



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

**1st October 2021 - 30th September 2022**

# COMPANY & CHARITY INFORMATION

**Registered Company Number** 04484077 (England & Wales)

**Registered Charity Number** 1093548

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

**Trustees**

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

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

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



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## Chair's Statement



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



Dr Beth Wiggan  
*Chair of Trustees*

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

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

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

# OUR MISSION, VISION & IMPACT

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

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



## OUR VISION

A secure future for the Karen communities of Northern Thailand.



## OUR MISSION

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



## OUR GOALS

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

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## OUR APPROACH

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

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



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

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

## KHT's Impact to Date



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



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



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

## KEY ACHIEVEMENTS IN 2021-2022



### WASH

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



### IRRIGATION

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



### ACCESS TO EDUCATION

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







# ACHIEVEMENTS & PERFORMANCE

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

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

## TRANSFORMING COMMUNITY HEALTH THROUGH WATER, SANITATION AND HYGIENE

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

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

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

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

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

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

### In 2021-2022, KHT:



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



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



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

### KHT'S WASH EVALUATION:

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

The responses highlighted that:

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



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

Our WASH Programme impacted the following UN Sustainable Development Goals:





## SECURING SUSTAINABLE LIVELIHOODS THROUGH FLOOD-RESISTANT IRRIGATION SYSTEMS

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

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

In 2021-2022, KHT:

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



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

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

### BUILDING ON KHT'S SUCCESS

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







## ACCESS TO EDUCATION FOR MARGINALISED KAREN CHILDREN AND YOUTH



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

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



## OUR IMPACT - 2021/22

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

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

### OUR WORK SUPPORTS THE FOLLOWING UN SUSTAINABLE DEVELOPMENT GOALS:



# STRUCTURE, GOVERNANCE & MANAGEMENT

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

## **Governing document**

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

## **Recruitment & appointment of new trustees**

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

## **Induction and training of new trustees**

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

## **Organisational structure**

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

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

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

KHT experienced several key staff changes during the reporting period.

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

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

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



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

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

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

### **Related parties**

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

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

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

### **Risk management**

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

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

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

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

## OBJECTIVES & ACTIVITIES

### History

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

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

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

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

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

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

### Charity Objectives

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

KHT's amended objects now read:

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

### Public benefit

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

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

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







## Volunteers

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

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

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

## Plans for the Future Period

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

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

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

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

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



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

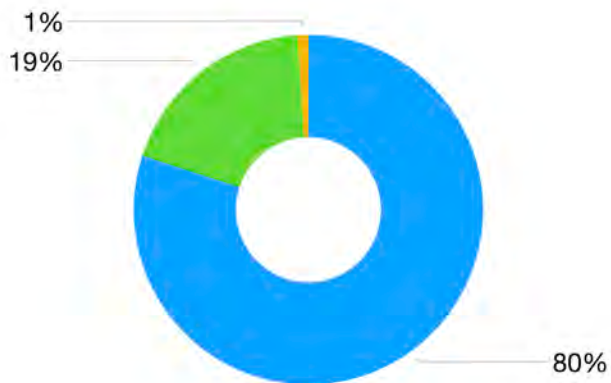






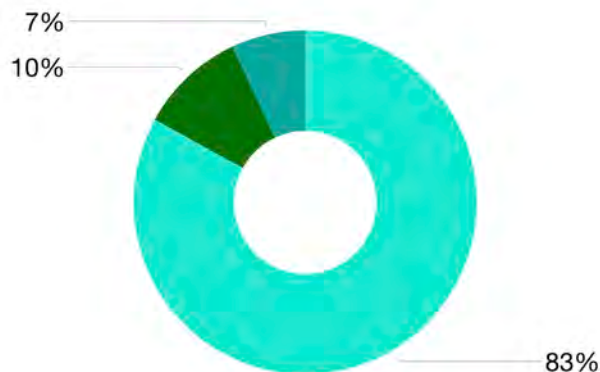
## FINANCIAL REVIEW

Analysis of Income 2021/22



■ Charitable Activities (80%)
 ■ Donations & Legacies (19%)
 ■ Other trading Activities (1%)

Analysis of Expenditure 2021/22



■ Charitable activities (83%)
 ■ Support Costs (10%)
 ■ Expenditure on raising funds (7%)

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

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

### Principal funding sources

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

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

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

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



## Fundraising

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

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

## Investment policy & objectives

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

## Reserves policy

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

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

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

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

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

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

## Small company provisions

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





## **Statement of the Trustees' Responsibilities**

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

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

In preparing these accounts, the Trustees are required to:

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

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

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

*Beth Wiggan*

**Dr. Beth Wiggan - Chair of Trustees**

18 January 2023

**Date of Approval**

**COMPANY REGISTRATION NUMBER: 04484077**  
**CHARITY REGISTRATION NUMBER: 1093548**

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

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

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# **The Karen Hill Tribes Trust**

## **Company Limited by Guarantee**

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

#### **Year ended 30 September 2022**

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

#### **Responsibilities and basis of report**

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

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

#### **Independent examiner's statement**

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

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

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

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



Susan Seaman, BA FCA CIOT  
Sagars Accountants Ltd

Independent Examiner

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

18 January 2023

# The Karen Hill Tribes Trust

## Company Limited by Guarantee

### Statement of Financial Activities (including income and expenditure account)

Year ended 30 September 2022

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

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

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



# The Karen Hill Tribes Trust

## Company Limited by Guarantee

### Statement of Financial Position

30 September 2022

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

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

Directors' responsibilities:

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

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

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

*Beth Wiggan*

B. Wiggan  
Trustee

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

# **The Karen Hill Tribes Trust**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements**

#### **Year ended 30 September 2022**

##### **1. General information**

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

##### **2. Statement of compliance**

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

##### **3. Accounting policies**

###### **Basis of preparation**

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

###### **Going concern**

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

###### **Disclosure exemptions**

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

###### **Foreign currencies**

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

###### **Judgements and key sources of estimation uncertainty**

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

###### **Fund accounting**

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

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

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

# **The Karen Hill Tribes Trust**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements (*continued*)**

#### **Year ended 30 September 2022**

##### **3. Accounting policies (*continued*)**

###### **Incoming resources**

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

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

###### **Resources expended**

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

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

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

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

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

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

###### **Tangible assets**

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



# The Karen Hill Tribes Trust

## Company Limited by Guarantee

### Notes to the Financial Statements (*continued*)

#### Year ended 30 September 2022

#### 3. Accounting policies (*continued*)

##### Depreciation

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

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

##### Impairment of fixed assets

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

##### Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

##### Defined contribution plans

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

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

#### 4. Limited by guarantee

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

#### 5. Donations and legacies

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

**The Karen Hill Tribes Trust**

**Company Limited by Guarantee**

**Notes to the Financial Statements (*continued*)**

**Year ended 30 September 2022**

**6. Thailand projects**

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

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

**7. Other trading activities**

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Fundraising events	4,720	<b>4,720</b>	12,013	12,013

**8. Investment income**

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Deposit account interest	277	<b>277</b>	127	127

**9. Raising funds**

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

**10. Charitable activities costs**

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

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

**The Karen Hill Tribes Trust**

**Company Limited by Guarantee**

**Notes to the Financial Statements (continued)**

**Year ended 30 September 2022**

**11. Charitable activities costs**

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

**12. Analysis of support costs**

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

**13. Net income**

Net income is stated after charging/(crediting):

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

**14. Independent examination fees**

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

**15. Staff costs**

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

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

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

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



## The Karen Hill Tribes Trust

### Company Limited by Guarantee

#### Notes to the Financial Statements (*continued*)

#### Year ended 30 September 2022

##### 15. Staff costs (*continued*)

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

##### 16. Trustee remuneration and expenses

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

##### 17. Tangible fixed assets

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

##### 18. Debtors

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

##### 19. Creditors: amounts falling due within one year

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

##### 20. Pensions and other post retirement benefits

###### Defined contribution plans

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

**The Karen Hill Tribes Trust**

**Company Limited by Guarantee**

**Notes to the Financial Statements (*continued*)**

**Year ended 30 September 2022**

**21. Analysis of charitable funds**

**Unrestricted funds**

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

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

**Restricted funds**

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

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

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

## The Karen Hill Tribes Trust

### Company Limited by Guarantee

#### Notes to the Financial Statements (*continued*)

#### Year ended 30 September 2022

##### 22. Analysis of net assets between funds

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

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

##### 23. Related parties

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





## Contact Us

### The Karen Hilltribes Trust

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UK Registered Charity No. 1093548 | Company No. 04484077

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[www.karenhilltribes.org.uk](http://www.karenhilltribes.org.uk)

