

Connect: North Korea
Charitable Incorporated Organisation
CIO Registration Number: 1176563
Unaudited Accounts
Trustees Report and Financial Statements
For the year ended 31 December 2024.

Connect: North Korea

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Connect: North Korea

Reference and Administration Details for the Financial Year Ended 31 December 2024.

Trustees

Sun You Park (Appointed: 15 May 2024)

Zoe Elizabeth Jacob (Appointed: 15 May 2024; Resigned 20 October 2025)

Laura Rebecca Butlin (Appointed: 15 May 2024)

Susan Kim (Appointed: 15 May 2024)

Pepa Shore (Chair, Appointed: 16 July 2024)

Oliver Windridge (Resigned: 25 September 2024)

Mitra Motlagh (Resigned: 25 September 2024)

Victoria Nida (Resigned: 25 September 2024)

Charity Registration Number

1176563

Registered Office

1st Floor, 78 Coombe Road, New Malden, Surrey, KT3 4QS

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 2024.

The Trustees present their annual report together with the financial statements of the CIO for the year 1 January 2024 to 31 December 2024. 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

We have had our busiest year since we opened our doors in 2018. Over the past two years, we've seen a significant increase in both the number of clients and total visits, along with a surge in new clients and more frequent visits from existing ones. Thanks to the dedication of our staff, by the end of December 2024, we had addressed 905 urgent socio-economic issues from within the community. As in previous years, physical health remains a top priority for our clients, but we supported many issues, such as applying for courses at colleges or setting up a website for their new business.

Notably, there was a 166% increase in immigration/visa cases. We believe this is due to new Home Office policies i.e. a new requirement for eVisas. This also exemplifies the challenges North Koreans face across all areas: difficulty navigating the new policies, limited language skills to address these issues, and challenges using digital equipment. This indicates that our outreach team needs to effectively respond and be prepared to the new immigration policies, including the needs of refugees and asylum seekers.

We saw excellent progress on our physical health work - with 45 members of the community surveyed about their health and interviews scheduled for 2025. Work also included delivering NHS workshops and building our network with local partners.

In 2024, we had a slight uptick in ESOL students, from 24 in 2023 to 29 in 2024. We have a steady rate of individuals receiving scholarship support and clients being matched with volunteers for vocational help. Building on our work in 2023, we also increased the number of young people supported both directly and indirectly. This has been through 1:1 appointments, wellbeing groups, UCAS workshops, and teacher training. Just under 50 teachers in total received tailored training about North Korean pupils in their schools.

Overall we supported 235 individual clients across all three of our programmes, engaged over 30 volunteers to help our clients, trained just under 50 teachers on the North Korean context and set up five community wellbeing projects.

Although we were unable to support a scholar for September 2024 entry in our EFN programme (due to language scores), we have seen a huge increase in applications for the programme and the number of people we are supporting both with English and postgraduate applications.

In 2024 we also hosted three events, engaging both members of the public and inviting North Korean community members to participate and perform. We started off with a bang at our Lunar New Year concert, celebrating classical guitarist Emily Ye. Then we held a screening of 'Little Pyongyang' in central London for Refugee Week. Finally, we celebrated Chuseok in New Malden, with food from community chefs and speeches from staff and students in our ESOL class.

We were delighted to collaborate and work with multiple organisations in 2024, both in the UK and South Korea. Partners ranged from our local NHS integrated care board, local schools, University of the Arts London on their Abundance Project, national refugee charities, scholarship organisations such as Ashinaga, international NGOs helping North Korean escapees, and all the organisations who delivered training to our staff.

Enabling Resilience

North Korean people often arrive in a new country with mental and physical health challenges that negatively impact their everyday lives. Life in such an oppressive state, coupled with the trauma caused by their experiences escaping North Korea, as well as social isolation, are all significant barriers to escaped North Korean people being able to move forward positively in their new lives. 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.

We have two main programme goals:

1. Support escaped North Korean people to improve their mental health, physical health and general well-being through targeted activities.
2. Enable escaped North Korean to overcome the day-to-day barriers they face in their efforts to build new lives, with relevant advice and services.

In 2024 our team held 905 appointments with clients in the UK alone! A 56% increase in cases compared to 2023. The top three issues clients came to us remained the same across the year: 'Household Bills', 'Physical Health' and 'Benefits' (incl. Pension). However, due to a new regulation by the UK government on electronic visas, we saw a huge 166% increase in visa-related appointments.

COVID	0
Household Bills	142
Benefits/Pension	161
Immigration/Visa	85
Council/Housing	104
Physical Health	275
Mental Health	16
English/Education	42
Employment	26
Legal	34
Children/Schooling	20
TOTAL	905

In our Mental and Physical Health Workstream we supported 20 clients with 1:1 psychotherapy and 68 clients through group wellbeing sessions, in comparison to 29 clients in 2023. All of our group projects were led by North Korean expert community members with the support from the

CNK team and a Korean speaking mental health professional. This year we hosted: guitar, dance, cooking, singing and table tennis.

CASE STUDY - MR. AHN

Mr. A, a single father, dishwasher in a local Korean restaurant and has sole caring responsibilities for his elderly mother. Initially, he approached CNK to request support in submitting his mother's Housing Benefit application, as she had received notice of an intended rent increase from her private landlord. Our team wrote a letter to Kingston Council on her behalf.

While speaking with Mr. A about his mother, he explained he has sleep problems, so we invited him to our Pentathlon Session on 'Sleeping Well' - which he duly came along to with his four-year-old son. After the Pentathlon Session, Mr. A also asked for help with changing his mother's GP from Kingston to New Malden as it would be easier and more accessible for them both. We first had to complete a legal Next of Kin application for him, which is a prerequisite to authorise his decision-making on behalf of his mother.

We booked an appointment at New Malden GP surgery to register his mother, which we also attended and translated on his and her behalf as the GP required a full medical history for her patient records. At this appointment, he brought up the challenge of her Housing Benefit, so we booked an appointment for the following week. Kingston Council had asked for evidence of the previous rent payment, so our team helped to arrange it. Finally, the following week, he received an email and some missed calls from the private landlord regarding the arrears, which the team rang back up and sorted for him, and the information was sent to Kingston Council.

The level of support required by Mr. A has entailed a significant use of our resources but exemplifies the intersectional challenge that our community faces. In some extreme cases of most vulnerable families, their problems are multiple, and their resilience is extremely low. Without our support, there is a very real possibility that their problems will continue to compound until they find themselves homeless, in poor mental and physical health, unable to provide for their children or elderly dependents, and pushed further and further to the margins of society.

Enabling Freedom

In North Korea, jobs are assigned by the state, and the education system fails to equip individuals with the skills needed to thrive in modern capitalist societies. For many North Korean escapees, this creates significant barriers as they start new lives. Enabling Freedom provides comprehensive educational, well-being, and financial support to help North Koreans overcome these challenges. Through tailored English language training, access to recognised qualifications, and confidence-building initiatives, we empower participants to pursue fulfilling careers, achieve their potential, and fully embrace the opportunities and freedoms of their new lives.

This year we focused our services as three workstreams:

1. English language lessons split by lower and upper levels, delivered by trained staff
2. Scholarships, including paying course fees, providing stipends, and 1:1 mentor matching to support academic success and employability

3. Youth support for accessing work experience, further and higher education, as well as relationship building with local schools to improve understanding and support for North Korean pupils

Our ESOL program has grown from 24 to 29 registrants this year, with a focus on fostering critical thinking alongside communication skills to help participants navigate life in the UK with confidence. Many students, even those with strong English proficiency, embrace the challenge of critical thinking topics, which are new to them and essential for personal and professional growth. As a testament to their progress, the two strongest upper-level ESOL students were awarded scholarships for further education at local colleges.

Additionally, in 2024, we expanded our youth support work in three major capacities. Firstly, with support from Refugee Education UK, we translated a primary school transition pack for parents into Korean. Secondly, we delivered two workshops for community members to better navigate the UCAS system. Thirdly, we developed and started delivering a Cultural Competency and North Korea training module for schools and organisations and trained over 40 teachers.

CASE STUDY: MS. IM

When Ms. Im arrived in the UK in 2016 alone with two children, she only knew one English word: 'hello'. Despite having attended university in North Korea, Ms. Im's qualifications are unusable in the UK, and she needed to start from scratch to build a better life for herself and her children. She was alone and without community, struggling to make ends meet and with limited financial support. Not only this, but she was confronted with a whole new way of life and needed to navigate an unfamiliar system in a different language. 'Too much to do and no help around', was how she described it to us.

After Ms. Im moved to New Malden (home to Little Korea in London) with her children, she heard about CNK from other Korean community members - that we help North Koreans with lots of things and, in particular, English skills. We first made contact with her after she applied for our ESOL classes. She saw our advert being circulated via KakaoTalk, a Korean-language messaging app and followed the link to sign up. Our teacher got in contact with her and encouraged her along to the beginners class, helping to start her journey.

Ms. Im has proven to be a dedicated learner, progressing from absolute beginners to the intermediate level in just a few years, and studying alongside her children who help her outside of class. Last year, Ms. Im decided she was ready for the next step and applied to CNK's EF scholarship so she could take her GCSEs - a key set of qualifications in the UK which opens doors to other opportunities. She has her eyes set on an advanced UK qualification in the future and wants to be able to have a steady job and be a role model for her children. Outside of ESOL, we have been actively supporting Ms. Im - she is an engaged member of the CNK community, regularly participating in cooking classes, and she has reached out to CNK for support on various other challenges as well.

When we asked about our support she told us: 'I am very grateful for CNK. I know if I have any problems, I can always lean on CNK to help.'

Enabling Freedom Network

We believe North Korean escapees are best suited to drive lasting positive change for their own communities. The Enabling Freedom Network (EFN) is the first social leadership and scholarship programme that helps North Korean escapees develop educational and leadership skills to reach their potential and empower others. The EFN Scholarship supports talented North Korean escapees passionate about improving their communities. We currently offer full scholarships covering travel, tuition, and living expenses for postgraduate studies, in partnership with the University of Edinburgh and the University of Bristol. Our aim is for North Korean escapees to gain recognised tertiary and/or leadership qualifications and help drive positive social change within their communities

We held our first EFN workshop in Seoul in August 2024 in person with 20 attendees. Our scholar for 2024 shared their experience of applying for universities with CNK. It was a great opportunity to understand interests in studying abroad within the North Korean community and to build a network in the community in South Korea. CNK's Education Co-Lead provided strong in-person delivery, actively listening to attendees about how they want to improve their community leadership skills.

We had 24 applicants for our scholarship programme in the autumn of 2024 and recruited over 20 volunteer tutors to help support students with English exams via our [new webpage](#). We also held four workshops targeted at developing critical thinking and research skills.

At the beginning of 2024, four community members applied for the University of Edinburgh and the University of Bristol with our support. Our selected scholarship recipient deferred their course in order to improve their English skills for the 2025 entry and a further student was able to go to the USA with a Fulbright scholarship as a result of our English support.

Starting in September 2025, we are providing up to two full scholarships to any one-year full-time postgraduate degree, as well as covering travel and living expenses.

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 £9,223 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 2029.

Investment Policy

We have no investments. All cash is held within our CAF Bank account, which earns a small amount of interest. We will be creating our first investment strategy, policies, and procedures within the financial year ending December 31, 2025.

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; Resigned: 20 October 2025)

Laura Rebecca Butlin (Appointed: 15 May 2024)

Susan Kim (Appointed: 15 May 2024)

Pepa Shore (Chair, Appointed: 16 July 2024)

Oliver Windridge (Resigned: 25 September 2024)

Mitra Motlagh (Resigned: 25 September 2024)

Victoria Nida (Resigned: 25 September 2024)

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: 30/10/2025

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 2024 which are set out on pages 16 to 26.

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 [Association 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 October 2025

Connect: North Korea

Statement of Financial Activities for the period ended 31 December 2024

	Note	Restricted Funds £	Unrestricted Funds £	Total Funds 2024 £	Restricted Funds £	Unrestricted Funds £	Total Funds 2023 £
Income from:							
Donations and Grants	4	459,450	84,049	543,499	270,397	82,988	353,385
Investments		-	139	139	-	205	205
Other Income		-	1,480	1,480	-	1	1
Total Income		459,450	85,668	545,118	270,397	83,194	353,591
Expenditure on:							
Raising Funds: Voluntary Income	5	431	20,228	20,659	396	25,020	25,416
Charitable Activities:	6	416,889	61,624	478,513	258,832	73,364	332,196
Governance	7	2,460	376	2,836	-	2,960	2,960
Other Charitable Activities		-	-	0	-	-	-
Total Expenditure		419,780	82,228	502,008	259,228	101,344	360,572
Net Movement in Funds		39,670	3,440	43,110	11,169	(18,150)	(6,981)
Total funds brought forward		63,684	5,783	69,467	52,515	23,933	76,448
Total funds carried forward		103,354	9,223	112,577	63,684	5,783	69,467

The notes on pages 18 to 27 form part of these financial statements.

Connect: North Korea**Balance Sheet****As at 31 December 2024**

	Note	Restricted Funds £	Unrestricted Funds £	Total Funds 2024 £	Restricted Funds £	Unrestricted Funds £	Total Funds 2023 £
Fixed Assets	8	-	9,343	9,343	-	1,937	1,937
Current Assets Debtors	9	54,762	10,000	64,762	9,800	2,702	12,502
Cash at Bank and in Hand		49,950	2,709	52,659	56,846	9,090	65,936
Current Assets		104,712	12,709	117,421	66,646	11,792	78,438
CREDITORS: amounts falling due within one year	10	(1,358)	(12,829)	(14,187)	(2,962)	(7,946)	(10,908)
Net Current Assets		103,354	(120)	103,234	63,684	3,846	67,530
Net Assets		103,354	9,223	112,577	63,684	5,783	69,467
Total Funds	11&12	103,354	9,223	112,577	63,684	5,783	69,467

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



Pepa Shore, Chair

Dated: 30/10/2025

Notes to the Financial Statements

The registered address for the CIO is: Connect: North Korea, 1st Floor, 78 Coombe Road, New Malden, Greater London, KT3 4QS

Registered as a Charitable Incorporated Organisation in England on 08 January 2018.

These accounts cover the period 01 January 2024 to 31 December 2024.

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.

Restricted funds comprise donations or grants received for specific purposes as defined by the donor or funding body. These funds must be used in accordance with the conditions imposed and cannot be used for the general purposes of the charity.

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 Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2. Remuneration of trustees and key management personnel

No trustees received remuneration for their services to the company in the period (2023: £nil). One trustee received expenses for travel (£79) in the period (2023: £nil).

The Trustees have determined that there are no individuals which meet the definition of key management personnel and as such no disclosure of key management personnel remuneration is required.

3. Staff numbers and costs

The charity had 10 full-time employees in 2024 (2023: 9.5). The costs were as follows:

Wages and Salaries including Donations in Kind	2024	2023
	£	£
Salaries	298,104	197,656
Employer's National Insurance	23,586	10,692
Pension costs	9,839	5,986
Salaries and pension costs	331,529	214,334

Full time employees	2024	2023
	Number	Number
Costs of generating funds	-	-
Charitable activities	10	9.5
Total	10	9.5

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

4. Donations & Grants

	Restricted	Unrestricted	Total	Total
	2024	2024	2024	2023
	£	£	£	£
Donations	1,803	11,636	13,439	13,255
Grants	457,590	68,000	525,590	340,130
Gift Aid	57	4,413	4,470	-
Totals	459,450	84,049	543,499	353,385

5. Cost of Raising Funds

	Restricted	Unrestricted	Total	Total
	2024	2024	2024	2023
	£	£	£	£
Fundraising costs	396	20,087	20,483	25,312
Bank fees	35	141	176	104
Totals	431	20,228	20,659	25,416

6. Charitable Activities

	Restricted	Unrestricted	Total	Total
	2024	2024	2024	2023
	£	£	£	£
Scholarships	3,037	2,796	5,833	12,181
Advertising	172	2,303	2,475	5,935
Consultants	16,976	9,700	26,676	28,592
Depreciation	0	1,687	1,687	1,663
IT expenses	1,291	807	2,098	3,892
Cleaning	41	19	60	47
Rent	19,019	15,976	34,995	15,856
Postage & freight	94	5	99	45
Insurance	-	858	858	858
Printing	1,242	35	1,277	896
Legal fees	2,454	-	2,454	-
Salaries	274,136	21,986	296,122	197,656
Employer's National Insurance	22,618	968	23,586	10,692
Pension costs	9,282	557	9,839	5,986
Public Engagement	500	2,303	2,803	978
Staff Wellbeing	5,147	359	5,506	3,603
Staff Training	2,560	100	2,660	1,922
Subscriptions	481	83	564	208
Loss on disposal of fixed assets	-	-	-	213
Telephone & internet	1,832	-	1,832	1,221
Rates	-	-	-	(18)
Travel & Entertainment	1,671	362	2,033	1,796
Interest paid	-	-	-	22
Mental Health Clinical Support	11,370	-	11,370	5,077
Mental Health Therapy Fees	750	-	750	1,290
Mental Health Peer-led Programmes	5,546	-	5,546	4,675
General expenses	16,670	720	17,390	6,910
Management fees	20,000	-	20,000	20,000
Totals	416,889	61,624	478,513	332,196

7. Governance Costs

	Restricted	Unrestricted	Total	Total
	2024	2024	2024	2023
	£	£	£	£
Audit & accountancy	2,460	376	2,836	2,960
Totals	2,460	376	2,836	2,960

The Independent examiner's remuneration is included in the audit and accounting costs listed above and total £1,980 (2023: £1,860).

8. Fixed Assets

	Office Equipment £	2024 £	2023 £
Cost			
At 1 January 2024	8,136	8,136	6,534
Additions	9,093	9,093	2,202
Disposals	-	-	(600)
At 31 December 2024	17,229	17,229	8,136
Depreciation			
At 1 January 2024	6,199	6,199	4,923
Charge for year	1,687	1,687	1,663
Disposals	-	-	(387)
At 31 December 2024	7,886	7,886	6,199
Net book value			
At 31 December 2024	9,343	9,343	1,937
At 31 December 2023	1,937	1,937	1,611

9. Debtors

	Restricted £	Unrestricted £	2024 £	2023 £
Trade debtors	54,762	10,000	64,762	12,502
Total debtors	54,762	10,000	64,762	12,502

10. Creditors

	Restricted £	Unrestricted £	2024 £	2023 £
Trade creditors	1,358	1,888	3,246	2,962
Social security and other taxes	-	8,701	8,701	5,544
Other creditors	-	260	260	242
Accruals	-	1,980	1,980	2,160
Total creditors	1,358	12,829	14,187	10,908

11. Fund movements summary

	Restricted funds £	Unrestricted funds £	Total funds £
At 1 January 2024	63,684	5,783	69,467
Incoming resources	459,450	85,668	545,118
Expenditure	(419,780)	(82,228)	(502,008)
At 31 December 2024	103,354	9,223	112,577

	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

12. Restricted funds

	Balance at 1 January 2024 £	Incoming £	Outgoing £	Balance at 31 December 2024 £
Core Cost, London	4,397	18,000	(22,397)	-
EF, Education	-	64,707	(64,707)	-
EF, Overhead & Programme	5,961	12,872	(18,833)	-
EF Scholarship	443	1,000	(1,443)	-
EFN Scholarship	-	1,860	(1,077)	784
ER, Abundance	-	1,589	(1,091)	498
ER, Community Support	38,701	85,230	(119,996)	3,935
ER, Health Inequalities	7,564	69,946	(43,895)	33,615
ER, Mental Health	15	35,078	(22,735)	12,358
ER, Overhead & Programme	1,615	61,749	(53,844)	9,520
ER, Peer Led Wellbeing Groups	-	7,588	(3,609)	3,979
Public Engagement	4,988	28,741	(33,729)	-
Overheads	-	71,090	(32,425)	38,665
Totals	63,684	459,450	(419,780)	103,354

	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

13. Restricted funds (continued)

Fund	Purpose
Core Cost, London	Funds were received to support core costs of work undertaken in London only.
EF, Education	Funds were received to support the salaries of our education staff.
Community Centre	Funds were received to support technology purchase.
ER, Community Support	Funds were received to support community outreach and advice.
Public Engagement	Capacity-building funds were received to support our pub.
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.
ER, Abundance	Funds were received to support our involvement with a university-led academic research project on wellbeing and community spaces.
Overheads	Funds were received to support our organisational overheads.

14. Related party transactions

Korea Future Initiative CIO was a related party until 25 September 2024. All serving trustees of Connect: North Korea CIO were also Trustees of Korea Future Initiative CIO.

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

The Charity received management services from Korea Future Initiative CIO of £20,000 (2023: £20,000) which were paid during the period.