

Registered charity number
1154658

Phan Foundation CIO

Trustees' Report and Financial Statements

For the year ended 31 March 2023

**Phan Foundation CIO
Report and Financial Statements
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**Phan Foundation CIO
Trustees' Report
Year ended 31 March 2023**

The Phan Foundation was founded by the four children of Padoh Mahn Sha, the General Secretary of the Karen National Union, and Nant Kyin Shwe, in their memory.

The Phan Foundation is a Charitable Incorporation Organisation, registered charity number 1154658. Our governing document is the constitution of the Phan Foundation.

Charitable objects

1. TO PREVENT OR RELIEVE POVERTY IN BURMA.
2. TO PREVENT OR RELIEVE POVERTY (INCLUDING THE FINANCIAL NEEDS) OF REFUGEES, ASYLUM SEEKERS, MIGRANT WORKERS AND THEIR DEPENDENTS FROM BURMA.
3. TO ADVANCE THE EDUCATION OF PEOPLE OF ALL AGES FROM BURMA.
4. TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE SUBJECTS OF ETHNIC KAREN CULTURE, HISTORY AND TRADITIONS.
5. TO PROMOTE HUMAN RIGHTS (AS SET OUT IN THE UNIVERSAL DECLARATION OF HUMAN RIGHTS AND SUBSEQUENT UNITED NATIONS CONVENTIONS AND DECLARATIONS) AND TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE SUBJECT OF HUMAN RIGHTS IN BURMA AND SUCH OTHER PARTS OF THE WORLD AS THE TRUSTEES SEE FIT.

Grant-making approach and policy

The founders of the Phan Foundation, being from Karen State Burma, growing up in a conflict zone and having been internally displaced and refugees, have a particular experience, knowledge and expertise in both the needs of the people, and the organisations which are providing effective assistance to them.

Phan Foundation aims to support civil society organisations, specialising in small high impact grants to organisations and areas which struggle to find funding from other donors.

We provide long term commitments to some projects so they do not have to worry about funding year to year and can instead focus on the work they are doing. We also aim to be responsive to events to provide assistance at times of emergency.

At the same time as rigorously ensuring funds are spent as allocated, it is an important and integral principle of the Phan Foundation that we do not place unreasonable and unnecessary reporting burdens on recipients of our grants.

Our grants to partners

The civil society organisations we support are facing immense challenges with a dramatic increase in conflict, human rights violations, repression, and mass displacement since the 2021 military coup. During this reporting period the number of

**Phan Foundation CIO
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Year ended 31 March 2023**

Internally displaced people increased from the low thousands to hundreds of thousands of people in Kawthoolei (Karen State) alone.

The Phan Foundation has sought to continue to provide stable long-term grants to our partners, to assist them to plan ahead with assured funding, while at the same time responding to the urgent humanitarian crisis. Our main grants have been to civil society organisations assisting internally displaced people, and for education, we continue to support projects for protection and promotion of Karen culture, access to medical care, and protecting human rights defenders.

We also continued with our high profile Padoh Mahn Sha Young Leader Award, recognising outstanding young Karen leaders who work in areas related to our charitable objectives.

We are grateful to the donors who enable us to carry out our life-saving and life-transforming work.

Grant areas

Phan Foundation normally reports on grants detailing our partners and the work they do. Due to the changed security situation in Burma since the attempted coup began, it is no longer safe to publicly name many of the organisations we gave grants to.

Internally Displaced People – Karen State

Local civil society organisations are able to access hundreds of thousands of people in Kawthoolei, who major international agencies can't. They have the skills and capacity but are held back by lack of funding. The Phan Foundation provides flexible funding to ensure local civil society can quickly and efficiently assist communities in need. With the support of Phan Foundation local communities can focus on saving lives, rather than unnecessary paperwork.

Support provided to IDPs included:

- Rice and other food
- Shelter
- Clothing and bedding
- Transport and communication
- Medicines
- Cooking equipment and other utensils
- Special nutrition and sanitary packs for pregnant women and mothers and young children

Human Rights Defenders

Protests began across Burma a few days after the attempted coup began, and the military responded brutally, opening fire on peaceful protesters, arresting thousands, torturing, sexually assaulting and killing arrested activists. Tortured and mutilated bodies were dumped or returned to families. Pictures of activists with beaten, bruised and swollen faces appeared in military-controlled state media. Protecting human rights defenders was and remains an urgent priority.

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Phan Foundation support human rights defenders by providing humanitarian assistance for people who have fled to Kawthoolei are now dependent on aid, and to Karen human rights activists in different parts of Burma, supporting safe houses, transport and communication and basic living expenses.

Youth

Phan Foundation supported several youth groups in different part of the country to implement projects on the following:

- Human rights education
- Educational materials
- Facilities and equipment to build their organisations capacity.

Health and sanitation

Phan Foundation supported education and training for communities across Karen State on sanitation and health for prevention of illness. We also supported a civil society organisation providing emergency healthcare.

Culture

Phan Foundation continued its support for a magazine primarily for young people in refugee camps in Thailand and in Karen State. The magazine promotes education as well as promoting Karen culture and language. We supported other organisations in military occupied parts of Burma helping to promote and preserve Karen culture.

Education and livelihoods

Phan Foundation provided support in a wide range of areas, including teacher salaries, IT and other school equipment, school buildings, school fees, dormitory accommodation, engineering training, and a scholarship.

Our partners include:

Karen Peace Support Network

The Karen Peace Support Network (KPSN) is a coalition of more than 20 ethnic Karen civil society organisations seeking to promote the voices of communities from conflict zones in the current 'peace process' in Burma. KPSN plays a vital coordinating role between members, assisting in the delivery of emergency humanitarian assistance in Kawthoolei and neighbouring areas, as well as producing advocacy reports and briefings, lobbying the international community and donors to do more to address the humanitarian and human rights crisis in Burma, and raising public awareness.

Karen Student Network Group

The Karen Student Network Group (KSNG) was founded by young Karen people in Burma and refugees in Thailand. It engages in advocacy regarding the situation of young Karen refugees, promotes access to education for Karen children and young people, and publishes education materials in the Karen language, teaching young people about Karen history, culture and their rights, as well as information on health issues.

Karen Education and Culture Department

The Karen Education and Culture Department (KECD) is the education department of the Karen National Union (KNU), responsible for providing education services in KNU controlled and mixed controlled areas. As the KNU expands the territory it controls post 2021, the number of schools it is responsible for has grown from 1093 to 1233.

KECD provides an essential service to children and youth in areas not under Burmese military occupation, ensuring they can receive an education. Free from central government restrictions and censorship, it is also able to provide education in local Karen languages and teach about Karen history and culture.

Karen Women's Organisation

The Karen Women's Organisation (KWO) is an outstanding community organisation with more than 50,000 members. It provides a wide range of services to Karen communities in Burma and refugees in Thailand. These range from the provision of nurseries, women's education and empowerment programmes, livelihoods, development and humanitarian aid, refugee rights, and human rights research and advocacy.

Karen Youth Organisation

The Karen Youth Organisation provides training, education and support to Karen youth as part of a programme to ensure that KNU administered areas have the community and political leaders needed to provide services to the population and political leaders who listen to and work for the local population.

Our Charitable Objectives

The grants made in this financial year all further the charitable objectives of the Phan Foundation and are undertaken for the public benefit of these objectives. We confirm the trustees have had regard to the Charity Commission's guidance on public benefit.

Financial review

During the year the Charity's income totalled £58,008 (2022: £267,545) and expenditure was £89,972 (2022: £242,405). The charity's funds stood at £2,737 at 31 March 2023, (2022 £34,701) including £3,406 (2022: £630) of restricted funds and (£669) (2022: £34,071) of unrestricted funds.

Investment policy

The charity does not currently hold sufficient funds to warrant investment. However, the charity banks with The Co-op, which has a sound ethical banking policy.

Reserves policy

The charity holds a small cash balance and is yet to reach an operational level where it has been possible to consider establishing a financial reserve. The Trustees will continue to monitor the charity's finances and will establish a reserves policy when funds allow.

**Phan Foundation CIO
Trustees' Report
Year ended 31 March 2023**

Statement of Trustees' responsibilities

Charity law requires the trustees to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charity and its financial activities for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently,
- Observe the methods and principles in the Charities SORP,
- Make judgments and estimates that are reasonable and prudent,
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

This report was approved by the board of trustees on 24 January 2024 and signed on its behalf.



Stephen Bates

Trustee

Phan Foundation CIO
Legal and Administrative Information

Charity name:	Phan Foundation CIO
Charity registration number:	1154658
Registered office and operational address:	110 The Bon Marche Centre 241-251 Ferndale Road London SW9 8BJ

Trustees on public record
Stephen Bates

Independent examiner
Frank McDowell
FJM Accountancy Limited
23 Shackleton Court
2 Maritime Quay
London
E14 3QF

Bankers
The Co-operative Bank plc
Head Office
PO Box 101
1 Balloon Street
Manchester
M60 4EP

Phan Foundation CIO
Independent Examiner's report

Independent examiner's report to the Trustees of Phan Foundation CIO

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the CIO's accounts carried out under section 145 of the Act. In carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

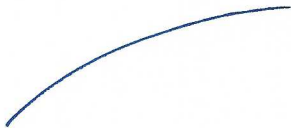
1. accounting records were not kept as required by section 130 of the Act; or
2. the accounts do not accord with those records.

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.



Frank James McDowell FMAAT
FJM Accountancy Limited
23 Shackleton Court
2 Maritime Quay
London
E14 3QF

Date: 24 Jan 2024



Phan Foundation CIO
Statement of Financial Activities
for the year ended 31 March 2023

		2023			2022		
	Notes	Restricted £	Unrestricted £	Total £	Restricted £	Unrestricted £	Total £
Income from:							
Grants and donations	2	48,529	9,479	58,008	98,343	169,202	267,545
Total income		48,529	9,479	58,008	98,343	169,202	267,545
Expenditure on:							
Raising funds		-	436	436	-	735	735
Charitable activities	3,4	45,753	43,783	89,536	103,970	137,700	241,670
Total expenditure		45,753	44,219	89,972	103,970	138,435	242,405
Net income for the year	6	2,776	(34,740)	(31,964)	(5,627)	30,767	25,140
Transfers between funds		-	-	-	30	(30)	-
Net movement in funds		2,776	(34,740)	(31,964)	(5,597)	30,737	25,140
Reconciliation of funds:							
Total funds brought forward		630	34,071	34,701	6,227	3,334	9,561
Total funds carried forward	11	3,406	(669)	2,737	630	34,071	34,701

The statement of financial activities includes all gains or losses for the year. All income and expenditure derives from continuing activities.

**Phan Foundation CIO
Balance Sheet
as at 31 March 2023**

	Notes	<u>2023</u>		<u>2022</u>	
		£	£	£	£
Fixed assets					
Tangible assets	8		1,070		-
Current assets					
Cash at bank and in hand		2,387		35,061	
Creditors: amounts falling due within one year	9	720		360	
Net current assets			1,667		34,701
Net current assets and net assets	10		<u>2,737</u>		<u>34,701</u>
The funds of the charity:	11				
Restricted income funds			3,406		630
Unrestricted funds			(669)		34,071
Total funds			<u>2,737</u>		<u>34,701</u>

The financial statements were approved by the trustees on 24 January 2024 and signed on their behalf by:



Stephen Bates

Trustee

Phan Foundation CIO
Notes to the Accounts
for the year ended 31 March 2023

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Funds structure and accounting

Restricted grants and donations are available for the charity's use only in accordance with the terms under which, and for the purposes which, the funds were donated to the charity.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Income recognition

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Grants and donations are included in full in the statement of financial activities when receivable.

Donated services and facilities

In accordance with the Charities SORP (FRS 102), the general volunteer time of the charity is not recognised. The trustees' annual report provides more information about the contribution of volunteers.

Expenditure recognition

Expenditure is recognised on an accrual basis as a liability is incurred. Where expenditure includes VAT which can only be partially recovered, the irrecoverable VAT is reported as part of the expenditure to which it relates.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity.

Costs of generating funds comprise the costs associated with attracting voluntary income and fundraising trading costs.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Phan Foundation CIO
Notes to the Accounts
for the year ended 31 March 2023

1 Accounting policies

Expenditure recognition (continued)

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor area or estimated usage, as set out in Notes 3 and 4.

2 Grants and donations receivable

	2023			2022
	Restricted	Unrestricted	Total	Total
	£	£	£	£
Advance Myanmar	-	-	-	158,000
Billericay Baptist Church	-	500	500	-
First Burmese Baptist Church of San Francisco	11,300	-	11,300	6,526
Karen Community Association - London	-	-	-	500
Karen Community of Louisville	-	-	-	2,085
Karen Community Association - UK	7,508	-	7,508	23,579
Karen Swedish Community	-	-	-	1,678
Micromondo	1,363	-	1,363	2,658
New Life Kawthoolei	-	-	-	906
Rockwell Automation	3,974	-	3,974	-
Unitarian Universalist Service Committee	17,045	-	17,045	-
Anonymity requested by donors	4,116	2,000	6,116	40,555
Other grants and donations	3,223	6,979	10,202	31,058
	48,529	9,479	58,008	267,545

3 Analysis of expenditure on charitable activities

	Grant-making	Fund-raising	Governance	Total 2023	Total 2022
	£	£	£	£	£
Grants paid (Note 4)	88,029	-	-	88,029	239,926
Publicity	-	237	-	237	238
Travel	290	-	-	290	-
IT costs	144	-	-	144	-
Bank charges	499	199	-	698	1,881
Governance costs - accountancy	-	-	360	360	360
Depreciation	214	-	-	214	-
	89,176	436	360	89,972	242,405

Expenditure on charitable activities was £89,536 (2022: £241,670) of which £43,783 (2022: £103,970) was unrestricted and £45,753 (2022: £137,700) was restricted.

Phan Foundation CIO
Notes to the Accounts
for the year ended 31 March 2023

4 Grants paid

	Restricted	Unrestricted	2023	2022
	£	£	Total	Total
			£	£
Dawei and Myiek Mission	995	-	995	-
Doooplaya Karen Community Development Group	-	-	-	15,476
Emergency & Healthcare Centre	-	-	-	4,988
Karen Education and Culture Department	4,253	31,492	35,745	34,260
Karen Environmental and Social Action Network	-	-	-	465
Karen Human Rights Group	-	-	-	4,591
Karen Peace Support Network	18,351	1,507	19,858	84,646
Karen Student Network Group	-	3,013	3,013	3,000
Karen Women's Organisation	-	1,113	1,113	31,196
Karen Youth Organisation	-	-	-	4,033
Karenni Mobile Health Committee	-	-	-	4,444
Safe Water for Every Children – Myanmar	-	3,446	3,446	-
Thoo Mweh Khee Learning Centre	3,950	-	3,950	-
Anonymity of organisations protected	17,941	1,968	19,909	52,827
	45,490	42,539	88,029	239,926

5 Net income for the year

	2023	2022
	£	£
This is stated after charging:		
Independent examiner's fees	360	360

6 Related party transactions and trustees' expenses and remuneration

The trustees all give their time and expertise freely without any form of remuneration or other benefit in cash or kind. No trustees claimed any expenses in the year or the preceding year.

Trustees made donations to the charity during the year totalling £180 (2022: £180).

7 Taxation

As a registered charity, Phan Foundation is exempt from tax on income and gains falling within Part 11 of the Corporation Tax Act 2010 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

The charity is registered for Gift Aid with HM Revenue & Customs under reference number W56202.

Phan Foundation CIO
Notes to the Accounts
for the year ended 31 March 2023

8 Tangible fixed assets

	IT equipment £
Cost	
At 1 April 2022	-
Additions	1,284
	<hr/>
At 31 March 2023	1,284
Depreciation	
At 1 April 2022	-
Charge for the year	214
	<hr/>
At 31 March 2023	214
Net book value	
At 31 March 2023	1,070
At 31 March 2022	<hr/> -

There were no capital commitments at 31 March 2023 (2022: Nil)

9 Creditors: amounts falling due within one year

	2023 £	2022 £
Accrued expenses	720	360
	<hr/>	<hr/>
	720	360
	<hr/>	<hr/>

10 Analysis of net assets between funds

	Restricted funds £	Designated funds £	Unrestricted funds £	Total funds £
Current year				
Tangible fixed assets	-	1,070	-	1,070
Net current assets	3,406	-	(1,739)	1,667
	<hr/>	<hr/>	<hr/>	<hr/>
	3,406	1,070	(1,739)	2,737
	<hr/>	<hr/>	<hr/>	<hr/>
Prior year				
Net current assets	630	-	34,071	34,701
	<hr/>	<hr/>	<hr/>	<hr/>
	630	-	34,071	34,701
	<hr/>	<hr/>	<hr/>	<hr/>

Phan Foundation CIO
Notes to the Accounts
for the year ended 31 March 2023

11 Movement in funds

	At 1st April £	Incoming resources £	Outgoing resources £	Transfers £	At 31st March £
Current year					
Restricted funds:					
Karen Education and Culture Department	611	6,729	(5,221)	-	2,119
Karen Women's Organisation	19	-	-	(19)	-
Internally displaced people	-	20,781	(19,513)	19	1,287
Anonymity of organisation protected	-	17,045	(17,045)	-	-
Thoo Mweh Khee Learning Centre	-	3,974	(3,974)	-	-
Total restricted funds	630	48,529	(45,753)	-	3,406
Unrestricted funds:					
Designated fixed asset fund	-	-	-	1,070	1,070
General funds	34,071	9,479	(44,219)	(1,070)	(1,739)
	34,071	9,479	(44,219)	-	(669)
Total funds	34,701	58,008	(89,972)	-	2,737
Prior year					
Restricted funds:					
Karen Education and Culture Department	-	32,207	(31,596)	-	611
Karen Peace Support Network	-	3,000	(3,000)	-	-
Karen Student Network Group	-	6,000	(6,000)	-	-
Karen Women's Organisation	-	17,489	(17,470)	-	19
Internally displaced people	5,907	33,459	(39,714)	348	-
COVID relief	-	5,000	(5,000)	-	-
Emergency health	-	500	(502)	2	-
Anonymity of organisation protected	320	688	(688)	(320)	-
Total restricted funds	6,227	98,343	(103,970)	30	630
Unrestricted funds	3,334	169,202	(138,435)	(30)	34,071
Total funds	9,561	267,545	(242,405)	-	34,701

Restricted funds:

Karen Education and Culture Department

Phan Foundation provided £4,253 to the Karen Education and Culture Department for teacher salaries and expenses.

Dawei and Myiek Mission

Phan Foundation provided £995 to the Dawei and Myiek Mission for emergency assistance to Internally Displaced People.

Phan Foundation CIO
Notes to the Accounts
for the year ended 31 March 2023

11 Movement in funds (continued)

Restricted funds (continued):

Karen Peace Support Network

Phan Foundation provided £18,351 to the Karen Peace Support Network for emergency assistance to Internally Displaced People.

Anonymous (for their security)

Phan Foundation provided £994 for an organisation we cannot name for security reasons, for emergency assistance to Internally Displaced People

Thoo Mweh Khee Learning Centre

Phan Foundation provided £3,950 to the Thoo Mweh Khee Learning Centre for machines, equipment, and tools for the engineering programme.

Anonymous (for their security)

Phan Foundation provided £16,947 to an organisation we cannot name for security reasons for educational, cultural, human rights promotion and youth activities.