



The Karen Hilltribes Trust
Annual Report & Accounts
2019/20

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Company and Charity Information

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

A Message from Our Chair of Trustees

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

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

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

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

Vivien V Pert

Chair of Trustees





Who We Are

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

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

Our Vision

A secure future for the Karen communities of Northern Thailand.

Our Mission

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

Our Goals

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

To secure sustainable livelihoods through increased food security and income generation

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

What Have We Achieved

Since 1986, KHT has:



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



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



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

2019/20 ROUND UP

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

Our 2019/20 Achievements

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



Transforming Community Health

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

Increasing Access to Education

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



Securing Livelihoods

- 6 irrigation systems built
- Increased output for 201 acres of land
- 2,008 Karen people have secured livelihoods

Looking to 2021...

- 6 water, sanitation & hygiene projects to transform community health
- 5 irrigation projects to secure livelihoods
- 38 communities will have improved access to education



Trustees' Annual Report (Incorporating the Director's Report) Year ended 30 September 2020

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 September 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Recruitment and appointment of new trustees

Up to 12 trustees are appointed to the board on a three-year rotational basis. There are currently two vacancies. Trustees are recruited by the board of trustees on the basis of nominations from existing trustees. The board of trustees seeks to ensure a mix of skills and diversity, and selects each trustee according to his/her particular skill or interest.

Induction and training of new trustees

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

Organisational structure

The trustees, together with the Director, meet three times a year to discuss and determine strategic, financial and operational requirements, with the annual general meeting (AGM) being held in January each year.

All daily operations of the charity are overseen by the Director, Billy Curryer, who was appointed Chief Executive on 1st November 2019 after Kelle Rivers resigned from the role on 31st October 2019. Billy joined KHT in September 2017, and before becoming Director, spent extensive time both in the field and in a management capacity within the charity.

The Director reports to the board of trustees in the UK and is responsible for ensuring that the charity achieves its mission through key performance indicators agreed by the trustees. All of the charity's other employees and volunteers report directly to the Director.

As KHT is a UK registered charity that implements activities in Northern Thailand, its team is based in two different locations, York, UK, and Khun Yuam, Northern Thailand. After undergoing a transitional period in 2018-2019, where the charity relocated the majority of its resources from the UK to Thailand to support charitable activities, the Director had been based in the charity's Thai office, making periodic visits to the UK to conduct UK-based activities. However, as a result of the recent COVID-19 pandemic, the Director returned to the UK in March 2020 and has been working remotely from the UK since.

Moving forwards, the Director will aim to split his time between Thailand and the UK to balance the implementation and oversight of the charity's activities in Thailand with attending trustee meetings, meeting with UK-based donors, stakeholders and service providers, and conducting other UK-based activities.

In the UK, the charity is therefore comprised of the Director, who is supported by a Finance Administrator. Together, their responsibility in the UK is to maintain robust financial systems, distribute communications, provide oversight on all activities and work with the UK-based Board of Trustees to ensure good governance. Local fundraising activities also continue through the support of volunteers. Although a registered office address is held for postal services, the Director and Finance Administrator both work remotely.

In Khun Yuam, Northern Thailand, KHT has a small office, which coordinates the implementation of all of the charity's projects. Six Thai-Karen staff and two long-term volunteer Programme Officers (PO) are based in this office. The Thai-Karen staff lead project activities and Thai administration, whilst the two POs support the implementation and evaluation of the charity's projects through their expertise and technical skills.

Unfortunately, the COVID-19 pandemic did disrupt plans and the two long-term volunteers were forced to leave Thailand and work remotely between March and November 2020. They have since returned to Thailand to work with the local Thai-Karen team.

Related parties

The Foundation for Karen Hilltribes in Thailand (KHTF) was set up in December 2002 in Bangkok under Thai law to work in conjunction with KHT to support its projects with the Karen people. KHTF is a subordinate organisation of KHT, according to a memorandum of association which defines the relationship between the two entities. Accounts for KHTF are registered and submitted under Thai law.

Although it is a separate legal entity, KHTF has identical aims as KHT. KHT organises its operations in Thailand from the UK, where its financial centre and board of trustees are based.

Risk management

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

KHT manages its exposure to risk through a robust risk management framework, which ensures the charity is able to identify, assess and respond to risks that it may face when conducting activities. The framework is based on guidance published by the Charity Commission in "Charities and risk management (CC26)", and focuses on assessing five key areas of risk: Governance, Operational, Financial, Environmental or External, and Compliance (law or regulation).

Although a culture of effective risk management is promoted at all levels of the charity, the implementation and adherence to the risk framework is overseen by the Director and Board of Trustees. KHT also plans to create a Board of Trustees Risk Management Sub-Committee at its AGM in January 2021 to further facilitate effective risk management.

OBJECTIVES AND ACTIVITIES

History

KHT was first registered as a charity in 1989 to address the lack of clean water in Karen villages, under the name Mae Phon Karen Hill Tribes Trust (Charity number 800796). The charity was formed through a partnership with current Karen Manager Wichien Bunrachaisavan (Salahae) and a former British diplomat working in Thailand. By working with Karen communities, clean water systems were designed and put in place to provide a source of life-changing access to clean water. In response to the expressed needs of the Karen, the work of KHT has now expanded into the areas of livelihoods and education with the aim to support the Karen in building a more sustainable future. Over time, KHT continues to adapt and improve its programmes and has expanded its community health programme into supporting improvements in sanitation and hygiene, as well as clean water.

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

After 30 years Salaha continues to lead the work in Thailand, supported by a team of five Karen staff who fully involve the local community to ensure projects promote self-help and sustainability. To date, over £5 million has been raised for projects which have helped improve the lives of thousands of Karen people living in Mae Hong Son Province.

Since 1986, KHT has provided over 55,643 people with clean drinking water and improved sanitation facilities, supported over 18,901 people through the construction of flood-resistant irrigation systems, and increased access to education for over 17,693 children and young people through the provision of school meals, transport and accommodation, and higher education scholarships.

Charity Objectives

KHT was formally established in 2002 to benefit the Karen people of Northern Thailand. Its mission is to partner with Karen communities to improve their health, livelihoods, and access to education. Its three key objectives are:

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

In July 2020, KHT undertook a review of the charity's Objects as detailed in its Memorandum of Association and is currently in the process of submitting formal changes to the Charity Commission. KHT decided to make changes to its Objects to further highlight the community-led approach that is integral to all of its activities.

Public benefit

The charity's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further KHT's charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the charity should undertake.

Volunteers

In March 2020, KHT recruited two long-term volunteer Programme Officers to support the successful implementation of the charity's project activities in Thailand. The Health Programme Officer (HPO), Fenella Hayes, and Education and Livelihoods Programmes

Officer (ELPO), Alexandra Klang, have brought vital international expertise in Public Health and Human Rights and Education to the charity. Thanks to their support, KHT has been able to continue developing and improving its programmes, in particular, project monitoring, evaluation and reporting. In return, KHT hopes this opportunity will allow them to continue their own professional development and gain vital experience in the field.

KHT would like to thank Alex and Fenella for helping to drive the charity to make significant improvements to all areas of its work, particularly during the COVID-19 pandemic. It would also like to acknowledge and thank them for their support in producing this report.

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

All short-term volunteers raise funds to cover their costs and make a donation to the charity's projects. Unfortunately, COVID-19 has meant that KHT was unable to welcome short-term volunteers to Thailand to this year. KHT hopes that it will be able to restart its volunteer programmes in 2021.

FINANCIAL REVIEW

Principal funding sources

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

- The Kadoorie Charitable Foundation
- The Jan and Oscar Foundation
- The Lloyd George Asia Foundation
- The Evan Cornish Foundation
- Thai Oilman's Charity Invitational (TOCI) Golf Tournament
- The British Community in Thailand for the Needy
- Give2Asia
- The Christadelphian Meal-a-Day Fund
- The Rotary Club of Bangkok South
- The Scott Bader Global Charity Fund

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

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

Fundraising

KHT is committed to achieving the highest standard in fundraising and ensures to abide by the code of fundraising practice, set by the Fundraising Regulator, in all fundraising activities that it conducts.

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

Investment policy and objectives

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

Reserves policy

KHT has established a fixed reserve level of £50,000 (80% held in the UK and 20% held in Thailand) which it keeps separately from its current accounts. The level of reserves has been agreed by the Board of Trustees as £50,000, as this is sufficient to safeguard operations for a minimum period of six months and to fund commitments should circumstances ever require KHT to cease activity in Thailand. KHT's reserves policy is reviewed annually by the Board of Trustees.

KHT understands that the financial statements detailed later in this report show unrestricted funds of £87,311. KHT currently holds unrestricted funding higher than the level of fixed reserves detailed above as additional security during the COVID-19 pandemic. KHT expects unrestricted income to be reduced in the 2020/21 financial year and these additional funds will therefore ensure the organisation can continue its operations.

Small company provisions

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

Statement on COVID-19

KHT ensures to comply with all public health authority requirements and will always implement strict measures to ensure the safety of its team, beneficiaries and the public. The trustees and Director have also meticulously considered the continued impact of COVID-19 on the organisation's operations and have taken sufficient steps to mitigate the impact of the pandemic on the organisation.

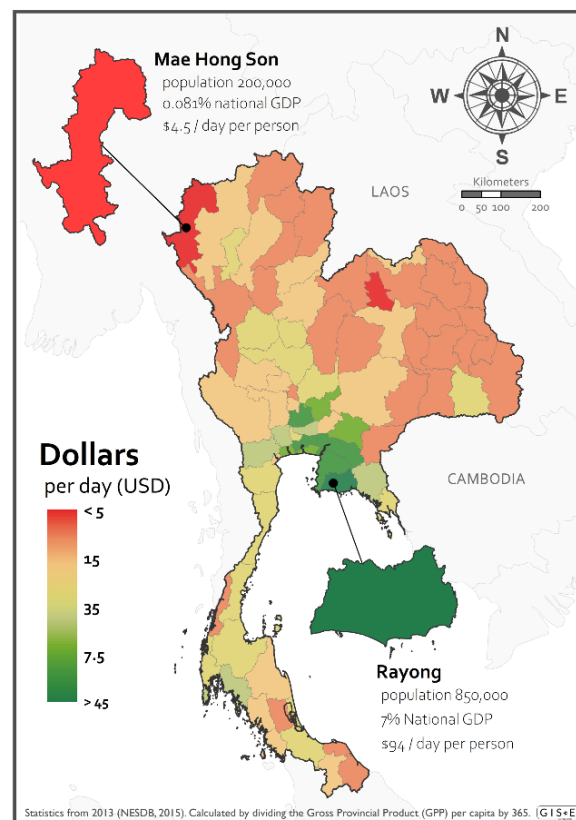


**2019/20 Achievements
and Performance**

Charitable Activities for Financial Year Ending 30 September 2020

Over the last four decades, Thailand has made remarkable progress in social and economic development, transitioning from a low-income to a middle-income country in 2011, and now ranking 87/188 in the UNDP 2015 Human Development Index. However, improvements are mainly focused in the urban and popular southern areas with poverty and inequality continuing to pose significant challenges across the rural regions and for Thailand's ethnic minorities.

One of Thailand's least developed regions is Mae Hong Son, a remote province situated on the Myanmar and Northern Thailand border. About 64% of the population of Mae Hong Son live below the poverty line, many of whom belong to marginalised ethnic minorities such as the Karen.



The Karen are the largest ethnic minority group in Thailand. They predominantly reside in small, close-knit communities that are often situated in the mountainous areas of the country's northern provinces. In Mae Hong Son Province, the majority of the population are Karen. As mostly subsistence farmers, growing rice, vegetables and raising animals to support their families, life is difficult. KHT's research has found that on average, households earn just 24,500 THB (644 GBP) each year, whilst most communities also have limited access to basic services such as healthcare and education. In addition, a significant proportion lack access to safe water and sanitation facilities.




KHT's vision is a secure future for the Karen communities of Northern Thailand. To achieve this, the charity focuses on three development objectives: improving community health, securing better livelihoods and increasing access to education for marginalised Thai Karen, in Northern Thailand.

Charitable activities and deliverables for each programming area for the financial year ending 30 September 2020 are summarised in the following pages of the report.

Water, Sanitation and Hygiene Project

Access to adequate water, sanitation, and hygiene (WASH) facilities is often limited in rural Karen villages. Without WASH services, communities are forced to rely on unreliable, contaminated sources of water, putting them at risk from many communicable diseases and parasites. These conditions are further exacerbated by poor sanitation and hygiene which helps continue the cycle of disease transmission. A recent study showed that 100% of natural Karen water sources studied, such as rivers and wells, were contaminated with faeces and other harmful bacteria.

The Water, Sanitation and Hygiene Project aims to improve health outcomes for Karen communities located across Northern Thailand through the construction of gravity-fed water systems and sanitation units, and the delivery of hygiene education. The financial year ending 30 September 2020 saw the delivery of:

-  Six gravity-fed clean water systems, which provide year-round access to water with dramatically lower levels of pollutants and water-borne diseases for 1,141 people.
-  218 sanitation units, comprising of a pour-flush latrine, shower and handwashing station, installed across six villages.
-  Hygiene education sessions, including dissemination of COVID-19 information, in four communities to engage community members to improve sanitation and hygiene behaviour.

Access to a reliable source of clean water is expected to lower the incidence of preventable diseases whilst reducing the time needed to collect and process water. In addition, controlled faecal waste management and better hygiene practices will both supplement the



The United Nation’s Sustainable Development Goals where goals progressed towards during KHT’s WASH projects are in colour.

water systems to reduce pollution levels within nearby water sources and further improve health and well-being in the communities. In total, the project is expected to provide long-term health, education and livelihoods benefits for 1,141 people from six communities and contribute towards locally achieving the Sustainable Development Goals (see image left).

The Sakunjanjamrat Family's Story

Living deep in the forests of the Mae Hong Son Province, in a village which lies 81km from the nearest town, is the Sakunjanjamrat family. They are a typical Karen family, who mainly live off subsistence farming and 'slash and burn' work. The father, Mala Ei, has lived in the village for approximately 50 years and has seen his community develop and change throughout his life. In March 2020, the family's community was the recipient of a KHT Water, Sanitation and Hygiene (WASH) Project. KHT met the family in their home during the school holidays to discuss how the project has changed their life.



Before the KHT water project, the family had to collect water from the river in the valley. Walking to and from the river was tiring and time consuming. Sometimes they would have to walk 'with baby on the front and water on the back; sometimes with water on the front and baby on the back'. During the dry season there often was not enough water available for cooking, washing and cleaning and so water had to be rationed.

Mala Ei volunteered on the KHT WASH project almost every day to help his community install a new water system through support from KHT. The project has ensured the family has access to clean water all year round, as well as improved sanitation facilities. As well as maintaining good health and well-being, this will help them complete their daily tasks and create other sources of income due to more reclaimed time.



Irrigation Project

In Northern Thailand, Karen communities live primarily in harsh mountainous environments that are vulnerable to natural hazards such as drought and flooding. These communities are highly dependent on subsistence farming for food supplies and household income, yet their traditional agricultural practices are constantly threatened by such natural hazards. As a result, livelihoods are volatile and highly unsustainable.



The Irrigation Project aims to strengthen agriculture as a sustainable livelihood for Karen farmers in Northern Thailand through the construction of flood-resistant irrigation systems (FRIS). The FRIS ensure farmland can be sufficiently irrigated all year round, which increases community resilience to natural hazards and extreme weather events and, consequently, crop production. The financial year ending 30 September 2020 saw the delivery of:



Six flood-resistant irrigation systems serving six villages. The irrigation systems supply a total of 201 acres of land with water for irrigation purposes, helping 2,008 beneficiaries to secure agriculture as a sustainable livelihood.

With a FRIS in place, farmers will start to experience increased agricultural output as a



result of crops receiving a reliable source of irrigation throughout cultivation. In addition to the food security and livelihood benefits, the project will also have environmental benefits. Logging for wooden dams and slash and burn are expected to decrease over time, as livelihoods become more certain and secure.

The United Nation's Sustainable Development Goals where goals progressed towards during KHT's irrigation project are in colour.

Securing Sustainable Livelihoods!

In May 2018, KHT constructed a flood resistant irrigation system in a remote Karen village home to 299 people. Of the 60 rai of farmland in the village, 100%



had been flooded in the past few years and 50% of the households reported food shortages. This community therefore expressed a clear need for support from KHT.

Mr Pawi is a Karen farmer who lives in the village with his family of four. At the age of 66, he still works in his fields everyday with his family to grow crops to eat and sell.

“Our life before KHT installed the irrigation project was very difficult each year. I start to work when I was 9 years old. I followed my grandfather to built the bamboo dam in the past and we have to cut down many trees for built a dam. Before they use buffalo to plough and have to repair the dam very often for each year. Every year when the flooding, the dam is broken and destroy tree dam and each year have to repair many times, no water in the field it make the rice in the field dry out, can get less rice not enough for family.”

“The villagers now have a better life. They do not have to cut down the trees like before. In



the past when we want to repair the dam we have to ask the forestry, now we have KHT dam and the villagers have a better life. The villagers getting more crops and better for agriculture.

Now our family have more income and more crops to grow for the lasting our family have a better life and better health.”

School Bus Project

Access to quality education is part of the 17 Sustainable Development Goals and is one of the most important tools to break the cycle of poverty and prevent exploitation of the most vulnerable, yet the enrolment of Karen children in primary education is just 51% (89% national average) whilst only 1 in 4 Karen children complete their secondary education.

One of the main reasons for the low number of Karen children enrolled in education is the distance from remote villages to schools - some villages are up to 50km away. To increase access to education for students from remote communities KHT supports school bus services. The school buses are an essential and practical way to increase access to education for children from remote communities. This financial year saw the delivery of:



18 school buses, which supported drivers from local communities to transport a total of 396 children to and from school.

With the ability to take a bus to school, children are able to live at home and travel to school each day via the bus, allowing their parents to be involved in the upbringing and providing them with more time and energy for their studies. In addition, the buses reduce the potential risks involved in having children travel to school on their own, especially for girls.

School Meals Project

Another important way to help improve opportunities for Karen children from remote villages is to reduce the costs of accessing an education through the provision of school meals. Without access to food whilst studying, children do not perform well, and their mental and physical health can deteriorate. In addition, it further increases the risk of school drop-out. KHT's School Meals Project is therefore another simple solution to improving access to education. The financial year ending 30 September 2020 saw the delivery of:



Schools meals to 366 students studying at eight schools across the Mae Hong Son Province. Each student received three meals per day.

Through providing school meals, the project reduced the risk of school drop-out, improved school performance, and allowed the 366 children to have better health and well-being, all of which in the long-term promotes access to quality education.



Higher Education Scholarships Project

As most Karen families live below the poverty line and frequently have multiple children to support through education, there is often little income to cover the cost of attending higher education. The result is that there is very limited access to higher education within marginalised Karen communities and students that do get the chance, often have to work long hours after class in order to afford living costs and tuition fees.

Through the Higher Education Scholarship Project, KHT offers scholarships to vulnerable Karen youths for vocational and teaching courses to support students to attend higher education and ensure that cycles of poverty are broken. The financial year ending 30 September 2020 saw the delivery of:



40 scholarships for students from remote communities to study at local universities and vocational schools.

COVID-19 & Accessing Education

The United Nations (UN) estimates that more than 1 billion children are at risk of falling behind due to school closures and reduced livelihoods, whilst, according to the World Health Organisation (WHO), the pandemic has caused economic and social disruption that puts tens of millions of people at risk of falling into extreme poverty.

In Northern Thailand, children have reported that there is less food at home, whilst parents have reported reduced livelihood opportunities. With the outbreak of COVID-19, the access to education programme has therefore been even more important than ever. Together, these projects have allowed students of all ages to continue to access an education and work towards achieving their potential!



The United Nation's Sustainable Development Goals where goals progressed towards during KHT's Access to Education Programme are in colour.

Studying at University During COVID-19 - Miss Pornsawan

Miss Pornsawan is one of KHT's most recent scholarship students, joining the project in 2019. KHT recently caught up with Pornsawan to hear how COVID-19 is affecting her, her studies, and her family.



Pornsawan is from a poor remote Karen community, where there is little opportunity for students to progress to higher education. Both her parents work as labourers, yet since the pandemic, her parents have not been able to find any work, meaning they have no income to support their family.

"The COVID-19 make all the people in my family feeling bad and everyone is worry too much."

Her parents are not only struggling to find work, but since restrictions were put in place in March 2020, the cost of food has also increased. Pornsawan used to spend 20 THB on a meal, but this has now increased to 25 THB. For families and students who are already struggling with the costs of studying, this is a big increase, especially as most Karen parents are struggling to earn an income in this period.

After closing for several months, universities in Thailand reopened on 1st July 2020. Education is very important for Pornsawan. She told us that her education will help guide her through her life and with her university degree, she hopes to get a job and be able to look after her parents and family. The KHT scholarship has been part of helping Pornsawan to achieve this by providing monthly financial support during her studies. With her parents not being able to work, the scholarship has also provided vital support to her family. Thanks to the scholarship, she can afford to buy food and continue to study, allowing her parents to focus on supporting their other children.

"Education is the best thing in life. I would like to thank KHT give me a good opportunity for me and my family. The important thing my parent do not struggle to support me."



Organisation Development

Even in the face of the COVID-19 pandemic, this past year has seen KHT go from strength to strength. The charity was able to expand its income and increase its reach over the past 12 months, supporting even more communities to improve their lives.

KHT would not have been able to make these achievements without its dedicated Karen team. Even in the face of the COVID-19 pandemic, the team were willing to continue disseminating vital hygiene and COVID-19 education, and building water and irrigation systems to ensure communities had the necessities to withstand the pandemic and its cascading effects.

Aside from project implementation, KHT's Karen team have also attended training to develop their understanding and ability to implement monitoring and evaluation activities and have been willing to take on the new responsibility of conducting hygiene education activities in addition to their current roles. KHT would like to thank its local team for their tremendous efforts over the past 12 months, as without them, it would not have been able to make these achievements.



Part of this success has also been thanks to the support of KHT's Health Programmes Officer (HPO) and Education and Livelihoods Programmes Officer (ELPO) who joined KHT in March 2020. Through providing technical expertise to the local Thai-Karen team, the HPO and ELPO have been extremely important in driving significant development of KHT's projects, with specific improvements in monitoring and evaluation, hygiene behaviour education and training, and story and case study collection. Further developments are expected over the next 12 months with their continued support of these areas.

Away from project activities, the ELPO and HPO, with support from the Director, have been instrumental in creating a new website for the charity and sharing continued updates and

reports through KHT's social media accounts. The Director and Board of Trustees, with support from the ELPO, HPO and rest of the team, have also updated the organisation's Vision, Mission and Goals and have been working tirelessly to implement good governance across the organisation. In particular, the charity's risk management framework has been significantly improved to ensure good management and governance practice, and ultimately to increase the sustainability and success of the charity.



This year also brings an end to KHT's 2016-2020 strategy, where the focus was to extend the principle of community ownership in order to improve its long term sustainability and effectively demonstrate its impact. During this period, KHT made strides towards achieving this strategy and is now working on an interim strategy to carry itself through the remainder of the COVID-19 pandemic. KHT aims to launch its next ambitious five year strategy in 2022.

KHT would like to take a moment to say thank you to all of its team for their support over the past 12 months. It has been a difficult year, but their dedication and commitment to the organisation and ability to be flexible and patient with their work has been greatly appreciated, particularly in this challenging environment. A special thank you goes out to Salahae for managing all activities in Thailand whilst KHT's Director has been displaced because of COVID-19.

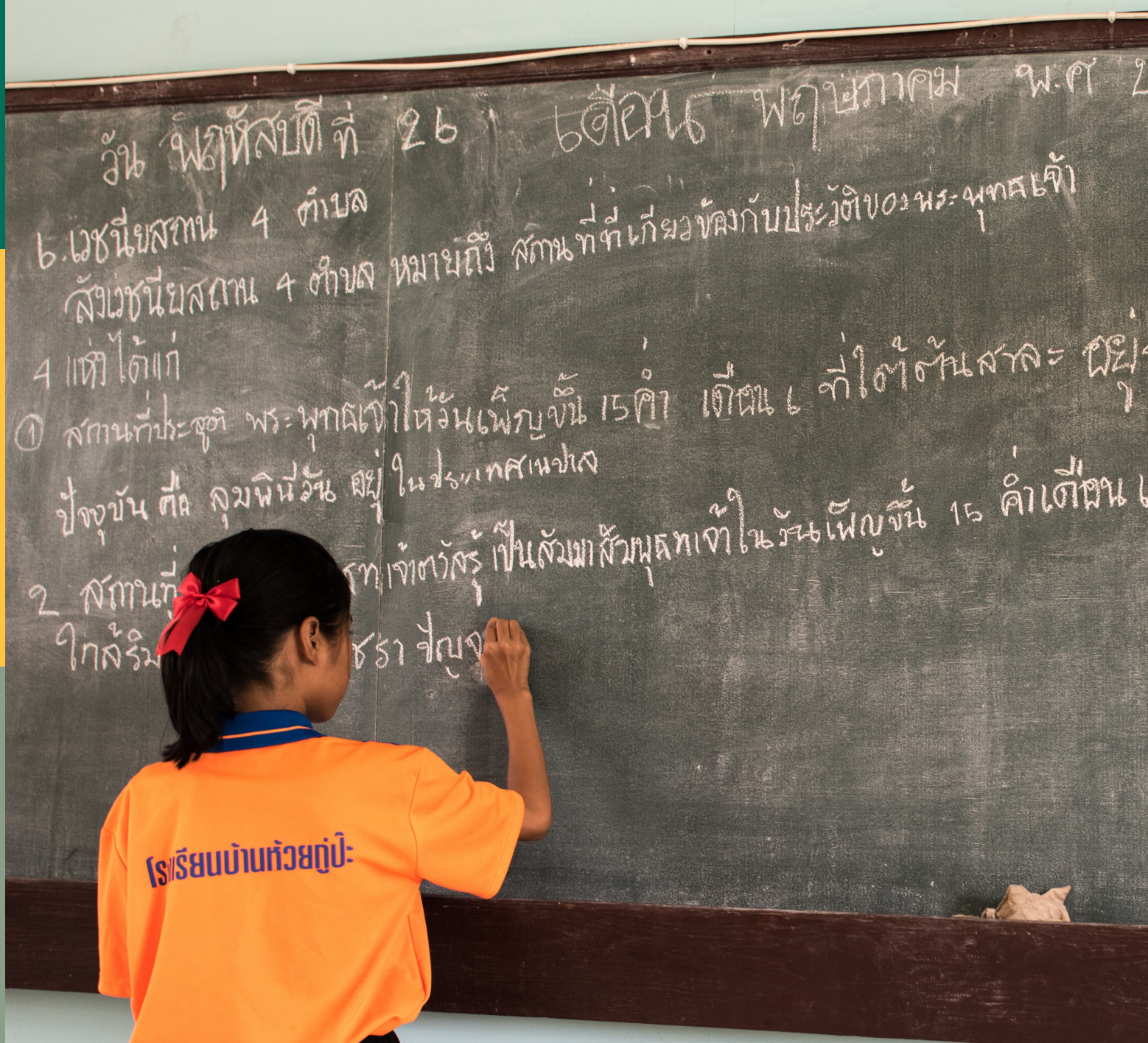
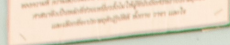
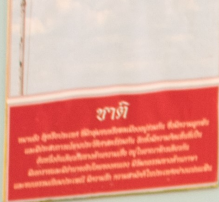
Trustees' Annual Report Declaration

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

The trustees' annual report was approved on 3rd February 2021 and signed on behalf of the board of trustees by:

V. Pert

Vivien V Pert - Chair of Trustees



Financial Statements
Year Ended 30
September 2020

The Karen Hill Tribes Trust

Company Limited by Guarantee

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

Year ended 30 September 2020

I report to the trustees on my examination of the financial statements of The Karen Hill Tribes Trust ('the charity') for the year ended 30 September 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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



Susan Seaman, BA FCA CIOT
Sagars Accountants Ltd

Independent Examiner

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

8 February 2021

The Karen Hill Tribes Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 September 2020

	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	93,833	—	93,833	85,094
Thailand projects	6	1,191	297,123	298,314	195,890
Other trading activities	7	10,203	—	10,203	1,302
Investment income	8	264	—	264	361
Total income		<u>105,491</u>	<u>297,123</u>	<u>402,614</u>	<u>282,647</u>
Expenditure					
Expenditure on raising funds:					
Raising funds	9	2,194	—	2,194	10,510
Thailand projects	10,11	60,967	273,759	334,726	316,783
Other expenditure	13	—	—	—	388
Total expenditure		<u>63,161</u>	<u>273,759</u>	<u>336,920</u>	<u>327,681</u>
Net income/(expenditure) and net movement in funds		<u>42,330</u>	<u>23,364</u>	<u>65,694</u>	<u>(45,034)</u>
Reconciliation of funds					
Total funds brought forward		44,981	59,186	104,167	149,201
Total funds carried forward		<u>87,311</u>	<u>82,550</u>	<u>169,861</u>	<u>104,167</u>

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

The notes on pages 11 to 18 form part of these financial statements.

The Karen Hill Tribes Trust

Company Limited by Guarantee

Statement of Financial Position

30 September 2020

	Note	2020 £	£	2019 £	£
Fixed assets					
Tangible fixed assets	18		–		3,034
Current assets					
Debtors	19	1,676		5,601	
Cash at bank and in hand		<u>173,174</u>		<u>100,929</u>	
		174,850		106,530	
Creditors: amounts falling due within one year	20	<u>4,989</u>		<u>5,397</u>	
Net current assets			<u>169,861</u>		<u>101,133</u>
Total assets less current liabilities			<u>169,861</u>		<u>104,167</u>
Net assets			<u><u>169,861</u></u>		<u><u>104,167</u></u>
Funds of the charity					
Restricted funds			82,550		59,186
Unrestricted funds			<u>87,311</u>		<u>44,981</u>
Total charity funds	22		<u><u>169,861</u></u>		<u><u>104,167</u></u>

For the year ending 30 September 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on 3 February 2021, and are signed on behalf of the board by:

V. Pert

V V Pert
Trustee

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

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 September 2020

1. General information

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

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

Going concern

There are no material uncertainties about the charity's ability to continue. In coming to this conclusion the trustees have considered the continued impact of COVID-19 on the forecasts and post year end results. COVID-19 has impacted the trust's ability to raise funds and future restricted grant income still remains uncertain. However, management have taken steps to mitigate the impact of any loss of income and control costs and have plans in place to implement additional fundraising activities if necessary and review planned expenditure if grant income is not received, therefore the overall financial impact is not thought to be significant.

Disclosure exemptions

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

Judgements and key sources of estimation uncertainty

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

Fund accounting

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

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

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

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

3. Accounting policies *(continued)*

Incoming resources

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

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

Resources expended

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

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

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

Tangible assets

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

Depreciation

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

Fixtures and fittings	-	20% reducing balance
Motor vehicles	-	25% reducing balance
Equipment	-	33% straight line

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

3. Accounting policies *(continued)*

Impairment of fixed assets

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

Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

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

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

4. Limited by guarantee

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

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Donations				
Donations	79,585	79,585	75,096	75,096
Gift Aid	14,248	14,248	9,998	9,998
	<u>93,833</u>	<u>93,833</u>	<u>85,094</u>	<u>85,094</u>

6. Thailand projects

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Thailand projects	<u>1,191</u>	<u>297,123</u>	<u>298,314</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

6. Thailand projects *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Thailand projects	11,491	184,399	195,890

7. Other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Fundraising events	9,944	9,944	467	467
Craft sales	259	259	835	835
	10,203	10,203	1,302	1,302

8. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Deposit account interest	264	264	361	361

9. Raising funds

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Costs of raising funds	2,194	2,194	10,510	10,510

10. Charitable activities costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Direct costs	8,689	273,759	282,448
Support costs	52,278	—	52,278
	60,967	273,759	334,726

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Direct costs	67,376	198,418	265,794
Support costs	50,989	—	50,989
	118,365	198,418	316,783

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

11. Charitable activities costs

	Activities undertaken directly £	Support costs £	Total funds 2020 £	Total fund 2019 £
Direct costs	282,448	52,278	334,726	316,783

12. Analysis of support costs

	Management costs £	Total 2020 £	Total 2019 £
Finance costs	7,586	7,586	(2,893)
Governance costs	29,449	29,449	24,808
Management costs	15,283	15,283	29,074
	52,318	52,318	50,989

13. Other expenditure

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Loss on disposal of tangible fixed assets held for charity's own use	—	—	388	388

14. Net income/(expenditure)

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

	2020 £	2019 £
Depreciation of tangible fixed assets	3,104	1,011
Loss on disposal of tangible fixed assets	—	388

15. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	2,720	2,640
Other financial services	9,132	4,032
	11,852	6,672

16. Staff costs

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

	2020 £	2019 £
Wages and salaries	43,250	67,234
Social security costs	30	3,072
Employer contributions to pension plans	1,263	1,742
	44,543	72,048

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

16. Staff costs *(continued)*

The average head count of employees during the year was 2 (2019: 3). The average number of full-time equivalent employees during the year is analysed as follows:

	2020 No.	2019 No.
Charitable activities	1	2
Administration and support	1	1
	<u>2</u>	<u>3</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

17. Trustee remuneration and expenses

There was no trustees' remuneration paid in the year (2019 - £nil).

18. Tangible fixed assets

	Motor vehicles £	Equipment £	Total £
Cost			
At 1 October 2019	19,961	—	19,961
Additions	—	70	70
At 30 September 2020	<u>19,961</u>	<u>70</u>	<u>20,031</u>
Depreciation			
At 1 October 2019	16,927	—	16,927
Charge for the year	3,034	70	3,104
At 30 September 2020	<u>19,961</u>	<u>70</u>	<u>20,031</u>
Carrying amount			
At 30 September 2020	<u>—</u>	<u>—</u>	<u>—</u>
At 30 September 2019	<u>3,034</u>	<u>—</u>	<u>3,034</u>

19. Debtors

	2020 £	2019 £
Prepayments and accrued income	<u>1,676</u>	<u>5,601</u>

20. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	756	841
Accruals and deferred income	3,476	4,152
Social security and other taxes	757	404
	<u>4,989</u>	<u>5,397</u>

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,263 (2019: £1,742).

22. Analysis of charitable funds

Unrestricted funds

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

	At 1 October 2018	Income	Expenditure	At 30 September 2019
	£	£	£	£
Unrestricted fund - General funds	75,996	98,248	(129,263)	44,981

Restricted funds

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

	At 1 October 2018	Income	Expenditure	At 30 September 2019
	£	£	£	£
Health	47,419	66,231	(98,797)	14,853
Education	21,879	61,647	(58,431)	25,095
Livelihood	3,907	56,521	(41,190)	19,238
	73,205	184,399	(198,418)	59,186

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

The Karen Hill Tribes Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

23. Analysis of net assets between funds

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

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	3,034	—	3,034
Current assets	47,344	59,186	106,530
Creditors less than 1 year	(5,397)	—	(5,397)
Net assets	44,981	59,186	104,167

24. Related parties

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



Contact Us

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