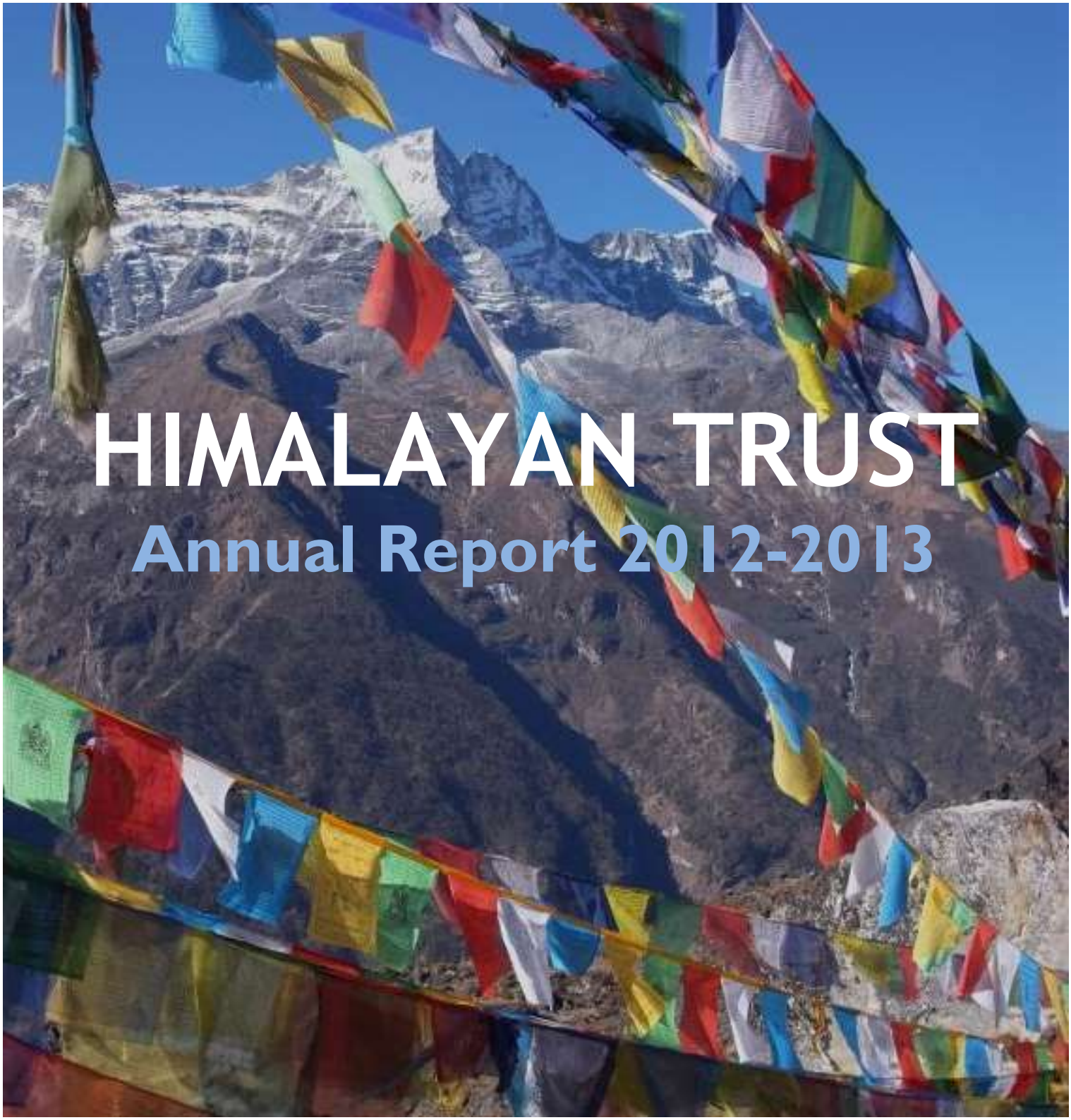
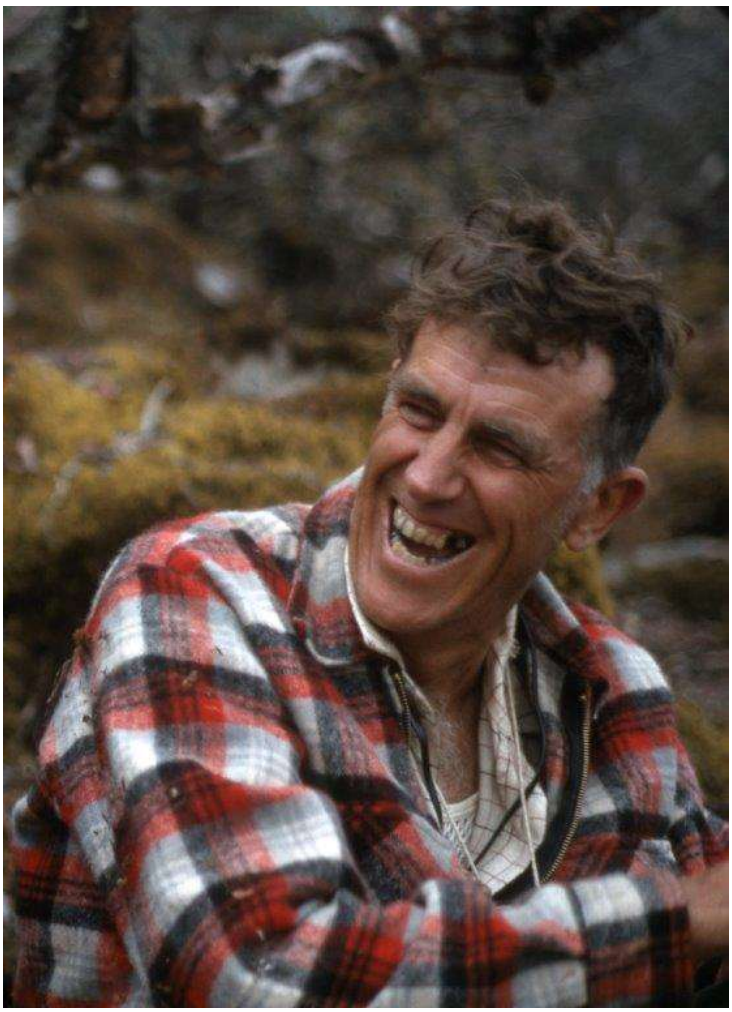


HIMALAYAN TRUST

Annual Report 2012-2013

HIMALAYAN TRUST
The official Trust of Sir Edmund Hillary

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In friendship and partnership,
the Himalayan Trust works
with the peoples of the Nepal Himalaya
to realise their educational, health,
economic and cultural aspirations…
following in Ed's footsteps.

www.himalayantrust.org.nz

Chairman's Report for the Himalayan Trust, 2013

Mike Gill

I finished my report of a year ago with the following statement:

> *Our success as we go through our rebuilding phase during the coming year will be measured by the content of the annual report of November 2013.*

So here, a year later, is my report on that.

Looking back…

As a general observation I'd say that the Trust is changing quickly, and that change is difficult, and that I've found the position of Chair quite difficult. For a year it's been close to a fulltime job and I suspect that my 76th birthday two weeks ago is my use-by date.

The good news however is that we now have a fulltime General Manager. Prue Smith took up her position in May and has been through a fairly intensive induction process, as well as doing a huge amount of work both in New Zealand and Nepal. She might feel that she's done a year's work in six months.



Website and Facebook page

December 2012

The website is the first point of reference when trying to find out what an organisation does. The internet was never one of Ed's priorities, and the writing of the Himalayan Trust website had been left to Ang Rita and Pasang under the banner of the Himalayan Trust Nepal. Last year Dorje McKinnon unravelled the technical issues of web addresses and I wrote some text and provided some photos.



Dorje got busy so towards the end of last year I invited Sarah Gumbley to take over, and the website you see today is her creation. I'd come across Sarah at a seminar she gave on the use of the internet for promoting books. With impressive speed she built a website and a Facebook page for Lynley Cook's and my book *Himalayan Hospitals*. She has now done the same thing for the much more varied requirements of the Himalayan Trust. Sarah and a friend have a small company called Lighthouse meeting the on-line needs of publishers and writers. She lectures at AUT and is currently completing a doctorate on social media.

The relationship with Sarah is important to the Trust. It came about through the usual mixture of serendipity, luck and following up leads. She is quick, knowledgeable, and working with her is a pleasure. She handles web updates, newsletters, messages to Members and Facebook, though for the past five months Prue has taken over the Facebook updates. More recently Sarah and Prue have been working with Pasang to consolidate the webpages of the Himalayan Trust New Zealand and Himalayan Trust Nepal onto a single site.

Changing name from Hillary HT back to Himalayan Trust

February 2013

In December 2011 it seemed like a good idea to make more use of the Hillary name so we changed the name of the Himalayan Trust to the Hillary Himalayan Trust. The paradoxical result seemed to be a loss of identity rather than a gain, particularly in Nepal where the Himalayan Trust is very well known indeed.

For this reason we called a Special General Meeting and we are now back to being simply the Himalayan Trust. It's a strong brand and it's the name that Ed gave to it. Where emphasis is required we call ourselves Sir Edmund Hillary's Himalayan Trust. During 2014 we will be

reviewing the logo of the Himalayan Trust. Everyone has an opinion on logos so let us know if you have any good ideas.

English Medium Teaching

March 2013

In Nepal schools can choose whether to use Nepali or English as their language medium. Amongst educated Nepalis there is a strong preference that their children use English. Tertiary education largely uses English medium, including English textbooks, and good jobs generally require fluency in English. For these reasons the Khumjung and Chaurikhakar cluster schools decided three years ago to switch to EMT. This was a decision taken solely by the locals themselves. The transition is not easy, particularly for older teachers, but parents, pupils and teachers are adamant that English Medium is what they want. It's been their choice.

The moment of truth will come in three years' time when the Class 10 students will sit their SLC exam, that is School Leaving Certificate, in English rather than Nepali. For many years the Trust has given substantial help to both Khumjung and Chaurikhakar High Schools by subsidising many teachers. This year the Trust subsidised Teacher Training in Chaurikhakar with Jim Strang as programme supervisor.

Appointment of General Manager

April 2013

Appointing a fulltime General Manager has been our most important action in 2013. We'd talked about it off and on for several months, I was reluctant because it seemed quite a risk inviting a stranger to work with the Trust Board when Board members were still struggling with how to work with each other. However David Murdoch stood firm to prevent any backsliding on my part and we went through the process of advertising widely during March. I tried to pass the buck by suggesting that we use a professional recruitment agency for the selection process but Jim Strang said we'd get a better result if we did it ourselves and I've come to the conclusion that he was right.

We interviewed six very good candidates out of eighty applicants. The panel was myself, David Murdoch, Peter Hillary, and Jennie Calvert a recruitment professional from Wellington who has worked for VSA. At the end of the interviews our first move, without discussion, was for each of us to list, in our order of preference, one to six, who we liked best. When we compared our lists the name at the top of all of them was Prue Smith. The decision was as easy as that, and that's how Prue came to be our General Manager.



Prue's background was initially in magazine design, then journalism. In 2000 she and Andy took up a VSA post in South Africa where Prue was teaching in a squatter camp. This was followed by seven years working for Oxfam, then two years as Business Development and Marketing Manager at the Auckland Art Gallery. She also has post-graduate qualifications in international development studies. She and Andy are keen trekkers and had their honeymoon in Nepal. Prue's CV ticks all the boxes.

Prue's husband Andy works for Oxfam managing water projects so to some extent we've got two for the price of one. Andy's skills have already been used, free of charge, when we looked at the Lukla Water Project, on-site, a month ago.

This September Prue, Andy and I spent two weeks in Kathmandu and three weeks in Solu Khumbu visiting schools, government offices in Salleri, the Water Project in Lukla. She has now met most of the people connected with the Trust, and she is deeply involved with all aspects of our work. We are sure we have made the right decision in appointing her.

Continuing development of relationship with HT Nepal

May 2013 and on-going

In May, Prue and I visited Nepal to work with Pasang Lama and Baween Tandukar at the HT office in Dilli Bazaar. Pasang and Prue are the pivot around which the Nepal-New Zealand partnership revolves and they now have a close working relationship. The other key person in Dilli Bazaar is Baween Tandukar, our Chief Financial Officer. Baween is the grandson of Liz Hawley's Kumar, and in fact Kumar played an important role in ensuring that Baween received the sort of education that enables him to do the Trust accounts in Kathmandu. He also does Miss Hawley's accounts, for which he receives high praise, and Liz doesn't hand out praise easily.

The Himalayan Trust Nepal is the official Nepalese NGO through which we work in Nepal. Ed appointed an informal Sherpa Advisory Committee during his last 15 years and they were chaired by Ang Rita. In 2007 the Nepalese Government brought in legislation that any International NGO, such as the Himalayan Trust, had to work through a locally based Nepalese NGO. So the Sherpa Advisory Committee constituted itself as an official NGO and called itself the Himalayan Trust Nepal.

The nine-person board of HT Nepal includes Thulo Ang Rita, Ang Thukten and Per Temba from Khumjung, Kami Temba from Khunde and Thame, Sano Ang Rita from Khunde, Dawa Phuti from Lukla, Pasang Dawa from Chaurikhakar, Tashi Zangbu from Namche, and Pasang Lama from Solu. HT Nepal meet three times a year, once in January to consider requests for building and maintenance projects from around Solu Khumbu; again in May and then in September for their AGM which Prue and I attended this year.



The greater part of the work of HT Nepal is carried out by Pasang and Baween as fulltime employees and a third person has been added this year, Dawa Tshering from Khumjung, who looks after scholarships and office tasks. Ongoing projects in Kathmandu include improving financial reporting and budget management. For the latter, Baween and Pasang have introduced an accounting software package called Tally and they have been working with Jason Edwards here in Auckland.

Improvements to financial reporting and control

Jason Edwards of HLB Mann provides our financial platform including the high level of financial reporting required by NZ MFAT. Jason has just switched to using the Xero software package. We have defined and implemented financial control procedures in New Zealand.

In Nepal, Baween Tandukar has moved to Tally financial software and we are working to develop the content of monthly financial reports. We are also working to define financial control procedures in Nepal.

Appointment of independent investment management

May 2013

Over the past decade, surplus Trust funds have been held in term deposits. In November 2012 the Council placed approximately one third of these funds in two investment entities to achieve higher returns but it was obvious that we needed independent professional advice. After some

research we selected Grant Thornton Wealth Management. Funds were placed with them in April 2013 in a conservative portfolio but with some exposure to growth assets. During the 2011-2012 financial year with all assets in term deposits, the return on funds was 1.7%.

During 2012-2013 returns came from three sources, residual term deposits, the growth investments place by the HT Board in November 2012, and thirdly from the definitive Grant Thornton portfolio finalised in May, 2013. For this 2012-2013 year the return from these mixed sources was 3.5%.

From 1 July 2013 to 30 October 2013, the return on the Grant Thornton has been 2.6% per four months which would be 7.7% annualised if this return was maintained for the following eight months.

Comparisons from one period to the next have to be read in the light of the prevailing exchange rates between the NZ and US dollar. Currency associated fluctuations largely even out over a period of time.

Application for tax deductible donations

June 2013

Nearly all donations to charities in New Zealand are tax deductible for individuals. Such a charity is said to have Donee Status. The Himalayan Trust has always been an exception simply because Ed never got round to applying for Donee Status even though it was suggested to him from time to time. Donors to the HT are surprised when they discover that we don't have Donee Status and it acts as a significant disincentive to donors.

Last year we decided to apply to the IRD for Donee Status. Hilary Carlile put a lot of work into a draft application last year and further work was done by Prue Smith before she submitted it to the IRD. Granting Donee Status to an NGO operating outside NZ requires Cabinet approval The IRD has described our application as a strong one but it will take up to two years before a decision will be made.

Fund-raising dinner in Auckland

4 July 2013

This spectacularly successful event was the brain child of Hilary Carlile and Peter Hillary who were greatly assisted by Angela Salmon, Joy Sheehan, Neville Wooderson, Yvonne Oomen, Mark Robbins, and many other Auckland Members. A bonus was the presence of Sherpas Dawa Phuti, Ang Pasang, Ang Thukten, and Ang Doka, who happened to be in Australia for the graduation of



their sons and were flown across the Tasman to meet old Trust friends and to take part in the Auckland dinner as well as social occasions in Christchurch, Dunedin and Nelson. John McKinnon managed their travel arrangements.

Regrettably I couldn't be at the event but praise was universal. It took people back to the best days of the Trust when Ed was in his prime and the Trust had a lot of fun together, and it raised a lot of money. A repeat performance is planned for 2014.

Relationship with Ministry of Foreign Affairs and Trade

2012 – ongoing

New Zealand's MFAT is the largest single donor to the work of the HT and we have been keeping in close contact to ensure that the Trust meets MFAT reporting requirements. Jane Coster, who has been our contact at MFAT for several years, has taken up another government position. We wish her all the best in this new job and thank her most warmly for her cooperation and friendship. Our new MFAT contact is yet to be finalised.

Meanwhile Prue keeps in contact and has visited MFAT in Wellington on several occasions. When Ed ran the Trust he was given a lot of latitude but as the years pass after his death, our planning and assessment processes are coming under increasingly rigorous scrutiny. Our grants from MFAT run for three years. The next review of our grant of $350,000 pa is next year.

Relationship with overseas partner organisations

2012 – ongoing

Peter Hillary, Prue Smith and Mike Gill have had various meetings with American Himalayan Foundation, SEHF of Canada, HTUK, SEHS of Germany, and the Australian Himalayan Foundation. The aim has been partly to discuss HT projects, and in particular share information and experience as to how we can improve management and outcomes of projects in Nepal. Peter was a speaker at the 60th Everest jubilee meeting conducted in London by the RGS and attended by the Queen on 29 May.

Looking forward… new projects 2013-2014

Secondary Teacher Training in Solu

With Education as the item that attracts most HT expenditure, the Trust is very fortunate indeed to have Jim Strang to lead our projects, particularly in the field of Teacher Training where Jim has been a leader since 1997. In 2003 Jim and Nepali colleagues formed the Nepalese NGO REED (Rural Education and Environmental Development) to make best use of Nepali staff in training projects.

The Himalayan Trust UK and the Australian Himalayan Foundation have both recognised Jim's depth of understanding of education in Nepal and made him their Programme Director. In 2012 Jim was awarded a Queens Service Medal for services to Education in Nepal.

An ambition of Jim's has been to establish a three-year Teacher Training programme for Secondary School teachers in Solu where there are more unmet needs than in Khumbu. The Trust has agreed to fund this, commencing March 2013.

NZ Volunteer Teachers to work in Khumjung and/or Chaurikhakar High Schools for at least one year and possibly two

These two schools have requested help with English language teaching, particularly at Class 1-3 level but also with Teacher Training at higher levels. VSA is keen to be involved. Volunteers, whether teachers, builders or doctors, have always been important contributors to the Trust not

only while they are in Nepal but also subsequently back in New Zealand where they maintain their interest and passion for Nepal and carry on the work of the Trust.

Prue has held several meetings with VSA who will help with volunteer selection, induction and support in New Zealand. However funding will be the responsibility of the HT, including travel, insurance, accommodation, etc.

Prue has held discussions with headmasters Mahendra Kathet of Khumjung and Birman Rai of Chaurikhakar in Khumbu in September. They have agreed to provide accommodation for volunteers in local houses and have shown us at least one house in each village which might be made available.

The selection committee will include VSA and Jim Strang.

If the planning process goes smoothly, the first volunteer will be in Nepal during 2014.

The impetus for this volunteer project comes partly from the move to English Medium Teaching (EMT) in Khumjung and Chaurikhakar. An additional benefit for the Trust will be the insight it gives us into EMT, including the chance to assess its progress and how we can most successfully apply Trust education funding.

Review of Scholarships and Other Programmes

A start has been made assessing the outcomes of our scholarship programme by registering all recipients into a data base at the Trust office in Kathmandu. The aim is to follow the academic success of recipients in higher secondary school and tertiary education. Where possible, the survey will follow subsequent careers.

The Trust funds around 180 scholarships per year with each covering 1/3 to1/6 of living and tuition costs. We need to answer such questions as: whether we should consider fewer but more generous scholarships; what courses we should fund; how successful our selection criteria have been.

To assess the outcomes of Teacher Training programmes, Jim Strang is working with the Australian Himalayan Foundation and HTUK to develop formal assessment processes.

Lukla Water Project

A good supply of clean water is essential for health. It is also essential for fire fighting in the closely packed rows of lodges and houses that make up places like Lukla and Namche. Lukla is a

rapidly growing town which has outgrown its inadequate water supply built by UNICEF 25 years ago.

Last year a group of Lukla citizens – including Dawa Phuti, Ang Pasang and their son Lhakpa Norbu of Paradise Lodge - decided to plan a new water supply consisting of a large reservoir feeding four smaller reservoirs to supply domestic water to lodges and houses. A system of on-demand bypasses will re-direct the domestic system to a high pressure fire hydrant system. They have now begun the project but need financial support.



Why we might support this project:

- Reduction of diarrhoeal disease
- Hygiene –washing
- Fire-fighting
- The local people have asked us to help
- They have started it themselves and done the planning
- They've raised a third of the cost
- Objects of the HT Constitution include:
    - **To construct works for the supply of water**
    - **To undertake works for the improvement of sanitation and health**
- We think Ed would approve

We will be looking at how it fits in with our budget.

Health projects

Khunde Hospital is fully funded by the SEHF of Canada and is skilfully managed by Dr Kami Temba and his staff. Khumbu health is also supported by a doctor in Namche during the trekker season and two doctors at the well-equipped Swiss hospital in Lukla. So Khumbu is well provided for.

Phaplu Hospital is owned and operated by the Government of Nepal with assistance, particularly provision of drugs, by the SEHS of Germany.

So the focus of the Trust Health Working Group has shifted to primary health care in Solu.

The Health Working Group consists of John Heydon, David Murdoch, Kobi Karalus and Lindsay Strang – and to these we must add Dr Mingmar Gyelzen who as always has good ideas. Three projects in particular are being looked at:

- Landscape analysis of health needs in Solu – by whom, how, when?
- School-based health initiatives covering health education, water/sanitation, nutrition.
- Salary subsidy for a long-term medical superintendent at Solu Hospital (Phaplu).

Governance of the Trust in New Zealand

We have been working under a new Constitution for 18 months and are now examining its rules as to how we might improve governance:

Building the Trust membership

In broad terms the work of the Trust consists of:

- Maintaining and increasing our revenue
- PR (media), speaking engagements, correspondence, networking, socialising.
- Education projects in Nepal
- Health projects in Nepal

This work is carried out by our newly-appointed General Manager and by our 130 Trust Members. An eight-person Board "is responsible for governing the Trust and conducting the business and affairs of the Trust." This leads on to the question as to how someone can become a Member.

How does the Trust acquire new Members?

The relevant paragraph in the constitution is 8.4. which states that:

> **The Council** may, at its discretion, **make an offer of membership** to any individual, **identified by the Council** or **nominated by any Trust Member**, who has, in the

opinion of the Council, **skills, knowledge, experience** or any other attribute that would **enable him or her to contribute** to the conduct of the business and affairs of the Trust and the advancement of all or any of its Objects.

At this stage of our evolution there are no compelling arguments for change. This year the Trust has added 14 new Members, nine of them were nominated by Jim Strang to strengthen the Education side of the Trust – education being our major area of expenditure.

During 2014 we will keep the system under review but will also be actively seeking new Members.

Particular areas of need include fundraising and office help.

Communicating with Members

- Meetings: AGM, fund-raising dinners, regional meetings.
- Newsletters
- Website
- Facebook
- Members-only on-line forum on our website.

We will continue seeking ways of improving our communications.

Renewing the Board in 2014

The tenure of a Board Member is two years so all current Members will automatically step down at the time of the AGM 2014. They can be renominated for a further two years but to make room for new Board Members, some of us will not be accepting renomination in October 2014.

If you would like to become a Board Member, starting November 2104, please get yourself nominated. The current Board is strong on experience but would benefit from an injection of youth and new vision.

Tribute to our sister organisations

In the early days of the Himalayan Trust, Sir Edmund Hillary was the undisputed leader and he attracted a distinguished group of international supporters. With his death the situation has changed and those international supporters have in effect become independent development agencies though still working through the Himalayan Trust Nepal and its agreement with the Social Welfare Council of Nepal and the Himalayan Trust.

Richard Blum's American Himalayan Foundation has always had a much wider reach than just the work of the Himalayan Trust but he was always a friend and admirer of Ed Hillary. The AHF

continues to share costs of the Trust's education programmes in the Khumbu region to the great benefit of its schools.

The Sir Edmund Hillary Foundation of Canada has been sole funder of Khunde Hospital since 1976 and for the purposes of registration of Khunde has agreed to guarantee support for a further ten years. After being the mainstay of the SEHF since the early 1970s, Zeke O'Connor has stepped down from the role of President in favour of his daughter Karen

The Sir Edmund Hillary Stiftung of Germany under Ingrid Versen and Manfred Haupl continues to provide important funding support to Solu Hospital (Phaplu).

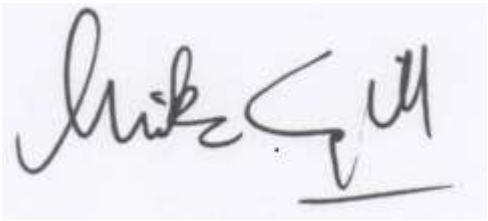
The Himalayan Trust UK continues to support Teacher Training though with a shift of resources to its education and health projects in the Taplejung area. We are also enjoying discussing with HTUK Board members our shared INGO experience in Nepal.

Larry Witherbee's Hillary Foundation continues its valuable support of HT projects as it has since its early days with Sears.

Collaboration and consolidation are buzz words in the world of NGOs and we feel that our relationships with our sister organisations show that we are up with the play. We are also benefiting from sharing experience with the Australian Himalayan Foundation.

Finally a huge thank you to our Nepali friends and colleagues in Kathmandu, particularly Pasang Lama and Baween Tandukar, and the HT Nepal Committee.

The work in Nepal is why we're here.



Mike Gill,
Chair,
2 November 2013.



Report from the General Manager: my first six months

Prue Smith

It is six months today since I joined the Himalayan Trust, which isn't all that long a time to absorb the fifty years' history of the organisation. It is a wonderful privilege to take on a never-before existing role – to effectively shape something new - and a somewhat daunting challenge particularly when the footsteps I follow are so large.

The goodwill and reputation attached to Sir Ed's legacy is undoubtedly huge – and is ever apparent in the upper Khumbu of Nepal – and whenever I talk about my new role with people in New Zealand.

The Council, and Mike specifically has done his very best with me. Mike has been extraordinarily generous in sharing his knowledge and understanding of the Trust. I could not have hoped for a more attentive and comprehensive induction into this role. However, and despite his best efforts, please don't judge me on my lack of ability to identify and name mountains and state their altitudes, to recite the genealogy of each and every Sherpa, or to speak in either Nepali or Sherpa as the situation demands.

I must also thank Pasang and Baween for their patience, and making sure I have a good grasp of the history of activities and the local context. I enjoy working with them both and we share a common goal of ensuring the Himalayan Trust's work in Nepal is relevant and effective, and in identifying efficiencies. Pasang, Baween and all the staff in Kathmandu, and Committee

members, have been so welcoming to me on both my visits this year – for ten days in May and more recently in September, and the flat has very quickly become a home away from home.

Despite this being only the second time I have come face-to-face with all of Council, since a meeting back in April (before I had even officially started) – and despite the horrors of poor Skype connections – I think we have come to know each other reasonably well. In particular, a big thank you to Jim who has guided me through the complexities and breadth of our education programme – and most recently for joining me in Wellington for meetings with MFAT and VSA. In Nepal recently, it was great to steal some of David Murdoch's holiday time, and I particularly enjoyed our 'planning' meeting walking from Kunde to Thame. And the catch ups with Peter, as well as with counterparts from the UK and Australia, in Kathmandu have also strengthened my understanding of the opportunities and challenges for the Trust.

Potentially, the most significant challenge in this role is to meet your expectations – the members of the Trust as represented by your elected Council. To help address questions around separation of governance and operations, and to give a structure to the Trust's priorities, three months ago I presented the Council with a detailed Operational Plan discussion document.

The plan was developed from the 'to do' list I was given when I first started, with the stated goal that I "work in a creative and constructive way to build the Himalayan Trust". My planning has also been informed by the Trust's strategic plan and your vision "to enable successful, sustainable Himalayan communities, in the spirit of Ed Hillary".

My role effectively has three components – and in a larger organisation there would in fact be three teams – Programme (development, evaluation, monitoring and reporting), Engagement (public and institutional fundraising, marketing, communications), and Operations (finances, database, establishing relevant policies, processes and systems).

The challenge for me has been to determine the priorities – what can one person hope to achieve and what is essential – and what will have to wait?

Programmes

- Retain the spirit of Sir Ed's legacy – to help people help themselves
- Ensure the existing programme meets current best practice of modern international NGOs and that we meet MFAT requirements.
- Develop new programmes in Solukhumbu, in line with the strategic plan.
- Work with HTNepal and REED to ensure clear lines of communication and increased efficiencies.
- Strengthen our relationships with Trust partners in Australia, Canada, Germany, UK, USA.

It feels good in fact to be able to already tick off some of the activities attached to these bullet points – such as diversifying the programme beyond education to potentially include the Lukla Drinking Water Project – straddling the strategic goals for improved health and environmental conservation – both areas that haven't received any New Zealand funding for some time; and to further consolidate the education portfolio with an MOU now signed with VSA with the intention of sending volunteer teachers on long-term assignments.

I have also had in-depth conversations with AHF Garry Weare and HTUK Graham Wrigley about how we can better coordinate our planning and programme delivery – and it is heartening that they also recognise the strength of working in partnership.

Engagement

- Grow the profile, reputation and funding of the Himalayan Trust in New Zealand.
- Determine our priority audiences and plan, direct forms of outreach with them (public talks, involvement in events, local groups).
- Develop a National Hillary Day
- Diversify institutional funding for programmes.

With my first six months primarily focussed on learning about, and developing the programme, by necessity I have taken a fairly pragmatic approach to fundraising and growing our profile. We are in an enviable position of having healthy reserves, and MFAT provides funding for all our current programme. Our expenditure over and above that is to cover administration – here and in Nepal. So until we have sound new programmes in place, the Charities Commission would be asking why we are growing revenue but not spending? And until we have Donee Status in place, donors would question what sort of charity doesn't give a tax return?

The really great news is that the Trust has a very strong brand connection with Sir Ed, and this is an enormous asset. The popularity of talks at the Auckland Museum and around the country, the success of the Auckland dinner, and the premiere of *Beyond the Edge* in Wellington and Nelson benefiting the Trust, clearly demonstrates that interest in anything to do with Sir Ed is strong. We are all so very proud of him– and it is unquestionably because of the values he represents.

The fundraising you have each been involved in for the Trust, in whatever form – giving talks, holding film evenings, dinners etc – has been fantastic, and I encourage you to have more of them and to be ambitious with your fundraising as it is your passion and personal history of attachment to the Trust that people respond to. I'm keen to give you promotional support with these activities.

The widely-held respect for Ed and his work in Nepal also provides the Trust with an invaluable opportunity to branch out well beyond our friends and family, to raise funds and the profile among a broader spectrum of the Kiwi public. I have an ambitious proposal, first triggered by Alexa Johnston at the opening of the Auckland Museum exhibition earlier this year – to have an annual National Hillary Day. A day in which classrooms, and workplaces take a day or an hour to emulate the spirit of Ed - to try something different, challenging and fun and "give a fiver for Ed".

Realistically, I can't pull this off within the next year – but it is in my plan for the Trust. I have also been in discussions with the Auckland Marathon – and next year we have the opportunity to recruit participants for that run, to fundraise for the Trust.

So I promise I'm not sitting around doing nothing. I have been working on ensuring we have sound foundations in place for what I believe will be a very significant and sustainable public fundraising and profile raising programme in the future.

Our communication tools are essential for any long-term fundraising plans and before I started Sarah Gumbley and Mike had already put a lot of effort into developing the website. My main focus these last few months, working closely with Sarah, has been to drive people to the website and to grow our Facebook fans.

We also now have two formatted newsletters (news with pics) – one that goes specifically to Members. This is the one you are all receiving and includes news from the field and from branches around the country, and also information specific to Members – such as AGM and voting details, membership fees etc. The Members' newsletter is my direct link to you specifically – please open them – and please encourage those Members that aren't here – to open and read them.

A second, quarterly newsletter goes to people who have shown an interest in the Trust – they have signed up to the newsletter on the website, been to a Trust function, such as the Auckland dinner or the recent film premiere in Wellington and provided their email address, or they have made a donation. The November newsletter will include a "Christmas appeal". This list is gold in any charitable organisation. It provides a direct connection to people already warm to the work of the Trust – and with your support we can grow this list exponentially. These names represent our existing and future donors, and potentially some of them may become Members as well.

If you can let me know in well in advance of any event you may be having for the Trust, I will do my best to help promote it through the email newsletters, on Facebook and the website and possibly with media support. I have also developed some Himalayan Trust flyers and a banner you can make use of, and a formatted sheet for collecting email addresses. In conversations,

whenever anyone shows interest in the Trust, encourage them to sign up on the website to the Friends of the Trust quarterly enewsletter.

Getting back to the strength of the Himalayan Trust brand – it's timely to update the logo before any national campaign is launched. I'd appreciate your thoughts on that. Join the discussion forum Sarah has added to the website (details to come to you all by email) or contribute your thoughts on our Facebook page.

Operations

- Systems, processes, and policies in place to meet MFAT accreditation standards and NGO best practice.
- Effective fundraising, supporting and drawing on the resources of Trust members.
- Good communications and support for Nepal staff, and between GM and Council based on a 'no-surprises' basis.

The operational side of an organisation is a bit like the plumbing – it needs to be in good working order – but no-one really sees it or wants to know too much about it – and nobody appreciates the time it takes to maintain!

Suffice to say I have created many spread sheets – tracking donations, payment of memberships fees, RSVPS for the AGM, budget forecasts. I have been working on child protection and volunteer policies – essential with the Trust fully funding the secondary teacher training programme next year; and in my spare time developing a 'procedures manual'.

I meet with Jason regularly to go through our accounts, and with the introduction of Xero I will be able to better track and analyse our revenue and expenditure streams.

I try to respond to a diverse array of email and phone enquiries in a timely way – and to be prompt sending receipts.

There is quite a lot of admin, and I need support. I've started asking around my networks for voluntary support a few hours a week initially – and if you know of anyone who may be interested I'd be very happy to talk to them.

As I see it, my role is to ensure Sir Ed's legacy continues, by growing the profile of the Himalayan Trust, and expanding on his good work. I fully appreciate and take very seriously, that his reputation and the Trust's must be protected by demonstrating that our funds are spent wisely and prudently. Most importantly, our work in Nepal should continue to be innovative and empowering, and improve the lives of Nepalis.



Education report

Jim Strang

It has been a very exciting year with what I believe is lots of progress. Here are the key achievements.

- **Accreditation:** REED is now accredited with the Nepal Education Department. Now all training follows the new TPD Model and teachers can have it count for their registration. The REED Training Team is responsible for the delivery of English Medium Training.

- **Cooperation and coordination:** There is significant cooperation between HTNepal, local District Development Committee, District Education office and REED. There has also been increased cooperation between the Himalayan Trust, Australian Himalayan Foundation and UKHT – sharing policy and procedures, auditing systems, reporting systems, dreams for the future.

- **Field visits:** I will have spent 103 days supporting programmes in Nepal between November 2012 and December 2013. The three-week visit within Solu by Pasang and Ang Tukten showed that HT are back and interested in seeing the reality of the programme. Visits by several Council members, Hilary, Peter, Mike, Prue and David M to schools during the year also helped significantly.

- **Volunteers:** Eleven Teacher Trainer Volunteers assisted November 2012 to January 2013 and in April 2013. Between November 2013 and January 2014, nine volunteers are also helping. Nine volunteers are already signed up for March /April 2014.

We have a combination of Australian and New Zealand volunteers. All are trained teachers and all give at least a month of their time. Up until now, AHF has covered all volunteer teacher costs within Nepal, except the forthcoming secondary teacher training which HT is taking on. This comes to about $500 per volunteer.

There has been a raising of the Himalayan Trust profile and this has meant lots of enquiries about volunteer opportunities. With the Auckland fundraising event, (congratulations Hilary and Angela for this effort), Ed's film launch, Ang Tukten and Da Phuti's visit, we have had no shortage of interest.

A group of "education-interested" volunteers have now been approved to be voting members of the HT. All of these people have been volunteers working in Solukhumbu trainings.

- **The education working group** has been formed but apart from an evening honouring Pasang and Mahendra we have not met physically. However, lots of contact by Email and Skype has been very helpful regarding decisions/directions.

- **Evaluation of the work:** Dr Bidhaya Nath Koirala, from Tribhuvan University, has been contracted to review the effectiveness of REED's programme. This will involve an evaluation team visiting a cross-section of schools over the coming months, with the report expected to identify which initiatives are delivering the best student learning outcomes. The cost of this

review is being shared between AHF and UK Trust.

An extensive review of the UK Trust school programme in Taplejung has been carried out, coordinated by Graham Wrigley. A UK Trust group of Trustees, led by Susan Band and Sue Leydon (Hunt) has recently visited and their reports have been very positive.

- **New programme:** Secondary Training has been planned for 31 schools from the Solukhumbu districts of Nele and Sotang. This training will be held in Salleri, in April 2014. Some Taplejung Teachers supported by UK Trust will also participate. Baseline data has been collected, and two Nepali secondary trainers have been appointed to REED. The training will focus on school management, English and Maths organised.

Prue's energy has helped negotiate with VSA for two teacher trainer volunteers. This is planned for March 2014, for a minimum of one year. One based in Chaurikharkar, one based in Khumjung. HT will be providing most of the financial expenses. Recruitment is about to begin and interviews are planned for January 2014.

- **Capacity building:** One of my main focuses has been building the capacity of the REED Organisation. There has been extensive auditing of REED Financials to satisfy AusAid and UK Trust requirements. A General Manager is to be appointed.. as well as an independent auditor. A new accounting package is being purchased and Pushkar Shresta, formerly CEO of Room to Read has been contracted to offer supervision and mentoring for REED chairman, Bhim Bhogati.

- **Scholarships:** Review HT Scholarships has begun. AHF have begun a new scholarship scheme that is focusing on 500 primary students in the Sotang and Nele regions. REED has appointed a scholarships officer to administer this new programme.

- **Schools for the Himalaya** continues, with two schools from NZ involved, three from Australia, and one from Singapore.

We will continue to have challenges moving forward. What we learn from the appraisal may mean reprioritising as we plan for the future. The appointment of Prue has been very helpful. I also want to acknowledge the commitment our Council and the HTN Board has to prioritise education. I believe we are making a difference.



Health report

John Heydon and David Murdoch

Currently the New Zealand Trust isn't providing any funding in the health area. Khunde Hospital is fully funded by SEHF (Canada), who have recently committed to continuing funding for a further ten years, and SEHS (Germany) contributes funding to Phaplu Hospital.

In line with the Trust's strategic plan and mission statement, we will investigate and potentially implement the following new initiatives the over the next year – with an emphasis on school-based health initiatives.

In addition, it is proposed that the scope of a landscape analysis of health services in Solukhumbu will be defined, and suitable person(s) identified to take it on. The main purpose is to obtain a complete and contemporary picture of existing health services in Solukhumbu District, government-funded or otherwise, together with NGOs working in health within the area.

School-based health initiatives

On a recent trip to Nepal, David met with considerable interest and support for health initiatives focused on schoolchildren, building on the Himalayan Trust's strengths and successes in education within Solukhumbu. These include:

Water/sanitation. There are data indicating that school attendance, especially among girls, is influenced by the availability of segregated and clean toilet facilities in schools. Suggested activities include a survey of all school toilet and water facilities within Solukhumbu using a standard questionnaire and photographic documentation. This would be followed up by efforts to improve substandard toilet facilities. Opportunities for health education about water and sanitation could be built around these activities.

This could also dovetail neatly with the Lukla Drinking Water Project which plans to involve water quality test, a public health awareness programme through the local school, and regular monitoring of water-borne diseases.

School-based nurses. The placement of nurses in schools is an initiative promoted by Dr Mingma Gyalgen. This initiative is based on the premise that the health of children would be improved by the presence of a nurse in key schools who would provide basic primary care, screening for specific conditions, and health promotion. This is a new concept for Nepal, and there is potential for a pilot programme in Solukhumbu that, if successful, could be adopted more widely in the country, supported by the Department of Health and Population.

Such a pilot project could involve selected high schools in Solukhumbu and would require the development of tools to assess impact. Suggested screening activities include vision and hearing testing and dental checks. Mingma Gyalgen thinks it will be relatively straightforward to find suitable nurses to take up these posts and believes that a well-implemented and evaluated programme would potentially be used as an example throughout the country.

Nutrition. Good nutrition strengthens the learning potential and wellbeing of children. The nutritional status of children in Solukhumbu is influenced by seasonal dietary limitations and the increased consumption of processed food.

School-based healthy nutrition activities may have a significant impact on children, and could link into broader initiatives around food production. School-based nutrition surveys would be an obvious starting point, but it is essential to determine what is already being done in the region.

Financial reporting for the year ending 30 June, 2013

Jason Edwards, Director, HLB Mann Judd Ltd

The activities of the Himalayan Trust Nepal are performed through the Himalayan Trust (New Zealand) in accordance with Trust's agreement with the Nepal government department, the Social Welfare Council. Accordingly the financial statements of the Himalayan Trust reflect all of these transactions consistent with prior years. This is also in accordance with the Himalayan Trust Nepal administering all of the funds and therefore having some level of control.

The financial statements from Nepal are subject to government audit, with the relevant financial period also having been adjusted to 1 July to 30 June each year so as to coincide with New Zealand and allow consolidation.

The financial statements of the Himalayan Trust for the year ended 30 June 2013 show **net assets and trust equity** of US$3,448,833.

The net deficit for the year is US$67,952 including a foreign exchange loss. This latter amount reflects various factors, including the transfer out of USD denominated assets and the continued USD presentation currency.

Himalayan Trust Nepal revenue for the year is US$729,803. This includes the contribution from New Zealand including government grant. There are relatively consistent amounts from other funding agencies and partner organizations, though increased receipts from Germany and Canada.

Himalayan Trust Nepal expenses for the year are US$629,402 covering the programme delivery funded by all the partner organisations: Himalayan Trust, American Himalayan Foundation, Hillary Foundation of Chicago, Himalayan Trust UK, the Sir Edmund Hillary Foundation (Canada) and Sir Edmund Hillary Stiftung (Germany).

We have been provided with the **audited financial statements** of Himalayan Trust – Kathmandu and Himalayan Trust Nepal – Solukhumbu for the year ended 30 June 2013. On 2 August 2013 Ramesh Prasad Ghimire, Registered Auditors of Chabahil, Kathmandu reported that proper books of account have been maintained, both the Income & Expenditure Account and Balance Sheet are in accordance with the books of account and give a true and fair view, and the activities of the entities have been conducted satisfactorily.

New Zealand revenue and expenditure (exclusive of funding from sister organisations) includes amounts paid directly from New Zealand of US$105,632. This includes Nepal salaries

and related expenses of US$36,655. Grant income from the NZ Ministry of Foreign Affairs & Trade has been recognised in accordance with related expenditure in both the current and prior years. It is noted that US$286,975 (NZ$350,000) was received for project work undertaken between 1 January 2013 and 31 December 2013 and the spend for the year ended 30 June 2013 was US$196,434. Unspent funds, including brought forward from prior years, are US$187,909.

New Zealand investments: During the year, a significant amount of BNZ bank accounts and term deposits were transferred to an investment portfolio managed by Grant Thornton. At 30 June 2013 the investment portfolio has a market value of US$2,786,596. This includes the original investments in the Milford Income Fund and PIE Dividend Fund, the distributions from which were reinvested. These distributions and other market movements are included with the foreign exchange loss in the statement of financial performance. It is difficult to separate such components in the current year, though this information should be able to be separately identified in future years. The proposed implementation of the Xero accounting system will assist such.

New Zealand fundraising: The remaining income in advance of US$19,455 and prepayments of US$4,880 relate to monies received and paid in relation to the celebration dinner held on 4 July 2013, after balance date.

In due course, we will prepare the **Annual Return of the Himalayan Trust** for filing with the Department of Internal Affairs by 31 December 2013. We will also submit a nil income tax return, as the Himalayan Trust is registered as a charitable entity under the Charities Act 2005 and accordingly exempt from income tax.

2013 – 14 forecast budget for Himalayan Trust (excluding funding from sister organisations) shows an increase in expenditure due to increased marketing spend in New Zealand and the planned implementation of new programmes in Nepal; and increased revenue due to growth of fundraising in New Zealand as well as unspent MFAT funds brought forward.

NZ Revenue US$0.76 million

- Grants US$0.35 million
- Public fundraise US$0.29 million
- Investments US$0.12 million

NZ Expenditure US$0.76

- Programmes US$0.53 million
- Engagement – marketing and fundraising US$0.11 million
- Operational cost US$0.12 million

Changes to the financial reporting of registered charities have been announced by the Department of Internal Affairs this month, including the requirement for independent audit or review where there is significant expenditure. We will further investigate these changes and advise Council in the near future.


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