

Connect: North Korea
Charitable Incorporated Organisation
CIO Registration Number: 1176563
Unaudited Accounts
Trustees Report and Financial Statements
For the year ended 31 December 2023.

Connect: North Korea

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Connect: North Korea**Reference and Administration Details for the Financial Year Ended 31 December 2023.****Trustees**

Sun You Park (Appointed: 15 May 2024)

Zoe Elizabeth Jacob (Appointed: 15 May 2024)

Laura Rebecca Butlin (Appointed: 15 May 2024)

Susan Kim (Appointed: 15 May 2024)

Emma Shore (Chair, Appointed: 16 July 2024)

Victoria Nida (Resigned: 25 September 2024)

Oliver Windridge (Resigned: 25 September 2024)

Mitra Moadab Motlagh (Resigned: 25 September 202)

Jinhee Lee (Resigned: 14 April 2023)

Margaret Ahn (Resigned: 05 July 2023)

Richard Moreton (Resigned: 31 August 2023)

Perpetua Adar (Resigned: 05 October 2023)

Robin Peter Walker (Resigned: 31 December 2023)

Charity Registration Number

1176563

Registered Office

120B Malden Road, New Malden, Surrey, KT3 6DD

Bank

CAF Bank, 25 Kings Hill Ave, Kings Hill, West Malling, ME19 4JQ

Independent Examiner

Samantha Rouse FCCA DChA, Kreston Reeves LLP, 37 St Margaret's Street, Canterbury, Kent, CT1 2TU

Connect: North Korea

Trustees Report for the Financial Year End 31 December 2023.

The Trustees present their annual report together with the financial statements of the CIO for the year 1 January 2023 to 31 December 2023. The Trustees confirm that the Annual Report and financial statements of the CIO comply with the current statutory requirements, the requirements of the company's governing document, and the provisions of the Statement of Recommended Practice (SORP) 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) as amended by Update Bulletin 1 (effective 1 January 2019).

Since the CIO qualifies as small under section 382, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Principal Office: 120B Malden Road, New Malden, Surrey, KT3 4BH.

Structure, Governance, and Management

Governing Document

Connect: North Korea is constituted as a Charitable Incorporated Organisation registered with the Charity Commission in January 2018 under registration number 1176563. The current constitution was adopted on January 7, 2018.

Organisational Structure

The board of trustees – which currently has 5 members – administers the charity. The trustees receive no financial remuneration for their involvement. The board meets on a quarterly basis and there are sub-committees covering fundraising, audit and risk, and communications which normally meet quarterly. A Chief Executive Officer has been appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive Officer has delegated authority, within terms of delegation approved by the trustees, for operational matters including, finance, employment, and all community-based activities.

Recruitment of Trustees

Existing trustees are responsible for recruiting new trustees. In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO. Any appointment must be made at a meeting held according to the ordinary practice of the Board of Trustees as outlined in the Constitution. Each appointment is for a term of three years. Potential trustees are invited to attend trustees' meetings as observers and are given more details of the charity's aims and activities and, if all agree, they are then proposed as new trustees at the subsequent trustees' meeting. This process allows due consideration of the person's eligibility, personal competence, specialist knowledge and skills.

Trustee Induction and Training

In the first instance, approaches from those wishing to serve as a Trustee shall be made to the Chair. Following further discussion and consideration, prospective Trustees shall be invited to observe at least 1 Board meeting. Subsequently, if willing, the prospective Trustee shall make written representations to the Board, who will decide whether to co-opt the prospective Trustee as a full member of the Board, with all the rights and responsibilities that entails. All Trustees shall subsequently be elected at the next board meeting through a ballot of board members. The ballot shall be administered by the Secretary. Trustees standing for election shall be required to verbally present their reasons for wishing to be elected to the Board. In terms of size, the Board shall not exceed 12 Trustees, and shall seek to be a body which is diverse in terms of skills, experience and professional background. Trustees shall serve for a 3-year term, which may be extended up to one additional term.

To enable him/her to hit the ground running, new trustees must be provided with:

- The constitution (and any supporting guidelines or regulations);
- The last Annual Report (and any other explanatory leaflet, brochure or prospectus issued by the charity);
- The last audited accounts, the current Budget and the most recent (monthly or quarterly) Management Accounts;
- Copies of the last three Board Minutes and the Agenda for the next Board meeting (and a note of any future meeting dates);
- Any Code of Conduct or Board Policies in existence;
- Details of any Conflicts of Interest requirements;
- Details of the Committee and staff structures and reporting processes.
- The essential trustee: what you need to know, what you need to do (CC3)

Trustees are encouraged to attend appropriate external training events to improve their understanding of their role and to improve the skillsets of the board for more effective governance.

Objectives and Activities

The objectives of the CIO are:

- 1) To promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) in North Korea by all or any of the following means:
 - monitoring abuses of human rights;
 - educating the public about human rights;
 - raising awareness of human rights issues; and
 - promoting public support for human rights;

In furtherance of that object but not otherwise, the trustees shall have power

- To engage in political activity provided that the trustees are satisfied that the proposed activities will further the purposes of the charity to an extent justified by the resources committed and the activity is not the dominant means by which the charity carries out its objects.
- 2) To advance the education and training of North Koreans granted refugee status and their dependents in need thereof so as to advance them in life and assist them to adapt within a new community.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit. The trustees consider that the activities undertaken - as summarised below - provide benefit to the community we serve and the wider public.

Highlights

By the end of December 2023, our Outreach Team resolved 580 urgent socio-economic issues from within the community. Cases ranged from accompanying a menstrual health appointment, to translating at a veterinary practice, to speaking with teachers on behalf of parents and helping set up direct debits for rent due.

Outside of this support - information, advice, guidance, interpreting and translation - we had 106 unique programme engagements, with 68 individual members of the North Korean community joining in our wellbeing sessions, applying for scholarships, or receiving English tuition. 50 of those clients were based in the UK and 18 were members of the international North Korean diaspora.

Overall we supported 176 individual clients across all three of our programmes. We had four community members lead projects themselves. Our youngest client was only 2 years old, coming to our community cooking session, while our oldest client was 101!

Starting in spring, CNK's Health Lead started work on gathering key data on structural problems and health inequalities the North Korean community face. They worked closely with our Community Health Champion and the local NHS team to plan and roll out activities such as Korean-language health workshops.

Our two new Education Leads also strengthened our English classes, supporting more students than ever with learning. They also started important work on building relationships with local schools and developed a cultural sensitivity module for teachers to better understand the North Korean context.

Our Enabling Freedom Network programme saw 18 individuals put themselves forward and apply for postgraduate education. We are excited to be developing much needed English support for these students, helping to grow their critical thinking skills and academic expertise.

Across 2023 we also hosted three events, engaging both members of the public and inviting North Korean community members to participate and perform. Our North Korean Food Exhibition encouraged the public to think about new aspects of North Korea outside the narrative of the Kim family. In September, Chuseok was celebrated with a performance from our dance group and from our guitar class lead.

We also worked with multiple organisations in 2023, both in the UK and South Korea, and ranging from education based organisations, race and inequality advocacy groups, as well as health-focused forums. In particular, we enjoyed working with Mind in Kingston to develop an anti-stigma mental health video for the UK-based Korean community, which can be viewed on YouTube. We were also excited to host the Right Hon. Sir Ed Davey MP in our office, attend events hosted by the South Korean embassy and the All Party Parliamentary Group on North Korea, as well as events hosted by our generous funders.

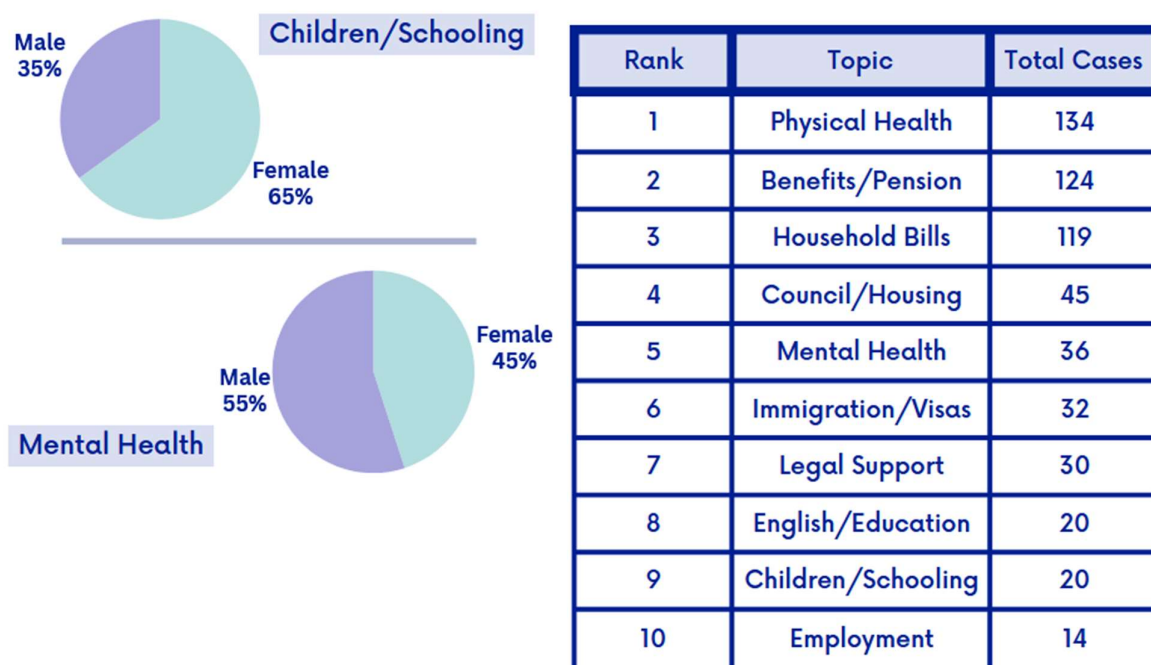
Enabling Resilience

North Korean people often arrive in a new country with mental health challenges and experiences of trauma that negatively impact their everyday lives and their ability to integrate fully. Enabling Resilience combines community outreach, physical and mental health intervention and support, as well as advice services to help our North Korean clients tackle the urgent crises they face. Importantly, our trusted Korean mental health professionals have a shared lived experience with our clients, which means they are uniquely placed to support North Korean people with their recovery. This year we also championed peer-led activities, growing our community's ability to lead wellbeing sessions for one another.

We have two main programme goals:

- Enable North Korean escapees to improve their mental and physical health, wellbeing, access relevant advice, and ameliorate challenges they have to building new lives through targeted activities.
- Enable North Koreans to make better decisions through improving organisational understanding of how local services work, how challenges can be overcome and advocating on behalf of clients with relevant authorities.

In our Outreach Workstream, we had 567 appointments, an increase of 23% compared to 2022, helping to resolve 580 issues within the community. Top three issues clients came to us remained the same across the year: 'Household Bills', 'Physical Health' and 'Benefits' (incl. Pension).



The largest gender divide was on issues relating to Children/Schooling.

Despite most therapy clients being female, more male clients saw the Outreach Team for Mental Health related issues.

In our Mental and Physical Health Workstream we supported 16 clients with 1:1 psychotherapy and 29 clients through group wellbeing sessions. We rolled out four group projects: yoga, guitar, cooking and dance, all of which were led by North Korean expert community members with the support from the CNK team and a Korean speaking mental health professional.

We also co-produced Korean three language health leaflets on healthy ageing, healthy weight and smoking which contained key basic health education and how to access services either in English or in Korean.

CASE STUDY - MRS CHO

Mrs Cho had been finding life in the UK increasingly stressful when she first came to us with an urgent visa issue. Visa status can cause a lot of anxiety and uncertainty for North Korean people, especially if they don't have the English language skills to fully understand their legal rights and the support they are entitled to.

Mrs Cho is over 60. After an initial chat with our experienced team, it became clear that she also needed extra health support. We first invited her to a vaccination check-up, hosted by the NHS. Many within the North Korean community feel apprehensive about dealing with authorities because of traumatic experiences with state forces in North Korea. This understandable distrust often includes medical professionals, so we were happy when after some hesitation Mrs Cho finally agreed to attend.

During the vaccination top up, she explained that she was also having pain in her legs. We registered her on the day at a local surgery and helped her book an appointment with a GP. Our Outreach Team member, Sek, started working with Mrs Cho on all her healthcare appointments from this point onwards. We knew it would be more comforting for Mrs Cho to regularly see a familiar member of the community, who shared her language and lived experience.

Sek attended the GP appointment with Mrs Cho and interpreted for her, which made the medical visit much less scary. The doctor immediately noted Mrs Cho's symptoms, took her blood pressure, and then referred her to the hospital for blood tests to check for diabetes. Sek supported Mrs Cho at her hospital appointment too, providing emotional support at the blood test which was a daunting prospect for Mrs Cho.

Mrs Cho was soon diagnosed with diabetes. Our team helped her translate the documents she received from the NHS, explaining the condition, and setting up her medical prescription.

If Mrs Cho had never made his first visit to our office, she likely would have found herself in A&E as a result of her undiagnosed diabetes. Thankfully, she is now safely receiving medication and she knows that she can contact us if she needs a diabetes check-up or help with any other issues. She will also be attending our healthy living sessions to understand how to improve her physical activity and diet in the future.

Enabling Freedom

Jobs are assigned in North Korea, and the education that many escapees received growing up leaves them unable to participate in the modern job market once they have escaped. Enabling Freedom supports North Korean people living in the UK to gain English language skills, professional qualifications, and to develop the confidence they need to access types of work that would otherwise be unavailable to them. This empowers them to truly pursue their dreams and, for the first time, choose the lives and careers they want.

This year we developed our services into three workstreams:

1. English language lessons split by beginner and intermediate levels
2. Vocational scholarship, including paying course fees, providing a stipend and 1:1 mentor matching to support employability
3. Youth support for accessing work experience, further and higher education, as well as relationship building with local schools to improve attitudes and support for North Korean pupils

Across both our English language lessons and vocational scholarship workstreams, we supported 32 clients to improve their skillsets, gain confidence and enter formal employment. With level tests taken at the beginning and end of English classes, our students, on average, improved their scores by 8%. All six of our recipients from 2022-2023 completed and passed their courses, with three entering related employment within one month of finishing their course!

Based on community feedback from 2022 we developed our youth support. Either young people had no families to rely upon or parents needed support with understanding the UK school. As a result, we engaged in training and developed our workstream with support from the community, as well as organisations such as Achieving for Children and Refugee Education UK. In 2023 we specifically provided support to 21 youths, in addition to five acutely disadvantaged young people under 25 to access education they would have otherwise been denied because of their legal or financial status.

CASE STUDY - MR. PARK

Mr. Park escaped North Korea 12 years ago with his two children. Since then, they have been living together in the UK. As is often the case for North Korean people, Mr. Park found himself unprepared for his new life and without the English skills needed to communicate with authorities and advocate for his children.

In fact, now Mr. Park's children are teenagers, they have taken on the role of helping their father overcome many of the family's daily challenges, such as their unsafe housing situation. Recently, the family home had a sudden leak and the landlord refused to do anything about it. This is something no child should have to take responsibility for, and so Mr. Park came to us for help.

Thankfully, our outreach team spoke with their landlord to sort out their unacceptable living situation. The landlord was unfortunately unresponsive, so our team stepped in again and helped the family book flat viewings so they could move out and improve their housing environment.

However, it became clear that there was another, more pressing issue affecting the Park family children. As their father was unable to communicate well with teachers and the school administration, the Park children were facing the stark reality of being forced to end their education early which would severely limit their futures.

Mr. Park's daughter in particular was studying for her A-Levels at the time we met the family. She had dreams of studying economics or even chemistry at university but because of the family's visa status and her father's unfamiliarity with the system, she had been unable to enrol in any schools or colleges.

We worked with Mr. Park and his daughter, hoping we could make sure she had the chance to complete her A-Levels. However, the Home Office made no effort to reply and this wasn't possible. Luckily, instead we were able to offer her one of our scholarships to continue her education outside of the usual channels.

If our services didn't exist, it is likely Mr. Park's daughter would not have been able to complete her A-Levels. She is now 19 and has already missed out on huge parts of her education. Without support, she would still be waiting for a response from the Home Office, without hope of improving herself and her family's situation.

Enabling Freedom Network

We firmly believe that the best people to drive lasting positive change for North Korean escapees are North Korean people themselves. Our Enabling Freedom Network is a world-first social leadership and scholarship programme designed to enhance the education and global impact of North Korean refugee change-makers. Our programme has two key aims:

- North Korean escapees gain recognised tertiary and/or leadership qualifications and help drive positive social change within their communities, including supporting other North Koreans make the most of their new freedoms, and choose the lives they want to live
- North Korean communities globally are connected and regularly are able to share knowledge and experiences which helps increase a climate of support for North Koreans

We had 18 applicants for our scholarship programme in 2023 and recruited volunteer tutors to help support students with English exams and develop their critical thinking skills ahead of starting their postgraduate course. We were excited to match 12 students with skilled online volunteer teachers and to provide financial support for exams to three students.

This year we also added the University of Bristol to our scholarship programme, in addition to the University of Edinburgh. Starting in September 2024, we are providing up to two full scholarships to any one-year full-time postgraduate degree, as well as covering travel and living expenses.

During the academic year, we will host termly leadership workshops, based on four pillars of development with reading and exercises to complete. We will continue our successful mentor matching with individual(s) who can advise and guide on long term goals. Finally, after graduation, participants have access to all other Connect: North Korea services and as part of this programme we will be regularly catching up with previous students and connecting them with relevant networks.

Financial Review

Reserves Policy

The ultimate aim of our reserves policy is to maintain 3 months of unrestricted reserves to cover any changes in our income. Trustees felt that funds should be deployed to be able to grow the organisation, meaning we have a limited reserve of £5,783 at this moment. It is our goal to have at least 3 months of unrestricted reserves by the end of the next strategic period, ending 2030. We have hired our first Individual Giving Manager – starting January 2023 – to begin making that a reality.

Investment Policy

We have no investments. All cash is held within our CAF Bank account, which earns no interest. We will be creating our first investment strategy, policies, and procedures within the financial year ending December 31, 2023.

Risk Management

The CIO ensures the highest standards of governance are maintained through its implementation of a robust risk management strategy, which entails:

- a Risk and audit committee which performs a quarterly review of the risks the charity may face and proposes mitigation strategies to the main board;
- an array of policies and procedures, with particular attention to financial policies and health and safety;
- the establishment of a governance checklist with key dates planned a year in advance; and
- the creation and quarterly update of a risk register.

The greatest risk to the organisation has been identified as a lack of funds to meet our obligations. In response, we recruited our first paid staff member on individual giving this year.

Statement of Trustees' Responsibilities

The CIO's trustees are responsible for preparing an annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material 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 business.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, and the provisions of the constitution. 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 and directors in the period and at the report approval date were:

Sun You Park (Appointed: 15 May 2024)

Zoe Elizabeth Jacob (Appointed: 15 May 2024)

Laura Rebecca Butlin (Appointed: 15 May 2024)

Susan Kim (Appointed: 15 May 2024)

Emma Shore (Chair, Appointed: 16 July 2024)

Victoria Nida (Resigned: 25 September 2024)

Oliver Windridge (Resigned: 25 September 2024)

Mitra Moadab Motlagh (Resigned: 25 September 2024)

Jinhee Lee (Resigned: 14 April 2023)

Margaret Ahn (Resigned: 05 July 2023)

Richard Moreton (Resigned: 31 August 2023)

Perpetua Adar (Resigned: 05 October 2023)

Robin Peter Walker (Resigned: 31 December 2023)

Statement as to Disclosure to our Independent Examiner

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the independent examiner in connection with preparing their report, of which the organisation's independent examiner is unaware, and
- the trustees, having made enquiries of fellow directors and the group's independent examiner that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant information and to establish that the examiner is aware of that information.

Approved by the Trustees and signed on its behalf:

A handwritten signature in black ink that reads "Pepa Shore". The signature is written in a cursive, flowing style.

Pepa Shore, Chair

Dated: 30/10/2024

Independent Examiner's Report to the Trustees of Connect: North Korea CIO

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2023 which are set out on pages 17 to 28.

Responsibilities and basis of report

As the charity's trustees 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 charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 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 Act. I confirm that I am qualified to undertake the examination because I am a member of Chartered Certified Accountants, which is one of the listed bodies.

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 in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



Samantha Rouse FCCA DChA
Kreston Reeves LLP Chartered Accountants
37 St Margarets Street
Canterbury
Kent
CT1 2TU

Date: 30/10/2024

Connect: North Korea

Statement of Financial Activities for the period ended 31 December 2023

	Note	Restricted Funds £	Unrestricted Funds £	Total Funds 2023 £	Restricted Funds £	Unrestricted Funds £	Total Funds 2022 £
Income from:							
Donations and Grants	4	270,397	82,988	353,385	192,596	93,135	285,731
Investments		-	205	205	-	105	105
Other Income		-	1	1	-	-	-
Total Income		270,397	83,194	353,591	192,596	93,240	285,836
Expenditure on:							
Raising Funds: Voluntary Income	5	396	25,020	25,416	1,436	19,465	20,901
Charitable Activities:	6	258,832	73,364	332,196	166,343	63,200	229,543
Governance	7	-	2,960	2,960	-	2,650	2,650
Other Charitable Activities		-	-	-	-	-	-
Total Expenditure		259,228	101,344	360,572	167,779	85,315	253,094
Net Movement in Funds		11,169	(18,150)	(6,981)	24,817	7,925	32,742
Total funds brought forward		52,515	23,933	76,448	27,698	16,008	43,706
Total funds carried forward		63,684	5,783	69,467	52,515	23,933	76,448

The notes on pages 19 to 28 form part of these financial statements.

Connect: North Korea

Balance Sheet

As at 31 December 2023

	Note	Restricted Funds £	Unrestricted Funds £	Total Funds 2023 £	Restricted Funds £	Unrestricted Funds £	Total Funds 2022 £
Fixed Assets	9	-	1,937	1,937	-	1,611	1,611
Current Assets Debtors	10	9,800	2,702	12,502	1,000	723	1,723
Cash at Bank and in Hand		56,846	9,090	65,936	51,515	26,185	77,700
Current Assets		66,646	11,792	78,438	52,515	26,908	79,423
CREDITORS: amounts falling due within one year	11	(2,962)	(7,946)	(10,908)	-	(4,586)	(4,586)
Net Current Assets		63,684	3,846	67,530	52,515	22,322	74,837
Net Assets		63,684	5,783	69,467	52,515	23,933	76,448
Total Funds	12&13	63,684	5,783	69,467	52,515	23,933	76,448

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



Pepa Shore, Chair

Dated: 30/10/2024

Notes to the Financial Statements

The registered address for the CIO is: Connect: North Korea, 120B Malden Road, New Malden, Surrey, KT3 6DD, United Kingdom

Registered as a Charitable Incorporated Organisation in England on 08 January 2018.
These accounts cover the period 01 January 2023 to 31 December 2023.

1. Accounting policies

The principal accounting policies are summarised below.

1.11 Basis of preparation

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 Charities Act 2011.

The preparation of financial statements in compliance with FRS 102 requires certain critical accounting estimates. It also requires management to exercise judgement in applying the CIO's accounting policies (see note 3).

The financial statements have been prepared on the historical cost basis and are presented in Sterling (£). The accounts are rounded to the nearest pound.

Connect: North Korea meets the definition of a public benefit entity under FRS 102.

1.12 Organisational status

Connect: North Korea is a Charitable Incorporated Organisation. The members of the company are the Trustees named on page 1. In the event of the CIO being wound up, the liability in respect of the guarantee is limited to £1 per member of the CIO.

1.13 Income

All income is recognised once the CIO has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

In accordance with the Charities SORP (FRS 102), the general volunteer time of the volunteers is not recognised and refer to the Trustees' report for more information about their contribution. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the CIO which is the amount the CIO would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.14 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Governance costs are those incurred in connection with administration of the CIO and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the CIO's operations, including support costs and costs relating to the governance of the CIO apportioned to charitable activities.

1.15 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.

1.16 Value Added Tax

The CIO is not registered for VAT and accordingly, where applicable, all costs and expenditures incurred are inclusive of VAT.

1.17 Debtors

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

1.18 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.19 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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.

1.20 Assets

Assets are recognised when there is a legal and constructive right to the asset.

1.21 Tangible Fixed Assets and Depreciation

Tangible fixed assets are capitalised at cost where their acquisition value is greater than £100 and are stated at cost net of depreciation.

Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are:

Fixtures, fittings and kitchen/office equipment over 2 years, on a straight-line basis Computer equipment and software over 5 years, on a straight-line basis.

1.22 Value Added Tax

The CIO is not registered for VAT and accordingly, where applicable, all costs and expenditures incurred are inclusive of VAT.

2. Remuneration of trustees and key management personnel

No trustees received remuneration for their services to the company in the period (2022: £nil).

3. Staff numbers and costs

The charity had 9.5 full-time employees in 2023 (2022: 5). The costs were as follows:

Wages and Salaries including Donations in Kind	2023	2022
	£	£
Salaries	197,656	101,265
Employer's National Insurance	10,692	2,043
Pension costs	5,986	2,146
Salaries and pension costs	214,334	105,454
Full time employees	2023	2022
	Number	Number
Costs of generating funds	-	-
Charitable activities	9.5	5
Total	9.5	5

No employee received remuneration amounting to more than £60,000 for the year.

4. Donations & Grants

	Restricted	Unrestricted	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Donations	2,028	11,227	13,255	5,298
Grants	268,369	71,761	340,130	279,752
Gift Aid	-	-	-	681
Donated services	-	-	-	-
Totals	270,397	82,988	353,385	285,731

5. Cost of Raising Funds

	Restricted	Unrestricted	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Fundraising costs	396	24,916	25,312	20,733
Bank fees	-	104	104	168
Totals	396	25,020	25,416	20,901

6. Charitable Activities

	Restricted	Unrestricted	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Scholarships	8,832	3,349	12,181	11,296
Advertising	2,246	3,689	5,935	4,037
Consultants	14,075	14,517	28,592	60,489
Depreciation	1,500	163	1,663	2,296
IT expenses	1,212	2,680	3,892	1,589
Cleaning	14	33	47	-
Rent	4,170	11,686	15,856	15,434
Postage & freight	22	23	45	362
Insurance	858	-	858	157
Printing	543	353	896	259
Salaries	167,522	30,134	197,656	101,265
Employer's National Insurance	8,836	1,856	10,692	2,043
Pension costs	4,722	1,264	5,986	2,146
Public Engagement	873	105	978	
Staff Wellbeing	3,103	500	3,603	
Staff Training	1,818	104	1,922	2,458
Light & power	-	-	-	207
Subscriptions	158	50	208	
Loss on disposal of fixed assets	-	213	213	
Telephone & internet	1,221	-	1,221	830
Rates	-	(18)	(18)	-
Travel (domestic)	381	73	454	-
Travel (international)	324	-	324	-
Per Diem	75	459	534	
Interest paid	-	22	22	-
Entertainment	191	293	484	-
Mental Health Clinical Support	5,077	-	5,077	-
Mental Health Therapy Fees	1,290	-	1,290	-
Mental Health Peer-led Programmes	4,675	-	4,675	-
General expenses	5,094	1,816	6,910	4,675
Management fees	20,000	-	20,000	20,000
Totals	258,832	73,364	332,196	229,543

7. Governance Costs

	Restricted 2023 £	Unrestricted 2023 £	Total 2023 £	Total 2022 £
Audit & accountancy	-	2,960	2,960	2,650
Totals	-	2,960	2,960	2,650

The Independent examiner's remuneration is included in the audit and accounting costs listed above and total £1,860.

8. Fixed Assets

	Office Equipment £	2023 £	2022 £
Cost			
At 1 January 2023	6,534	6,534	5,617
Additions	2,202	2,202	917
Disposals	(600)	(600)	-
At 31 December 2023	8,136	8,136	6,534
Depreciation			
At 1 January 2023	4,923	4,923	2,627
Charge for year	1,663	1,663	2,296
Disposals	(387)	(387)	-
At 31 December 2023	6,199	6,199	4,923
Net book value			
At 31 December 2023	1,937	1,937	1,611
At 31 December 2022	1,611	1,611	2,990

9. Debtors

	Restricted £	Unrestricted £	2023 £	2022 £
Trade debtors	9,800	2,702	12,502	1,723
Total debtors	9,800	2,702	12,502	1,723

10. Creditors

	Restricted	Unrestricted	2023	2022
	£	£	£	£
Trade creditors	2,962	-	2,962	0
Social security and other taxes	-	5,544	5,544	2,609
Other creditors	-	242	242	237
Accruals	-	2,160	2,160	1,740
Total creditors	2,962	7,946	10,908	4,586

11. Fund movements summary

	Restricted funds	Unrestricted funds	Total funds
	£	£	£
At 1 January 2023	52,515	23,933	76,448
Incoming resources	270,397	83,194	353,591
Expenditure	(259,228)	(101,344)	(360,572)
At 31 December 2023	63,684	5,783	69,467

	Restricted funds	Unrestricted funds	Total funds
	£	£	£
At 1 January 2022	27,698	16,008	43,706
Incoming resources	192,596	93,240	285,836
Expenditure	(167,779)	(85,315)	(253,094)
At 31 December 2022	52,515	23,933	76,448

12. Restricted funds

	Balance at 1 January 2023 £	Incoming £	Outgoing £	Balance at 31 December 2023 £
Community Centre	1,500	-	(1,500)	-
Core Cost, London	-	25,500	(21,103)	4,397
ER, Community Support	30,537	96,197	(88,033)	38,701
Communications and Fundraising	-	16,102	(11,114)	4,988
Lived Experience	11,672	-	(11,672)	-
English 1-on-1	84	-	(84)	-
EF, EFN Scholarship	1,047	2,028	(2,632)	443
EF, ESOL	7,675	-	(7,675)	-
EF, Overhead & Programme	-	49,738	(43,777)	5,961
ER, Health Inequalities	-	51,648	(44,084)	7,564
ER, Mental Health	-	18,812	(18,797)	15
ER, Overhead & Programme	-	10,372	(8,757)	1,615
Totals	52,515	270,397	(259,228)	63,684

	Balance at 1 January 2022 £	Incoming £	Outgoing £	Balance at 31 December 2022 £
Community Centre	1,500	-	-	1,500
ER, Community Support	13,422	50,410	(33,295)	30,537
Cross-Activity Support 1	-	6,500	(6,500)	-
Cross-Activity Support 2	-	-	-	-
Communications and Fundraising	4,337	3,640	(7,977)	-
Lived Experience	7,900	28,057	(24,285)	11,672
English 1-on-1	84	-	-	84
EF, EFN Scholarship	-	5,812	(4,765)	1,047
EF, ESOL	455	23,901	(16,681)	7,675
EF, Overhead & Programme	-	7,410	(7,410)	-
ER, Mental Health	-	8,200	(8,200)	-
ER, Overhead & Programme	-	58,666	(58,666)	-
Totals	27,698	192,596	(167,779)	52,515

13. Restricted funds (continued)

Fund	Purpose
Core Cost, London	Funds were received to support core costs of work undertaken in London only.
Community Centre	Funds were received to support technology purchase.
ER, Community Support	Funds were received to support community outreach and advice.
Cross-Activity Support 1	Funds were received to support multiple different activities, including mental health and community advice.
Cross-Activity Support 2	Funds were received to support multiple different activities, including mental health and community advice.
Communications and Fundraising	Capacity-building funds were received to support our fundraising and communications.
Lived Experience	Funds were received to support lived experience within the organisation.
English 1-on-1	Funds were received to support 1-on-1 tutoring for North Korean refugees.
ER, ESOL	This fund is for funds received to support the ESOL component of our Enabling Freedom Programme.
ER, Health Inequalities	This fund is for funds received to support investigation on health inequalities and design of interventions to mitigate those inequalities.
ER, Mental Health	This fund is for funds received to support the Mental Health component of our Enabling Resilience Programme.
EF, EFN Scholarship	Funds were received to support vocational and university scholarship for North Korean refugees.
EF, Overhead and Programme	Funds were received to support our overheads and programme costs for our Enabling Freedom programme.
ER, Overhead and Programme	Funds were received to support our overheads and programme costs for our Enabling Resilience programme.

14. Related party transactions

Korea Future Initiative CIO is a related party. All serving trustees of Connect: North Korea CIO are also Trustees of Korea Future Initiative CIO

During the current year the charity has not entered into any related party loan arrangements.

The Charity has received management services from Korea Future Initiative CIO of £20,000 (2022: £20,000) which were paid during the period.