

**REGISTERED COMPANY NUMBER: 04484077 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1093548**

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED  
30 SEPTEMBER 2017  
FOR**

**THE KAREN HILL TRIBES TRUST**

Hilton Sharp & Clarke Limited  
Chartered Accountants  
30 New Road  
Brighton  
East Sussex  
BN1 1BN

**THE KAREN HILL TRIBES TRUST**  
**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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	Page
Report of the Trustees	1 to 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 to 14
Detailed Statement of Financial Activities	15 to 16

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 30 SEPTEMBER 2017

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 September 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

## OBJECTIVES AND ACTIVITIES

### History

The Karen Hilltribes Trust 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 Salahae and a British Expat 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 food security and education with the aim to support the Karen in building a more sustainable future.

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 Hilltribes Trust in 2002 by Penelope Worsley, the mother of a former volunteer.

After 30 years Salahae continues to lead the work in Thailand, supported by a team of six Karen staff who fully involve the local community to ensure projects promote self-help and sustainability. The Karen Hilltribes Trust's operations in the UK and Thailand are now run by a former volunteer, William Hamden, who has been Chief Executive since April 2013. To date, over £3.5 million has been raised for projects which have helped improve the lives of thousands of Karen people living in Mae Hong Son Province. Over 60,000 Karen people have been provided access to clean drinking water during this time.

The Foundation for the Karen Hilltribes in Thailand (KHTF) was set up in 2002 in Bangkok under Thai law to work in conjunction with KHT to support the projects and its work with the Karen people. KHTF is a subordinate organisation of KHT, according to a memorandum of association which defined the relationship between the two entities. Accounts for KHTF are registered under Thai law and are consolidated into the UK results within these financial statements.

### Objectives and aims

The trust works in partnership with the Karen to support them with projects that lead to self-help and sustainability whilst still retaining their identity and culture. We have three key aims:

Improve health through access to clean water and sanitation

Secure better livelihoods by building irrigation systems and regenerating land.

Increase access to education through the provision of transport, meals and accommodation for children who live too far away from schools, and through university scholarships.

The charity operates in Mae Hong Son, the poorest of Thailand's 76 provinces.

### 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 the charity'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 2016-17, 6 volunteers from the UK travelled to Thailand to teach English and install water systems.

Teaching volunteers spend up to 3 months living with a host family and teaching in local schools. Volunteers working on water systems spend 1 month living and working in a Karen village. All of the volunteers raised funds to cover their costs and made a donation to the charity's projects.

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 30 SEPTEMBER 2017

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**ACHIEVEMENT AND PERFORMANCE**

**Charitable Activities for Financial Year Ending 30 September 2017**

The policy of the charity is to focus on three key development objectives: improving community health, increasing access to education and securing better livelihoods for marginalised Thai-Karen, with a geographic focus on northern Thailand. Charitable activities and deliverables for each programming area are summarised below.

**1. Improving Health**

The charity promotes better community health through the delivery of clean water systems, latrine/shower units. The charity also operates a hardship fund that supports families and children with disabilities. The financial year ending 30 September 2017 oversaw the delivery of:

- 6 gravity-fed clean water systems, which provide year-round access to water with dramatically lower levels of pollutants and water-borne diseases. These are expected to help 1,430 beneficiaries for the foreseeable future.
- 3 extensions to current KHT water systems to meet the demand of the growing village population. This benefitted over 1,700 people.
- 276 latrine/shower units, installed across 6 villages. Controlled waste management and better hygiene practices both work alongside clean water systems to reduce pollution levels within nearby water sources and lower the incidence of preventable diseases.
- 7 children benefitted from the KHT hardship fund, including a child with hydrocephalus.

**2. Secure Better Livelihoods**

Karen communities live in isolated environments that are vulnerable to natural hazards such as drought and flooding. At the same time, they are highly dependent on subsistence farming for food supplies and household income. To safeguard crops and fields from natural hazards, the charity has:

- Installed 6 food security systems and directly helped 2,730 beneficiaries across 6 villages. Each of these food security systems also typically benefit up to three surrounding villages, due to the communal usage of Karen farmland. Thus, the expected beneficiaries for this component is 10,920.
- Repaired 2 existing dam sites, as heavy flooding resulted in a need to reinforce the dams with concrete bolsters.

**3. Increasing Access to Education**

The charity implements four projects to help children from isolated and marginalised communities complete their education: school meals, school buses, dormitory construction and higher education scholarships. This year saw the successful delivery of:

- 23 school buses that connect 26 villages to 10 schools across Mae Hong Son. This service allowed 767 Thai-Karen children to continue their schooling during the financial year ending 30 September 2017.
- School meals for 8 schools across Mae Hong Son province, helping to feed 425 Karen students living in dormitories.
- School meals for 29 students from 14 villages who do not live in dormitories. The families of these children cannot afford the school meals and KHT provides direct sponsorship to them.
- Construction of a dormitory at Ban Pho So school to house 60 girls. The dormitory also includes a new washing and toilet block. The school was chosen because the girls were currently having to share beds in another block and it was affecting their education.
- 15 higher education and university scholarships for high-achieving Karen students. Subjects studied range from Primary Teaching to Mechanical Engineering and Public Health. 5 students graduated in August 2017 and KHT accepted 2 new students into the programme in September 2017. Currently, 12 students are receiving a scholarship.
- A new toilet block at Ban Mae Luang school to compliment a dormitory which was funded by KHT in 2010.

In addition to the projects outlined above, KHT distributed 1,016 pairs of shoes and socks to Karen school children thanks to a donation from Tesco Lotus.

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 30 SEPTEMBER 2017

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#### FINANCIAL REVIEW

##### Principal funding sources

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

- Aberdeen Charitable Foundation
- The Lloyd George Asia Foundation
- The Jan and Oscar Foundation
- The David K Giler Foundation
- The Genesis Charitable Trust
- Give2Asia
- The Group Company
- The Rotary Club of Bangkok South
- TOCI Golf - Bangkok

These Financial Statements reflect the UK generated income of The Karen Hill Tribes Trust. However, as described above, funds are also raised in Thailand which are processed, for operational reasons, through The Foundation for Karen Hilltribes in Thailand.

##### 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 aims to have reserves of six months to cover UK and Thailand running costs. The trustees have mandated the director to build the reserves for KHT to withstand future potential financial stress, in order that the organisation can continue its work should such a situation arise. Free reserves as at 30 September 2017 (unrestricted funds less fixed asset funds) was £43,967 (30 September 2016: £21,922), representing 4 months of fixed costs. The trustees aim to increase this to six months over the next two years.

#### 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 3-year rotational basis. There are currently 2 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 selects each trustee according to his/her particular skill or interest.

##### Organisational structure

The trustees meet 3 times a year with the key meeting in January. The Director is William Harnden who was appointed Chief Executive on 8 April 2013. It is the Director's responsibility to ensure that the trust achieves its mission through key performance indicators agreed by the trustees.

The UK office is based in York and acts as the fundraising and financial centre of the organisation. The office is staffed by a permanent Fundraising Officer and a Financial Administrator. In support of fundraising activities, we also have a Communications Officer, who is employed on a contract to 31st October 2017. The UK office acts as the coordination point for fundraising activities which take place in the United States, where two trustees are based, and Thailand, where the Director regularly meets with donors and takes them to visit projects. At present, a Programme Officer sits in the UK office to provide support to the Director with reporting, monitoring and evaluation of projects. In line with the organisation's strategy to be community led by Karen staff in Thailand.

The Thailand office is located in Khun Yuam, Mae Hong Son province, where all of the organisation's projects take place. At present the Trust employs 6 staff, all of whom are Thai citizens and ethnically Karen. The staff are project focused, with one Project Manager travelling on a weekly basis to different villages to consult with community members who volunteer their time to construct projects with the support of 4 construction staff. There is only one staff member in Thailand to manage all of the administrative, accounting and project based office work. The office space is inadequate and there is only space for one computer. This year, we moved into a new office space so that the staff have a large space to work in with adequate IT facilities. This office also serves as a base for the director and UK staff when visiting Khun Yuam. Volunteers are also welcome to use this space whilst living in Thailand.

##### Induction and training of new trustees

New trustees will be provided with appropriate information and support.

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 30 SEPTEMBER 2017

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Related parties**

The Foundation for Karen Hilltribes in Thailand (KHTF), was set up in December 2002. Although it is a separate legal entity, KHTF has identical aims as The Karen Hill Tribes Trust. The Karen Hill Tribes Trust organises its operations in Thailand from its base in York, UK. These Financial Statements reflect the UK generated income of The Karen Hill Tribes Trust. However, funds are also donated in Thailand which are processed, for operational reasons, through the KHTF.

**Risk management**

The trustees examine the major risks that face the charity each financial year. The charity has developed systems to monitor and control these risks to mitigate any impact they may have on the charity in the future.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

04484077 (England and Wales)

**Registered Charity number**

1093548

**Registered office**

Tower House Business Centre  
Fishergate  
York  
YO10 4UA

**Trustees**

R Ellis

E Holroyd Pearce

- resigned 6.7.17

Mrs V V Pert

C Shampine

B Smith

Ms J Virulchanya

Mrs B Wiggan

T A Y Wright

Chairman

D Colvin

Treasurer

Ms J Delaney

D Shurman

- appointed 23.1.17

**Company Secretary**

Ms H L Slec

**Independent examiner**

Thomas Bowen

FCCA CTA

Hilton Sharp & Clarke Limited

Chartered Accountants

30 New Road

Brighton

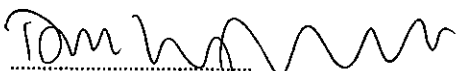
East Sussex

BNI 1BN

**Chief Executive**

W Hamden

Approved by order of the board of trustees on 28 May 2018 and signed on its behalf by:

  
T A Y Wright - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE KAREN HILL TRIBES TRUST (REGISTERED NUMBER: 04484077)**

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**Independent examiner's report to the trustees of The Karen Hill Tribes Trust ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 September 2017.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts 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 your 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 your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCCA CTA 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 Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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

*Thomas Bowen  
For and on behalf of  
Hilton Sharp & Clarke*

Thomas Bowen  
FCCA CTA  
Hilton Sharp & Clarke Limited  
Chartered Accountants  
30 New Road  
Brighton  
East Sussex  
BN1 1BN

Date: *28<sup>th</sup> May 2018*

**THE KAREN HILL TRIBES TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	91,018	-	91,018	63,659
<b>Charitable activities</b>	5				
Thailand projects		20,695	393,842	414,537	269,996
Other trading activities	3	9,461	-	9,461	5,497
Investment income	4	297	-	297	241
<b>Total</b>		<u>121,471</u>	<u>393,842</u>	<u>515,313</u>	<u>339,393</u>
<b>EXPENDITURE ON</b>					
Raising funds	6	45,944	1,882	47,826	43,328
<b>Charitable activities</b>	7				
Thailand projects		56,389	370,685	427,074	368,108
<b>Total</b>		<u>102,333</u>	<u>372,567</u>	<u>474,900</u>	<u>411,436</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>19,138</u>	<u>21,275</u>	<u>40,413</u>	<u>(72,043)</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		31,575	43,656	75,231	147,274
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>50,713</u></u>	<u><u>64,931</u></u>	<u><u>115,644</u></u>	<u><u>75,231</u></u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.



THE KAREN HILL TRIBES TRUST (REGISTERED NUMBER: 04484077)

BALANCE SHEET  
AT 30 SEPTEMBER 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	13	6,745	-	6,745	9,653
<b>CURRENT ASSETS</b>					
Stocks	14	2,000	-	2,000	2,000
Debtors	15	4,669	-	4,669	34,712
Cash at bank		44,399	64,932	109,331	59,193
		<u>51,068</u>	<u>64,932</u>	<u>116,000</u>	<u>95,905</u>
<b>CREDITORS</b>					
Amounts falling due within one year	16	(7,101)	-	(7,101)	(30,327)
<b>NET CURRENT ASSETS</b>		<u>43,967</u>	<u>64,932</u>	<u>108,899</u>	<u>65,578</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>50,712</u>	<u>64,932</u>	<u>115,644</u>	<u>75,231</u>
<b>NET ASSETS</b>		<u>50,712</u>	<u>64,932</u>	<u>115,644</u>	<u>75,231</u>
<b>FUNDS</b>					
Unrestricted funds	18			50,712	31,575
Restricted funds				64,932	43,656
<b>TOTAL FUNDS</b>				<u>115,644</u>	<u>75,231</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2017.

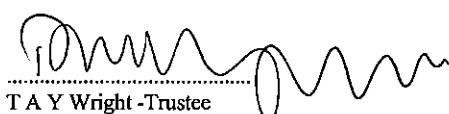
The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2017 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 28 May 2018 and were signed on its behalf by:

  
T A Y Wright -Trustee

The notes form part of these financial statements

## THE KAREN HILL TRIBES TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

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#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Raising funds**

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

##### **Charitable activities**

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

##### **Governance costs**

Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity.

##### **Allocation and apportionment of costs**

Costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

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

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

THE KAREN HILL TRIBES TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. DONATIONS AND LEGACIES

	2017	2016
	£	£
Donations	77,260	56,999
Gift aid	13,758	6,660
	<u>91,018</u>	<u>63,659</u>

3. OTHER TRADING ACTIVITIES

	2017	2016
	£	£
Fundraising events	8,229	4,771
Craft sales	1,232	726
	<u>9,461</u>	<u>5,497</u>

4. INVESTMENT INCOME

	2017	2016
	£	£
Deposit account interest	297	241
	<u>297</u>	<u>241</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2017	2016
		£	£
Grants	Thailand projects	414,537	269,996
		<u>414,537</u>	<u>269,996</u>

Grants received, included in the above, are as follows:

	2017	2016
	£	£
Income	414,537	269,996
	<u>414,537</u>	<u>269,996</u>

6. RAISING FUNDS

Raising donations and legacies

	2017	2016
	£	£
Staff costs	43,127	33,067
Publicity costs	4,699	8,503
Support costs	-	1,758
	<u>47,826</u>	<u>43,328</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs	Totals
	£	(See note 8) £	£
Thailand projects	342,393	84,681	427,074
	<u>342,393</u>	<u>84,681</u>	<u>427,074</u>

THE KAREN HILL TRIBES TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 SEPTEMBER 2017

8. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Thailand projects	<u>40,335</u>	<u>22,345</u>	<u>22,001</u>	<u>84,681</u>

9. NET INCOME/(EXPENDITURE)

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

	2017 £	2016 £
Accountancy fees	7,328	5,625
Depreciation - owned assets	<u>2,908</u>	<u>1,723</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2017 nor for the year ended 30 September 2016.

Trustees' expenses

	2017 £	2016 £
Trustees' expenses	<u>-</u>	<u>1,650</u>

There were no trustees' expenses paid for the year ended 30 September 2017.

11. STAFF COSTS

The average monthly number of employees during the year was as follows:

	2017	2016
Charitable activities	3	2
Administration and support	<u>2</u>	<u>1</u>
	<u>5</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	60,071	3,588	63,659
Charitable activities			
Thailand projects	6,328	263,668	269,996
Other trading activities	5,497	-	5,497
Investment income	<u>241</u>	<u>-</u>	<u>241</u>
<b>Total</b>	<u>72,137</u>	<u>267,256</u>	<u>339,393</u>

THE KAREN HILL TRIBES TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 SEPTEMBER 2017

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued	Unrestricted funds £	Restricted funds £	Total funds £
<b>EXPENDITURE ON</b>			
Raising funds	39,927	3,401	43,328
Charitable activities			
Thailand projects	42,475	325,633	368,108
<b>Total</b>	<b>82,402</b>	<b>329,034</b>	<b>411,436</b>
<b>NET INCOME/(EXPENDITURE)</b>			
	(10,265)	(61,778)	(72,043)
Transfers between funds	(11,660)	11,660	-
Net movement in funds	(21,925)	(50,118)	(72,043)
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	53,500	93,774	147,274
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>31,575</b>	<b>43,656</b>	<b>75,231</b>

13. TANGIBLE FIXED ASSETS	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 October 2016 and 30 September 2017	6,312	19,961	12,208	38,481
<b>DEPRECIATION</b>				
At 1 October 2016	5,830	11,451	11,547	28,828
Charge for year	121	2,126	661	2,908
At 30 September 2017	5,951	13,577	12,208	31,736
<b>NET BOOK VALUE</b>				
At 30 September 2017	361	6,384	-	6,745
At 30 September 2016	482	8,510	661	9,653

14. STOCKS	2017 £	2016 £
Stocks	2,000	2,000

THE KAREN HILL TRIBES TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 SEPTEMBER 2017

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Amounts owed by group undertakings	51	1,216
Other debtors	-	86
Accrued income	-	28,872
Prepayments	4,618	4,538
	<u>4,669</u>	<u>34,712</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Bank loans and overdrafts (see note 17)	-	23,031
Trade creditors	2,708	1,111
Social security and other taxes	2,423	1,757
Accruals and deferred income	1,970	4,428
	<u>7,101</u>	<u>30,327</u>

17. LOANS

The amount disclosed as bank loans and overdrafts in the 30 September 2016 financial statements represented the negative balance on the Education Restricted Fund at this date. This position was rectified in the year to 30 September 2017 and the Education Restricted Fund reports a balance of £36,382 as at 30 September 2017.

18. MOVEMENT IN FUNDS

	At 1.10.16	Net movement	At 30.9.17
	£	in funds	£
		£	
<b>Unrestricted funds</b>			
General fund	31,575	19,137	50,712
<b>Restricted funds</b>			
Health	36,885	(2,794)	34,091
Education	(23,031)	50,353	27,322
Livelihood	29,802	(26,283)	3,519
	<u>43,656</u>	<u>21,276</u>	<u>64,932</u>
<b>TOTAL FUNDS</b>	<u>75,231</u>	<u>40,413</u>	<u>115,644</u>

THE KAREN HILL TRIBES TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 SEPTEMBER 2017

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	121,472	(102,335)	19,137
<b>Restricted funds</b>			
Health	187,734	(190,528)	(2,794)
Education	172,728	(122,375)	50,353
Livelihood	33,379	(59,662)	(26,283)
	<u>393,841</u>	<u>(372,565)</u>	<u>21,276</u>
<b>TOTAL FUNDS</b>	<u>515,313</u>	<u>(474,900)</u>	<u>40,413</u>

Comparatives for movement in funds

	At 1.10.15 £	Net movement in funds £	At 30.9.16 £
<b>Unrestricted Funds</b>			
General fund	41,840	(10,265)	31,575
Health	7,208	-	-
Livelihood	4,452	-	-
	<u>53,500</u>	<u>(10,265)</u>	<u>31,575</u>
<b>Restricted Funds</b>			
Health	76,814	(47,137)	36,885
Education	2,965	(25,996)	(23,031)
Livelihood	13,995	11,355	29,802
	<u>93,774</u>	<u>(61,778)</u>	<u>43,656</u>
<b>TOTAL FUNDS</b>	<u>147,274</u>	<u>(72,043)</u>	<u>75,231</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	72,138	(82,403)	(10,265)
<b>Restricted funds</b>			
Health	153,430	(200,567)	(47,137)
Education	21,335	(47,331)	(25,996)
Livelihood	92,490	(81,135)	11,355
	<u>267,255</u>	<u>(329,033)</u>	<u>(61,778)</u>
<b>TOTAL FUNDS</b>	<u>339,393</u>	<u>(411,436)</u>	<u>(72,043)</u>

**THE KAREN HILL TRIBES TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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**18. MOVEMENT IN FUNDS - continued**

Unrestricted funds represent resources available for the general work of the charity. Unrestricted funds include three months overheads in line with the Charity's reserves policy.

Restricted and designated funds relate to grants and donations for specific purpose.

**19. RELATED PARTY DISCLOSURES**

The Foundation for Karen Hilltribes in Thailand was set up in 2002 with identical aims as The Karen Hill Tribes Trust. The Founder Director of The Karen Hill Tribes Trust (P Worsley) is the president of The Foundation for Karen Hilltribes in Thailand. At 30 September 2017 an amount of £51 (2015: £1,216), due from the Thai Foundation was included in debtors.



**THE KAREN HILL TRIBES TRUST**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	2017 £	2016 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	77,260	56,999
Gift aid	13,758	6,660
	<u>91,018</u>	<u>63,659</u>
<b>Other trading activities</b>		
Fundraising events	8,229	4,771
Craft sales	1,232	726
	<u>9,461</u>	<u>5,497</u>
<b>Investment income</b>		
Deposit account interest	297	241
<b>Charitable activities</b>		
Grants	414,537	269,996
<b>Total incoming resources</b>	<u>515,313</u>	<u>339,393</u>
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Wages & social security costs	43,127	33,067
Publicity costs	4,699	8,503
	<u>47,826</u>	<u>41,570</u>
<b>Charitable activities</b>		
Trustees' expenses	-	1,650
Wages & social security costs	45,700	26,674
Costs in Thailand	296,693	287,316
	<u>342,393</u>	<u>315,640</u>
<b>Support costs</b>		
<b>Management</b>		
Staff expenses - UK	13,093	10,267
Office costs	27,242	20,993
	<u>40,335</u>	<u>31,260</u>
<b>Finance</b>		
Bank charges	9,685	1,175
Currency losses/ (gains)	12,660	2,355
	<u>22,345</u>	<u>3,530</u>
<b>Governance costs</b>		
Wages & social security costs	9,915	6,363
Auditors' remuneration for non audit work	7,328	5,625
Professional fees	1,851	5,725
Deprecation	2,907	1,723
	<u>22,001</u>	<u>19,436</u>
<b>Total resources expended</b>	<u>474,900</u>	<u>411,436</u>

This page does not form part of the statutory financial statements

**THE KAREN HILL TRIBES TRUST**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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	2017 £	2016 £
Net income/(expenditure)	<u>40,413</u>	<u>(72,043)</u>

This page does not form part of the statutory financial statements