluation of the charity's projects through their expertise and technical skills.

For the Director this will also allow them to balance the implementation and oversight of the charity's activities in Thailand with attending trustee meetings, meeting with UK-based donors, stakeholders and service providers, and conducting other UK-based activities.

Related parties

The Foundation for Karen Hilltribes in Thailand (KHTF) was established under Thai law in Bangkok by representatives of KHT in December 2002 (Registered in Thailand by Permit 242/2525). KHTF has its own Board of Trustees and employees, and works in partnership with KHT according to a mutually agreed Memorandum of Understanding (MoU) which defines the relationship between the two entities. Accounts for KHTF are registered and submitted under Thai law and are incorporated into KHT's financial statements.

Although it is a separate legal entity, KHTF has identical aims to KHT and the two

entities work in close partnership towards a common vision and mission. To achieve these shared goals, KHT organises operations and fundraising from the UK, where its financial centre is based, whilst KHTF acts as the implementing arm that delivers activities.

Risk management

The Board of Trustees and Director of KHT believe that sound risk management is integral to both good management and good governance practice, and ultimately to the sustainability and success of the charity. Risk management is therefore an integral part of the charity's decision-making process and is incorporated within all strategic and operational planning.

KHT manages its exposure to risk through a robust risk management framework, which ensures the charity is able to identify, assess and respond to risks that it may face when conducting activities. The framework is based on guidance published by the Charity Commission in "Charities and risk management (CC26)", and focuses on assessing six key areas of risk: Governance, Operational, Financial, External, Compliance (law or regulation), and Safeguarding - safeguarding was recently highlighted as its own category of risk to ensure KHT is upholding the best possible safeguarding standards across the Charity.

Although a culture of effective risk management is promoted at all levels of the charity, the implementation and adherence to the risk framework is overseen by the Director and Board of Trustees. To facilitate effective risk management and allow the Board of Trustees to take a more active role, a Board of Trustees Risk Management Sub-Committee has been established. This sub-committee holds quarterly risk management meetings to review and update the risk management framework. Any risks identified as major or extreme are then reported to the full Board of Trustees at Trustees' meetings for discussion, before appropriate action is then taken to reduce the risk.

OBJECTIVES & ACTIVITIES

History

KHT was first registered as a charity in 1989 to address the lack of clean water in Karen villages, under the name Mae Phon Karen Hill Tribes Trust (Charity number 800796). The charity was formed through a partnership with current Karen Manager Wichien Bunrachaisavan (Salahae) and a former British diplomat working in Thailand.

By working with Karen communities, cleaner water systems were designed and put in place to provide a source of life-changing access to cleaner water. In response to the expressed needs of the Karen, the work of KHT has now expanded into the areas of livelihoods and education with the aim to support the Karen in building a more sustainable future. Over time, KHT continues to adapt and improve its programmes and has expanded its community health programme into supporting improvements in sanitation and hygiene, as well as cleaner water.

To aid this mission, a strong link with the UK was formed. This has resulted in over 400 volunteers travelling to Thailand to help construct cleaner water systems and teach English in Karen schools. In 1999, a fundraising office was opened in York and the charity was re-registered under the name The Karen Hill Tribes Trust in 2002 by Penelope Worsley, the mother of a former volunteer.

After over 30 years Salahae continues to lead the work in Thailand, supported by a team of seven Karen staff who fully involve the local community to ensure projects promote self-help and sustainability. To date, over £5.25 million has been raised for projects which have helped improve the lives of tens of thousands of Karen people living in Northern Thailand.

Charity Objectives

KHT was formally established in 2002 to benefit the Karen people of Northern Thailand. In the financial year ending 30th September 2021, the Board of Trustees have been able to continue working towards achieving its objectives.

KHT recently undertook a formal review of the Charity's objects as detailed in its Memorandum of Association to reflect the progress that it has made over the past 20 years. It has since received consent from the Charity Commission to make the amendments and at the close of this reporting period was waiting for final confirmation before publishing the new objects. KHT's amended objects will read:

- To improve the health, livelihoods, and access to education of Karen Communities in Northern Thailand.
- Any other charitable purpose for the benefit of the Karen communities of Northern Thailand

Public benefit

All the Charity's aims, activities and achievements in the year ending 30th September 2021 are set out in this report and have been undertaken to further KHT's charitable purposes for the public benefit. The Board of Trustees confirm that they have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission, and that they have referred to this guidance and the Charity Commission general guidance on public benefit when reviewing the Charity's aims, objects and in deciding what activities the Charity should undertake.



KHT can also confirm that it has policies and procedures in place to protect people involved with the Charity, including complaints handling, conflicts of interest, risk management, safeguarding vulnerable beneficiaries, and volunteer management policies. In the financial year ending 30th September 2021, no safeguarding concerns were reported to KHT or its partner foundation.

Volunteers

In the past 12 months, KHT has been supported by long-term volunteer Programme Officers to help the successful implementation of the Charity's project activities in Thailand. Thanks to their support, KHT has been able to continue developing and improving its programmes, in particular, project monitoring, evaluation and reporting. In return, KHT hopes this opportunity has allowed them to continue their own professional development and gain vital experience in the international development sector. KHT is also currently supported by a Thai social media & marketing volunteer located in Bangkok.

Aside from its long-term volunteers, KHT normally welcomes short-term teaching and water project volunteers to Thailand each year. Teaching volunteers spend 3 months teaching English in local schools, whilst water volunteers support the construction of water systems in remote Karen villages.

All short-term volunteers raise funds to cover their costs and make a donation to the charity's projects. Unfortunately, COVID-19 has meant that KHT was unable to welcome short-term volunteers to Thailand in the past 12 months. KHT hopes that it will be able to restart its volunteer programmes in 2022.

KHT would like to thank its volunteers for helping to drive the charity to make significant improvements to all areas of its work, particularly during the COVID-19 pandemic.

Statement on COVID-19 & the Future Period

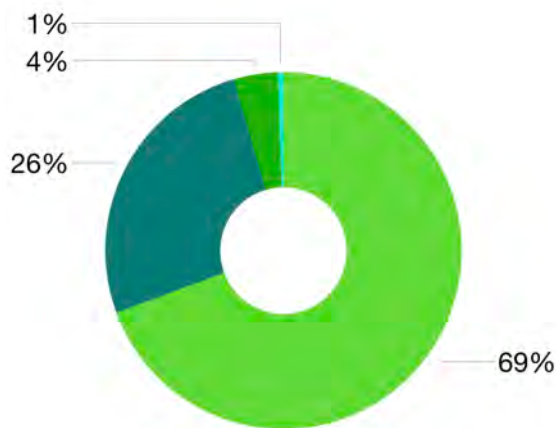
KHT ensures it complies with all public health authority requirements and will always implement strict measures to ensure the safety of its team, beneficiaries and the public. The Trustees and Director have also meticulously considered the continued impact of COVID-19 on the organisation's operations and have taken steps to mitigate the impact of the pandemic on the organisation. This is further highlighted in the Charity's reserves policy.

Although the past 12 months have been difficult, KHT has been able to successfully safeguard and develop its operations and policies in this period and is now working on developing its next post-COVID-19 strategy. This is an exciting time in which KHT anticipates to increase income and impact, whilst continuing its overall development.

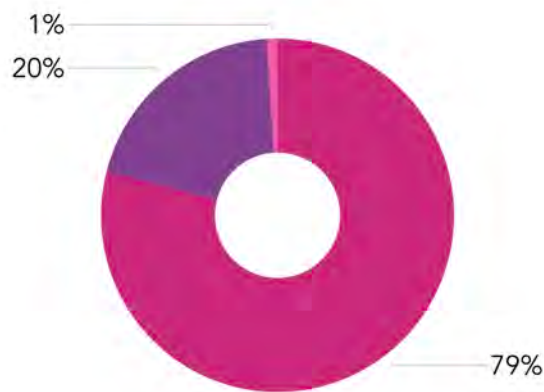


FINANCIAL REVIEW

Analysis of Income 2020/21



Analysis of Expenditure 2020/21



■ Charitable Activities (69%)
 ■ Donations & Legacies (26%)
 ■ Charitable activities (79%)
 ■ Support Costs (20%)
■ Other trading Activities (4%)
 ■ Investments (<1%)
 ■ Expenditure on raising funds (1%)

As of 30th September 2021, KHT held funds totalling £176,258. Income for the year ending 30th September 2021 totalled £272,699 and expenditure totalled £266,302, creating a surplus of £6,397 in the year.

Of the income received, £91,623 was unrestricted and £181,076 was restricted. Charitable spend made up 79% of the expenditure, 20% was expended on support costs and just 1% on raising funds.

Principal funding sources

Income is generated from donations, grants, events and volunteers. Specific major grants have been received from:

- Fondation Jan & Oscar
- Lloyd George Asia Foundation
- Allan & Nesta Ferguson Charitable Trust
- Thai Oilman’s Charity Invitational (TOCI) Golf Tournament
- Baillie Gifford
- Give2Asia
- Christadelphian Meal a Day Fund Asia Pacific
- Fresh Leaf Foundation
- The British Community in Thailand for the Needy
- The Rotary Club of Bangkok South

KHT has also received donations and grant funding from a number of other donors who have requested to remain anonymous.

These Financial Statements reflect the UK-generated income of KHT and include funds that are raised in Thailand. For operational reasons, funds raised in Thailand are processed through The Foundation for Karen Hilltribes in Thailand (KHTF).

Fundraising

KHT would not be able to carry out its work without its dedicated supporters and is therefore committed to achieving the highest standard in fundraising. KHT does this by ensuring it abides by the Code of Fundraising Practice, set by the Fundraising Regulator, in all fundraising activities that it conducts.

KHT is also committed to protecting privacy and will process personal data in accordance with the General Data Protection Act 2018 and its Privacy and Data Protection Policy. Personal details will always be kept safe and secure and will only be used by us or those who work for us. We promise never to share or rent personal details to third parties for marketing purposes.

Investment policy & objectives

There are no current restrictions on investment. Any investments are held on interest earning deposit at the bank for ease of access and minimal risk of loss.

Reserves policy

Total funds held by the Charity at year end were £176,258, of which £78,943 were restricted and not available for general purposes of the Charity.

The Charity's reserves level is calculated using major/catastrophic risks highlighted in the Charity's detailed risk management framework. The current level of unrestricted reserves is set at a range of £80,000 to £90,000. This is calculated as the total amount of funds required to:

- Safeguard unrestricted budgeted operations for a minimum period of six months in the event of unforeseen circumstances or events;
- Mitigate an unexpected fluctuation in exchange rates; and
- Manage the loss of key personnel.

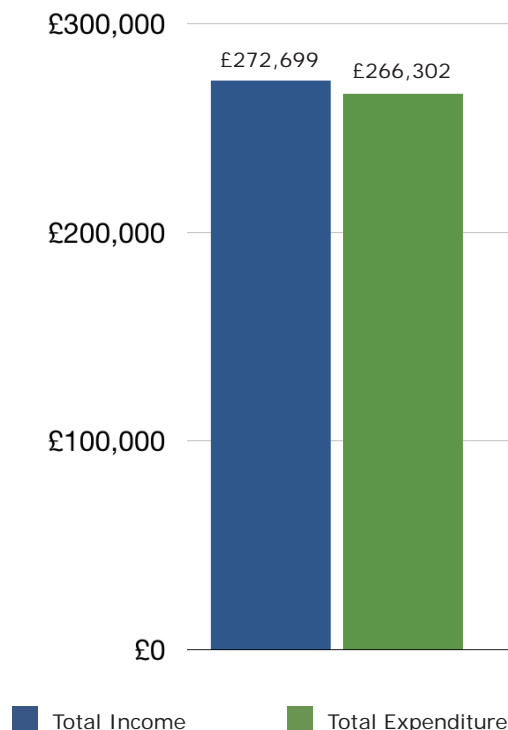
The Charity held unrestricted funds at a higher level than its reserves policy at year end to recruit two new employees in 2021/22 to support the recovery from the COVID-19

pandemic and expand operations. These funds will be expended in the next financial year.

Reserves are regularly monitored by the Treasurer and Director and reviewed annually by the Board of Trustees. KHT expects its unrestricted reserves level to reduce in the 2021/22 financial year due to implementing activities that were postponed as a result of the COVID-19 pandemic. These additional funds will therefore ensure the organisation can continue progressing towards achieving its charitable objectives.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.



Statement of the Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and Financial Statements in accordance with applicable law, regulations and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law in England and Wales requires Trustees to prepare financial statements for each financial year which give a true and fair representation of the state of affairs of the Charity and of the application of resources, including the income and expenditure, of the Charity for the period.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- follow applicable United Kingdom Accounting Standards and the Charities Statement of Recommended Practice (SORP), disclosing and explaining any departures in the Accounts; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue to operate.

The Trustees are responsible for keeping sufficient accounting records that accurately disclose the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Companies Act 2006, the applicable Charities (Accounts and Reports) Regulations and the provisions applicable to companies entitled to the small companies exemption. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved and signed on behalf of the Board of Trustees by:

Dr. Beth Wiggan - Chair of Trustees



Date of Approval

24th January 2022

The Karen Hill Tribes Trust
Company Limited by Guarantee
Unaudited Financial Statements
30 September 2021

The Karen Hill Tribes Trust
Company Limited by Guarantee
Financial Statements
Year ended 30 September 2021

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The Karen Hill Tribes Trust

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of The Karen Hill Tribes Trust

Year ended 30 September 2021

I report to the trustees on my examination of the financial statements of The Karen Hill Tribes Trust ('the charity') for the year ended 30 September 2021.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Susan Seaman, BA FCA CIOT
Sagars Accountants Ltd

Independent Examiner

Gresham House
5-7 St Paul's Street
Leeds
LS1 2JG

The Karen Hill Tribes Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 September 2021

		2021		2020
	Note	Unrestricted funds £	Restricted funds £	Total funds £
Income and endowments				
Donations and legacies	5	71,521	–	71,521
Thailand projects	6	7,962	181,076	189,038
Other trading activities	7	12,013	–	12,013
Investment income	8	127	–	127
Total income		<u>91,623</u>	<u>181,076</u>	<u>272,699</u>
Expenditure				
Expenditure on raising funds:				
Raising funds	9	3,423	–	3,423
Thailand projects	10,11	78,196	184,683	262,879
Total expenditure		<u>81,619</u>	<u>184,683</u>	<u>336,920</u>
Net income and net movement in funds		<u>10,004</u>	<u>(3,607)</u>	<u>6,397</u>
Reconciliation of funds				
Total funds brought forward		<u>87,311</u>	<u>82,550</u>	<u>169,861</u>
Total funds carried forward		<u>97,315</u>	<u>78,943</u>	<u>176,258</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 28 to 35 form part of these financial statements.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Statement of Financial Position

30 September 2021

	Note	2021 £	£	2020 £	£
Fixed assets					
Tangible fixed assets	17		217		–
Current assets					
Debtors	18	1,617		1,676	
Cash at bank and in hand		<u>179,834</u>		<u>173,174</u>	
		181,451		174,850	
Creditors: amounts falling due within one year	19	<u>5,410</u>		<u>4,989</u>	
Net current assets			176,041		169,861
Total assets less current liabilities			176,258		169,861
Net assets			176,258		169,861
Funds of the charity					
Restricted funds			78,943		82,550
Unrestricted funds			<u>97,315</u>		<u>87,311</u>
Total charity funds	21		176,258		169,861

For the year ending 30 September 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 24 January 2022, and are signed on behalf of the board by:



Beth Wiggan
Trustee

The notes on pages 28 to 35 form part of these financial statements.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 September 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Tower House Business Centre, Fishergate, York, YO10 4UA.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The charity qualifies as a small charity as defined in SORP FRS 102 and as such advantage has been taken to not include a cash flow within the financial statements.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Details of these judgements are set out in the accounting policies.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Motor vehicles	-	25% reducing balance
Equipment	-	33% straight line

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Contributions are charged to the statement of Financial Activities in the period to which they relate.

4. Limited by guarantee

The charity is governed by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	60,058	60,058	79,585	79,585
Gift Aid	11,463	11,463	14,248	14,248
	<u>71,521</u>	<u>71,521</u>	<u>93,833</u>	<u>93,833</u>

6. Thailand projects

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Thailand projects	<u>7,962</u>	<u>181,076</u>	<u>189,038</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

6. Thailand projects *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Thailand projects	1,191	297,123	298,314

7. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Fundraising events	12,013	12,013	9,944	9,944
Craft sales	–	–	259	259
	<u>12,013</u>	<u>12,013</u>	<u>10,203</u>	<u>10,203</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Deposit account interest	127	127	264	264

9. Raising funds

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Costs of raising funds	3,423	3,423	2,194	2,194

10. Charitable activities costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Direct costs	24,662	184,683	209,345
Support costs	53,534	–	53,534
	<u>78,196</u>	<u>184,683</u>	<u>262,879</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Direct costs	8,689	273,759	282,448
Support costs	52,278	–	52,278
	<u>60,967</u>	<u>273,759</u>	<u>334,726</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

11. Charitable activities costs

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
Direct costs	<u>209,345</u>	<u>53,534</u>	<u>262,879</u>	<u>334,726</u>

12. Analysis of support costs

	Management costs £	Total 2021 £	Total 2020 £
Finance costs	7,845	7,845	7,586
Governance costs	24,233	24,233	29,409
Management costs	21,456	21,456	15,283
	<u>53,534</u>	<u>53,534</u>	<u>52,278</u>

13. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>13</u>	<u>3,104</u>

14. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	2,740	2,720
Other financial services	8,694	9,132
	<u>11,434</u>	<u>11,852</u>

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021 £	2020 £
Wages and salaries	41,816	43,250
Social security costs	–	30
Employer contributions to pension plans	1,326	1,263
	<u>43,142</u>	<u>44,543</u>

The average head count of employees during the year was 2 (2020: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Charitable activities	1	1
Administration and support	1	1
	<u>2</u>	<u>2</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

15. Staff costs *(continued)*

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

16. Trustee remuneration and expenses

There was no trustees' remuneration paid in the year (2020 - £nil).

17. Tangible fixed assets

	Motor vehicles £	Equipment £	Total £
Cost			
At 1 October 2020	19,961	70	20,031
Additions	–	230	230
At 30 September 2021	<u>19,961</u>	<u>300</u>	<u>20,261</u>
Depreciation			
At 1 October 2020	19,961	70	20,031
Charge for the year	–	13	13
At 30 September 2021	<u>19,961</u>	<u>83</u>	<u>20,044</u>
Carrying amount			
At 30 September 2021	<u>–</u>	<u>217</u>	<u>217</u>
At 30 September 2020	<u>–</u>	<u>–</u>	<u>–</u>

18. Debtors

	2021 £	2020 £
Prepayments and accrued income	<u>1,617</u>	<u>1,676</u>

19. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	890	756
Accruals and deferred income	3,576	3,476
Social security and other taxes	944	757
	<u>5,410</u>	<u>4,989</u>

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,326 (2020: £1,263).

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

21. Analysis of charitable funds

Unrestricted funds

	At 1 October 2020 £	Income £	Expenditure £	Transfers £	At 30 September 2021 £
Unrestricted fund - General funds	87,311	91,623	(81,619)	–	97,315

	At 1 October 2019 £	Income £	Expenditure £	Transfers £	At 30 September 2020 £
Unrestricted fund - General funds	44,981	105,491	(63,161)	–	87,311

Restricted funds

	At 1 October 2020 £	Income £	Expenditure £	Transfers £	At 30 September 2021 £
Health	42,556	89,167	(89,032)	(8,280)	34,411
Education	21,131	45,633	(39,110)	–	27,654
Livelihood	18,863	46,276	(56,541)	8,280	16,878
	<u>82,550</u>	<u>181,076</u>	<u>(184,683)</u>	<u>–</u>	<u>78,943</u>

	At 1 October 2019 £	Income £	Expenditure £	Transfers £	At 30 September 2020 £
Health	14,853	169,885	(142,182)	–	42,556
Education	25,095	47,581	(51,545)	–	21,131
Livelihood	19,238	79,657	(80,032)	–	18,863
	<u>59,186</u>	<u>297,123</u>	<u>(273,759)</u>	<u>–</u>	<u>82,550</u>

The health fund promotes better community health through the delivery of clean water systems and latrine/shower units. The education fund helps children from isolated and marginalised communities complete their education. The livelihood fund aims to safeguard crops and fields from natural hazards.

The transfer in the year relates to a health fund project that finished underbudget. With approval from the donor, the remaining funds were used for an irrigation project.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	217	–	217
Current assets	102,507	78,943	181,450
Creditors less than 1 year	(5,409)	–	(5,409)
Net assets	<u>97,315</u>	<u>78,943</u>	<u>176,258</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	–	–	–
Current assets	92,300	82,550	174,850
Creditors less than 1 year	(4,989)	–	(4,989)
Net assets	<u>87,311</u>	<u>82,550</u>	<u>169,861</u>

23. Related parties

The foundation for Karen Hilltribes in Thailand was set up in 2002 with identical aims as The Karen Hill Tribes Trust.



Contact Us

The Karen Hilltribes Trust

Tower House, Fishergate, York, YO10 4UA | Tel: +44 (0) 1904 373 001

Interim Director: Matt Jenkins | director@karenhilltribes.org.uk

UK Registered Charity No. 1093548 | Company No. 04484077

Registered in Thailand by permit 242/2525



THE KAREN HILL TRIBES TRUST

England & Wales - Charity number 1093548

Accounts



The Karen Hilltribes Trust
Annual Report & Accounts
2019/20

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Company and Charity Information

Registered Company Number	04484077 (England and Wales)
Registered Charity Number	1093548
Registered Office	Tower House Business Centre Fishergate York YO10 4UA
Trustees	V V Pert - Chair of Trustees D Shurman - Vice Chair of Trustees T A Y Wright - Treasurer T S Nickson - Secretary J Delaney B Smith B Wiggan C Champine R Ellis A Dixon (Resigned 18 January 2021) J Heelham (Appointed 12 January 2020)
Company Secretary	T S Nickson
Independent Examiner	Susan Seaman, BA FCA CIOT Sagars Accountants Ltd Gresham House 5-7 St Pauls Street Leeds LS1 2 JG
Chief Executive	Kelle Rivers (Resigned 31 October 2019) Billy Curryer (Appointed 1 November 2019)

A Message from Our Chair of Trustees

It is my pleasure to present our annual report for what has been an exceptionally difficult year for the whole world due to the spread of COVID-19. In such times, it would be understandable to concentrate on the protection of the Karen communities from the virus but, of course, the underlying issues remain: lack of clean water, crop failures and inability to access an education. Our work is as important as ever.

This report sets out how we have been able to maintain our programmes and output in the delivery of clean water systems, sanitation units, hygiene education, and flood resistant irrigation systems. We have also managed to continue to support our programme of access to education for young Karen providing school buses, food in schools and scholarships for higher education.

My thanks are due to our donors, to our staff (both in the UK and in Thailand), to our volunteers and to my fellow trustees for their continuing support, hard work and encouragement. By working together we have been able to complete our programmes at the same time as making significant steps towards achieving our 5-year strategy of enhancing community ownership and increasing sustainability.

My particular thanks go to Billy Curryer, our new Director, who has risen to the challenge of a new job in what turned out to be especially difficult circumstances with remarkable calm and assurance. Together, we have got through a difficult year and can look forward to an ambitious future.

Vivien V Pert

Chair of Trustees





Who We Are

The Karen Hill Tribes Trust (KHT) is a community-led organisation that has been working with marginalised Karen communities in Northern Thailand for the past three decades. The Karen are the largest ethnic minority group in Thailand, with an estimated population of 549,000.

By taking a holistic approach to the complex socio-economic issues at hand, KHT aims to achieve sustainable change by empowering communities to improve their own lives.

Our Vision

A secure future for the Karen communities of Northern Thailand.

Our Mission

To partner with Karen communities to improve their health, livelihoods, and access to education.

Our Goals

To enhance community health by improving sanitation, hygiene, and access to safe water

To secure sustainable livelihoods through increased food security and income generation

To increase access to education for children and young adults to improve their opportunities

What Have We Achieved

Since 1986, KHT has:



transformed health and well-being for over 55,643 people through providing clean drinking water, improved sanitation facilities and hygiene education.



allowed 18,901 farmers to secure agriculture as a sustainable livelihood through the construction of flood-resistant irrigation systems.



increased access to education for 17,693 children and young adults through the provision of school meals, transport and accommodation, and higher education scholarships.

2019/20 ROUND UP

Partnering with
Karen communities
to improve their
health, livelihoods &
access to education

Our 2019/20 Achievements

- 3,911 Karen people benefiting from our projects
- Our new website went live in September
- Alex & Fenella, our Programme Officers, have returned to Thailand to work with our Karen team



Transforming Community Health

- 6 Water systems installed
- 218 Latrines built or repaired
- 1,141 Karen people now have improved water, sanitation & hygiene

Increasing Access to Education

- 40 scholarship students supported
- 323,910 school meals provided for 366 students
- 396 students using school buses



Securing Livelihoods

- 6 irrigation systems built
- Increased output for 201 acres of land
- 2,008 Karen people have secured livelihoods

Looking to 2021...

- 6 water, sanitation & hygiene projects to transform community health
- 5 irrigation projects to secure livelihoods
- 38 communities will have improved access to education



Trustees' Annual Report (Incorporating the Director's Report) Year ended 30 September 2020

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 September 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Up to 12 trustees are appointed to the board on a three-year rotational basis. There are currently two vacancies. Trustees are recruited by the board of trustees on the basis of nominations from existing trustees. The board of trustees seeks to ensure a mix of skills and diversity, and selects each trustee according to his/her particular skill or interest.

Induction and training of new trustees

Before being formally appointed, all trustees are provided with appropriate information to ensure that they have a good understanding of the roles and responsibilities of a trustee, the charity itself and its target beneficiaries. This includes, but is not limited to, the Essential Trustee Guide from the Charity Commission, the Charity Commission's web-pages on "Public Benefit", and KHT's governing document, recent annual reports, and Board Basics & Becoming a Trustee Policy document.

Organisational structure

The trustees, together with the Director, meet three times a year to discuss and determine strategic, financial and operational requirements, with the annual general meeting (AGM) being held in January each year.

All daily operations of the charity are overseen by the Director, Billy Curryer, who was appointed Chief Executive on 1st November 2019 after Kelle Rivers resigned from the role on 31st October 2019. Billy joined KHT in September 2017, and before becoming Director, spent extensive time both in the field and in a management capacity within the charity.

The Director reports to the board of trustees in the UK and is responsible for ensuring that the charity achieves its mission through key performance indicators agreed by the trustees. All of the charity's other employees and volunteers report directly to the Director.

As KHT is a UK registered charity that implements activities in Northern Thailand, its team is based in two different locations, York, UK, and Khun Yuam, Northern Thailand. After undergoing a transitional period in 2018-2019, where the charity relocated the majority of its resources from the UK to Thailand to support charitable activities, the Director had been based in the charity's Thai office, making periodic visits to the UK to conduct UK-based activities. However, as a result of the recent COVID-19 pandemic, the Director returned to the UK in March 2020 and has been working remotely from the UK since.

Moving forwards, the Director will aim to split his time between Thailand and the UK to balance the implementation and oversight of the charity's activities in Thailand with attending trustee meetings, meeting with UK-based donors, stakeholders and service providers, and conducting other UK-based activities.

In the UK, the charity is therefore comprised of the Director, who is supported by a Finance Administrator. Together, their responsibility in the UK is to maintain robust financial systems, distribute communications, provide oversight on all activities and work with the UK-based Board of Trustees to ensure good governance. Local fundraising activities also continue through the support of volunteers. Although a registered office address is held for postal services, the Director and Finance Administrator both work remotely.

In Khun Yuam, Northern Thailand, KHT has a small office, which coordinates the implementation of all of the charity's projects. Six Thai-Karen staff and two long-term volunteer Programme Officers (PO) are based in this office. The Thai-Karen staff lead project activities and Thai administration, whilst the two POs support the implementation and evaluation of the charity's projects through their expertise and technical skills.

Unfortunately, the COVID-19 pandemic did disrupt plans and the two long-term volunteers were forced to leave Thailand and work remotely between March and November 2020. They have since returned to Thailand to work with the local Thai-Karen team.

Related parties

The Foundation for Karen Hilltribes in Thailand (KHTF) was set up in December 2002 in Bangkok under Thai law to work in conjunction with KHT to support its projects with the Karen people. KHTF is a subordinate organisation of KHT, according to a memorandum of association which defines the relationship between the two entities. Accounts for KHTF are registered and submitted under Thai law.

Although it is a separate legal entity, KHTF has identical aims as KHT. KHT organises its operations in Thailand from the UK, where its financial centre and board of trustees are based.

Risk management

The trustees and Director of KHT believe that sound risk management is integral to both good management and good governance practice, and ultimately to the sustainability and success of the charity.

KHT manages its exposure to risk through a robust risk management framework, which ensures the charity is able to identify, assess and respond to risks that it may face when conducting activities. The framework is based on guidance published by the Charity Commission in "Charities and risk management (CC26)", and focuses on assessing five key areas of risk: Governance, Operational, Financial, Environmental or External, and Compliance (law or regulation).

Although a culture of effective risk management is promoted at all levels of the charity, the implementation and adherence to the risk framework is overseen by the Director and Board of Trustees. KHT also plans to create a Board of Trustees Risk Management Sub-Committee at its AGM in January 2021 to further facilitate effective risk management.

OBJECTIVES AND ACTIVITIES

History

KHT was first registered as a charity in 1989 to address the lack of clean water in Karen villages, under the name Mae Phon Karen Hill Tribes Trust (Charity number 800796). The charity was formed through a partnership with current Karen Manager Wichien Bunrachaisavan (Salahae) and a former British diplomat working in Thailand. By working with Karen communities, clean water systems were designed and put in place to provide a source of life-changing access to clean water. In response to the expressed needs of the Karen, the work of KHT has now expanded into the areas of livelihoods and education with the aim to support the Karen in building a more sustainable future. Over time, KHT continues to adapt and improve its programmes and has expanded its community health programme into supporting improvements in sanitation and hygiene, as well as clean water.

To aid this mission, a strong link with the UK was formed. This has resulted in over 400 volunteers travelling to Thailand to help construct clean water systems and teach English in Karen schools. In 1999, a fundraising office was opened in York and the charity was re-registered under the name The Karen Hill Tribes Trust in 2002 by Penelope Worsley, the mother of a former volunteer.

After 30 years Salaha continues to lead the work in Thailand, supported by a team of five Karen staff who fully involve the local community to ensure projects promote self-help and sustainability. To date, over £5 million has been raised for projects which have helped improve the lives of thousands of Karen people living in Mae Hong Son Province.

Since 1986, KHT has provided over 55,643 people with clean drinking water and improved sanitation facilities, supported over 18,901 people through the construction of flood-resistant irrigation systems, and increased access to education for over 17,693 children and young people through the provision of school meals, transport and accommodation, and higher education scholarships.

Charity Objectives

KHT was formally established in 2002 to benefit the Karen people of Northern Thailand. Its mission is to partner with Karen communities to improve their health, livelihoods, and access to education. Its three key objectives are:

- To enhance community health by improving sanitation, hygiene, and access to safe water
- To secure sustainable livelihoods through increased food security and income generation
- To increase access to education for children and young adults to improve their opportunities

In July 2020, KHT undertook a review of the charity's Objects as detailed in its Memorandum of Association and is currently in the process of submitting formal changes to the Charity Commission. KHT decided to make changes to its Objects to further highlight the community-led approach that is integral to all of its activities.

Public benefit

The charity's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further KHT's charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the charity should undertake.

Volunteers

In March 2020, KHT recruited two long-term volunteer Programme Officers to support the successful implementation of the charity's project activities in Thailand. The Health Programme Officer (HPO), Fenella Hayes, and Education and Livelihoods Programmes

Officer (ELPO), Alexandra Klang, have brought vital international expertise in Public Health and Human Rights and Education to the charity. Thanks to their support, KHT has been able to continue developing and improving its programmes, in particular, project monitoring, evaluation and reporting. In return, KHT hopes this opportunity will allow them to continue their own professional development and gain vital experience in the field.

KHT would like to thank Alex and Fenella for helping to drive the charity to make significant improvements to all areas of its work, particularly during the COVID-19 pandemic. It would also like to acknowledge and thank them for their support in producing this report.

Aside from its long-term volunteers, KHT also normally welcomes short-term teaching and water project volunteers to Thailand each year to support the charity. Teaching volunteers spend 3 months teaching English in local schools, whilst water volunteers support the construction of water systems in remote Karen villages.

All short-term volunteers raise funds to cover their costs and make a donation to the charity's projects. Unfortunately, COVID-19 has meant that KHT was unable to welcome short-term volunteers to Thailand to this year. KHT hopes that it will be able to restart its volunteer programmes in 2021.

FINANCIAL REVIEW

Principal funding sources

Income is generated from donations, grants, events and volunteers. Specific major grants have been received from:

- The Kadoorie Charitable Foundation
- The Lloyd George Asia Foundation
- Thai Oilman's Charity Invitational (TOCI) Golf Tournament
- Give2Asia
- The Rotary Club of Bangkok South
- The Jan and Oscar Foundation
- The Evan Cornish Foundation
- The British Community in Thailand for the Needy
- The Christadelphian Meal-a-Day Fund
- The Scott Bader Global Charity Fund

KHT has also received donations and grant funding from a number of other donors who have requested to remain anonymous.

These Financial Statements reflect the UK-generated income of KHT and include funds that are raised in Thailand. For operational reasons, funds raised in Thailand are processed through The Foundation for Karen Hilltribes in Thailand (KHTF).

Fundraising

KHT is committed to achieving the highest standard in fundraising and ensures to abide by the code of fundraising practice, set by the Fundraising Regulator, in all fundraising activities that it conducts.

KHT is also committed to protecting privacy and will process personal data in accordance with the General Data Protection Act 2018 and its Privacy and Data Protection Policy. Personal details will always be kept safe and secure and will only be used by us or those who work for us. We promise never to share or rent personal details to third parties for marketing purposes.

Investment policy and objectives

There are no current restrictions on investment. Any investments are held on interest earning deposit at the bank for ease of access and minimal risk of loss.

Reserves policy

KHT has established a fixed reserve level of £50,000 (80% held in the UK and 20% held in Thailand) which it keeps separately from its current accounts. The level of reserves has been agreed by the Board of Trustees as £50,000, as this is sufficient to safeguard operations for a minimum period of six months and to fund commitments should circumstances ever require KHT to cease activity in Thailand. KHT's reserves policy is reviewed annually by the Board of Trustees.

KHT understands that the financial statements detailed later in this report show unrestricted funds of £87,311. KHT currently holds unrestricted funding higher than the level of fixed reserves detailed above as additional security during the COVID-19 pandemic. KHT expects unrestricted income to be reduced in the 2020/21 financial year and these additional funds will therefore ensure the organisation can continue its operations.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Statement on COVID-19

KHT ensures to comply with all public health authority requirements and will always implement strict measures to ensure the safety of its team, beneficiaries and the public. The trustees and Director have also meticulously considered the continued impact of COVID-19 on the organisation's operations and have taken sufficient steps to mitigate the impact of the pandemic on the organisation.

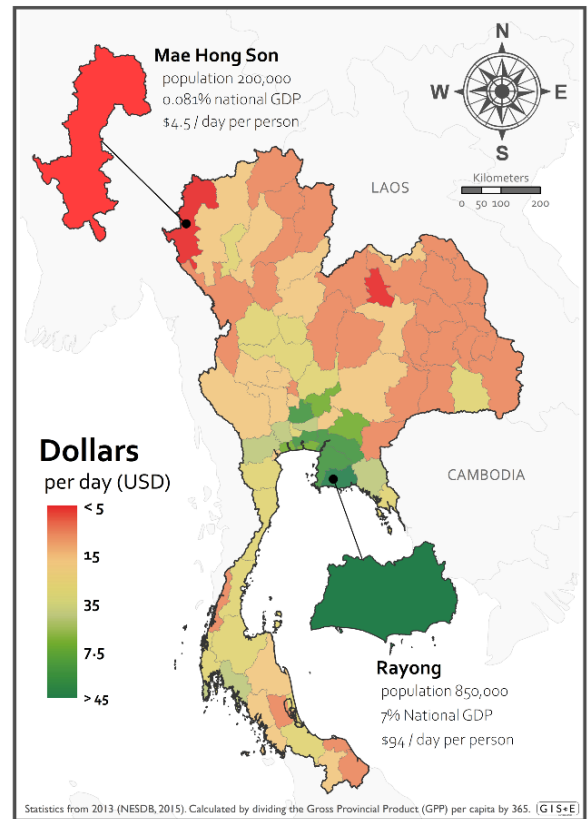


**2019/20 Achievements
and Performance**

Charitable Activities for Financial Year Ending 30 September 2020

Over the last four decades, Thailand has made remarkable progress in social and economic development, transitioning from a low-income to a middle-income country in 2011, and now ranking 87/188 in the UNDP 2015 Human Development Index. However, improvements are mainly focused in the urban and popular southern areas with poverty and inequality continuing to pose significant challenges across the rural regions and for Thailand's ethnic minorities.

One of Thailand's least developed regions is Mae Hong Son, a remote province situated on the Myanmar and Northern Thailand border. About 64% of the population of Mae Hong Son live below the poverty line, many of whom belong to marginalised ethnic minorities such as the Karen.



The Karen are the largest ethnic minority group in Thailand. They predominantly reside in small, close-knit communities that are often situated in the mountainous areas of the country's northern provinces. In Mae Hong Son Province, the majority of the population are Karen. As mostly subsistence farmers, growing rice, vegetables and raising animals to support their families, life is difficult. KHT's research has found that on average, households earn just 24,500 THB (644 GBP) each year, whilst most communities also have limited access to basic services such as healthcare and education. In addition, a significant proportion lack access to safe water and sanitation facilities.




KHT's vision is a secure future for the Karen communities of Northern Thailand. To achieve this, the charity focuses on three development objectives: improving community health, securing better livelihoods and increasing access to education for marginalised Thai Karen, in Northern Thailand.

Charitable activities and deliverables for each programming area for the financial year ending 30 September 2020 are summarised in the following pages of the report.

Water, Sanitation and Hygiene Project

Access to adequate water, sanitation, and hygiene (WASH) facilities is often limited in rural Karen villages. Without WASH services, communities are forced to rely on unreliable, contaminated sources of water, putting them at risk from many communicable diseases and parasites. These conditions are further exacerbated by poor sanitation and hygiene which helps continue the cycle of disease transmission. A recent study showed that 100% of natural Karen water sources studied, such as rivers and wells, were contaminated with faeces and other harmful bacteria.

The Water, Sanitation and Hygiene Project aims to improve health outcomes for Karen communities located across Northern Thailand through the construction of gravity-fed water systems and sanitation units, and the delivery of hygiene education. The financial year ending 30 September 2020 saw the delivery of:

-  Six gravity-fed clean water systems, which provide year-round access to water with dramatically lower levels of pollutants and water-borne diseases for 1,141 people.
-  218 sanitation units, comprising of a pour-flush latrine, shower and handwashing station, installed across six villages.
-  Hygiene education sessions, including dissemination of COVID-19 information, in four communities to engage community members to improve sanitation and hygiene behaviour.

Access to a reliable source of clean water is expected to lower the incidence of preventable diseases whilst reducing the time needed to collect and process water. In addition, controlled faecal waste management and better hygiene practices will both supplement the

water systems to reduce pollution levels within nearby water sources and further improve health and well-being in the communities. In total, the project is expected to provide long-term health, education and livelihoods benefits for 1,141 people from six communities and contribute towards locally achieving the Sustainable Development Goals (see image left).



The United Nation’s Sustainable Development Goals where goals progressed towards during KHT’s WASH projects are in colour.

The Sakunjanjamrat Family's Story

Living deep in the forests of the Mae Hong Son Province, in a village which lies 81km from the nearest town, is the Sakunjanjamrat family. They are a typical Karen family, who mainly live off subsistence farming and 'slash and burn' work. The father, Mala Ei, has lived in the village for approximately 50 years and has seen his community develop and change throughout his life. In March 2020, the family's community was the recipient of a KHT Water, Sanitation and Hygiene (WASH) Project. KHT met the family in their home during the school holidays to discuss how the project has changed their life.



Before the KHT water project, the family had to collect water from the river in the valley. Walking to and from the river was tiring and time consuming. Sometimes they would have to walk 'with baby on the front and water on the back; sometimes with water on the front and baby on the back'. During the dry season there often was not enough water available for cooking, washing and cleaning and so water had to be rationed.

Mala Ei volunteered on the KHT WASH project almost every day to help his community install a new water system

through support from KHT. The project has ensured the family has access to clean water all year round, as well as improved sanitation facilities. As well as maintaining good health and well-being, this will help them complete their daily tasks and create other sources of income due to more reclaimed time.



Irrigation Project

In Northern Thailand, Karen communities live primarily in harsh mountainous environments that are vulnerable to natural hazards such as drought and flooding. These communities are highly dependent on subsistence farming for food supplies and household income, yet their traditional agricultural practices are constantly threatened by such natural hazards. As a result, livelihoods are volatile and highly unsustainable.



The Irrigation Project aims to strengthen agriculture as a sustainable livelihood for Karen farmers in Northern Thailand through the construction of flood-resistant irrigation systems (FRIS). The FRIS ensure farmland can be sufficiently irrigated all year round, which increases community resilience to natural hazards and extreme weather events and, consequently, crop production. The financial year ending 30 September 2020 saw the delivery of:



Six flood-resistant irrigation systems serving six villages. The irrigation systems supply a total of 201 acres of land with water for irrigation purposes, helping 2,008 beneficiaries to secure agriculture as a sustainable livelihood.

With a FRIS in place, farmers will start to experience increased agricultural output as a



result of crops receiving a reliable source of irrigation throughout cultivation. In addition to the food security and livelihood benefits, the project will also have environmental benefits. Logging for wooden dams and slash and burn are expected to decrease over time, as livelihoods become more certain and secure.

The United Nation's Sustainable Development Goals where goals progressed towards during KHT's irrigation project are in colour.

Securing Sustainable Livelihoods!

In May 2018, KHT constructed a flood resistant irrigation system in a remote Karen village home to 299 people. Of the 60 rai of farmland in the village, 100%



had been flooded in the past few years and 50% of the households reported food shortages. This community therefore expressed a clear need for support from KHT.

Mr Pawi is a Karen farmer who lives in the village with his family of four. At the age of 66, he still works in his fields everyday with his family to grow crops to eat and sell.

“Our life before KHT installed the irrigation project was very difficult each year. I start to work when I was 9 years old. I followed my grandfather to built the bamboo dam in the past and we have to cut down many trees for built a dam. Before they use buffalo to plough and have to repair the dam very often for each year. Every year when the flooding, the dam is broken and destroy tree dam and each year have to repair many times, no water in the field it make the rice in the field dry out, can get less rice not enough for family.”

“The villagers now have a better life. They do not have to cut down the trees like before. In



the past when we want to repair the dam we have to ask the forestry, now we have KHT dam and the villagers have a better life. The villagers getting more crops and better for agriculture.

Now our family have more income and more crops to grow for the lasting our family have a better life and better health.”

School Bus Project

Access to quality education is part of the 17 Sustainable Development Goals and is one of the most important tools to break the cycle of poverty and prevent exploitation of the most vulnerable, yet the enrolment of Karen children in primary education is just 51% (89% national average) whilst only 1 in 4 Karen children complete their secondary education.

One of the main reasons for the low number of Karen children enrolled in education is the distance from remote villages to schools - some villages are up to 50km away. To increase access to education for students from remote communities KHT supports school bus services. The school buses are an essential and practical way to increase access to education for children from remote communities. This financial year saw the delivery of:



18 school buses, which supported drivers from local communities to transport a total of 396 children to and from school.

With the ability to take a bus to school, children are able to live at home and travel to school each day via the bus, allowing their parents to be involved in the upbringing and providing them with more time and energy for their studies. In addition, the buses reduce the potential risks involved in having children travel to school on their own, especially for girls.

School Meals Project

Another important way to help improve opportunities for Karen children from remote villages is to reduce the costs of accessing an education through the provision of school meals. Without access to food whilst studying, children do not perform well, and their mental and physical health can deteriorate. In addition, it further increases the risk of school drop-out. KHT's School Meals Project is therefore another simple solution to improving access to education. The financial year ending 30 September 2020 saw the delivery of:



Schools meals to 366 students studying at eight schools across the Mae Hong Son Province. Each student received three meals per day.

Through providing school meals, the project reduced the risk of school drop-out, improved school performance, and allowed the 366 children to have better health and well-being, all of which in the long-term promotes access to quality education.



Higher Education Scholarships Project

As most Karen families live below the poverty line and frequently have multiple children to support through education, there is often little income to cover the cost of attending higher education. The result is that there is very limited access to higher education within marginalised Karen communities and students that do get the chance, often have to work long hours after class in order to afford living costs and tuition fees.

Through the Higher Education Scholarship Project, KHT offers scholarships to vulnerable Karen youths for vocational and teaching courses to support students to attend higher education and ensure that cycles of poverty are broken. The financial year ending 30 September 2020 saw the delivery of:



40 scholarships for students from remote communities to study at local universities and vocational schools.

COVID-19 & Accessing Education

The United Nations (UN) estimates that more than 1 billion children are at risk of falling behind due to school closures and reduced livelihoods, whilst, according to the World Health Organisation (WHO), the pandemic has caused economic and social disruption that puts tens of millions of people at risk of falling into extreme poverty.

In Northern Thailand, children have reported that there is less food at home, whilst parents have reported reduced livelihood opportunities. With the outbreak of COVID-19, the access to education programme has therefore been even more important than ever. Together, these projects have allowed students of all ages to continue to access an education and work towards achieving their potential!



The United Nation's Sustainable Development Goals where goals progressed towards during KHT's Access to Education Programme are in colour.

Studying at University During COVID-19 - Miss Pornsawan

Miss Pornsawan is one of KHT's most recent scholarship students, joining the project in 2019. KHT recently caught up with Pornsawan to hear how COVID-19 is affecting her, her studies, and her family.



Pornsawan is from a poor remote Karen community, where there is little opportunity for students to progress to higher education. Both her parents work as labourers, yet since the pandemic, her parents have not been able to find any work, meaning they have no income to support their family.

“The COVID-19 make all the people in my family feeling bad and everyone is worry too much.”

Her parents are not only struggling to find work, but since restrictions were put in place in March 2020, the cost of food has also increased. Pornsawan used to spend 20 THB on a meal, but this has now increased to 25 THB. For families and students who are already struggling with the costs of studying, this is a big increase, especially as most Karen parents are struggling to earn an income in this period.

After closing for several months, universities in Thailand reopened on 1st July 2020. Education is very important for Pornsawan. She told us that her education will help guide her through her life and with her university degree, she hopes to get a job and be able to look after her parents and family. The KHT scholarship has been part of helping Pornsawan to achieve this by providing monthly financial support during her studies. With her parents not being able to work, the scholarship has also provided vital support to her family. Thanks to the scholarship, she can afford to buy food and continue to study, allowing her parents to focus on supporting their other children.

“Education is the best thing in life. I would like to thank KHT give me a good opportunity for me and my family. The important thing my parent do not struggle to support me.”



Organisation Development

Even in the face of the COVID-19 pandemic, this past year has seen KHT go from strength to strength. The charity was able to expand its income and increase its reach over the past 12 months, supporting even more communities to improve their lives.

KHT would not have been able to make these achievements without its dedicated Karen team. Even in the face of the COVID-19 pandemic, the team were willing to continue disseminating vital hygiene and COVID-19 education, and building water and irrigation systems to ensure communities had the necessities to withstand the pandemic and its cascading effects.

Aside from project implementation, KHT's Karen team have also attended training to develop their understanding and ability to implement monitoring and evaluation activities and have been willing to take on the new responsibility of conducting hygiene education activities in addition to their current roles. KHT would like to thank its local team for their tremendous efforts over the past 12 months, as without them, it would not have been able to make these achievements.



Part of this success has also been thanks to the support of KHT's Health Programmes Officer (HPO) and Education and Livelihoods Programmes Officer (ELPO) who joined KHT in March 2020. Through providing technical expertise to the local Thai-Karen team, the HPO and ELPO have been extremely important in driving significant development of KHT's projects, with specific improvements in monitoring and evaluation, hygiene behaviour education and training, and story and case study collection. Further developments are expected over the next 12 months with their continued support of these areas.

Away from project activities, the ELPO and HPO, with support from the Director, have been instrumental in creating a new website for the charity and sharing continued updates and

reports through KHT's social media accounts. The Director and Board of Trustees, with support from the ELPO, HPO and rest of the team, have also updated the organisation's Vision, Mission and Goals and have been working tirelessly to implement good governance across the organisation. In particular, the charity's risk management



framework has been significantly improved to ensure good management and governance practice, and ultimately to increase the sustainability and success of the charity.

This year also brings an end to KHT's 2016-2020 strategy, where the focus was to extend the principle of community ownership in order to improve its long term sustainability and effectively demonstrate its impact. During this period, KHT made strides towards achieving this strategy and is now working on an interim strategy to carry itself through the remainder of the COVID-19 pandemic. KHT aims to launch its next ambitious five year strategy in 2022.

KHT would like to take a moment to say thank you to all of its team for their support over the past 12 months. It has been a difficult year, but their dedication and commitment to the organisation and ability to be flexible and patient with their work has been greatly appreciated, particularly in this challenging environment. A special thank you goes out to Salahae for managing all activities in Thailand whilst KHT's Director has been displaced because of COVID-19.

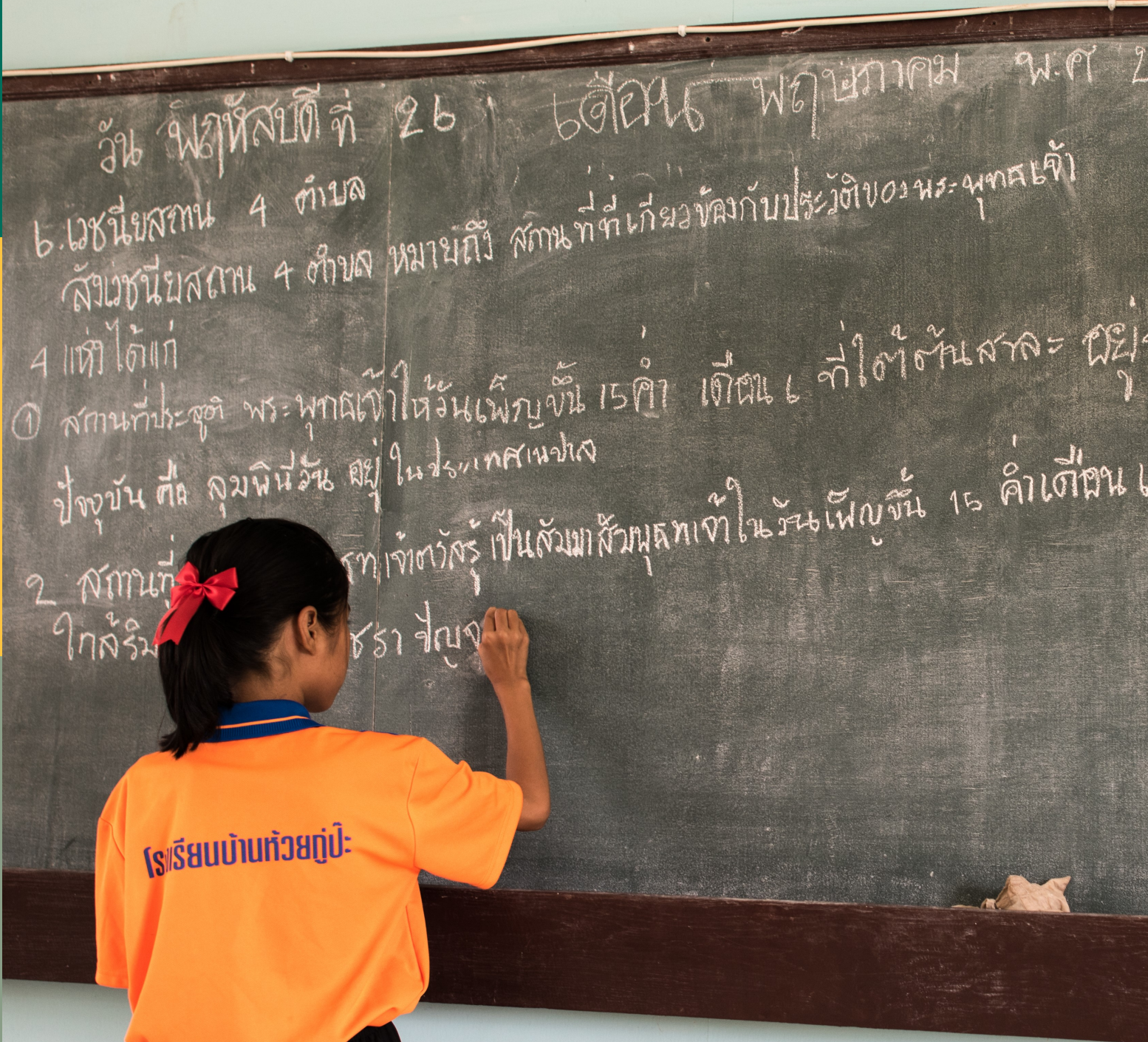
Trustees' Annual Report Declaration

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 3rd February 2021 and signed on behalf of the board of trustees by:



Vivien V Pert - Chair of Trustees



วันที่พิมพ์ที่ 26 เดือน พฤษภาคม พ.ศ. 2

6. เวชชีนีสถน 4 ตำบล

สี่นีสถน 4 ตำบล

4 แห่งได้แก่

1) สถนที่ประจันตบุรี พระนาคเจ้าในอนเพ็ญจัน 15 ค้า เดือน 6 ค้าได้ตั้งศาล = ๒๒

ปัจจุบัน ตั้ง ลุมพินีวัน อยู่ในระเทศนาล

2) สถนที่... จ้างตัว... เป็นตัว... ในวันเพ็ญจัน 15 ค้า เดือน 6

โรงเรียนบ้านทวยหมู่:

Financial Statements
Year Ended 30
September 2020

The Karen Hill Tribes Trust

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of The Karen Hill Tribes Trust

Year ended 30 September 2020

I report to the trustees on my examination of the financial statements of The Karen Hill Tribes Trust ('the charity') for the year ended 30 September 2020.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Susan Seaman, BA FCA CIOT
Sagars Accountants Ltd

Independent Examiner

Gresham House
5-7 St Paul's Street
Leeds
LS1 2JG

8 February 2021

The Karen Hill Tribes Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 September 2020

	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	93,833	–	93,833	85,094
Thailand projects	6	1,191	297,123	298,314	195,890
Other trading activities	7	10,203	–	10,203	1,302
Investment income	8	264	–	264	361
Total income		<u>105,491</u>	<u>297,123</u>	<u>402,614</u>	<u>282,647</u>
Expenditure					
Expenditure on raising funds:					
Raising funds	9	2,194	–	2,194	10,510
Thailand projects	10,11	60,967	273,759	334,726	316,783
Other expenditure	13	–	–	–	388
Total expenditure		<u>63,161</u>	<u>273,759</u>	<u>336,920</u>	<u>327,681</u>
Net income/(expenditure) and net movement in funds					
		<u>42,330</u>	<u>23,364</u>	<u>65,694</u>	<u>(45,034)</u>
Reconciliation of funds					
Total funds brought forward		<u>44,981</u>	<u>59,186</u>	<u>104,167</u>	<u>149,201</u>
Total funds carried forward		<u>87,311</u>	<u>82,550</u>	<u>169,861</u>	<u>104,167</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 11 to 18 form part of these financial statements.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Statement of Financial Position

30 September 2020

	Note	2020 £	£	2019 £	£
Fixed assets					
Tangible fixed assets	18		–		3,034
Current assets					
Debtors	19	1,676		5,601	
Cash at bank and in hand		<u>173,174</u>		<u>100,929</u>	
		174,850		106,530	
Creditors: amounts falling due within one year	20	<u>4,989</u>		<u>5,397</u>	
Net current assets			<u>169,861</u>		<u>101,133</u>
Total assets less current liabilities			<u>169,861</u>		<u>104,167</u>
Net assets			<u><u>169,861</u></u>		<u><u>104,167</u></u>
Funds of the charity					
Restricted funds			82,550		59,186
Unrestricted funds			<u>87,311</u>		<u>44,981</u>
Total charity funds	22		<u><u>169,861</u></u>		<u><u>104,167</u></u>

For the year ending 30 September 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on *3 February* 2021, and are signed on behalf of the board by:

V. Pert

V V Pert
Trustee

The notes on pages 30 to 37 form part of these financial statements.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 September 2020

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Tower House Business Centre, Fishergate, York, YO10 4UA.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

Going concern

There are no material uncertainties about the charity's ability to continue. In coming to this conclusion the trustees have considered the continued impact of COVID-19 on the forecasts and post year end results. COVID-19 has impacted the trust's ability to raise funds and future restricted grant income still remains uncertain. However, management have taken steps to mitigate the impact of any loss of income and control costs and have plans in place to implement additional fundraising activities if necessary and review planned expenditure if grant income is not received, therefore the overall financial impact is not thought to be significant.

Disclosure exemptions

The charity qualifies as a small charity as defined in SORP FRS 102 and as such advantage has been taken to not include a cash flow within the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Details of these judgements are set out in the accounting policies.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	20% reducing balance
Motor vehicles	-	25% reducing balance
Equipment	-	33% straight line

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Contributions are charged to the statement of Financial Activities in the period to which they relate.

4. Limited by guarantee

The charity is governed by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Donations				
Donations	79,585	79,585	75,096	75,096
Gift Aid	14,248	14,248	9,998	9,998
	<u>93,833</u>	<u>93,833</u>	<u>85,094</u>	<u>85,094</u>

6. Thailand projects

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Thailand projects	<u>1,191</u>	<u>297,123</u>	<u>298,314</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

6. Thailand projects *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Thailand projects	11,491	184,399	195,890

7. Other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Fundraising events	9,944	9,944	467	467
Craft sales	259	259	835	835
	<u>10,203</u>	<u>10,203</u>	<u>1,302</u>	<u>1,302</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Deposit account interest	264	264	361	361

9. Raising funds

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Costs of raising funds	2,194	2,194	10,510	10,510

10. Charitable activities costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Direct costs	8,689	273,759	282,448
Support costs	52,278	–	52,278
	<u>60,967</u>	<u>273,759</u>	<u>334,726</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Direct costs	67,376	198,418	265,794
Support costs	50,989	–	50,989
	<u>118,365</u>	<u>198,418</u>	<u>316,783</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

11. Charitable activities costs

	Activities undertaken directly £	Support costs £	Total funds 2020 £	Total fund 2019 £
Direct costs	<u>282,448</u>	<u>52,278</u>	<u>334,726</u>	<u>316,783</u>

12. Analysis of support costs

	Management costs £	Total 2020 £	Total 2019 £
Finance costs	7,586	7,586	(2,893)
Governance costs	29,449	29,449	24,808
Management costs	<u>15,283</u>	<u>15,283</u>	<u>29,074</u>
	<u>52,318</u>	<u>52,318</u>	<u>50,989</u>

13. Other expenditure

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Loss on disposal of tangible fixed assets held for charity's own use	–	–	388	388

14. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	3,104	1,011
Loss on disposal of tangible fixed assets	–	388

15. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	2,720	2,640
Other financial services	9,132	4,032
	<u>11,852</u>	<u>6,672</u>

16. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020 £	2019 £
Wages and salaries	43,250	67,234
Social security costs	30	3,072
Employer contributions to pension plans	1,263	1,742
	<u>44,543</u>	<u>72,048</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

16. Staff costs *(continued)*

The average head count of employees during the year was 2 (2019: 3). The average number of full-time equivalent employees during the year is analysed as follows:

	2020 No.	2019 No.
Charitable activities	1	2
Administration and support	1	1
	<u>2</u>	<u>3</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

17. Trustee remuneration and expenses

There was no trustees' remuneration paid in the year (2019 - £nil).

18. Tangible fixed assets

	Motor vehicles £	Equipment £	Total £
Cost			
At 1 October 2019	19,961	–	19,961
Additions	–	70	70
At 30 September 2020	<u>19,961</u>	<u>70</u>	<u>20,031</u>
Depreciation			
At 1 October 2019	16,927	–	16,927
Charge for the year	3,034	70	3,104
At 30 September 2020	<u>19,961</u>	<u>70</u>	<u>20,031</u>
Carrying amount			
At 30 September 2020	<u>–</u>	<u>–</u>	<u>–</u>
At 30 September 2019	<u>3,034</u>	<u>–</u>	<u>3,034</u>

19. Debtors

	2020 £	2019 £
Prepayments and accrued income	<u>1,676</u>	<u>5,601</u>

20. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	756	841
Accruals and deferred income	3,476	4,152
Social security and other taxes	757	404
	<u>4,989</u>	<u>5,397</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,263 (2019: £1,742).

22. Analysis of charitable funds

Unrestricted funds

	At 1 October 2019	Income £	Expenditure £	At 30 September 2020 £
Unrestricted fund - General funds	44,981	105,491	(63,161)	87,311

	At 1 October 2018	Income £	Expenditure £	At 30 September 2019 £
Unrestricted fund - General funds	75,996	98,248	(129,263)	44,981

Restricted funds

	At 1 October 2019	Income £	Expenditure £	At 30 September 2020 £
Health	14,853	169,885	(142,182)	42,556
Education	25,095	47,581	(51,545)	21,131
Livelihood	19,238	79,657	(80,032)	18,863
	<u>59,186</u>	<u>297,123</u>	<u>(273,759)</u>	<u>82,550</u>

	At 1 October 2018	Income £	Expenditure £	At 30 September 2019 £
Health	47,419	66,231	(98,797)	14,853
Education	21,879	61,647	(58,431)	25,095
Livelihood	3,907	56,521	(41,190)	19,238
	<u>73,205</u>	<u>184,399</u>	<u>(198,418)</u>	<u>59,186</u>

The health fund promotes better community health through the delivery of clean water systems, latrine/shower units. The education fund helps children from isolated and marginalised communities complete their education. The livelihood fund aims to safeguard crops and fields from natural hazards.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	–	–	–
Current assets	92,300	82,550	174,850
Creditors less than 1 year	(4,989)	–	(4,989)
Net assets	87,311	82,550	169,861

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	3,034	–	3,034
Current assets	47,344	59,186	106,530
Creditors less than 1 year	(5,397)	–	(5,397)
Net assets	44,981	59,186	104,167

24. Related parties

The foundation for Karen Hilltribes in Thailand was set up in 2002 with identical aims as The Karen Hill Tribes Trust.



Contact Us

The Karen Hilltribes Trust

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