

THE BORDER CONSORTIUM

England & Wales · Charity number 1109476

Details

Other names	THE THAILAND BURMA BORDER CONSORTIUM, TBBC
Status	Registered
Legal form	Charitable company
Company number	05255598
Registered	2005-05-13
Register	View on the Charity Commission register

Contact

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Website	www.theborderconsortium.org

Activities

Objects: (A) THE RELIEF OF CHARITABLE NEEDS OF DISPLACED PEOPLE OF BURMA BY THE PROVISION OF HUMANITARIAN AID AND ASSISTANCE;(B) TO DEVELOP THE CAPACITY AND SKILLS OF THE MEMBERS OF THE SOCIALLY AND ECONOMICALLY DISADVANTAGED COMMUNITY OF THE DISPLACED PEOPLE OF BURMA IN SUCH A WAY THAT THEY ARE ABLE TO PARTICIPATE MORE FULLY IN SOCIETY;(C) TO PROMOTE EQUALITY, DIVERSITY AND RACIAL HARMONY FOR THE BENEFIT OF THE PUBLIC BY RAISING AWARENESS OF THE NEEDS OF AND ISSUES AFFECTING THE DISPLACED PEOPLE OF BURMA; AND(D) TO PROMOTE HUMAN RIGHTS (AS SET OUT IN THE UNIVERSAL DECLARATION OF HUMAN RIGHTS AND SUBSEQUENT UNITED NATIONS CONVENTIONS AND DECLARATIONS) IN THE THAILAND BORDER AREA BY MONITORING AND RESEARCH.

Activities: TBC PROVIDES FOOD, SHELTER, NON FOOD ITEMS AND CAPACITY BUILDING SUPPORT TO BURMESE REFUGEES AND DISPLACED PERSONS. IT ALSO RESEARCHES THE ROOT CAUSES OF DISPLACEMENT AND REFUGEE OUTFLOWS AND ADVOCATES ON BEHALF OF THE REFUGEES AND DISPLACED PERSONS.

Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Services
- **What:** Overseas Aid/famine Relief, Economic/community Development/employment
- **Who:** People Of A Particular Ethnic Or Racial Origin

Geography

- **Area of benefit:** THAILAND BORDER AREA
- Burma
- Thailand

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£26,615,930	£26,680,650	£12,851,030	66
2023-12-31	£22,267,230	£21,760,540	£12,915,740	62
2022-12-31	£21,280,770	£20,380,000	£12,365,150	62
2021-12-31	£23,803,930	£16,869,920	£11,372,700	58
2020-12-31	£14,671,780	£14,193,170	£4,809,320	58

Trustees

Name	Role	Appointed
James Davenport Thomson	Chair	2017-11-15
ALEXIS CHAPMAN		2011-10-31
Christopher Mark Eades		2023-04-12
Dipti Ramani Leathard		2023-11-09
Jan Axel Nordlander		2024-11-08
Lalita Hanwong		2024-09-24
Naw Hlaing Thuzar		2024-11-08
Pan Myat Mon		2025-11-06

THE BORDER CONSORTIUM

England & Wales - Charity number 1109476

Accounts

The Border Consortium (TBC)

**Trustees' Annual Report
and
Audited Financial Statements**

For the Year Ended 31st December 2024

The Border Consortium is a Company limited by Guarantee in England and Wales. Company Number 05255598.

Registered Office 35 Lower Marsh, London SE1 7RL. Charity Commission registered number 110947

Trustees' Annual Report

From 1st January 2024 to 31st December 2024

Charity name: The Border Consortium

Charity registration number: 1109476

Objectives and Activities

Summary of the purposes of the charity as set out in its governing document

The Border Consortium (TBC), a non-profit, non-governmental organisation, is an alliance of partners working together with displaced and conflict-affected people from Myanmar to address humanitarian needs and to support rights-based community-driven approaches in pursuit of peace and development.

Charitable Objects

1. The relief of charitable needs of displaced people of Myanmar by the provision of humanitarian aid and assistance.
2. The development of the capacity and skills of members of the socially and economically disadvantaged community of the displaced people of Myanmar in such a way that they are able to participate more fully in society.
3. The promotion of equality, diversity and racial harmony for the benefit of the public by raising awareness of the needs of and issues affecting the displaced people of Myanmar.
4. The promotion of human rights, (as set out in the Universal Declaration of Human Rights) along the Thailand- Myanmar border area by monitoring and research.

Since its founding in 1984, TBC has provided food, shelter, and capacity-building support to communities affected by conflict and displacement. Alongside direct service delivery, TBC has engaged in dialogue, inter-agency coordination, research, policy development, and advocacy on behalf of refugees and conflict-affected populations.

TBC's humanitarian programmes aim to deliver timely, quality assistance to refugees in Thailand and to conflict-affected communities in Southeast Myanmar. The organisation's working philosophy is to maximise community participation in all aspects of decision-making – including in programme design, implementation, monitoring, and feedback - with the goal of enhancing self-reliance, particularly in the refugee camps.

TBC promotes a participation and empowerment model, ensuring that displaced communities have:

- Information, knowledge and skills to support safe and dignified living while displaced.
- Capacity and resources to respond locally to emergencies.
- Practical experience in decision-making, management, land use planning, sustainable agriculture, and small business development to support future livelihoods.

In parallel, TBC Members and leadership work with refugees and conflict-affected persons to advocate with governments, donors, and other stakeholders for:

- A fair legal, policy and regulatory framework for refugee management.

- Protection for vulnerable groups.
- Durable solutions for refugees.
- Adequate and sustained funding to maintain essential camp services and provide emergency assistance in Thailand and Southeast Myanmar for as long as required.

Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.

In 2024, TBCs work remained driven by the need to respond to the humanitarian crisis in Myanmar. Since the military coup on 1 February 2021, the State Administration Council (SAC) has killed over 6,050 civilians and detained and imprisoned over 27,800 human rights defenders.¹ Active opposition and conflict continued during the period. After losing significant territorial control, Myanmar's Armed Forces (MAF) also intensified airstrikes and heavy artillery attacks in Southeast Myanmar. These indiscriminate assaults placed civilian lives in grave danger, with schools and hospitals among the many targets destroyed. These actions constitute a clear violation of international humanitarian law. Due to the fighting, over 3 million people were displaced in Myanmar with over 2 million being displaced in southeastern Myanmar². Human security was also impacted by widescale flooding in southeastern Myanmar, which damaged crops and exacerbated food insecurity.

Conflict-affected people with acute humanitarian needs have also continued to seek protection in Thailand. This includes rural villagers as well as human rights defenders and pro-democracy activists. While many crossed into the refugee camps in Thailand, many others chose to stay in hiding in remote areas along the Thai Myanmar border, seeking work in farms or plantations.

While third-country refugee resettlement resumed in 2024 - with plans to send 10,000 a year to the US under a joint UNHCR, US Embassy and Royal Thai Government (RTG) initiative - the new US government later announced major cuts to its refugee admissions programs, leaving refugees in the camps with little hope of being resettled. As a result, under 2,000 refugees departed for resettlement during the year.³

On 16 August 2024, Paetongtarn Shinawatra became Thailand's new Prime Minister, after the removal from office of Srettha Thavisin, who was dismissed by the Thai Constitutional Court on 14 August 2024. Thailand's political situation remained broadly stable. Some anti-government and anti-monarchy protests took place, mostly in Bangkok, and concerns around Thailand's repression of media and civic space remained.

Programmes:

TBC's 2023-2025 Strategic Plan focuses on four key areas: 1) humanitarian needs, 2) resilience and recovery, 3) protection and safer futures, and 3) strengthening local governance.

During the reporting period in Thailand, TBC met the immediate humanitarian needs of the 106,454 refugees in the camps, through the provision of food under our Food Card System and shelter material support. Support for maternal, infant and young child feeding (MIYCF) nutrition activities continued and our 2024 Biennial Nutrition Survey took place as scheduled. Technical support to Camp Committees and the provision of capacity building trainings continued throughout the year. Outside of camp, humanitarian support was provided to new refugee arrivals as part of our emergency response plan. The slow scale of third country resettlement to the US, plus continued new arrivals to camp, meant the camp population increased by 19% over the course of 2024. While this has presented challenges, TBC and its local partners have decades of experience in scaling up and down programming to meet changing needs.

¹ AAPPB coup database <https://aappb.org>

² UN OCHA January 2025

³ Internal TBC monitoring reports.

Refugee policy in Thailand towards new arrivals of conflict affected people from Myanmar remains a challenge. Newly arrived refugees, by policy, are not permitted entry to existing refugee camps. A number of new arrivals stay at officially designated Temporary Safety Areas (TSA), which are usually not directly accessible by UNHCR and INGOs. However, basic humanitarian aid, primarily food and non-food items are allowed to be distributed generally through local community groups and leaders. These TSAs are normally closed down and inhabitants instructed to return to Myanmar once the Royal Thai Army (RTA) deems the immediate situation in Myanmar to have improved, often within 48 hours after fighting reducing. A new standard operating procedure has been announced by the government, which will facilitate greater humanitarian access to new refugee arrivals, but it has not been finalised or published by the end of 2024.

Due to the restrictions and limited protection available within the TSAs, there are also a number of predominately Karen and Karenni refugees taking shelter in local communities in rural Thailand, outside of the purview of the RTA, the majority of whom do not have documentation. In accordance with recent RTG policy, none of these new arrivals have been allowed long-term refuge in Thailand. Many have returned to Myanmar. Some returned under duress while others returned of their own accord, aware that they would not be allowed to stay in Thailand after fighting subsided, or so they could return to safeguard their property and livelihoods. There is also a large number of human rights defenders (HRDs) and other refugees taking shelter primarily in urban areas along the border, most notably in Mae Sot, but increasingly in Chiang Mai and Bangkok.

Despite multi-faceted TBC advocacy with the RTG to allow refugees to work, access to legal employment for refugees remain difficult to secure, although some refugees have been able to leave camp temporarily for unofficial locally sanctioned work.

In Myanmar, TBC and its partners mitigated the vulnerability of more than 485,000 internally displaced persons. TBC prioritised improving access to food, shelter, health care and education in emergencies. Resilience and recovery were strengthened by promoting community-led agricultural extension, natural resource management, and nutrition initiatives. Efforts to foster protection and safer futures included raising awareness of human rights and international humanitarian law and mobilizing social protection systems. Local governance was enhanced through investments in land administration, public administration capacities, inter-agency coordination, and community feedback mechanisms.

Public Benefit Statement

The trustees confirm that they have complied with their duty under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. TBC's activities directly address the relief of poverty, the advancement of human rights, and the promotion of equality for displaced and conflict-affected communities. In 2024, this work reached over 610,000 individuals, improving access to food, shelter, protection, and opportunities for self-reliance.

Achievements and Performance

Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.

Multi-sectoral responses by TBC and local partners reinforced the resilience of over 610,000 displaced and conflict-affected individuals during 2024. This included over 106,000 people in nine refugee camps inside Thailand, more than 20,000 especially vulnerable individuals dispersed along the Thailand-Myanmar border and at least 485,000 villagers in southeastern Myanmar.

The key achievements against TBC's four Strategic Directions were as follows:

Strategic Direction #1 Prioritise the Humanitarian Imperative:

Address the humanitarian needs of displaced and conflict-affected communities, with a focus on especially vulnerable people. Provide equitable access for displaced communities to food, shelter and non-food items.

TBC conducted major humanitarian activities throughout the year. Food assistance to over 103,000 refugees in the nine camps continued through our Food Card System. Food security was complemented by ongoing in-kind charcoal cooking fuel distribution under the coordination of refugee Camp Committees and warehouse staff. Each quarter, TBC conducted nutritional assessments of the food card value to ensure that the most vulnerable refugees in camp were able to secure a full nutritional food basket each month.

In-camp Shelter Working Groups and Teams successfully distributed shelter materials and maintained stockpiles of key building materials to ensure they are prepositioned for distribution as required.

The Annual Population Verification process took place in 2024. This census of encamped refugees was conducted with the collaboration of TBC staff and Camp Committees. Results, combined with monthly updates in population figures, showed an annual population increase of 19%.

Outside of the camps, TBC continued to implement its emergency response plan for new refugee arrivals. This was done through the distribution of in-kind support, including food, shelter and hygiene items to refugees in TSAs. Working through local partners, TBC also provided similar in-kind support to refugees outside of TSAs, hidden in forested areas and among border communities. However, due to their lack of documentation, their situation remains precarious with significant protection concerns.

In Myanmar, TBC partners distributed cash and food aid to mitigate the vulnerability of approximately 180,000 IDPs affected by atrocities. This was complemented by ethnic health service providers administering medical treatment for over 220,000 patients in remote areas. The multi-sectoral approach to humanitarian relief also included distribution on a smaller scale of temporary shelters for newly displaced communities and non-food items such as dignity kits for girls and women.

Strategic Direction #2 - Reinforce Resilience and Recovery:

Mitigate the longer-term impact of displacement on food security and nutrition. Enhance nutrition, environmental hygiene, climate-smart agriculture, small businesses and access to employment for displaced and conflict-affected communities.

In Thailand the 2024 Biennial nutrition survey took place as scheduled; the full results will be published in 2025. However, the results from our quarterly Food Security & Nutrition (FSN) Post Distribution Monitoring (PDM), showed that the nutritional health of refugees remained stable. The Healthy Babies Bright Futures programme continued to provide BabyBRIGHT fortified complementary food to young children, supplemented by maternal, infant and young child feeding education and activities. Each month, caregivers to approximately 2,000 children aged 6-24 months enrolled in educational sessions focusing on best nutritional practices.

The Livelihoods Committees distributed agricultural supplies and vegetable seeds in all nine camps, and the Savings and Loans Committees gave access to loans for small businesses in camp. Numerous capacity building activities enhanced refugees' income generation skills, such as the construction of bamboo furniture or cement block making. The Community Driven Natural Resource Management program continued to protect the local environment and promote awareness of the importance of environmental protection.

The Food Security Post Distribution Monitoring (PDM) was carried out quarterly, offering essential insights into the food security status among the refugee population. At the end of 2024, 94.7% of households reported having an acceptably diverse diet and 94.5% of households reported little to no hunger.

The PDMs found that balances on the Food Cards were primarily used to purchase rice and cooking oil, which are essential items with relatively high cost. To supplement their diet, households relied on fresh vegetables

obtained from community and home gardens. In 2024, all nine camps received new agricultural equipment, ranging from watering cans, pipes, water tanks, gardening tools and a distribution of vegetable seeds to increase the productivity of community and home gardens.

In Myanmar, interventions promoting nutrition-sensitive and climate-smart agriculture and sustainable natural resource management engaged over 13,500 upland farmers and more than 9,000 farmers are now reporting increased agricultural productivity. These interventions have been complemented by initiatives promoting nutrition and access to safe water supply and environmental hygiene which reached 34,000 remote villagers. Over 16,000 pregnant and breastfeeding mothers were reached with MIYCF interventions in southeastern Myanmar.

Strategic Direction #3: Promote Protection and Safer Futures:

Reduce the exposure of displaced and conflict-affected communities to harm and mobilise safe and dignified pathways. Defend human rights including access to human security in Myanmar, temporary shelter and work in Thailand and resettlement to third countries.

Prospects for durable solutions for encamped refugees remained low during the period. The conflict created by the coup along with the poor human security situation in Myanmar has meant plans for the return of encamped refugees to Myanmar remained on hold. Following US announcements in 2023, that they would accept 10,000 refugees for resettlement per year, the first departures took place in 2024. However, only 2,000 departures occurred before the new Trump administration announced massive cuts to the US refugee admissions program. At current resettlement rates, it would therefore take years if not decades to resettle the 60,000 who are eligible for US resettlement. For the rest who are not eligible, there is little hope for resettlement or return, only prolonged encampment. TBC therefore continued to push for alternative futures beyond camps and remained a strong and consistent advocate for expanding durable solutions for refugees.

Throughout the period, TBC also continued to advocate to get the Thai government to formally allow refugees to work. While formal pathways to legal employment for refugees remain difficult to secure, some refugees have been able to leave the camps temporarily for unofficial, locally sanctioned work, usually day labor in neighbouring Thai villages.

In Myanmar, 126 human rights reports documenting atrocities were collected by ethnic human rights groups and released to the media. Over 1,500 civilians were reached with human rights education. Community media outlets were supported to disseminate messages on a range of topics, including early warnings about imminent military attacks and natural disasters. Local governance was strengthened by providing 26 capacity building trainings for ethnic land administration bodies and ethnic health systems.

Strategic Direction #4: Strengthen Local Governance:

Diversify representation and enhance accountability in the ownership and oversight of programs and services. Responsibly and transparently manage change in collaboration with refugee and civil society partners, local authorities, donors and other stakeholders.

The nine refugee camps on the Thai Myanmar border are run by elected refugee Camp Committees with support provided through TBC's Community Management and Preparedness Programme (CMPP). The program is locally managed and led and includes various refugee entities such as women and youth groups, education providers, and human rights activists. The Code of Conduct for the camps was devised and managed by the Refugee and Camp Committees, demonstrating that refugee-designed codes can lead to protection and security impacts. All incoming staff received comprehensive onboarding in the Code of Conduct, prevention of sexual abuse and harassment and Child Protection Policy, while existing staff and local partners received refresher trainings. Regular capacity building training took place, relating to office management, computer

skills, and fraud mitigation, and needs assessments were undertaken to inform future capacity building trainings. Despite challenges relating to new arrivals and increasing food prices, the Camp Committees were able to manage most challenges themselves through established governance mechanisms.

In Myanmar, TBC continued its support for ethnic land administration and health systems, expanding its efforts to include capacity-building initiatives for public administrators across various sectors. These initiatives also involved facilitating public consultations, promoting inter-agency coordination, and supporting effective policy development in southeastern Myanmar.

A summary of the key indicators used to assess performance during the past year is included below.

Strategic Direction	Indicators of Success	Target	Achievement
Prioritise the Humanitarian Imperative	<ul style="list-style-type: none"> •% refugees receiving cooking fuel as scheduled •% refugee households whose food consumption scores indicate an acceptable diet •# internally displaced or conflict affected persons assisted with the equivalent of three months' food supply 	<ul style="list-style-type: none"> • >95% • >90% • 150,000 	<ul style="list-style-type: none"> • 98% • 90% • 179,876
Reinforce Resilience and Recovery	<ul style="list-style-type: none"> •% refugee children under 5 years old with stunting malnutrition •% surveyed households reporting severe hunger •#upland farmers reporting increased agricultural productivity 	<ul style="list-style-type: none"> • 22% • <2% • 10,000 	<ul style="list-style-type: none"> • 22.5% • 0% • 9,203
Promote Protection and Safer Futures	<ul style="list-style-type: none"> •%women with disabilities in refugee leadership roles •# reports about human rights concerns documented and publicly distributed •% beneficiaries who report an improved sense of safety and well-being 	<ul style="list-style-type: none"> • 30% • 200 • 90% 	<ul style="list-style-type: none"> • 35% • 126 • 98%
Strengthen Local Governance	<ul style="list-style-type: none"> •% complaints raised by beneficiaries that are satisfactorily resolved by TBC within 30 days •% incoming staff & partners receiving comprehensive onboarding in Code of Conduct, PSEAH and Child Protection Policy 	<ul style="list-style-type: none"> • 100% • 100% 	<ul style="list-style-type: none"> • 100% • 100%

Strategic Report

Overview

TBC's management and headquarters are based in Bangkok, Thailand, and its accounting records are maintained in Thai baht (THB). TBC financial statements conform to the Statement of Recommended Practice for Charities (SORP FRS 102), with both Income and Expenses reported on an accruals basis, and separation of restricted and general funding. TBC uses QuickBooks Enterprise as its accounting software.

Financial Overview Year 2020-2024 in THB millions:

	2020	2021	2022	2023	2024
Income	586	1,030	914	953	1,139
Expenditure	567	730	875	931	1,142
Net Movement	19	300	39	22	(3)
Closing Fund balance	192	493	532	553	550
Restricted funds	107	396	451	447	446
Designated funds	59	61	58	60	33
Freely available general reserve	26	36	23	46	71
Liquidity (Bank-Trade Creditors)	91	93	85	111	204

2024 is the second year of TBC's 3-year Strategic Plan 2023-2025. The strategic direction continues to emphasize the exploration of alternative solutions to address the evolving needs and possibilities for the displaced populations.

Before the 2023 strategic plan, TBC's financial outlook had been declining. There had been a much greater focus on the voluntary repatriation of refugees to Myanmar and even discussions that if significant numbers of refugees could return, and camps were going to be closed or consolidated, TBC may, at some point, no longer be needed, and we may have been looking at a situation where TBC may be able to close the organization. However, the COVID-19 pandemic in 2020 and the Myanmar coup in 2021, produced another crisis, and disrupted TBC's plans to pursue these objectives. Instead, these crises led to an increased focus on the provision of humanitarian assistance. Of note here is that prior to the COVID and the coup, the Board had set aside reserves to fund a possible shutdown of the organisation, but once it became clear TBC was needed - more than ever with new refugees arriving and few prospects for a solutions for those already in camps – the Board later took the decision to free up a proportion of reserves that had been held for a possible shut down of the organisation.

Since 2020, income has increased by 90%, reaching THB 1.14B in 2024. Expenditure totalled THB 1.14B, resulting in a net decrease of THB 2M and a fund balance of THB 550M. This balance includes THB 446M in restricted funds, THB 33M in designated funds, leaving a general reserve of THB 71M. At the end of 2024, the Trustees agreed to remove the THB 30M designated as a "close-down" budget as closure is no longer considered imminent and the purpose of the fund has lapsed. Funds were allocated back into the General Reserve.

While TBC has historically maintained its reserves without significant drawdown, the current funding climate and the risk of reductions from key donors has prompted the Board to consider the strategic use of reserves if necessary. Although no major drawdown is planned at this time, the Board has confirmed that general reserves

may be used to temporarily bridge critical gaps in core operational funding as agreed by the board to support urgent cash flow needs. It should not be used to cover unfunded program costs in the short term.

Liquidity, measured by the ratio of bank balance to trade creditors, is THB 204M—almost doubled from the previous year. This increase is largely due to receiving most of the remaining balance from a donor project that will continue into 2025.

TBC remained committed to strengthening the capacity of its local partners in responding to the ongoing emergency and addressing multi-sectoral needs. The number of subgrants increased from 84 in 2023 to 87 in 2024, with some partners receiving multiple advances for different projects. On average, THB 66M remained outstanding in advances, reflecting a steady flow of activities.

Due to the lack of formal financial systems along the border and within Myanmar, cash payments remain necessary for supplies and services. TBC recognizes this challenge and continues to mitigate risks through regular reporting and rigorous internal review of support documentation.

TBC's banking operations remain exclusively managed through Siam Commercial Bank (SCB) in Thailand, a system that has proven effective. Accounts in multiple currencies (THB, GBP, and USD) provide limited flexibility in timing fund conversions to secure favourable exchange rates. After evaluating alternative providers, TBC confirmed that SCB offers highly competitive conversion rates, and no change is currently needed.

In May 2024, the Extraordinary General Meeting (EGM) and quarterly Trustees' meeting were held in Bangkok, Thailand. The Annual General Meeting (AGM) took place on 8 November 2024, also in Bangkok. TBC organised a visit to the Tham Hin refugee camp for members and hosted its annual Donor Meeting that same week to discuss future funding needs and opportunities. One of the outcomes was an even greater focus on the need to localise TBC, with a particular emphasis on diversity in senior management staffing and among the Board of Directors.

In 2024, TBC underwent six planned project audits and its external annual audit. These audits, required annually by different donors, did not identify any material concerns. TBC remains committed to integrity and transparency, with its systems and operations regularly reviewed by multiple external parties each year.

Principal Funding Sources:

Income Sources 2024	Donor	Currency	Amount	Thai Baht
Australia ANCP (Act for Peace)	R	AUD	155,000	3,923,422
Australia DFAT (IRC)	R	AUD	2,593,400	59,279,937
Australian Embassy -DAP	R	THB	159,600	159,600
Denmark DANIDA (DanChurchAid)	U	DKK	1,400,000	7,124,013
International Organization for Migration	R	THB	7,500,000	7,500,000
Japan-PEACE	R	THB	5,798,815	5,798,815
MFA- Thailand	R	THB	1,000,000	1,000,000
Nexus-UNOPS (DanChurchAid)	R	USD	987,315	34,820,231
New Zealand-MFAT	R	NZD	2,000,000	44,700,000
UNOPS- LIFT Fund	R	USD	1,144,014	50,381,542
Polish Embassy Thailand	R	USD	20,000	676,993
Swiss Embassy-Thailand	R	THB	200,000	200,000
United Kingdom-FCDO	R	GBP	3,500,000	158,164,300
USA- BPRM (IRC)	R	USD	15,300,000	537,305,873
USAID-LEARN (CPI)	R	USD	4,271,271	147,686,569
Anonymous donor 1	R	THB	4,681,383	4,681,383
Anonymous donor 2	R	THB	69,993,941	69,993,941
TOTAL Government Backed				1,133,396,618
Non Government - Restricted	R			1,487,488
Non Government - Unrestricted	U			3,979,356
TOTAL: Voluntary Income				1,138,863,462
Investment Income	U			(317,650)
Sale of Assets	U			350,000
Total Income				1,138,895,812
Restricted (denoted by R)	R			1,127,760,093
Unrestricted	U			11,135,719

Some of the funding allocated for TBC programs and management is obtained indirectly, as it is secured by NGO partners in their respective home countries and then sub-granted to TBC. Many of these funding partners also serve as consortium members of TBC, contributing alongside other organizations and individuals through private grants or donations.

In 2024, TBC recorded a total income of THB 1.139 B, exceeding the budget by THB 172 M (17%), largely due to a donor who has requested to remain anonymous. TBC realized on a net foreign exchange gain of THB 4M, compared to a gain of THB 24M in 2023.

TBC's work received support from nine governments, with contributions ordered by size from the United States, United Kingdom, New Zealand, Australia, Denmark, MFA-Thailand, Swiss Confederation via the Swiss Embassy in Bangkok, PEACE-Japan, and Poland. Additionally, TBC continued to benefit from ongoing assistance from the European Union through the UNOPS-managed Nexus Response Mechanism, as well as from the multi-donor Livelihoods and Food Security Trust (LIFT), also administered by UNOPS.

The donation from the International Organization for Migration was to cover a balance remaining from 2023. TBC also entered into the second year of a three-year agreement with USAID in consortium with Community Partners International (CPI). These government-based donors collectively funded 99% of TBC's annual budget.

In addition to its regular funding sources, TBC successfully raised THB 208M (22% of total income) for emergency response efforts along the border. Contributors to these emergency funds included the United States-BPRM, UNOPS/EU-Nexus via DanChurchAid, the United Kingdom-FCDO, Australia-DFAT, Kerk en Actie, and New Zealand-MFAT.

Actual Expenditure compared with Budget 2024:

Strategic Objectives 2023-2025	Budget	Actual Direct	Resources	Total Actual
Prioritise the Humanitarian Imperative	680,000,000	852,336,101	3,392,654	855,728,755
Reinforce Resilience & Recovery	31,000,000	44,877,339	1,938,659	46,815,998
Promote Protection & Safer Futures	57,000,000	50,079,977	726,997	50,806,974
Strengthen Local Governance	151,400,000	181,453,518	6,323,395	187,776,912
sub-total Activity Cost	919,400,000	1,128,746,935	12,381,705	1,141,128,640
Cost of Generating Funds	600,000	223,354	313,206	536,560
Total Expenditure	920,000,000	1,128,970,289	12,694,911	1,141,665,200

TBC commenced year two of its 2023-2025 Strategic Plan, aligning its main programs with four overarching strategic objectives as outlined in the table above. Direct expenditure is systematically analysed based on these strategic objectives, with associated costs aimed at ensuring sustained access to sufficient nutritious food and suitable shelter allocated between refugee camps (humanitarian assistance) and internally displaced persons (emergency relief). Notably, certain activities, including those related to nutrition, shelter, stipends, and camp administration, may intersect with multiple objectives. To facilitate precise tracking and accountability, these activities are categorized into cost centres, each assigned distinct accounting codes for accurate financial management.

Each strategic objective encompasses specific program-related costs aimed at achieving its respective goals:

1. **Prioritise the Humanitarian Imperative:** This objective focuses on addressing immediate humanitarian needs. Program-related costs include expenses associated with the food card system, provision of cooking fuel, shelter initiatives, and most emergency response efforts.
2. **Reinforce Resilience and Recovery:** This objective aims to enhance community resilience and facilitate recovery. Program-related costs encompass activities such as natural resource management, agricultural extension services, nutrition promotion initiatives, and interventions related to water, sanitation, and hygiene.
3. **Promote Protection and Safer Futures:** This objective is centred on promoting protection and ensuring safer futures for displaced populations. Program-related costs include camp management

stipends and administration, expenses related to facilitating returns, and initiatives aimed at providing social protection.

4. Strengthen Local Governance: This objective focuses on enhancing local governance structures and organisational systems. Program-related costs encompass activities such as quality control of commodities, safeguarding and compliance monitoring efforts, shelter monitoring and assistance initiatives, support for local governance structures, and TBC organisational costs.

A breakdown of the overarching programmes expenditure and the major cost centres are described below. It is important to note that the accounts behind these cost centres, are consistent with previous years.

Resource costs encompass salaries, benefits, and other indirect expenses associated with program implementation. Some of these costs are directly tied to specific activities, while others are allocated based on management estimates of staff time dedicated to various tasks. In 2024, the cost of supporting one refugee in the camps amounted to approximately THB 6,575 (GBP 148), a slight decrease from THB 6,868 (GBP 161) in 2023, largely due to a stronger GBP. Resource and governance costs combined for less than 1% of the total expenses incurred during the year.

The actual program expenditure for 2024 totalled THB 1.14B, representing a 20% increase from the previous year's expenditure. This surpasses the budget expectation of THB 920M. The rise in expenditure is largely due to the unexpected anonymous donor.

The largest expenditure fluctuation was driven by programs responding to the humanitarian crisis caused by the Myanmar coup. TBC no longer considers COVID-19 a risk in 2024 and will not include it in future assessments unless circumstances change significantly. Restricted funds carried over from 2023 were maintained, with expenditure rising in proportion to new funds raised in 2024.

Total expenditure directly contributing to the emergency amounted to THB 310M, with THB 45M utilized in Thailand (compared to THB 60M in 2023) and THB 265M directly supporting Myanmar (compared to THB 153M in 2022). These figures reflect a net increase of THB 97M (85%) from 2023.

The majority of TBC Thailand's camp costs are typically stable, with variations primarily occurring in response to changes in population numbers, rations, and commodity prices. This year, both camp population and commodity prices experienced significant increases. TBC's operations in Thailand accounted for THB 703M of the total program expenditures, while Myanmar programs accounted for THB 128M.

TBC initially projected a 6% population increase, from 86,000 to 92,000. However, the assisted population peaked at 109,500 before decreasing slightly to 106,000 by year-end. By mid-year, TBC decided to maintain current food levels for 2024, with a potential reassessment for 2025.

The Food Card System continues to be TBC's largest budget line for the refugee camps, with total expenditure, including service fees, reaching THB 365M compared to THB 317M in 2023.

Charcoal represents TBC's second largest camp-related budget line, with expenditure totalling THB 119M, a 20% increase compared to THB 100M in 2023. This increase is primarily attributed to the rise in population within the camps.

Shelter materials in the budget typically cover only the minimal needs in the camps. However, additional funding restricted to shelter allowed TBC to purchase more materials, resulting in an overspend of 22% for a total of THB 26.5M.

Camp management costs and stipends were on budget, 21M and 31M respectively. With the growing population, TBC is planning increases to accommodate the growing demands on the system.

Food Security and Livelihood program spending came in over budget by THB 8M for a total of THB 26M. This is due to issues in production of Baby-Bright product at the end of 2023, which cause a delay of delivery to the camps. The 2023 year reported an underspend which is reflected in 2024. The FSN program includes infant and young child feeding program, as well as for SFP/IPD activities. Other related expenses include surveillance, trainings, and livelihood activities.

Total organisational costs amounted to THB 103M, exceeding the budget by 4%. Personnel-related costs totalled THB 84M, covering salaries, benefits, staff insurance, and home travel. The appointment of a new Executive Director in February and an Organisational Support Director in November contributed to the increase in personnel costs.

TBC exceeded its budget by approximately THB 2M for travel, IT, and operational expenses, which totalled THB 18.5M. This was largely due to several special events relating to the TBC's 40th year anniversary of serving refugees on the border, as well as some international travel to seek other funding sources.

TBC's annual external audit fee increased to THB 2.75M, compared to THB 2.6M in previous years.

Myanmar expenditure was 36% under budget due to the winding down of some projects and the slow startup of new ones, primarily funded by UNOPS-LIFT and UNOPS-NEXUS via DCA. Total expenditure for development-related activities in Myanmar was THB 118.5M. In contrast, emergency spending exceeded projections by 318%, reaching THB 265M.

In summary, the increase in spending beyond the planned budget was driven by TBC's efforts to meet basic needs and ensure protection for refugees in the nine border camps. Additional funds were also raised to support lifesaving programs in response to the Myanmar coup.

Despite a weakening foreign exchange rate throughout the year, TBC avoided significant losses.

Of note here is that TBC has often been required to scale-up and scale-down programming, along with its local program partners, as the situation changes and people's needs, and it is well practiced in working with a multitude of donors to fill funding gaps and seek out new funding where necessary.

Principal Financial Risks and Mitigation

The principal financial risk facing TBC is the potential reduction in donor funding, particularly from government sources that support core refugee programmes in the camps. Government grants account for 98% of TBC's total income, with three donors—PRM (U.S. Government), FCDO (UK), and DFAT (Australia)—being the most critical.

Since 31 December 2024, TBC has been modelling a range of funding scenarios to ensure operational continuity. In 2025, after the February US stop work orders, the programme in Myanmar was scaled back to reflect the funding cuts. In Thailand, food ration reductions were introduced in response to rising demand and constrained resources. At the start of October, TBC also began reducing staffing. In late October, however, we received confirmation of funding of \$5.3 million from PRM which can be applied to the end of December 2025 – an extension of the previous year's funding for TBC's food and cooking fuel programme. There is no guarantee of ongoing US funding.

In the interim, the Thai government had introduced work rights for refugees to respond to the food aid crisis with a view to enabling greater self-reliance. Work rights are now permitted, and once working age refugees can formally work, there will be less need for food aid. Meanwhile, TBC has been in close contact with a range of other donors to secure alternative funding for food and charcoal for the period after the US funding comes to a potential end.

TBC is actively engaging with DFAT, FCDO, and other partners to secure ongoing support and to negotiate flexibility within available funding, with a particular focus on prioritising the most vulnerable camp residents. Trustees, Members, and Senior Management maintain direct dialogue with donors and government representatives to keep them informed of the financial situation and the evolving humanitarian crisis, while also seeking to diversify income streams to reduce dependency on a small donor base.

At the close of FY 2024, TBC's general fund stood at THB 71M—the strongest level since 2017—providing important financial flexibility. These unrestricted funds are used for cash-flow management, covering minor non-donor budgeted expenses, and bridging short-term funding gaps. The TBC Board has mandated that general funds will not be applied to programme costs: if a donor does not fund an activity, TBC does not proceed with it.

The only long-term liability is severance pay. Designated reserves are sufficient to cover this obligation, ensuring TBC can responsibly meet costs arising from budget-driven staff reductions. As part of the work to adapt to a new funding and operating context, TBC has decided to adjust terms and conditions for staff going forward, removing the commitment to make a severance payment. TBC will be implementing the new terms and conditions and paying out historic commitments, negating the need for a designated severance fund beyond the end of 2024.

Contextual Risks and Mitigation

The number of refugees requiring support is a significant risk driver. In 2024, TBC budgeted for a population of 92,500 but ended the year with over 106,500—a sharp increase with major financial consequences. Zero population movement, or further increases, will make it harder to meet humanitarian needs if funding weakens. Although the Royal Thai Government normally restricts new arrivals from entering camps, the worsening crisis in Myanmar since 2021 has altered these dynamics. Rising numbers of internally displaced persons (IDPs) in southeast Myanmar also intensify pressures on TBC's limited resources.

The wider political environment in Myanmar and Thailand creates high contextual risk, as government policies on displaced people remain beyond TBC's control. To mitigate this, Trustees, Members, and Senior Management maintain active dialogue with stakeholders in both countries to ensure refugee and IDP needs remain visible.

Market volatility in key commodities such as rice—exacerbated by unstable harvests and flooding—adds further financial strain. TBC mitigates this risk by stockpiling essential items when prices are favourable, although this provides only partial protection.

Programmatic Risks and Mitigation

TBC has maintained a formal Risk Management Plan since 2008, expanded in 2015 to cover country-specific risks. The risk management matrix is reviewed regularly by management, assessed by Trustees twice a year, and presented to Members at both the AGM and EGM. The most recent register was reviewed and ratified at the November 2024 AGM.

Fraud and corruption remain organisational risks. TBC's Fraud Mitigation and Response Committee, established in 2022, continues to oversee implementation of the Fraud Risk Management Plan. Activities include ongoing transaction monitoring, investigating complaints, and strengthening internal processes.

In Myanmar, the safety and security of personnel and beneficiaries remain at high risk due to conflict. This is mitigated through close coordination with multiple stakeholders and continuous monitoring of the operating environment.

Trustees set clear financial and fundraising boundaries for the Executive Director, consistent with the Reserves Policy. While TBC does not maintain a separate finance and audit committee, the Board receives reports from external audits, donor audits, and independent evaluations, which provide assurance over the effectiveness of internal controls.

Financial Review

Fund Balance as at 31 December 2024

At the end of 2024, TBC held a total fund balance of **THB 549M**, comprised of **THB 446M in restricted funds** and **THB 103M in general funds**. Of the general funds:

- **THB 33M** is designated to meet potential staff severance obligations under Thai and Myanmar law.
- **THB 71M** is available as freely usable reserves.

Reserves Policy

The Trustees have adopted a reserves policy to ensure financial resilience and continuity of operations. The policy states that TBC:

1. Seeks both restricted and unrestricted income to deliver its charitable and strategic objectives.
2. Reviews and adjusts budgets twice a year to align with income forecasts.
3. Maintains a designated fund sufficient to meet potential staff severance obligations.
4. Seeks to maintain at all times a positive balance of freely available funds.
5. Holds a minimum fund balance sufficient to cover receivables, inventory, and fixed assets.
6. Reviews the reserves policy annually, with Trustees setting operating boundaries for the Executive Director in line with it.

TBC aims to maintain a **minimum level of THB 25M in general reserves**, equivalent to approximately four months of core operating costs. At the close of 2024, freely available reserves (THB 71M) exceeded this minimum.

Liquidity Position

Liquidity—defined as cash and bank balances less short-term liabilities—stood at **THB 204M at 31 December 2024**, an increase from **THB 111M in 2023**. This strengthening was largely due to two donors advancing grant instalments, providing assurance that TBC could meet Q1 2025 programme demands.

Restricted and Designated Funds

At year end, TBC held **11 restricted funds** carried forward into 2025, as permitted by donor agreements. Movements in restricted funds are shown in **Note 17 to the Accounts**.

The designated severance fund is reviewed annually in line with accrued staff entitlements. Its balance at year end was **THB 33M (2023: THB 30M)** (see **Note 14** to the financial statements), sufficient to cover potential liabilities in full.

Planning for Uncertainty

During 2024, Trustees identified increasing uncertainty in TBC's funding environment. This crystallised in mid-2025 with the loss of a major funder. In response, TBC has implemented reductions in its Thailand humanitarian programme and restructured its organisation to ensure sustainability. A revised budget and cash flow plan for 2025 has been adopted to align resources with available funding while safeguarding support for the most vulnerable.

Trustees' View on Reserves and Liquidity

The Trustees consider that TBC's current level of reserves and liquidity is adequate to manage foreseeable risks in 2025, while recognising that the organisation faces a more challenging funding climate. At the close of 2024, the strengthened general reserves, combined with the designated severance fund, provide an essential buffer that will enable TBC to adapt responsibly to future uncertainties.

Plans for Future Periods

TBC's current strategy is reaching its conclusion. After four decades of sustained support from the international community, TBC is developing a transition strategy to respond to a rapidly changing environment. The organisation will continue to uphold its core humanitarian mandate—ensuring food security, shelter, protection, and dignity—while managing organisational change in the context of reduced donor funding and waning international attention.

The refugee landscape is also evolving. Opportunities for third-country resettlement have diminished, and safe return to Myanmar remains suspended for the foreseeable future. Traditional durable solutions are therefore not currently realistic. In the near term, TBC will continue to prioritise advocacy on the right to work for refugees in Thailand and to support the safe realisation of such rights now granted.

Looking ahead, TBC aims to become a leaner, regionally led, and more agile organisation, better positioned to respond to shifting humanitarian needs, changing political dynamics, and evolving donor priorities.

Structure, Governance and Management

Constitution

The Border Consortium (TBC) is a company limited by guarantee, incorporated in England and Wales on **11 October 2004**, and is governed by its Memorandum and Articles of Association. The charity was registered with the Charity Commission on **13 May 2005**.

TBC's origins date back to **1984**, when the Ministry of Interior of the Royal Thai Government invited non-governmental organisations (NGOs) in Thailand to provide emergency food assistance to refugees from Myanmar. Initially operating informally as the **Consortium of Christian Agencies (CCA)**, the grouping evolved into the **Burmese Border Consortium (BBC)** as the number of refugees grew and additional donors were engaged. In 2004 it was incorporated under the name **Thailand Burma Border Consortium (TBBC)**, before adopting its current name, **The Border Consortium (TBC)**, in **November 2012**.

Membership

Membership of TBC is open to non-governmental, non-profit humanitarian organisations with a demonstrated interest in and commitment to TBC's mandate. Applications are reviewed by the Board of Trustees and referred to a General Meeting of Members for decision. The current membership comprises **nine organisations from nine countries**. Each Member organisation appoints a representative to attend General Meetings, which are held at least annually to decide and direct the overall policy and strategy of TBC.

Board of Trustees

Policy-making authority is delegated to a Board of Trustees (also the directors of the company) elected at the Annual General Meeting. The Board meets formally at least four times each year and more frequently when required. During 2024, the Board convened regularly, in addition to the AGM and EGM, and held increased informal calls with senior management to monitor the fast-changing situation. Key issues addressed included the evolving crisis in Myanmar and securing additional emergency funding.

The Board has one subcommittee, the **Governance and Elections Committee (GEC)**, which oversees Trustee recruitment, nominations, elections, induction, and Board self-evaluation. Trustees are elected annually from among the Member representatives, alongside up to **four independent Trustees** who are not employed by Member organisations.

Trustee Induction and Training

The GEC oversees the induction of new Trustees. Induction includes:

- Briefings by staff on current issues and programme priorities.
- Introduction to the **TBC Governance Guidelines**.
- Provision of the current **Strategic Plan**, programme reports, and financial summaries.

Induction is tailored to the individual's background and experience. Trustees are also responsible for ensuring that TBC's programmes align with its Mission, Charitable Objects, and the **Strategy 2023–2025**.

Management

The Executive Director has day-to-day responsibility for leading and managing TBC's programmes and services, supervising staff, and reporting to both the Board and General Meetings. In February 2024, **Leon de Riedmatten** was appointed Executive Director.

Organisational Structure and Networks

TBC is an Executive Member of the **Committee for Coordination of Services to Displaced Persons in Thailand (CCSDPT)**, which coordinates NGO support for displaced persons and provides a platform for engagement with the Royal Thai Government.

TBC partners with a wide range of civil society organisations (CSOs) and community-based organisations (CBOs) representing refugees and displaced persons. TBC is the **only NGO providing food and shelter assistance** to refugees in the camps; other NGOs provide complementary services including healthcare, water and sanitation, education, and community development.

Regionally, TBC is also a member of the **INGO Forum Myanmar**, which works to strengthen the effectiveness and coherence of humanitarian and development assistance in Myanmar.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees are further required to acquaint themselves with the relevant audit information for the accounting period under consideration and to ensure that they disclose any relevant information to the auditors as deemed necessary.

Disclosure of information to auditor

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditor is unaware; and each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Trustees

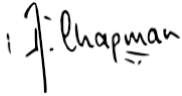
The current trustees of the company are set out on page 45.

- Alexis Chapman, Peter Bo Larsen, James Thomson, Chris Eades and Ramani Leathard served throughout the full year
- Lalita Hanwong joined the board on 24th September.
- Jan Axel Nordlander and Naw Hlaing Thuzar joined the board on 8th November 2024.
- Samantha McGavin resigned on 8th November 2024.

Auditor

KPMG LLP UK were first contracted for the 2011 audit. They have subsequently performed the annual audit for the financial years 2012-2023. The continued appointment was ratified by the Board at the AGM in November 2024 and a new engagement letter was signed in December 2024.

The report of the trustees which incorporates the requirements of the Strategic report and the Directors' report as set out in the Companies Act of 2006 and 2013 regulations, was approved by the Board, in their capacity as Trustees and company directors, and signed on its behalf by the Chair.



.....
Alexis Chapman
Treasurer, Board of Directors
Dated: 28 October 2025

Independent auditor's report to the members of The Border Consortium

Opinion

We have audited the financial statements of The Border Consortium ("the charitable company") for the year ended 31 December 2024 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charitable company's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
- we have not identified and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charitable company will continue in operation.

Fraud and breaches of laws and regulations

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management and inspection of policy documentation as to the charitable company’s high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Senior Management Meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. In particular, this is the risk that revenue is overstated because the revenue may have restrictions in place on what it can be spent on, which have not been adhered to.

We also identified a fraud risk related to inappropriate recognition of expenditure, in particular on the classification between restricted and unrestricted funds.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. This included entries which reduce the amount of expenditure incurred after the period end date.
- Testing the substance of expenditure recorded to assess whether the expenditure had occurred and whether it was correctly classified and meets the donor restrictions where required to recognise the associated revenue.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance

through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: anti-bribery, and employment law, recognising the nature of the charitable company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information.
- in our opinion the information given in the Trustees' Annual Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Joanne Lees (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

30 October 2025

AUDITED FINANCIAL STATEMENTS**Statement of Financial Activities**

For the year ended 31 December 2024

	Notes	2024			Total Funds Thai Baht
		Unrestricted Funds		Restricted	
		General Thai Baht	Designated Thai Baht	Funds Thai Baht	
Income and Endowments					
Income from generated funds:					
Donations and legacies	2	7,267,014	-	1,127,760,093	1,135,027,107
Investment income	3	(317,650)	-	-	(317,650)
Other income	4	364,227	-	-	364,227
Gain on exchange rate	4	<u>3,822,128</u>	-	-	<u>3,822,128</u>
Total income and Endowments		<u>11,135,719</u>	<u>-</u>	<u>1,127,760,093</u>	<u>1,138,895,812</u>
Expenditure on					
Costs of generating funds:					
Expenditure on raising funds	2	313,206	-	223,354	536,560
Charitable activities:					
Prioritise the Humanitarian Imperative	5	3,392,654	-	852,336,101	855,728,755
Reinforce Resilience & Recovery	5	1,938,659	-	44,877,339	46,815,998
Promote Protection & Safer Futures	5	726,997	-	50,079,977	50,806,974
Strengthen Local Governance	5	<u>6,323,395</u>	-	<u>181,453,518</u>	<u>187,776,913</u>
Total Expenditure		<u>12,694,911</u>	<u>-</u>	<u>1,128,970,289</u>	<u>1,141,665,200</u>
Net expenditure before transfers					
		(1,559,192)	-	(1,210,196)	(2,769,388)
Transfers between funds	14	<u>26,272,472</u>	<u>(26,272,472)</u>	<u>-</u>	<u>-</u>
Net movement in funds in period		24,713,280	(26,272,472)	(1,210,196)	(2,769,388)
Reconciliation of Funds					
Total funds as at beginning of period		<u>45,824,080</u>	<u>59,522,195</u>	<u>447,318,544</u>	<u>552,664,819</u>
Total funds carried forward	17	<u>70,537,360</u>	<u>33,249,723</u>	<u>446,108,348</u>	<u>549,895,431</u>

A comparison is provided for the previous year (2023) as follows:

	Notes	<u>Unrestricted Funds</u>		<u>Restricted</u>	<u>Total</u>
		<u>General</u> Thai Baht	<u>Designated</u> Thai Baht	<u>Funds</u> Thai Baht	<u>Funds</u> Thai Baht
Income and Endowments					
Income from generated funds:					
Donations and legacies	2	7,609,045	-	920,601,324	928,210,369
Investment income	3	242,516	-	-	242,516
Other income	4	60,408	-	-	60,408
Gain on exchange rate	4	<u>24,301,687</u>	<u>-</u>	<u>-</u>	<u>24,301,687</u>
Total income and Endowments		<u>32,213,656</u>	<u>-</u>	<u>920,601,324</u>	<u>952,814,980</u>
Expenditure on					
Costs of generating funds:					
Expenditure on raising funds	2	303,168	-	154,057	457,225
Charitable activities:					
Prioritise the Humanitarian Imperative	5	3,081,454	-	681,939,920	685,021,374
Reinforce Resilience & Recovery	5	990,467	-	47,811,850	48,802,317
Promote Protection & Safer Futures	5	550,260	-	55,856,440	56,406,700
Strengthen Local Governance	5	<u>2,201,038</u>	<u>-</u>	<u>138,244,899</u>	<u>140,445,937</u>
Total Expenditure		<u>7,126,387</u>	<u>-</u>	<u>924,007,166</u>	<u>931,133,553</u>
Net income/(expenditure) before transfers					
		25,087,269	-	(3,405,842)	21,681,427
Transfers between funds	14	<u>(2,301,704)</u>	<u>2,301,704</u>	<u>-</u>	<u>-</u>
Net movement in funds in period		22,785,565	2,301,704	(3,405,842)	21,681,427
Reconciliation of Funds					
Total funds as at beginning of period					
		<u>23,038,515</u>	<u>57,220,491</u>	<u>450,724,386</u>	<u>530,983,392</u>
Total funds carried forward	17	<u>45,824,080</u>	<u>59,522,195</u>	<u>447,318,544</u>	<u>552,664,819</u>

All operations are from continuing activities.

The accompanying notes from pages 29 to 43 form an integral part of these financial statements.

Balance Sheet

As at 31 December 2024

		2024	2023
	Notes	Thai Baht	Thai Baht
Fixed assets			
Tangible assets	10	82,666	281,067
Current assets			
Debtors	11	348,691,951	443,609,208
Cash at banks and in hand		233,212,920	132,549,172
Total current assets		581,904,871	576,158,380
Liabilities			
Creditors falling due within one year	12	(29,168,699)	(21,238,631)
Net Current assets		552,736,172	554,919,749
Total assets less current liabilities		552,818,838	555,200,816
Creditors falling due after more than 1 year	13	(2,923,407)	(2,535,997)
Net assets		549,895,431	552,664,819
The funds of the charity			
Restricted income funds		446,108,348	447,318,544
Unrestricted income funds:			
- Designated funds		33,249,723	59,522,195
- General funds		70,537,360	45,824,080
Total charity funds	16	549,895,431	552,664,819

The financial statements on pages 25 to 28 were approved by the trustees and were signed on its behalf on 28 October 2025 by:



Alexis Chapman
Treasurer, Board of Directors

The accompanying notes from pages 29 to 43 form an integral part of these financial statements

Cash Flow Statement

For the year ended 31 December 2024

		2024	2023
		Thai Baht	Thai Baht
	<i>Note</i>		
Cash flow from operating activities			
Net movement in funds in period		(2,769,388)	21,681,427
Investment income	3	317,650	(242,516)
Gain on disposal of assets	4	(350,000)	-
Depreciation charges	10	198,401	2,417,800
Net changes in working capital		103,234,735	(15,316,070)
Net cash from operating activities		100,631,398	8,540,641
Cash flows from investing activities			
Interest received		(317,650)	242,516
Payment to acquire tangible assets		-	(2,198,000)
Cash Received on disposal of Assets		350,000	-
Net cash provided by investing activities		32,350	(1,955,484)
Net change in cash		100,663,748	6,585,157
Net funds as at beginning of the period		132,549,172	125,964,015
Net funds as at end of the period		233,212,920	132,549,172

Notes**Net changes in net working capital**

	2024	2023
	Thai Baht	Thai Baht
Decrease in debtors	94,917,257	3,911,472
Increase in creditors	8,317,478	(19,227,542)
Net changes in working capital	103,234,735	(15,316,070)

The accompanying notes from pages 29 to 43 form an integral part of these financial statements

Accounting Policies and Notes to the Financial Statements

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with 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 01 January 2015) & (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Border Consortium meets the definition of a public benefit entity under FRS 102.

TBC principally operates in Thailand, and its accounting records are maintained in Thai Baht (THB).

Going Concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The business model of the charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and no committed costs beyond its fixed costs of operation which are detailed in note 5.

The Trustees have reviewed the cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period. The charity has sufficient cash reserves to pay all committed costs.

Consequently, the Trustees are confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

The trustees review on an ongoing basis, TBC's financial forecasts and assess severe but plausible downside scenarios in light of funding risks.

The most material risk is a potential reduction in PRM funding, and this risk has crystallised, with a loss of approximately 60% of TBC's annual income. In July 2025, TBC faced a total loss of PRM funding (THB 532M). TBC has had to implement a plan to cease nearly all food and fuel assistance and significantly downsize, focusing on essential camp management, shelter, and nutrition. While disruptive, TBC's planned response was assessed as feasible given TBC's adaptable structure and TBC has progressed to implementation. TBC has a small Myanmar-focused cost centre funded from restricted funds. It also has sufficient reserves to manage staff severance and minor operational gaps in funding.

Since the decision to downsize has been taken, and implementation commenced has received confirmation of \$5m US PRM funding, as noted in the trustees report above and note 18, which will enable a transition in the food assistance programme and ease the transition to the new organisational design.

TBC's restructure ensures that its operations can be sustained if US PRM funding is discontinued after that period, noting that the change in the Royal Thai government policy on refugee right to work will dramatically reduce the requirement for food aid support for camp populations.

TBC is also addressing upcoming grant expirations from FCDO (March 2025) and DFAT (December 2025). A cost extension with FCDO through March 2026 has been officially signed, and DFAT has provided verbal assurances of continued support, in addition to two budget increases in 2025. These engagements and the renewed donor interest arising from the opportunities that are created by the change in policy on the right to work give trustees further confidence in TBC's ability to maintain operations under the base case.

TBC entered 2025 with some financial flexibility, including THB 71M in unrestricted general reserves and adequate liquidity. Mitigation measures have been planned in detail and the implementation of the major organisational redesign is underway. These measures also include other major donor engagements, further contingency planning, and ongoing cost control.

Based on the above indications the trustees believe that it remains appropriate to prepare the financial statements on a going concern basis. Whilst the Trustees acknowledge that substantial changes in funding have occurred in the period since the balance sheet date, they consider that TBC's mitigation measures, level of reserves and liquidity is adequate to manage foreseeable risks in 2025 and beyond, while recognising that the organisation faces a more challenging funding climate.

The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the monetary value of the income can be measured with sufficient reliability. Such income is only deferred when the donor specifies that the grant or donation must only be expended in future accounting periods.

Voluntary income consists of grants, donations and gifts that provide core funding or are of a general nature. Gifts in kind are valued at estimated fair market value at the time of receipt.

Investment income consists of bank interest and is recognised on a receivable basis.

Other income consists of gains on the disposal of fixed assets and gains on exchange rates.

Expenditure

All expenditure is accounted for on an accrual basis and recognised when there is a legal or constructive commitment to the expenditure.

Irrecoverable VAT in Thailand is charged against the category of expenditure for which it was incurred.

Resource costs consist of salaries, benefits and other indirect costs related to programme implementation. Some resource costs are directly attributable to an activity; others are allocated according to a management estimate of the amount of time staff members spend on different activities. General administration costs are not allocated to activities.

Costs of generating funds are those costs incurred in attracting voluntary income and raising funds.

Costs of Charitable activities comprise all costs incurred in the pursuit of the charitable objects of TBC, including both the direct costs and resource costs relating to these activities.

Governance costs comprise costs attributable to ensuring public accountability and compliance with regulations.

Allocation of General Support Costs

The organisation's support costs have been allocated between governance costs and other general support costs. Governance activities comprise of costs involving the public accountability and its compliance with regulation and good practice. These include costs relate to statutory audit and legal fees, as well as trustees' expenses and related consultancy fees.

General support costs (i.e those that are not directly related to an activity) are allocated on the basis of headcount for that particular cost category. Examples of these costs include staff related costs, general office costs, IT costs, vehicle maintenance costs and travel and accommodation expenses are broadly equivalent. The allocation of support and governance costs is analysed in notes 6 and 7.

Tangible Fixed Assets

Tangible fixed assets costing more than THB 60,000 are capitalised at cost and depreciated on a straight-line basis over their estimated useful lives as follows:

<u>Asset Category</u>	<u>Annual rate</u>
Office equipment	20%
Computers	33%
Vehicles	20%

Debtors

Debtors are created when there is a signed contract with a donor to provide funding for a period into the future. The timing of receipts from that debtor are variable (monthly, quarterly, annually) or are dependent on certain milestones being reached. The debtor value at the end of the financial year reflects the balance outstanding between the amount contracted and the amount received.

No provision is made for doubtful debts.

Creditors

Creditors are created when there is a signed contract with a supplier/service provider whereby the timing of the payment to that contractor is at a point in the future. Normal credit terms granted by the organization are 30 days. At the end of an accounting period the trade creditors figure reflects the amount that has still to be paid to a supplier under a binding contract.

Fund Structure

There are several restricted income funds to account for situations where a donor contracts to meet specific expenses, or directs the fund be used for specific purposes.

All remaining funds are classified as unrestricted income funds. Among these, one designated fund is reserved to cover the full potential severance costs if all staff contracts were terminated. In 2024, the Trustees decided to remove the estimated costs from the closedown budget, THB 30M, citing it no longer relevant to TBC strategy as the primary reason.

Foreign Currencies

Transactions in foreign currencies are recorded at the exchange rate ruling at the date the transaction occurred.

The THB value of foreign currency assets and liabilities as at the period end have been adjusted by using the Bank of Thailand rates for those dates, with differences taken to the Statement of Financial Activities.

The net value of exchange differences for the accounting period is recorded either as an exchange gain under income or as an exchange loss under expenses.

Employee Benefits

TBC operates a Staff Provident Fund by deducting a maximum of 15% from basic salary of the staff participating in the Plan and matching the staff contribution up to 6%. The contributions are invested in a government registered provident fund managed by a recognised financial institution. Staff are entitled to the benefits upon resignation from the organisation. TBC's contributions to the Plan are charged to the Statement of Financial Activities in the year to which they relate.

Legal Status

The Thailand Burma Border Consortium (TBBC) was incorporated in England on 11 October 2004, Charity status was granted on 13 May 2005. The name was changed to The Border Consortium (TBC) on 2 November 2012.

Tax Accounting

TBC is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

TBC fully complies with all applicable tax laws in Thailand and adheres to the guidelines set forth by the Thai Revenue Department, Thailand Labour Law, and other relevant authorities.

2. VOLUNTARY INCOME AND COST

	2024		
	Unrestricted Thai Baht	Restricted Thai Baht	Total Thai Baht
Voluntary Income			
Donations	143,000	-	143,000
Grants	<u>7,124,014</u>	<u>1,127,760,093</u>	<u>1,134,884,107</u>
Total Voluntary Income	<u>7,267,014</u>	<u>1,127,760,093</u>	<u>1,135,027,107</u>
Total cost of generating voluntary income			
Donors meeting & Fundraising Marketing	<u>(313,206)</u>	<u>(223,354)</u>	<u>(536,560)</u>
Net voluntary income	<u>6,953,808</u>	<u>1,127,536,739</u>	<u>1,134,490,547</u>
	2023		
	Unrestricted Thai Baht	Restricted Thai Baht	Total Thai Baht
Voluntary Income			
Donations	133,090	-	133,090
Grants	<u>7,475,955</u>	<u>920,601,324</u>	<u>928,077,279</u>
Total Voluntary Income	<u>7,609,045</u>	<u>920,601,324</u>	<u>928,210,369</u>
Total cost of generating voluntary income			
Donors meeting & Fundraising Marketing	<u>(303,168)</u>	<u>(154,057)</u>	<u>(457,225)</u>
Net voluntary income	<u>7,305,877</u>	<u>920,447,267</u>	<u>927,753,144</u>

3. INVESTMENT INCOME

Investment income of THB (317,650) (previous period THB 242,516) arises from the bank deposit accounts. TBC closed the LIFT Phase II grant with UNOPS, after three and one half years, and the calculated accrued interest earned under the grant was returned to LIFT, thus causing a negative balance in 2024.

4. OTHER INCOME

	2024	2023
Gain on disposal of fixed assets	350,000	-
Exchange Rate Gain	3,822,128	24,301,687
Others	14,227	60,408
Total	<u>4,186,355</u>	<u>24,362,095</u>

5. CHARITABLE ACTIVITIES EXPENDITURE

	2024			TOTAL COST
	Direct Cost	Support Cost	Governance allocation	
	Thai Baht	Thai Baht	Thai Baht	Thai Baht
Prioritise the Humanitarian Imperative	853,830,790	612,563	1,285,402	855,728,755
Reinforce Resilience & Recovery	45,731,447	350,036	734,516	46,815,999
Promote Protection & Safer Futures	50,400,267	131,264	275,443	50,806,974
Strengthen Local Governance	<u>186,285,654</u>	<u>481,299</u>	<u>1,009,959</u>	<u>187,776,912</u>
Total	<u>1,136,248,158</u>	<u>1,575,162</u>	<u>3,305,320</u>	<u>1,141,128,640</u>

	2023			TOTAL COST
	Direct Cost	Support Cost	Governance allocation	
	Thai Baht	Thai Baht	Thai Baht	Thai Baht
Prioritise the Humanitarian Imperative	683,050,207	596,411	1,374,756	685,021,374
Reinforce Resilience & Recovery	48,168,728	191,703	441,886	48,802,317
Promote Protection & Safer Futures	56,054,706	106,502	245,492	56,406,700
Strengthen Local Governance	<u>139,037,960</u>	<u>426,008</u>	<u>981,969</u>	<u>140,445,937</u>
Total	<u>926,311,601</u>	<u>1,320,624</u>	<u>3,044,103</u>	<u>930,676,328</u>

Note 5 above shows direct, support and governance costs per each expense category. The basis for these allocations is outlined in note 1 above.

General support costs are further analysed in the table below (note 6) and compared to 2023 costs and Governance costs are similarly presented in note 7.

6. GENERAL SUPPORT COSTS

	2024	2023
	Thai Baht	Thai Baht
Staff Related Costs	1,102,613	924,436
Office Related costs (including Rent)	157,516	132,063
IT Related Costs	189,019	158,475
Vehicle Related Costs	78,758	66,031
Travel, accommodation and miscellaneous costs	47,255	39,619
Total	<u>1,575,161</u>	<u>1,320,624</u>

7. GOVERNANCE COSTS

	2024	2023
	Thai Baht	Thai Baht
Audit fee	2,769,750	2,599,800
Trustees expenses	253,863	107,427
Consultant Fee	-	249,282
Meetings	281,708	87,594
Total	<u>3,305,321</u>	<u>3,044,103</u>

8. ANALYSIS OF STAFF COSTS

The number of persons employed by the Charity at 31 December was as follows:

	Number of employees	
	2024	2023
Programme and programme support	55	53
Management and administration	11	9
Total	66	62

The aggregate payroll costs of these persons were as follows:

	2024	2023
	Thai Baht	Thai Baht
Salaries	69,592,838	61,758,827
Housing, Living and Education allowances	3,501,860	3,059,190
Provident fund	3,134,181	2,409,610
Staff Insurance	4,092,328	2,998,842
Other employee benefits	3,221,734	2,834,955
Social security fund	560,817	522,560
Total	84,103,758	73,583,984

Notes relating to Staff remuneration.

The number of employees whose emoluments in the year as defined for taxation purposes amounted to over the equivalent of £60,000 were as follows:

	2024	2023
£60,001 to £70,000 (THB 2,677,000 to THB 3,123,000)	1	1
£70,001 to £80,000 (THB 3,124,000 to THB 3,569,000)	0	0
£80,001 to £90,000 (THB 3,570,000 THB 4,015,000)	2	2
£90,001 to £100,000 (THB 4,016,000 THB 4,461,000)	1	0

An annual average rate of GBP/THB 44.6110 (2023: 42.7900) is used for conversion.

The emoluments of the highest paid employee were THB 4,202,950 (2023: THB 3,648,000).

The total amount paid to the five key management personnel of the organisation in 2024 was THB 17,367,096. The amount in 2023 was THB 14,607,781.

TBC pay scale rates are targeted at the 60th percentile for each level of job groupings for national staff and are reviewed annually. For key international management personnel, the pay policy targets the 50th percentile benchmarked against a relevant INGO and NGO comparative set and are also reviewed annually. The amount paid in termination costs to staff in 2024 was THB 622,160 (2023: THB - nil -).

TBC ended the year with 66 staff on payroll with the annual average of 66. Amount of costs incurred for the trustees in 2024 is THB 618,486 (2023: nil).

Trustees' and Members' international airfares are typically covered by their respective organizations when they travel to Thailand for meetings. TBC covers all Thailand-based expenses for Trustees, including accommodation, meals, and local travel. Trustees may request reimbursement for eligible expenses.

In 2024, TBC reimbursed expenses related to accommodation, entertainment, local travel, and airfare for attendance at the Extraordinary General Meeting (EGM) and Annual General Meeting (AGM). Airfare reimbursements were provided for three Trustees traveling from Mae Sot, Thailand; London, England; and Sweden

9. AUDITOR'S REMUNERATION

The auditor's remuneration for the statutory audit is THB 2,769,750 (2023: THB 2,599,800) and Financial Statement of Audit for the US-BPRM is THB 450,000 (2023: THB 440,000).

10. TANGIBLE FIXED ASSETS

	2024			
	Office Equipment	Computers	Vehicles	Total
	Thai Baht	Thai Baht	Thai Baht	Thai Baht
Cost:				
As at beginning of the period	279,077	1,642,931	19,828,827	21,750,835
Additions	-	-	-	-
Disposal	-	(553,190)	(887,962)	(1,441,152)
As at end of the period	<u>279,077</u>	<u>1,089,741</u>	<u>18,940,865</u>	<u>20,309,683</u>
Depreciation:				
As at beginning of the period	279,077	1,642,931	19,547,760	21,469,768
Charge for the year	-	-	198,401	198,401
Disposal	-	(553,190)	(887,962)	(1,441,152)
As at end of the period	<u>279,077</u>	<u>1,089,741</u>	<u>18,858,199</u>	<u>20,227,017</u>
Net book value				
As at beginning of the period	-	-	281,067	281,067
As at end of the period	-	-	82,666	82,666

11. DEBTORS

	2024	2023
	Thai Baht	Thai Baht
Trade debtors	310,846,653	410,423,398
Other debtors	<u>37,845,298</u>	<u>33,185,810</u>
	<u>348,691,951</u>	<u>443,609,208</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	Thai Baht	Thai Baht
Trade creditors	24,284,485	17,445,575
Deferred Income	118,302	-
Accruals	2,648,904	2,622,630
Other creditors	1,616,048	1,170,426
Payroll Myanmar	500,960	-
	29,168,699	21,238,631

Trade creditors at 31 December 2024 represented 30 days past purchases (2023: 30 days).
Deferred Income refers to the LIFT III grant.

13. CREDITORS: FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	Thai Baht	Thai Baht
Long term liabilities	2,923,407	2,535,997
	2,923,407	2,535,997

Creditors falling due after more than one year represents provision or provident fund obligations, raised for Myanmar based staff established in 2015.

14. TRANSFERS BETWEEN FUNDS

As per the Labour Protection Act of 5 April 2019, employees who are terminated after working for the same employer for an uninterrupted period of twenty years or more, receive severance payment of 400 days of wages at the most recent rate. An amount of THB 3,727,528 (2023: THB 2,301,704) was transferred to the designated Severance fund to account for the increased liability.

The close down budget of THB 30,000,000, removed from the designated funds and allocated back into the general fund, per the Trustees decision in 2024.

The net transfer of THB 3,727,528 minus THB 30,000,000 brings the total Designated Funds Balance to THB 33,249,723.

15. RELATED PARTY TRANSACTIONS

There were no transactions with Members, other than for funding received.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2024		Total Thai Baht
	Unrestricted Funds Thai Baht	Restricted Funds Thai Baht	
	Tangible fixed assets	82,666	
Debtors	17,152,554	331,539,397	348,691,951
Cash at banks and in hand	95,455,407	137,757,513	233,212,920
Creditors falling due within one year	(5,980,137)	(23,188,562)	(29,168,699)
Creditors falling due after one year	(2,923,407)	-	(2,923,407)
Net Assets	<u>103,787,083</u>	<u>446,108,348</u>	<u>549,895,431</u>

	2023		Total Thai Baht
	Unrestricted Funds Thai Baht	Restricted Funds Thai Baht	
	Tangible fixed assets	281,067	
Debtors	1,153,028	442,456,180	443,609,208
Cash at banks and in hand	110,590,145	21,959,027	132,549,172
Creditors falling due within one year	(4,141,967)	(17,096,663)	(21,238,631)
Creditors falling due after one year	(2,535,997)	-	(2,535,997)
Net Assets	<u>105,346,277</u>	<u>447,318,544</u>	<u>552,664,819</u>

17. FUND MOVEMENTS IN THE PERIOD

	Balance at 31 Dec 23	Income	Expenditure	Transfers	Balance at 31 Dec 24
	Thai Baht	Thai Baht	Thai Baht	Thai Baht	Thai Baht
1. Australia ANCP (Act for Peace-NCCA)	1,819,391	3,923,422	4,012,747	-	1,730,066
2. Australia AusAID (DFAT) IRC	12,524,241	59,279,937	63,052,800	-	8,751,378
3. Australia Embassy-DAP Caritas-Australia	-	159,600	159,600	-	-
ICCO - Kerk en actie	2,425,153	2,679	2,427,832	-	-
	886,313	1,484,808	1,997,055	-	374,066
4. LIFT Fund Phase II (UNOPS)	(461,797)	34,702,553	34,240,756	-	-
LIFT Fund Phase III (UNOPS)	-	15,678,989	11,789,774	-	3,889,215
5 Ministry of Foreign Affairs- Thailand	-	1,000,000	1,000,000	-	-
6. New Zealand - MFAT	25,403,345	44,700,000	50,599,622	-	19,503,723
7. Polish Embassy	-	676,993	676,993	-	-
8. Swiss Confederation - Swiss Embassy Bangkok	-	200,000	-	-	200,000
9. Japan-PEACE	-	5,798,815	5,798,815	-	-
10. United Kingdom FCDO	27,057,799	158,164,300	136,837,870	-	48,384,229
11. UNOPS - NEXUS/DCA	2,385,034	34,820,231	23,480,447	-	13,724,818
12. USA-BPRM (IRC)	383,907,460	537,305,873	635,281,275	-	285,932,058
13. USAID- CPI	(6,639,393)	147,686,569	79,543,380	-	61,503,796
14. International Organization for Migration (IOM)	(1,989,002)	7,500,000	5,510,998	-	-
Anonymous 1	-	4,681,383	2,566,384	-	2,114,999
Anonymous 2	-	69,993,941	69,993,941	-	-
Total Restricted Funds	447,318,544	1,127,760,093	1,128,970,289	-	446,108,348
Designated Fund - Severance Pay & Closedown	59,522,195	-	-	(26,272,472)	33,249,723
General Fund	45,824,080	11,135,719	12,694,911	26,272,472	70,537,360
Total Funds	552,664,819	1,138,895,812	1,141,665,200	-	549,895,431

Description of Government funded Grants

1. Australian Government ANCP (Act for Peace) - Support provided specifically to the two camps managed by the Karenni Refugee Committee for both administration of the camps and provision of stipends. Income represents the new agreement which covers their fiscal year July 2024-June 2025.
2. Australian Government DFAT (IRC)- Year 2 of a 3-year-agreement (2023-2025), funding programmes border wide in Thailand, as well as responses to the Myanmar emergency.
3. Australia Embassy-DAP This funding (Jan-June 2024) relates to qualitative research on the lived experiences of LGBTQI+ refugees in camp.
4. LIFT Phase II fund (UNOPS) - Year 5 of Phase II January – July 2024. The “inception” phase started in October 2019 with the First full two years of a multi-year project in Myanmar starting in 2020. The grant was originally to end September 2022. 2024 represents the second cost-extension, which ended July 2024. The grant provides sub-grants for rehabilitation/peace building activities to local implementing partners.

LIFT Phase III fund (UNOPS)- August 2024 to July 2027. August through December 2024 marked the inception phase of a three-year agreement worth USD 3,000,000. The focus of the activities are agriculture, nutrition, and development of uplands within Myanmar.
5. Ministry of Foreign Affairs-Thailand This funding (2024-25) provides humanitarian assistance to refugees in Mae Hong Son, fleeing conflict in Karenni state.
6. New Zealand - Ministry of Foreign Affairs and Trade (MFAT)- funding to support the reduction in the transmission of Covid-19 virus and support the resilience and basic needs of newly displaced and conflict affected people from the SE of Myanmar. A two-year agreement was extended to continue the program from June 2022- March 2025. Negotiations for another 3- year agreement is in process
7. Embassy of the Republic of Poland. Contributed toward the infrastructure of the camp committees, specifically with the purchase farming and agriculture tools to strengthen livelihoods.
8. Swiss Confederation -Swiss Embassy Bangkok. This funding (2024-2025) relates to support for the Community Driven Natural Resource Management Program in three refugee camps.
9. Peace-Japan funding went toward the construction of new shelters in the Mae La Camp to assist with the increase of the camp population.
10. United Kingdom- FCDO- primarily focused on shelter needs and nutrition programmes in the Thai camps, as well as Myanmar emergency response for southeastern Myanmar. A 1.5-year agreement starting October 2022 and an extension was granted until March 2025.
11. UNOPS- Nexus project via DCA, originally July 2021-June 2022 was extended until December 2025. Funding supports the work with partners by responding to the emerging needs of SE Myanmar brought on by the coup.

12. United States Government (BPRM) via IRC - Principal funder for the organization supporting assistance for food and cooking fuel within all 9 camps. Additional funds were donated to support influx of those fleeing Myanmar into Thailand. Year two of a three-year agreement was implemented, with expected end date of July 2025.

Subsequent Event Disclosure: U.S. Executive Order in January 2025 mandated a 90-day suspension of foreign aid, creating immediate funding uncertainty. IRC has been providing the funding necessary to maintain these programs from their own reserves and have verbally committed to honoring the entire grant until completion in July. We do not, however, have any visibility if the new call for proposal will be issued beyond July 2025

13. USAID-LEARN via Community Partners International. Local Empowerment and Resilience Network Activity agreement began in January 2023 and to end in 2026. The programme primarily supports the internally displaced and conflict-affected people. This agreement is based on reimbursement of funds from approved reports, thus the negative balance.

Subsequent Event Disclosure: On 26 February 2025, USAID issued a termination notice for the USAID/2023/TBC-001 Award (72048222FA00003), with the termination retroactively effective as of 24 January 2025, in accordance with U.S. Government Executive Orders. The amount of income that will effectively be reversed in 2025 is USD 1,705,957 or equivalent to THB 57,250,392. TBC expects to still receive a reimbursement of USD 215,519 for incurred expensed up to 24 January 2025.

14. International Organization for Migration (IOM)- A negative balance was carried over from completed activities in 2023, and the income was enough to finance it. No additional activities were implemented.

Additional Note: Danish Government-DANIDA (DCA)- not specifically shown in the table, provides unrestricted funds of DKK 1,400,000 for the period January - December 2024.

Two donors requested to remain anonymous in 2024. Donor 1 contributed funds to support shelter in some of the camps. Donor 2's funds went toward cash and food assistance activities to support those fleeing Myanmar.

All of the above funders are institutional donors (either independent governments, the EU or in the case of the LIFT fund board - a consortium of international funders). They are classified as "restricted" in as much as the funding can only be used in specific geographic areas or for specific elements of the overall programme. There are no restrictions of usage in terms of trust law.

Note - the Designated Severance Fund represents an amount that would be required to pay severance compensation to all staff (based on tenure) if the organisation ceased operations. This is consistent with Thai and Myanmar Labour Law requirements.

18. EVENTS AFTER THE REPORTING DATE

Since 31st December 2024, a number of events have occurred which have a material impact on TBC and its operations. These events are referred to in the Trustees Annual Report on p13 and p14 and in note 1, basis of preparation of the accounts, notably in the section on going concern.

1. For a number of years, TBC has received the majority of its funding for the Thailand camp food assistance and shelter programme from the US government (PRM) – approx 60%. In 2024 the value of the grant received was 537m Baht. In July 2025, TBC did not receive notice of renewal of this funding. TBC does not have the resources to continue with the programme without adjustment. It has been necessary to implement a programme of cuts to the programme to ensure TBC's ongoing viability. The cuts are described in the trustees annual report in the section on risks and mitigations.
2. In August 2025, the Royal Thai Government adopted a new policy regarding the employment of foreign nationals residing in temporary shelters for the displaced persons from Myanmar. This new policy grants authorisation for foreign nationals to work in the Kingdom on a special basis. This new policy will transform the rights of refugees resident in the camps to work and become self sufficient. The implementation of the policy will commence in October 2025. TBC recognises that this will be transformational and that it will take time for the policy to take effect. It is clear that this will shape TBC's programme work with camp populations in Thailand and significantly reduce the funding required as the food assistance programme is impacted over time.
3. In September 2025, TBC received notification that the US government (PRM) would provide \$5.3m dollars for the food assistance programme for 2025. This funding was most welcome, enabling TBC to plan the transition to a new organisational form reflecting the impact of the two events set out above in its future plans.

List of Acronyms

BBC	Burmese Border Consortium (former name)	IP	Inter Pares
BPRM	Bureau of Population, Refugees, and Migration	IPC	Infection Prevention and Control
CA	Christian Aid	IRC	International Rescue Committee
CBO	Community-Based Organisation	LIFT	Livelihoods and Food Security Trust Fund
CCA	Consortium of Christian Agencies	MAF	Myanmar Armed Forces
CCSDPT	Committee for Coordination of Services to Displaced Persons in Thailand	NCA	Norwegian Church Aid
CDM	Civil Disobedience Movement	NCCA	National Council of Churches Australia (Act for Peace)
CSO	Civil Society Organisation	NGO	Non-Governmental Organisation
DCA	Dan Church Aid	NUG	National Unity Government
DFAT	Department of Foreign Affairs and Trade (Australia)	RTA	Royal Thai Army
FCDO	Foreign and Commonwealth Development Office (UK)	RTG	Royal Thai Government
FCS	Food Card System	SAC	State Administration Council
FRS	Financial Reporting Standard (UK)	SORP	Statement of Recommended Practice (UK)
FX	Foreign Exchange	TBBC	Thailand Burma Border Consortium (former name)
GBP	British Pound	TBC	The Border Consortium
GEC	Governance and Elections Committee	THB	Thai Baht
HRD	Human Rights Defenders	UK	United Kingdom
ICCO	Inter Church Organisation for Development Cooperation	UNHCR	United Nations High Commissioner for Refugees
IDP	Internally Displaced Person	US	United States
INGO	International Non-Governmental Organisation	USD	US Dollar

Reference and Administrative Details:

Name of Charity	The Border Consortium (TBC)
Charity registration number	1109476
Company registration number	05255598 (England and Wales)
Address of registered office	35 Lower Marsh, London SE1 7RL
Address of principal office	12/5 Convent Road, Bangrak, Bangkok 10500, Thailand
Website	www.theborderconsortium.org
Trustees (and Directors) during 2024.	Alexis Chapman (Treasurer since November 2022) Peter Bo Larsen, (Vice Chair since 12 th September 2023, Governance and Election Committee (GEC) Chair, since 9 th Nov 2023, resigned 24 April 2025 James Thomson (Secretary since 10 th November 2022) Chris Eades (Elected 12 th April 2023) Ramani Leathard (Elected 9 th November 2023) Lalita Hanwong (Elected 24 th September 2024) Jan Axel Nordlander (Elected 8 th November 2024) Naw Hlaing Thuzar Elected 8 th November 2024)
Executive Director - Charity correspondent-	Leon de Riedmatten – appointed 1 st February 2024 Tim Moore
Bankers	Siam Commercial Bank Unit C-7 2 nd Floor CP Tower Building 313 Soi Silom 2/1 Silom, Bang Rak Bangkok Thailand 10500 +6622331727 Siam Commercial Bank 291 Surawong Rd., Khwaeng Suriya Wong, Bang Rak, Bangkok 10500 +6622337115-9
Auditors	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL United Kingdom
Members	Act for Peace - NCCA, Australia. Christian Aid, United Kingdom Church World Service, USA Diakonia, Sweden DanChurchAid, Denmark ICCO-Cordaid, The Netherlands Inter Pares, Canada International Rescue Committee, USA Norwegian Church Aid (NCA), Norway

THE BORDER CONSORTIUM

England & Wales - Charity number 1109476

Accounts

The Border Consortium (TBC)

**Trustees' Annual Report
and
Audited Financial Statements**

For the Year Ended 31st December 2023

Registered Office 35 Lower Marsh, London SE1 7RL. Charity Commission registered number 1109476

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Trustees' Annual Report

From 1st January 2023 to 31st December 2023

Charity name: The Border Consortium

Charity registration number: 1109476

Objectives and Activities

Summary of the purposes of the charity as set out in its governing document

The Border Consortium (TBC), a non-profit, non-governmental organisation, is an alliance of partners working together with displaced and conflict-affected people from Myanmar to address humanitarian needs and to support rights-based community-driven approaches in pursuit of peace and development.

Charitable Objects

1. The relief of charitable needs of displaced people of Myanmar by the provision of humanitarian aid and assistance.
2. To develop the capacity and skills of the members of the socially and economically disadvantaged community of the displaced people of Myanmar in such a way that they are able to participate more fully in society.
3. To promote equality, diversity and racial harmony for the benefit of the public by raising awareness of the needs of and issues affecting the displaced people of Myanmar.
4. To promote human rights, (as set out in the Universal Declaration of Human Rights) along the Thailand- Myanmar border area by monitoring and research.

Since 1984 TBC has provided food, shelter, and capacity-building support to conflict-affected communities. TBC strives to deliver timely, quality services to the refugees in Thailand and to conflict-affected communities in southeastern Myanmar. The overriding working philosophy is to maximise participation of the community in programme design, implementation, monitoring and feedback. TBC promotes a participation and empowerment model to ensure that conflict-affected communities have the information, knowledge and skills necessary for safe, dignified living while displaced, the capacity and resources for local response to emergencies, and the practical experience in decision-making, management, land use planning, sustainable agriculture, and small business development for their future.

TBC members and leadership, alongside refugees and conflict affected persons, continue to advocate with governments, donors and other stakeholders to ensure funding to maintain an acceptable level of services in the camps and emergency assistance in Thailand and southeastern Myanmar for as long as needed.

Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.

TBCs work in 2023 was in significant part driven by a response to the humanitarian crisis in Myanmar. Since the coup on the 1st of February 2021, the State Administration Council (SAC) has killed over 4,300 civilians, detained and imprisoned over 25,000 human rights defenders. Even the most conservative estimates from the UN suggest there were over 2.6 million internally displaced persons (IDPs) nationally by December 2023, including 684,000 IDPs in Southeastern Myanmar.

Throughout 2023, the Myanmar Armed Forces (MAF), following territorial losses on the ground, continued to launch air strikes and heavy artillery fire in contested areas of southeastern Myanmar. This military strategy put civilians' lives at dire risk, and the indiscriminate nature of attacks saw schools and hospitals devastated by attacks in clear violation of customary international law.

Conflict-affected people with acute humanitarian needs have also continued to spill over the border into Thailand. TBC estimates at least 90,000 people fled from fear of conflict and/or persecution into Thailand since the coup, including over 30,000 individuals during 2023. This includes rural ethnic Karen and Karenni villagers as well as human rights defenders and pro-democracy activists.

A major development was the resumption of third-country resettlement under a joint UNHCR, US Embassy and Royal Thai Government (RTG) initiative, which will allow eligible refugees to resettle in the US. This was announced during the project year and is expected to see up to 60,000 refugees leave camps and move to US over the coming several years.

A general election was held in Thailand in May 2023, which saw the Move Forward Party win the most votes. Yet after Move Forward failed to secure a viable coalition Pheu Thai, which had won the second most number of votes, was able to successfully forge a coalition. Pheu Thai's nominee, Srettha Thavisin, was elected Prime Minister by parliament on August 22. Independent observers declared the election to be fair and free and, despite the potential for political unrest, Thailand's political situation remained broadly stable. Some anti-government and anti-monarchy protests took place, predominately in Bangkok, and concerns around Thailand's repression of media and civic space have not abated.

Programmes:

TBC's 2023-2025 strategic plan focuses on four key areas: humanitarian needs, resilience and recovery, protection and safer futures, and strengthening local governance.

In Thailand, TBC met the immediate humanitarian needs of the 88,953 refugees who remained in refugee camps as of the end of 2023, through the provision of food under our Food Card System and shelter material support. Support for maternal, infant and young child feeding (MIYCF) nutrition activities continued and the results of TBC's 2022 Nutrition Survey were finalised. Technical support to Camp Committees and the provision of capacity building trainings continued throughout the year. Outside of camp, humanitarian support was provided to new refugee arrivals as part of our emergency response plan. While conflict in Myanmar meant the return of refugees to Myanmar is not feasible, the re-opening of third country resettlement to the US for eligible refugees in camp will mean a gradual outflow of refugees from camps.

Refugee policy in Thailand towards new arrivals of conflict affected people from Myanmar remains a challenge and there has been no change in this policy made by the new Thai government. Newly arrived refugees, by policy, are disallowed entry to existing refugee camps. A number of new arrivals stay at officially designated Temporary Safety Areas (TSA) and usually are not directly accessible by UNHCR and INGOs. However, basic humanitarian aid, primarily food and non-food items are allowed to be distributed generally through local community groups and leaders, these TSAs are normally closed down and inhabitants coerced to return to Myanmar after the RTA deems the situation in Myanmar to have improved, often after 48 hours of reduced fighting. There are also a number of predominately Karen and Karenni refugees taking shelter in local Karen and Karenni communities in rural Thailand, outside of the purview of the Royal Thai Army (RTA), the majority of whom do not have documentation. There is a large number of human rights defenders (HRD)s taking shelter primarily in urban areas along the border, most notably in Mae Sot. The means of these HRDs varies, with a significant number requiring food and other support, as they struggle to secure both protection and livelihoods.

In accordance with recent Royal Thai Government (RTG) policy, none of these new arrivals have been allowed long-term refuge in Thailand. Many have returned to Myanmar, some of these returns were under duress whereas others returned of their own accord, aware that they would not be allowed to stay in Thailand after fighting subsided or to safeguard property and livelihoods at home.

Despite multi-faceted advocacy, pathways to legal employment for refugees remain difficult to secure, yet some refugees have been able to leave camp temporarily for unofficial locally sanctioned work.

In Myanmar, TBC and partners mitigated the vulnerability of more than 300,000 internally displaced persons. The humanitarian imperative was prioritised by improving access to food, shelter, health care and education in emergencies. Resilience and recovery have been reinforced by supporting community-driven agricultural extension, natural resource management and nutrition promotion. To promote protection and safer futures, awareness of human rights and international humanitarian law was raised and social protection mechanisms mobilised. Local governance was strengthened by investing in land administration systems, public administration capacities, inter-agency coordination and community feedback mechanisms.

Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit

In setting its programme each year, TBC has regard for the Charity Commission's general guidance on public benefit and on prevention and relief of poverty for the public benefit.

Achievements and Performance

Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.

Multi-sectoral responses by TBC and local partners reinforced the resilience of over 400,000 displaced and conflict-affected individuals during 2023. This included over 88,000 people in nine refugee camps inside Thailand, more than 20,000 especially vulnerable individuals dispersed along the Thailand-Myanmar border and at least 300,000 villagers in southeastern Myanmar.

The key achievements against TBCs four Strategic Directions were as follows

Strategic Direction #1 Prioritise the Humanitarian Imperative:

Address the humanitarian needs of displaced and conflict-affected communities, with a focus on especially vulnerable people. Provide equitable access for displaced communities to food, shelter and non-food items.

TBC conducted major humanitarian activities throughout the year. Food assistance to over 88,000 refugees in the nine camps continued through our Food Card System. Food security was complimented by ongoing in-kind charcoal cooking fuel distribution under the coordination of refugee Camp Committees and warehouse staff. Each quarter, TBC conducted nutritional assessments of the food card value to ensure that the most vulnerable refugees in camp were able to secure a fully nutritional food basket each month.

In-camp Shelter Working Groups and Teams successfully distributed shelter materials and maintained stockpiles of key building materials to ensure they are prepositioned for distribution as required.

The Annual Population Verification process took place in 2023 This census of encamped refugees was conducted with the collaboration of TBC staff and Camp Committees. Results, combined with monthly updates in population figures, showed an annual increase of 9.75%.

Outside of camp, TBC continued to implement its emergency response plan for new refugee arrivals. This was done through the distribution of in-kind support, including food, shelter and hygiene items to refugees in TSAs. Working through local partners, TBC also provided similar in-kind support to refugees outside of TSAs, hidden in forested areas and among border communities. However, due to their lack of documentation, their situation remains precarious with significant protection concerns.

In Myanmar, TBC partners distributed cash transfers and food aid to mitigate the vulnerability of 165,000 IDPs who were affected by atrocities and spread across 17 townships. This was complemented by ethnic health service providers administering medical treatment for over 120,000 patients in remote areas. The multi-sectoral approach to humanitarian relief also included distribution on a smaller scale of temporary shelters for newly displaced communities and non-food items such as dignity kits for girls and women.

Strategic Direction #2 - Reinforce Resilience and Recovery:

Mitigate the longer-term impact of displacement on food security and nutrition. Enhance nutrition, environmental hygiene, climate-smart agriculture, small businesses and access to employment for displaced and conflict-affected communities.

In Thailand the results of the 2022 Biennial nutrition survey were finalised in 2023. These results

showed, despite the challenges faced by COVID-19, the nutritional health of refugees remained stable. The Healthy Babies Bright Futures programme continued to provide BabyBRIGHT fortified complementary food to young children, complemented by maternal, infant and young child feeding (MIYCF) education and activities. Each month, caregivers of approximately 2,000 children aged 6-24 months enrolled in educational sessions focussing on best nutritional practices.

The Livelihoods Committees distributed agricultural supplies and vegetable seeds in all nine camps, and the Savings and Loans Committees gave access to loans for small businesses in camp. Numerous capacity building activities enhanced refugees' income generational skills, such as the construction of bamboo furniture or cement block making. The Community Driven Natural Resource Management (CDNRM) program continued to protect the local environment and promote awareness of the importance of environmental protection.

In Myanmar, interventions promoting nutrition-sensitive and climate-smart agriculture and sustainable natural resource management engaged almost 35,000 upland farmers. The past year saw an enhanced focus on increasing access to animal-based protein by linking homestead gardening of nutrient-dense crops with small livestock and fish breeding. This has been complemented by initiatives promoting nutrition and access to safe water supply and environmental hygiene which reached 60,000 remote villagers. A highlight was the introduction of maternal and child cash transfers targeting pregnant and breastfeeding mothers to incentivise the adoption of more nutritious MIYCF behaviours during the first 1,000 days of life. However, the outlook for food security in communities affected by atrocities is bleak with anthropometric tests of 11,578 children under five years of age indicating the global acute malnutrition rate has deteriorated to 7.6%.

Strategic Direction #3: Promote Protection and Safer Futures:

Reduce the exposure of displaced and conflict-affected communities to harm and mobilise safe and dignified pathways. Defend human rights including access to human security in Myanmar, temporary shelter and work in Thailand and resettlement to third countries.

The coup and poor situation of human security in Myanmar has meant plans for the return of refugees in camp to Myanmar remain largely on hold. The announcement of the resumption of the resettlement program was a major breakthrough in securing safer futures. This is expected to see approximately 60,000 refugees leave the camps for the US over the coming several years. In 2023, registration and verification for resettlement program was conducted and completed for all nine camps, the first refugees are expected to depart for the US by mid-2024. However, as not all refugees will be eligible and as new arrivals to camp continue, there will be a significant population remaining in camp, for whom alternate sustainable futures will need to be identified. TBC has continued to push for alternative futures beyond camps, which will be crucial for those encamped refugees ineligible to resettle in the US.

In Myanmar, human rights education with civilians has expanded to now also raising awareness of duty bearers about their obligations under international humanitarian law. Ethnic women's organisations are now providing more support through safe houses and referral services for survivors of sexual and gender-based violence than ever before. Community media have been supported to disseminate messages on a range of topics, including early warning about imminent military attacks and/or natural disasters. On the advocacy front, TBC engaged with Thailand's new government and parliamentary committees to promote human security initiatives which could mitigate the regional security threats spilling over from Myanmar into Thailand.

Strategic Direction #4: Strengthen Local Governance:

Diversify representation and enhance accountability in the ownership and oversight of programs and services. Responsibly and transparently manage change in collaboration with refugee and civil society partners, local authorities, donors and other stakeholders.

The nine refugee camps on the Thai-Myanmar border, are run by elected refugee Camp Committees with support through TBC's Community Management and Preparedness Programme (CMPP). The program is locally managed and led and includes various refugee entities such as women and youth groups, education providers, and human rights activists. The Code of Conduct for the camps was devised and managed by the Refugee and Camp Committees themselves, demonstrating that refugee-designed codes can lead to protection and security impacts. All incoming staff received comprehensive onboarding in Code of Conduct, PSEAH and Child Protection Policy, while existing staff and local partners received refresher trainings. Regular capacity building trainings took place, relating to office management, computer skills, fraud mitigation and needs assessments were undertaken to inform future capacity building trainings. Despite challenges relating to new arrivals and increasing food prices, the Camp Committees were able to manage most challenges themselves through established governance mechanisms.

TBC convened a seminar in Bangkok during November to assess how aid agencies can move beyond neutrality to respond to atrocities. In the absence of functioning and legitimate national authorities, the importance of strengthening local governance in contested areas was highlighted. Over 80 participants, including representatives of political parties, civil society, and refugee communities from Myanmar as well as foreign diplomats, donors, INGOs, and TBC members, discussed the challenges ahead for humanitarian action, development, aid, and peacebuilding.

In Myanmar, TBC support for ethnic land administration and ethnic health systems expanded to include capacity building initiatives for public administrators to work across different sectors. This included supporting public consultations, inter-agency coordination and policy development amongst public administrators across southeastern Myanmar. Looking forward, the challenge is to strengthen coherence and accountability of township-level administration bodies, particularly in areas where multiple political stakeholders are present.

A summary of the key indicators used to assess performance during the past year is included below.

Strategic Direction	Indicators of Success	Target	Achievement
Prioritise the Humanitarian Imperative	<ul style="list-style-type: none"> •% refugees receiving cooking fuel as scheduled •% refugee households whose food consumption scores indicate an acceptable diet •# internally displaced or conflict affected persons assisted with the equivalent of three months' food supply 	<ul style="list-style-type: none"> • >95% • >90% • 150,000 	<ul style="list-style-type: none"> • 97% • 93% • 165,000
Reinforce Resilience and Recovery	<ul style="list-style-type: none"> •% refugee children under 5 years old with stunting malnutrition •% surveyed households reporting severe hunger •#upland farmers reporting increased agricultural productivity 	<ul style="list-style-type: none"> • 22% • <2% • 10,000 	<ul style="list-style-type: none"> • 22.5% • 0% • 15,243
Promote Protection and Safer Futures	<ul style="list-style-type: none"> •%women and people with disabilities in refugee leadership roles •# reports about human rights concerns documented and publicly distributed •% beneficiaries who report an improved sense of safety and well-being 	<ul style="list-style-type: none"> • 30% • 200 • 90% 	<ul style="list-style-type: none"> • 35% women;1 PWD • 438 • 97%
Strengthen Local Governance	<ul style="list-style-type: none"> •% complaints raised by beneficiaries that are satisfactorily resolved by TBC within 30 days •% local partners with well-functioning financial, administration & programme management capacities •# Freely available general reserves at years end 	<ul style="list-style-type: none"> • >100% • 58% • THB 25M 	<ul style="list-style-type: none"> • 100% • 50% • THB 46M

Risk Management

TBC's Fraud Mitigation and Response Committee, which was established in 2022, has continued to work to enhance the organisation's resilience to fraud and to implement TBC's Fraud Risk Management Plan, including ongoing monitoring of transactions, investigating complaints and improving internal processes in order to mitigate the risk of fraud and corruption.

In Myanmar, risks relating to the safety and security of personnel and beneficiaries in Myanmar materialised during the last quarter of 2023 when armed conflict intensified in urban areas of Karenni State. TBC mitigated these risks by coordinating with multiple stakeholders to support the evacuation of UN and INGO staff to Southern Shan State. Risks to beneficiaries were partly mitigated by pre-positioning food supplies for civilians displaced into Demoso Township.

Strategic Report

Overview

TBC's management and headquarters is based in Bangkok, Thailand, and its accounting records are maintained in Thai baht (THB). TBC financial statements conform to the Statement of Recommended Practice for Charities (SORP FRS 102), with both Income and Expenses reported on an accrual's basis, and separation of restricted and general funding. TBC uses QuickBooks Enterprise as its accounting software.

Financial Overview Year 2019-2023 in THB millions:

	2019	2020	2021	2022	2023
Income	511	586	1,030	914	953
Expenditure	510	567	730	875	931
Net Movement	1	19	300	39	22
Closing Fund balance	174	192	492	531	553
Restricted funds	90	107	396	451	447
Designated funds	58	58	60	57	59
Net fixed assets	1	1	1	1	1
Freely available general reserve	25	26	36	23	46
Liquidity (Bank–Trade Creditors)	89	91	93	85	111

In 2023, TBC introduced a new 2023-2025 strategic plan, signalling a departure from its previous approach. The previous strategy primarily focused on facilitating the voluntary return of refugees to Myanmar. The new strategic direction emphasises the exploration of alternative solutions to address the evolving needs and possibilities for the displaced populations.

Prior to the development of the new strategic plan in 2023, TBC's financial profile was in a downward trend in both income and expenditure, as well as in the bottom-line general reserve. This highlights the intent to support the voluntary return of refugees to Myanmar, and subsequent intent to close down the organisation. However, the onset of the COVID-19 pandemic in 2020 and the subsequent coup in Myanmar in early 2021 significantly disrupted this objective.

TBC's income has increased by 61% over the past three years, to THB 953M in 2023, and is expected to continue similarly into 2024. Expenditure reached THB 931M, for a net increase of THB 22M, resulting in a fund balance of THB 553M. The fund balance consists of THB 447M in restricted funds, THB 59M in designated funds and THB 1M in assets, leaving a notable increase to the general reserve of THB 46M from a foreign exchange rate gain. Liquidity represents the ratio of bank balance to trade creditors, which is THB 111M, and an uptick from the previous year.

Throughout the year, TBC remained committed to bolstering the capabilities of its local partners in responding to the ongoing emergency and addressing emerging multi-sectoral needs. The number of subgrants awarded to partners saw a slight decline from 95 in 2022 to 84 in 2023, with some partners receiving multiple advances for various projects. On average, THB 55M remained consistently outstanding in advances, indicating a steady flow of activities. Fund advances are essential to enable local partners to mobilise emergency responses but also lead to cash flow constraints unless donors reciprocate with pre-financing rather than the reimbursement of costs. Additionally, the absence of formal financial systems along the border and within Myanmar necessitated a reliance on cash

payments for supplies and services. TBC acknowledged this challenge and implemented measures to mitigate associated risks, including regular reporting and rigorous internal review of support documentation.

TBC's banking operations continue to be exclusively managed through the Siam Commercial Bank of Thailand; a system that has proven effective. The existence of accounts denominated in multiple currencies, including THB, GBP, and USD, allows TBC to exercise some limited control over the timing of fund conversions, aiming to secure the most favourable foreign exchange rates when required. Despite this, TBC recognises the significance of maintaining banking ties in the UK and therefore remains committed to exploring additional banking options in that region.

In May 2023, the Extraordinary General Meeting (EGM) and quarterly Trustees' meeting convened in Jomtien, Thailand, marking the first EGM in-person since 2019. Notably, this meeting coincided with the TBC annual staff meeting, facilitating an opportunity for key stakeholders to convene simultaneously. The Annual General Meeting (AGM) was successfully held in Bangkok, Thailand on 9 November 2023. Concurrently, TBC organised a day for members to visit and tour the Tham Hin refugee camp. Additionally, the organisation hosted its annual Donors' Meeting during the same week, facilitating ongoing discussions regarding future funding needs and opportunities.

Furthermore, TBC underwent only three planned project audits and its external annual audit, a reduction from the twelve audits conducted in the previous year. These audits, which are standard annual requirements for certain donors, concluded without identifying any material concern. TBC affirms its commitment to integrity and transparency, emphasising that its systems and operations undergo regular scrutiny by multiple external parties each year.

Principal Funding Sources:

Income Sources 2023	Donor	Currency	Amount	Thai Baht
Australia ANCP (Act for Peace)	R	AUD	160,000	3,371,349
Australia DFAT (IRC)	R	AUD	3,199,004	71,657,690
Denmark DANIDA (DanChurchAid)	U	DKK	1,150,000	5,740,455
International Organization for Migration	R	THB	10,000,000	10,000,000
Japan-PEACE	R	THB	4,170,215	4,170,215
Nexus-UNOPS (DanChurchAid)	R	USD	900,000	29,359,530
New Zealand-MFAT	R	NZD	2,500,000	53,100,000
UNOPS- LIFT Fund	R	USD	1,486,249	50,883,072
Polish Embassy Thailand	R	USD	18,925	675,638
United Kingdom-FCDO	R	GBP	1,650,000	69,055,965
USA- PRM (IRC)	R	USD	17,160,000	579,015,067
USAID-LEARN (CPI)	R	USD	1,200,023	40,722,181
TOTAL Government Backed				917,751,162
Non Government - Restricted	R			8,590,618
Non Government - Unrestricted	U			26,230,685
TOTAL: Voluntary Income				952,572,465
Investment Income	U			242,516

Income Sources 2023	Donor Currency	Amount	Thai Baht
Total Income			952,814,980
Restricted (denoted by R)	R		920,601,324
Unrestricted	U		32,213,656

Some of the funding allocated for TBC programmes and management is obtained indirectly, as it is secured by NGO partners in their respective home countries and then sub-granted to TBC. Many of these funding partners also serve as consortium members of TBC, contributing alongside other organisations and individuals through private grants or donations.

In 2023, TBC recorded a total income of THB 953M, exceeding the budget by THB 150M (18.5%) and remaining consistent with the previous year's figures. Additionally, TBC realised a foreign exchange gain of THB 24M, a significant improvement from the THB 23M loss incurred in 2022. This gain was primarily attributed to the strength of the USD throughout the majority of 2023.

TBC's work received support from seven governments, with contributions ordered by size from the United States, United Kingdom, New Zealand, Australia, Denmark, Japan, and Poland. Additionally, TBC continued to benefit from ongoing assistance from the European Union through the UNOPS-managed Nexus Response Mechanism, as well as from the multi-donor Livelihoods and Food Security Trust (LIFT), also administered by UNOPS.

Furthermore, TBC secured new donations from the International Organization for Migration and entered into a longer three-year agreement with USAID in consortium with Community Partners International (CPI). These government-based donors collectively funded 99% of TBC's annual budget.

In addition to its regular funding sources, TBC successfully raised THB 208M (23% of total income) for emergency response efforts along the border. Contributors to these emergency funds included the United States-BPRM, UNOPS/EU-Nexus via DanChurchAid, the United Kingdom-FCDO, Australia-DFAT, Kerk en Actie, New Zealand-MFAT, USAID, and the International Organization for Migration.

Actual Expenditure compared with Budget 2023:

Strategic Objectives 2023-2025	Budget	Actual Direct	Resources	Total Actual
Prioritise the Humanitarian Imperative	644,000,000	681,939,920	3,081,454	685,021,374
Reinforce Resilience & Recovery	54,000,000	47,811,850	990,467	48,802,317
Promote Protection & Safer Futures	62,000,000	55,856,440	550,260	56,406,700
Strengthen Local Governance	139,700,000	138,244,899	2,201,038	140,445,937
sub-total Activity Cost	899,700,000	923,853,109	6,823,219	930,676,328
Cost of Generating Funds	300,000	154,057	303,168	457,225
Total Expenditure	900,000,000	924,007,166	7,126,387	931,133,553

TBC commenced the initial year of its newly implemented 2023-2025 Strategic Plan, aligning its main

programmes with four overarching strategic objectives as outlined in the table above. Direct expenditure is systematically analysed based on these strategic objectives, with associated costs aimed at ensuring sustained access to sufficient nutritious food and suitable shelter allocated between refugee camps (humanitarian assistance) and internally displaced persons (emergency relief). Notably, certain activities, including those related to nutrition, shelter, stipends, and camp administration, may intersect with multiple objectives. To facilitate precise tracking and accountability, these activities are categorised into cost centres, each assigned distinct accounting codes for accurate financial management.

Each strategic objective encompasses specific program-related costs aimed at achieving its respective goals:

1. **Prioritise the Humanitarian Imperative:** This objective focuses on addressing immediate humanitarian needs. Program-related costs include expenses associated with the food card system, provision of cooking fuel, shelter initiatives, and most emergency response efforts.
2. **Reinforce Resilience and Recovery:** This objective aims to enhance community resilience and facilitate recovery. Program-related costs encompass activities such as natural resource management, agricultural extension services, nutrition promotion initiatives, and interventions related to water, sanitation, and hygiene.
3. **Promote Protection and Safer Futures:** This objective is centred on promoting protection and ensuring safer futures for displaced populations. Program-related costs include camp management stipends and administration, expenses related to facilitating futures, and initiatives aimed at providing social protection.
4. **Strengthen Local Governance:** This objective focuses on enhancing local governance structures and organisational systems. Program-related costs encompass activities such as quality control of commodities, safeguarding and compliance monitoring efforts, shelter monitoring and assistance initiatives, support for local governance structures, and TBC organisational costs.

A breakdown of the overarching programmes' expenditure and the major cost centres are described below. It is important to note that the accounts behind these cost centres have not changed and that they align precisely with each same number objective as the previous strategic plan. In essence, there is no structural change to how the accounts are identified for each objective when comparing the new strategy to the old one.

Resource costs encompass salaries, benefits, and other indirect expenses associated with programme implementation. Some of these costs are directly tied to specific activities, while others are allocated based on management estimates of staff time dedicated to various tasks. In 2023, the cost of supporting one refugee in the camps amounted to approximately THB 6,868 (GBP 161), a slight increase from THB 6,807 (GBP 160) in 2022. Resource and governance costs combined for less than 1% of the total expenses incurred during the year.

The actual programme expenditure for 2023 totalled THB 931M, marking an 8% increase from the previous year's expenditure. This surpasses the budget expectation of THB 900M. The rise in expenditure can be attributed mainly to favourable USD foreign exchange rates throughout the year and additional income generated.

The largest fluctuation in expenditure is attributed to programmes addressing the humanitarian crisis triggered by the Myanmar coup. Although the impact of the COVID-19 pandemic still lingers, it is rapidly diminishing. TBC maintained a balance of restricted funds carried over from 2022, with

expenditure increasing in proportion to the new funds raised in 2023.

Total expenditure directly contributing to the emergency amounted to THB 213M, with THB 60M utilized in Thailand (compared to THB 37M in 2022) and THB 153M directly supporting Myanmar (compared to THB 196M in 2022). These figures reflect a slight net decrease of THB 20M from 2022.

The majority of TBC Thailand's camp costs are typically stable, with variations primarily occurring in response to changes in population numbers, rations, and commodity prices. This year, both camp population and commodity prices experienced significant increases. TBC's operations in Thailand accounted for THB 595M of the total programme expenditures, while Myanmar programmes accounted for THB 122M.

TBC initially projected a 3% increase in the population, from 80,000 to 82,500, over the course of the year. However, the actual assisted population reached 86,500 before the end of the year, exceeding expectations. Despite efforts to maintain pandemic-level food card rations, where Vulnerable and Most Vulnerable households received higher rations until September inclusively, budget constraints resulting from the increasing population necessitated a reversion back to normal ration levels.

With the alleviation of limitations imposed by the Covid-19 pandemic by the end of 2022, TBC staff and partners transitioned to rigorous monitoring of in-camp activities. Investments made in IT and communications equipment during the pandemic provided TBC with more efficient monitoring methods, although hands-on monitoring remains crucial for programs and systems heavily reliant on cash transactions.

The Food Card System (FCS) continues to be TBC's largest budget line for the refugee camps, with total expenditure, including service fees, reaching THB 317M compared to THB 283M in 2022. Ration levels remained elevated until September and reverted to pre-Covid levels in October.

Charcoal represents TBC's second largest camp-related budget line, with expenditure totalling THB 100M, compared to THB 98M in 2022. This increase is primarily attributed to the rise in population within the camps.

Shelter materials in the budget typically cover only the minimal needs in the camps. However, additional funding restricted to shelter allowed TBC to purchase more materials, resulting in an overspend of 2% for a total of THB 21M.

Camp management costs exceeded the budget by THB 4M, primarily due to rising administration expenses for partners. A 20% increase for these costs were initiated for entire year. Investments made in the previous year to enhance security measures within the camps and procure office equipment and computers improved communication with the Camp Committees.

Stipend costs remained in line with the budget at THB 30.5M. Additionally, camp committee administration costs received a long overdue budget increase of 20% compared to the previous year.

Food Security and Livelihood programme spending came in slightly under budget at THB 15M, namely due to a supply issue of Baby Bright from the only supplier, consequently, the purchase will only happen in early 2024. The majority of these costs are allocated to the purchase of the BabyBRIGHT product, which is utilised for the infant and young child feeding program, as well as for the supplementary feeding and inpatient department activities. Other related expenses include surveillance, trainings, and livelihood activities.

Total organisational costs amounted to THB 94M, slightly under budget by 7%. Personnel-related costs accounted for THB 73.5M, covering salaries, benefits, staff insurances, and home travel. In the first quarter of 2023, TBC operated under a Co-Executive directorship model, during which both individuals received Executive Director compensation. Subsequently, TBC transitioned to a sole Acting Executive Director for the remainder of the year, resulting in the main reason for the underspend. Approximately THB 1.5M in net savings came from various travel-related accounts, totalling THB 9.1M in expenditure. Additionally, the purchase of two new vehicles, fully expensed to a donor, contributed to this overspend.

IT and communication costs exceeded the budget by 20%, totalling THB 3M. TBC received additional funds throughout the year to procure necessary laptops to replace old ones. Generally, TBC budgets to replace around 20 units per year, as the lifespan of computers is typically around 5 years. TBC also incurred recruitment expenses for an Executive Director in the latter part of the year, costing around THB 1.5M.

TBC's annual external audit fee increased to THB 2.6M, compared to THB 2.4M in the previous year.

Myanmar expenditure exceeded the budget by 5%, partially due to cost extensions on two of the larger grants, UNOPS-LIFT and UNOPS-NEXUS via DCA, as well as a higher unspent balance from the previous year than anticipated. Total expenditure amounted to THB 105M, and both of these grants will continue into 2024.

In summary, the increase in spending over the originally planned budget was primarily driven by TBC's response to ensure that basic needs and protection were met for the refugee population in the nine camps along the border. Additionally, the increase reflects the additional funds raised to respond to the coup in Myanmar through lifesaving activities and programs. Strong foreign exchange gains, particularly from the USD, also facilitated the higher expenditure rate throughout the year.

A description of the principal risks facing the charity

A general Risk Management Plan was developed in 2008. Since 2015 the plan has expanded to include specific risks in both Thailand and Myanmar. The risk management matrix is updated and reviewed regularly and is assessed by the Trustees twice a year. Any significant change is reported at intervening Board meetings. The risk matrix is also presented to the Members at the Annual General Meeting (AGM) and the Extraordinary General Meeting (EGM). The latest Risk Management Register was reviewed and ratified by the Members and the Board at the AGM in November 2023.

TBC aims to meet humanitarian best practices, deliver quality services and support activities that ensure at least minimum access to services that help beneficiaries meet their basic needs until they are able to return to Myanmar or find another solution and respond to emergencies.

TBC is continually monitoring and assessing its key risks to mitigate the impact on the sustainability of its programs. The main financial risks are 1. number of displaced people in need of TBC support, 2. the market price of commodities and supplies, and 3. the exchange rates at which the organisation receives funding.

The overall programme risks are:

- The ability to continue to raise and safeguard the necessary funds needed to run the operation in the coming year and longer term to bring the work to a successful conclusion whenever that may be. To help mitigate this risk, Senior Management and Members work to keep donors and government representatives fully informed about developments and engaged with the situation.

- The changing external political context, both in Myanmar and Thailand, presents a high risk because TBC has no control over the respective governments' strategies towards displaced people. To help mitigate this risk, TBC Senior Management, Trustees and Members seek to maintain a dialogue with key stakeholders in Myanmar and Thailand to keep the situation of the refugees and IDPs current.
- The willingness or ability of refugees to return to Myanmar, remain in camps, or seek employment in Thailand. For 2023, TBC budgeted for a slight increase of population from 80,000 to 82,500 people but actually ended the year with 86,500+. Even the slightest change in population has significant financial impact on the costs of the program. Zero-population movement or, yet worse, an increase of population will conversely impact TBC's ability to meet all the humanitarian needs if funding levels weaken. While TBC understands that the current Royal Thai Government procedure would temporarily hold new arrivals at the border and not allow them to enter the refugee camps under normal circumstances, the rapidly evolving humanitarian crisis in Myanmar since the beginning of 2021 is changing that.
- TBC recognised that its longstanding internal policy and procedure to report to donors at a fixed accrued exchange rate was no longer viable. A change in procedure was implemented in 2021, whereby transactions are converted back to the donor currency by using the monthly average for the specific currency's foreign exchange rate taken from the Bank of Thailand.
- TBC mitigated foreign exchange risk by holding several bank accounts in several different countries- UK, Thailand, and Myanmar for many years. However, after Standard Chartered bank in the UK and Thailand forced TBC to close its accounts in 2021 because it no longer fitted with their strategy, TBC was able to open relative currency accounts in the Siam Commercial Bank of Thailand, which has been working out well. The coup in Myanmar continued to expose a possibility of a financial collapse in Myanmar, TBC was able to draw down on the balances. Although TBC navigated the challenges with viable solutions, it must still research other options.
- Cash flow and inadequate security over cash transactions remain a challenge. The number of partners and the amount of outstanding advances over longer periods of time add more pressure for faster and reliable cash flow from donors. Many of the partners operate along both sides of the border where financial systems are all cash based, thus increasing the risk of loss by various means. Trustees set specific boundaries within which the Executive Director may operate, which include financial and fundraising conditions consistent with the Reserves Policy. The Board does not have a separate finance and audit committee. However, the Board has access to reports from external audits, frequent donor audits and independent evaluations, which provide evidence of the effectiveness of the systems of internal control.

Financial Review

Fund Balance

TBC concluded the year with a total fund balance of THB 553M, consisting of THB 447M in restricted funds, THB 59M in designated funds, of which THB 30M is designated to cover eventual organisation closure and THB 29M for staff severance. The balance of THB 46M is considered generally available, and less than THB 1M in assets.

Upon reviewing these reserves, donor funding commitments, and liquidity over the twelve months from the date of signing the financial statements, TBC Management believes that its operations should be considered as a going concern.

Statement explaining the policy for holding reserves and explanation of what reserves are held

The Border Consortium (TBC):

1. Seeks both restricted and unrestricted funding to cover annual expenditures, which are subject to budget review twice a year, to meet its Charitable Objects and strategic objectives in relation to the displaced people from Burma/Myanmar.
2. Endeavours to hold at all times a minimum total fund balance sufficient to cover the funding receivable, inventory and fixed assets.
3. Will not allow its freely available funds balance to be negative.
4. Maintains a designated fund to cover the potential staff severance costs under Thai and Myanmar law.
5. Maintains a specific reserve for eventual closedown of the organization which is designated from other freely available reserves.
6. Trustees set specific boundaries within which the Executive Director may operate, which include financial and fundraising conditions consistent with the Reserves Policy.
7. Reviews the Reserves policy annually.

TBC aims to maintain the current levels of general reserves at a minimum of THB 25 M. Due to uncertainty regarding the timing of camp closures, management and Trustees acknowledge that TBC is facing increasing financial and operational risks.

The organisation's liquidity increased by the end of 2023 from THB 85 M to THB 111 M. Liquidity is defined as the level of bank/cash holdings less the short-term creditors' liability.

TBC Trustees consider that THB 25 million is a minimum fund balance to maintain as a buffer in 2025 and going forward.

Funds are restricted when donor contracts are designed to be used for specific purposes. By 31 December 2023, TBC had balances of eight restricted funds carried over into 2023 which the funding agreements allowed. Thus, all the income was recognised in 2023. The movement in the various funds over the year are illustrated in Note 18 to the Accounts.

There is a designated fund to cover potential staff severance costs in full in the event there is no longer a need for TBC to support the displaced people of Myanmar. The fund is adjusted annually in proportion to staff departures and accrued long-service. The 2023 fund balance for severance is THB 30M (THB 27M in 2022) – see Note 15 in the audited financial statements.

In September 2022, the Trustees reviewed a proposal to reduce the designated close-down budget from THB 35M to THB 30M. In January 2023, the Trustees ratified the decision. We note that the timeframe

for when these funds might be utilised is still an unknown factor and will be reviewed annually.

Structure, Governance and Management

Description of charity's trusts:

The charity is incorporated as a Company limited by guarantee in England and Wales, with a Memorandum and Articles of Association.

How is the charity constituted?

When refugees from Myanmar arrived in Thailand in 1984, the Ministry of Interior of the Royal Thai Government (RTG) invited non-governmental organisations (NGOs) in Thailand to provide emergency assistance. The immediate need was food; and the NGOs agreed to work together to operate a programme, initially under the name of the Consortium of Christian Agencies (CCA) and later, as the number of refugees continued to expand and a broader range of donors was accessed, as the Burmese Border Consortium (BBC). It had no legal identity, other than through the legitimacy of its individual members. The name changed to the Thailand Burma Border Consortium (TBBC) when it was incorporated as a Company limited by guarantee in England and Wales on 11 October 2004, with a Memorandum and Articles of Association. Charity Commission registration was granted on 13 May 2005. The name changed again to The Border Consortium (TBC) on 2 November 2012. TBC continues to be a company limited by guarantee.

Membership of TBC is open to any non-governmental, non-profit humanitarian organisation with a demonstrated interest in, and commitment to, the mandate of TBC. Membership applications are submitted to the Board of Directors (Trustees), who review the application and make a recommendation to a General Meeting of current Members for decision. The Consortium membership is made up of nine organisations from nine countries. Each member organisation is required to appoint a member representative to attend General Meetings, of which there is at least one per year, to decide and direct the overall policy and strategy of TBC.

Policy-making authority is delegated to a Board which is elected at each Annual General Meeting. The Board convenes at least four times annually to provide leadership for the Members and regular oversight and guidance to TBC's Executive Director and its programme and services. The Board approves TBC's salary policy. TBC pay scale rates are targeted at the 60th percentile for each level of job groupings for national staff and are reviewed annually. For key international management personnel, the pay policy targets the 50th percentile benchmarked against a relevant INGO and NGO comparative data sets and are also reviewed annually.

The Executive Director has day-to-day responsibility for leading and managing TBC's programme and services, the hiring and supervision of all other staff, and attending all General Meetings and Board Meetings to report on the progress and status of programme activities. After 31 years of service, including 10 years leading the organisation, TBC's Executive Director retired in July 2022. A competitive recruitment process led to the appointment of a successor who was employed from July until deciding the position and timing was not a good fit and submitting her resignation at the end of October. TBC's Board subsequently appointed two of the senior management team to be Acting Co-Executive Directors as an interim arrangement until May 2023, and then a sole Acting Executive Director for the remainder of the year. Active recruitment for a permanent Executive Director was undertaken from mid-year with a new Executive announced in December.

The TBC Board convened six times, four of which were remotely, in addition to the AGM and EGM meetings during 2023 to fulfil its overall responsibilities for Consortium oversight. In addition, there were increased informal calls with senior management to keep close to the fast-changing situation, focusing on the evolving crisis in Myanmar, including to ensure staff safety and securing additional emergency funding.

Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees

Trustees are elected at each Annual General Meeting, from the members' representatives and a maximum of four independents (individuals not employed by Member organisations). The Trustees are, by definition, directors. The Board has one subcommittee: the Governance and Elections Committee (GEC). This committee is responsible for managing the recruitment, nomination and election process for Trustees. One new Trustee was elected at the AGM in November.

Policies and procedures adopted for the induction and training of trustees

The GEC has oversight of the induction of new Trustees, who are briefed about current TBC issues by staff and further inducted to the Board of Directors in line with their experience and requirements. All Trustees have a copy of TBC Governance Guidelines, and a GEC introduction to these. The GEC also leads the Board for best practice procedures, and it facilitates the Board self-evaluation process.

Trustees receive a copy of the current Strategic Plan, regular detailed Programme reports and financial summaries. The Trustees ensure that the programmes are in line with the Mission, the Charitable Objects, and the strategic directions from the TBC Strategy 2023-2025. In 2022, GEC's focus has been on ensuring continuity on a governance level for TBC in the period to come.

The charity's organisational structure and any wider network with which the charity works

TBC is Chair of the Committee for Coordination of Services to Displaced Persons in Thailand (CCSDPT) through which all NGOs working with displaced people in Thailand coordinate their activities and relate to the RTG. TBC works in partnership with many civil society and community-based organisations (CSOs CBOs) representing refugees and other displaced persons. TBC is the only NGO providing food and shelter needs to the target groups, the other NGOs provide healthcare, water, sanitation, education, skills training, community services etc. TBC with other CCSDPT members works closely with the United Nations High Commissioner for Refugees (UNHCR), monitoring refugee protection issues and advocating with the Thai authorities and international community. TBC is also a member of the INGO Forum Myanmar which aims to influence and increase the effectiveness and coherence of humanitarian relief and development aid in Myanmar.

Statement of Trustees' Responsibilities

Statement of Trustees' responsibilities in respect of the Trustees' Annual Report and the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditor is unaware; and each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Trustees

The current trustees of the company are set out on page 42. Alexis Chapman and James Thomson served throughout the full year. Andreas Kiaby resigned on 24th January and Mani Kumar resigned on 1st August. Peter Bo Larsen was elected on 24th January. Kasit Piromya and Leon de Riedmatten did not stand for re-election at the AGM, both resigning on 9th November. Chris Eades was elected on 12th April and Ramani Leathard was elected on 9th November.

Auditor

KPMG LLP UK were first contracted for the 2011 audit. The Members ratified the appointment at the EGM on 15 March 2012. They have subsequently performed the annual audit for the financial years 2012-2022. The continued appointment was ratified by the Board at the AGM in November 2023.

The report of the trustees which incorporates the requirements of the Strategic report and the Directors' report as set out in the Companies Act of 2006 and 2013 regulations, was approved by the Board, in their capacity as Trustees and company directors, and signed on its behalf by the Chair.



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Alexis Chapman
Treasurer, Board of Directors
Dated: 11 April 2024

Independent auditor's report to the members of The Border Consortium

Opinion

We have audited the financial statements of The Border Consortium ("the charitable company") for the year ended 31 December 2023 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charitable company's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charitable company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management and inspection of policy documentation as to the charitable company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reading Board and Senior Management Meeting minutes; and
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. In particular, this is the risk that revenue is overstated because the revenue may have restrictions in place on what it can be spent on, which have not been adhered to, and therefore the recognition criteria for revenue may not have been met.

We also identified a fraud risk related to inappropriate recognition of expenditure, in particular on the classification between restricted and unrestricted funds.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. This included journal entries which reclassify expenditure between funds; and
- Testing the substance of expenditure recorded to assess whether the expenditure had occurred and whether it was correctly classified and meets the donor restrictions where required to recognise the associated revenue.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the charitable company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises the Trustees' Report, the Financial Review, and the Structure, Governance and Management report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Joanne Lees (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

11 April 2024

The Border Consortium

Company number: 05255598

AUDITED FINANCIAL STATEMENTS

Statement of Financial Activities

For the year ended 31 December 2023

	Notes	<u>2023</u>			<u>Total Funds</u> Thai Baht
		<u>Unrestricted Funds</u>		<u>Restricted Funds</u>	
		<u>General</u> Thai Baht	<u>Designated</u> Thai Baht	Thai Baht	
Income and Endowments					
Income from generated funds:					
Donations and legacies	2	7,609,045	-	920,601,324	928,210,369
Investment income	3	242,516	-	-	242,516
Other income	4	60,408	-	-	60,408
Gain on exchange rate	4	24,301,687	-	-	24,301,687
Total income and Endowments		<u>32,213,656</u>	<u>-</u>	<u>920,601,324</u>	<u>952,814,980</u>
Expenditure on					
Costs of generating funds:					
Expenditure on raising funds	2	303,168	-	154,057	457,225
Charitable activities:					
Prioritise the Humanitarian Imperative	5	3,081,454	-	681,939,920	685,021,374
Reinforce Resilience & Recovery	5	990,467	-	47,811,850	48,802,317
Promote Protection & Safer Futures	5	550,260	-	55,856,440	56,406,700
Strengthen Local Governance	5	2,201,038	-	138,244,899	140,445,937
Total Expenditure		<u>7,126,387</u>	<u>-</u>	<u>924,007,166</u>	<u>931,133,553</u>
Net income/(expenditure) before transfers					
		25,087,269	-	(3,405,842)	21,681,427
Transfers between funds	15	(2,301,704)	2,301,704	-	-
Net movement in funds in period		22,785,565	2,301,704	(3,405,842)	21,681,427
Reconciliation of Funds					
Total funds as at beginning of period					
		23,038,515	57,220,49	450,724,386	530,983,392
Total funds carried forward	18	45,824,080	59,522,19	447,318,544	552,664,819

A comparison is provided for the previous year (2022) as follows:

		<u>Unrestricted Funds</u>		<u>Restricted Funds</u>	<u>Total Funds</u>
	Notes	<u>General</u> Thai Baht	<u>Designate</u> <u>d</u> Thai Baht	Thai Baht	Thai Baht
Income and Endowments					
Income from generated funds:					
Donations and legacies	2	10,644,124	-	902,817,163	913,461,287
Investment income	3	313,747	-	-	313,747
Other income:	4	61,689	-	-	61,689
Total income and Endowments		11,019,560	-	902,817,163	913,836,723
Expenditure on					
Costs of generating funds:					
Expenditure on raising funds	2	142,334	-	546,963	689,297
Charitable activities:					
Humanitarian Need	5	2,719,603	-	648,337,747	651,057,350
Food Security & Nutrition	5	874,158	-	37,028,937	37,903,095
Protective Environment & Safe Futures	5	582,772	-	47,408,988	47,991,760
Accountability & Partnerships	5	1,748,316	-	112,661,950	114,410,266
Other expenditure (FX Loss)	8	20,880,404	-	2,223,643	23,104,047
Total Expenditure		26,947,587	-	848,208,228	875,155,815
Net income/(expenditure) before transfers		(15,928,027)	-	54,608,935	38,680,908
Transfers between funds	15	2,508,030	(2,508,030)	-	-
Net movement in funds in period		(13,419,997)	(2,508,030)	54,608,935	38,680,908
Reconciliation of Funds					
Total funds as at beginning of period					
		36,458,512	59,728,521	396,115,451	492,302,484
Total funds carried forward	18	23,038,515	57,220,491	450,724,386	530,983,392

All operations are from continuing activities.

The accompanying notes from pages 29 to 40 form an integral part of these financial statements.

The Border Consortium

Company number: 05255598

Balance Sheet

As at 31 December 2023

		2023	2022
	Notes	Thai Baht	Thai Baht
Fixed assets			
Tangible assets	11	281,067	500,867
Current assets			
Debtors	12	443,609,208	447,520,680
Cash at banks and in hand		132,549,172	125,964,015
Total current assets		576,158,380	573,484,695
Liabilities			
Creditors falling due within one year	13	(21,238,631)	(40,809,741)
Net Current assets		554,919,749	532,674,954
Total assets less current liabilities		555,200,816	533,175,821
Creditors falling due after more than 1 year	14	(2,535,997)	(2,192,429)
Net assets		552,664,819	530,983,392
The funds of the charity			
Restricted income funds		447,318,544	450,724,386
Unrestricted income funds:			
- General Fund		45,824,080	23,038,515
- Designated funds		59,522,195	57,220,491
Total charity funds	17	552,664,819	530,983,392

The financial statements were approved by the trustees and were signed on its behalf on
11 April 2024 by:



Alexis Chapman
Treasurer, Board of Directors

The accompanying notes from pages 29 to 40 form an integral part of these financial statements

The Border Consortium

Company number: 05255598

Cash Flow Statement

For the year ended 31 December 2023

		2023	2022
		Thai Baht	Thai Baht
	<i>Note</i>		
Cash flow from operating activities			
Net movement in funds in period		21,681,427	38,680,908
Investment income	3	(242,516)	(313,747)
Depreciation charges	11	2,417,800	298,564
Net changes in working capital		(15,316,070)	(38,973,497)
Net cash (used in) operating activities		8,540,641	(307,772)
Cash flows from investing activities			
Interest received		242,516	313,747
Payment to acquire tangible assets		(2,198,000)	-
Net cash provided by (used in) investing activities		(1,955,484)	313,747
Net change in cash		6,585,157	5,975
Net funds as at beginning of the period		125,964,015	125,958,040
Net funds as at end of the period		132,549,172	125,964,015

Notes

Net changes in net working capital

	2023	2022
	Thai Baht	Thai Baht
(Increase) decrease in debtors	3,911,472	(47,629,874)
Increase (decrease) in creditors	(19,227,542)	8,656,377
Net changes in working capital	(15,316,070)	(38,973,497)

The accompanying notes from pages 29 to 40 form an integral part of these financial statements

The Border Consortium

Company number: 05255598

Accounting Policies and Notes to the Financial Statements

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with 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 01 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Border Consortium meets the definition of a public benefit entity under FRS 102.

TBC principally operates in Thailand, and its accounting records are maintained in Thai Baht (THB).

Going Concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The business model of the charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and no committed costs beyond its fixed costs of operation which are detailed in note 5.

The Trustees have reviewed the cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period. The Trustees have also considered the implications of COVID-19 and the Myanmar coup on these cash flow forecasts and consider that as a result of its operating model explained above, even if no further funding is received in the 12-month period, the charity has sufficient cash reserves to pay all committed costs.

Consequently, the Trustees are confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the monetary value of the income can be measured with sufficient reliability. Such income is only deferred when the donor specifies that the grant or donation must only be expended in future accounting periods.

Voluntary income consists of grants, donations and gifts that provide core funding or are of a general nature. Gifts in kind are valued at estimated fair market value at the time of receipt.

Investment income consists of bank interest and is recognised on a receivable basis.

Other income consists of gains on the disposal of fixed assets and gains on exchange rates.

Expenditure

All expenditure is accounted for on an accrual basis and recognised when there is a legal or constructive commitment to the expenditure.

Irrecoverable VAT in Thailand is charged against the category of expenditure for which it was incurred.

Resource costs consist of salaries, benefits and other indirect costs related to programme implementation. Some resource costs are directly attributable to an activity; others are allocated according to a management estimate of the amount of time staff members spend on different activities. General administration costs are not allocated to activities.

Costs of generating funds are those costs incurred in attracting voluntary income and raising funds.

Costs of Charitable activities comprise all costs incurred in the pursuit of the charitable objects of TBC, including both the direct costs and resource costs relating to these activities.

Governance costs comprise costs attributable to ensuring public accountability and compliance with regulations.

Allocation of General Support Costs

The organisation's support costs have been allocated between governance costs and other general support costs. Governance activities comprise of costs involving the public accountability and its compliance with regulation and good practice. These include costs relate to statutory audit and legal fees, as well as trustees' expenses and related consultancy fees.

General support costs (i.e. those that are not directly related to an activity) are allocated on the basis of headcount for that particular cost category. Examples of these costs include staff related costs, general office costs, IT costs, vehicle maintenance costs and travel and accommodation expenses are broadly equivalent. The allocation of support and governance costs is analysed in notes 6 and 7.

Tangible Fixed Assets

Tangible fixed assets costing more than THB 60,000 are capitalised at cost and depreciated on a straight-line basis over their estimated useful lives as follows:

<u>Asset Category</u>	<u>Annual rate</u>
Office equipment	20%
Computers	33%
Vehicles	20%

Debtors

Debtors are created when there is a signed contract with a donor to provide funding for a period into the future. The timing of receipts from that debtor are variable (monthly, quarterly, annually) or are dependent on certain milestones being reached. The debtor value at the end of the financial year reflects the balance outstanding between the amount contracted and the amount received. No provision is made for doubtful debts.

Creditors

Creditors are created when there is a signed contract with a supplier/service provider whereby the timing of the payment to that contractor is at a point in the future. Normal credit terms granted by the organization are 30 days. At the end of an accounting period the trade creditors figure reflects the amount that has still to be paid to a supplier under a binding contract.

Fund Structure

There are several restricted income funds to account for situations where a donor contracts to meet specific expenses, or directs the fund be used for specific purposes.

All other funds are unrestricted income funds. Within unrestricted funds there are two specific designated funds. One is set aside for the full potential of severance costs in the event that all staff contracts were to be terminated. The other is set aside to provide the required funds for closedown of the costs related to the administrative and legal responsibilities of the organisation, referred to as the close-down budget.

Foreign Currencies

Transactions in foreign currencies are recorded at the exchange rate ruling at the date the transaction occurred.

The THB value of foreign currency assets and liabilities as at the period end have been adjusted by using the Bank of Thailand rates for those dates, with differences taken to the Statement of Financial Activities.

The net value of exchange differences for the accounting period is recorded either as an exchange gain under income or as an exchange loss under expenses.

Employee Benefits

TBC operates a Staff Provident Fund by deducting a maximum of 15% from basic salary of the staff participating in the Plan and matching the staff contribution up to 6%. The contributions are invested in a government registered provident fund managed by a recognised financial institution. Staff are entitled to the benefits upon resignation from the organisation. TBC's contributions to the Plan are charged to the Statement of Financial Activities in the year to which they relate.

Legal Status

The Thailand Burma Border Consortium (TBBC) was incorporated in England on 11 October 2004, Charity status was granted on 13 May 2005. The name was changed to The Border Consortium (TBC) on 2 November 2012.

Tax Accounting

TBC is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2. VOLUNTARY INCOME AND COST

	Unrestricted Thai Baht	2023 Restricted Thai Baht	Total Thai Baht
Voluntary Income			
Donations	133,090	-	133,090
Grants	7,475,955	920,601,324	928,077,279
Total Voluntary Income	7,609,045	920,601,324	928,210,369
Total cost of generating voluntary income			
Donors meeting & Fundraising Marketing	(303,168)	(154,057)	(457,225)
Net voluntary income	7,305,877	920,447,267	927,753,144
		2022	
	Unrestricted Thai Baht	Restricted Thai Baht	Total Thai Baht
Voluntary Income			
Donations	245,425	-	245,425
Grants	10,398,699	902,817,163	913,215,862
Total Voluntary Income	10,644,124	902,817,163	913,461,287
Total cost of generating voluntary income			
Donors meeting & Fundraising Marketing	(142,334)	(546,963)	(689,297)
Net voluntary income	10,501,790	902,270,200	912,771,990

3. INVESTMENT INCOME

Investment income of THB 242,516 (previous period THB 313,747) arises from the bank deposit accounts.

4. OTHER INCOME

	2023	2022
Exchange Rate Gain	24,301,687	-
Others	60,408	61,689
Total	24,362,095	61,689

5. CHARITABLE ACTIVITIES EXPENDITURE

	2023			TOTAL COST Thai Baht
	Direct Cost Thai Baht	Support Cost Thai Baht	Governance allocation Thai Baht	
Prioritise the Humanitarian Imperative	683,050,207	596,411	1,374,756	685,021,374
Reinforce Resilience & Recovery	48,168,728	191,703	441,886	48,802,317
Promote Protection & Safer Futures	56,054,706	106,502	245,492	56,406,700
Strengthen Local Governance	139,037,960	426,008	981,969	140,445,937
Total	926,311,601	1,320,624	3,044,103	930,676,328

	2022			TOTAL COST Thai Baht
	Direct Cost Thai Baht	Support Cost Thai Baht	Governance allocation Thai Baht	
Humanitarian Need	648,583,836	535,004	1,938,510	651,057,350
Food Security & Nutrition	37,294,965	171,965	436,165	37,903,095
Protective Environment & Safe Futures	47,586,340	114,644	290,776	47,991,760
Accountability & Partnerships	113,775,559	343,931	290,776	114,410,266
Total	847,240,700	1,165,544	2,956,227	851,362,471

Note 5 above shows direct, support and governance costs per each expense category. The basis for these allocations is outlined in the notes above.

General support costs are further analysed in the table below (note 6) and compared to 2022 costs and Governance costs are similarly presented in note 7.

6. GENERAL SUPPORT COSTS

	2023	2022
	Thai Baht	Thai Baht
Staff Related Costs	924,436	815,881
Office Related costs (including Rent)	132,063	116,554
IT Related Costs	158,475	139,865
Vehicle Related Costs	66,031	58,277
Travel, accommodation and miscellaneous costs	39,619	34,987
Total	<u>1,320,624</u>	<u>1,165,544</u>

7. GOVERNANCE COSTS

	2023	2022
	Thai Baht	Thai Baht
Audit fee	2,599,800	2,373,124
Trustees expenses	107,427	159,457
Consultant Fee	249,282	423,646
Meetings	87,593	-
Total	<u>3,044,103</u>	<u>2,956,227</u>

One Trustee was reimbursed a total of THB 126,581 for two airfares to attend the EGM and AGM meetings held in Bangkok.

8. OTHER EXPENDITURE

	2023	2022
	Thai Baht	Thai Baht
Loss on exchange rate	<u>-</u>	<u>23,104,047</u>

9. ANALYSIS OF STAFF COSTS

The number of persons employed by the Charity at 31 December was as follows:

	Number of employees	
	2023	2022
Programme and programme support	53	52
Management and administration	9	10
Total	62	62
Average number of employees	58	58

The aggregate payroll costs of these persons were as follows:

	2023	2022
	Thai Baht	Thai Baht
Salaries	61,758,827	57,822,346
Housing, Living and Education allowances	3,059,190	3,386,193
Provident fund	2,409,610	2,344,017
Staff Insurance	2,998,842	2,649,816
Other employee benefits	2,834,955	2,763,389
Social security fund	522,560	318,872
Total	73,583,984	69,284,633

Notes relating to Staff remuneration.

The number of employees whose emoluments in the year as defined for taxation purposes amounted to over the equivalent of £60,000 were as follows:

	2023	2022
£60,001 to £70,000 (THB 2,567,443 to THB 2,995,300)	1	1
£70,001 to £80,000 (THB 2,995,343 to THB 3,423,200)	0	1
£80,001 to £90,000 (THB 3,423,243 THB 3,851,100)	2	1

An annual average rate of GBP/THB 42.7900 (2022: 42.9419) is used for conversion.

The emoluments of the highest paid employee were THB 3,648,000 (2022: THB 3,503,915).

The total amount paid to the five key management personnel of the organisation in 2023 was THB 14,607,781. The amount in 2022 was THB 14,473,102.

TBC pay scale rates are targeted at the 60th percentile for each level of job groupings for national staff and are reviewed annually. For key international management personnel, the pay policy targets the 50th percentile benchmarked against a relevant INGO and NGO comparative set and are also reviewed annually. The amount paid in termination costs to staff in 2023 was THB - nil -. (2022: THB 845,313).

Amount of remuneration that trustees received in 2023: nil (2022: nil).

TBC Board member gift for years of service in 2023 are THB nil (2022: THB nil).

10. AUDITOR'S REMUNERATION

The auditor's fee:

- Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts: THB 2,599,800 (2022: THB 2,372,684)
- Other assurance services (in relation to USA-PRM): THB 440,000 (2022: THB 420,000).
- Total Remuneration: THB 3,039,800 (2022: THB 2,792,684)

11. TANGIBLE FIXED ASSETS

	2023			
	Office Equipment Thai Baht	Computers Thai Baht	Vehicles Thai Baht	Total Thai Baht
Cost:				
As at beginning of the period	279,077	1,642,931	17,630,827	19,552,835
Additions	-	-	2,198,000	2,198,000
As at end of the period	<u>279,077</u>	<u>1,642,931</u>	<u>19,828,827</u>	<u>21,750,835</u>
Depreciation:				
As at beginning of the period	257,676	1,642,931	17,151,361	19,051,968
Charge for the year	21,401	-	2,396,399	2,417,800
As at end of the period	<u>279,077</u>	<u>1,642,931</u>	<u>19,547,760</u>	<u>21,469,768</u>
Net book value				
As at beginning of the period	21,401	-	479,466	500,867
As at end of the period	-	-	281,067	281,067

12. DEBTORS

	2023 Thai Baht	2022 Thai Baht
Trade debtors	410,423,398	424,946,501
Other debtors	33,185,810	22,574,179
	<u>443,609,208</u>	<u>447,520,680</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 Thai Baht	2022 Thai Baht
Trade creditors	17,445,575	21,415,395
Deferred Income	-	15,516,529
Accruals	2,622,630	2,435,945
Other creditors	1,170,426	1,441,872
	<u>21,238,631</u>	<u>40,809,741</u>

Trade creditors at 31 December 2023 represented 30 days past purchases (2022: 30 days).

14. CREDITORS: FALLING DUE AFTER MORE THAN ONE YEAR

	2023 Thai Baht	2022 Thai Baht
Long term liabilities	2,535,997	2,192,429
	<u>2,535,997</u>	<u>2,192,429</u>

Creditors falling due after more than one year represents provision or provident fund obligations, raised for Burma/Myanmar based staff established in 2015.

15. TRANSFERS BETWEEN FUNDS

As per the Labour Protection Act of 5 April 2019, employees who are terminated after working for the same employer for an uninterrupted period of twenty years or more, receive severance payment of 400 days of wages at the most recent rate. An amount of THB 2,301,704 (2022: THB 2,491,970) was transferred to the designated Severance fund to account for the increased liability.

The TBC Board continues to maintain that TBC designates THB 30,000,000 for potential closing activities within the General Fund.

The net transfer of THB 2,301,704 plus THB 57,220,491 brings the total Designated Funds Balance to THB 59,522,195.

16. RELATED PARTY TRANSACTIONS

There were no transactions with Members, other than for funding received.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds Thai Baht	2023 Restricted Funds Thai Baht	Total Thai Baht
Tangible fixed assets	281,067	-	281,067
Debtors	1,153,028	442,456,180	443,609,208
Cash at banks and in hand	110,590,145	21,959,027	132,549,172
Creditors falling due within one year	(4,141,967)	(17,096,663)	(21,238,631)
Creditors falling due after one year	(2,535,997)	-	(2,535,997)
Net Assets	<u>105,346,276</u>	<u>447,318,544</u>	<u>552,664,819</u>

	Unrestricted Funds Thai Baht	2022 Restricted Funds Thai Baht	Total Thai Baht
Tangible fixed assets	500,867	-	500,867
Debtors	1,822,241	445,698,439	447,520,680
Cash at banks and in hand	84,434,452	41,529,563	125,964,015
Creditors falling due within one year	(4,306,125)	(36,503,616)	(40,809,741)
Creditors falling due after one year	(2,192,429)	-	(2,192,429)
Net Assets	<u>80,259,006</u>	<u>450,724,386</u>	<u>530,983,392</u>

18. FUND MOVEMENTS IN THE PERIOD

	Balance at 31 Dec 22	Income	Expenditure	Transfers	Balance at 31 Dec 23
	Thai Baht	Thai Baht	Thai Baht	Thai Baht	Thai Baht
1. Australia ANCP (Act for Peace-NCCA)	2,021,820	3,371,349	3,573,778	-	1,819,391
2. Australia AusAID (DFAT) IRC	-	71,657,690	59,133,449	-	12,524,241
Caritas-Australia	2,487,166	4,897,619	4,959,632	-	2,425,153
ICCO -KIA	853,669	1,875,799	1,843,155	-	886,313
Kerk en actie	-	1,817,200	1,817,200	-	-
3. LIFT Fund Phase II (UNOPS)	3,087,149	50,883,072	54,432,018	-	(461,797)
4. New Zealand – MFAT	11,759,849	53,100,000	39,456,504	-	25,403,345
5. Polish Embassy	-	675,638	675,638	-	-
6. Japan-PEACE	-	4,170,215	4,170,215	-	-
7. United Kingdom - FCDO	69,166,002	69,055,965	111,164,168	-	27,057,799
8. UNOPS – NEXUS/DCA	3,161,736	29,359,530	30,136,232	-	2,385,034
9. USA-BPRM (IRC)	358,186,995	579,015,067	553,294,602	-	383,907,460
10. USAID- CPI	-	40,722,180	47,361,573	-	(6,639,393)
11. International Organization for Migration (IOM)	-	10,000,000	11,989,002	-	(1,989,002)
Total Restricted Funds	450,724,386	920,601,324	924,007,166	-	447,318,544
Designated Fund- Severance Pay & Closedown	57,220,491	-	-	2,301,704	59,522,195
General Fund	23,038,515	32,213,656	7,126,387	(2,301,704)	45,824,080
Total Funds	530,983,392	952,814,980	931,133,553	-	552,664,819

Description of Government funded Grants (Only government funded donors are numbered)

1. Australian Government ANCP (Act for Peace) – Support provided specifically to the two camps managed by the Karenni Refugee Committee for both administration of the camps and provision of stipends. Income represents the new agreement which covers their fiscal year July 2023-June 2024.
2. Australian Government DFAT (IRC)- Year 1 of a newly signed 3-year-agreement (2023-2025), funding programmes border wide in Thailand, as well as responses to the Myanmar emergency.
3. LIFT Phase II fund (UNOPS) - Year 4 of Phase II January - December 2023. The "inception" phase started in October 2019 with the First full two years of a multi-year project in Myanmar starting in 2020. The grant was originally to end September 2022. 2023 represents the second cost-extension, which is currently slated to end in June 2024. The grant provides sub-grants for rehabilitation/peace building activities to local implementing partners. The negative balance represents that expenditure exceeded receipts but will be recovered in 2024.
4. New Zealand – Ministry of Foreign Affairs and Trade (MFAT)- funding to support the reduction in the transmission of Covid-19 virus and support the resilience and basic needs of newly displaced and conflict affected people from the SE of Myanmar. A three-year agreement was extended to continue the programme from June 2021- June 2024. As of writing, another 3- year agreement is being scripted.

5. Embassy of the Republic of Poland. Contributed toward the infrastructure of the camp committees, specifically with the purchase farming and agriculture tools to strengthen livelihoods.
6. Peace-Japan funding went toward the construction of new shelter in the Mae Camp to assist with the increase of the camp population.
7. United Kingdom- FCDO– primarily focused on shelter needs and nutrition programmes in the Thai camps, as well as Myanmar emergency response for southeastern Myanmar. A 1.5-year agreement starting October 2022 is currently slated to end March 2024. As of writing, a cost-extension for another year is being negotiated.
8. UNOPS/ Nexus Response Mechanism funded by the EU via DCA , originally July 2021-June 2022 was extended until December 2023. Funding supports the work with partners by responding to the emerging needs of SE Myanmar brought on by the coup. Another 6-month cost extension was recently signed.
9. United States Government (BPRM) via IRC – Principal funder for the organisation supporting assistance for food and cooking fuel within all nine camps. Additional funds were donated to support the Myanmar emergency, with some funding going toward the influx in Thailand. A new three-year agreement was signed with year 1 starting August 2022 and expected to end July 2025.
10. USAID-LEARN via Community Partners International. Local Empowerment and Resilience Network Activity agreement began in January 2023 and to end in 2025. The programme primarily supports the internally displaced and conflict-affected people. This agreement is based on reimbursement of funds from approved reports, thus the negative balance. Pre-financing has recently been agreed to start, which should minimize this issue in the future.
11. International Organization for Migration (IOM)- became a donor late in the year supporting the influx of people into Thailand caused by the Myanmar crisis. A cost extension of THB 7.5M was verbally agreed to in late December but will not be realised as income until January 2024, thus the negative balance will be recovered in 2024.

Additional Note: Danish Government-DANIDA (DCA)- not specifically shown in the table, provides unrestricted funds of DKK 1,150,000 for the period January – December 2023.

All of the above funders are institutional donors (either independent governments, the EU or in the case of the LIFT fund board – a consortium of international funders). They are classified as “restricted” in as much as the funding can only be used in specific geographic areas or for specific elements of the overall programme. There are no restrictions of usage in terms of trust law.

Note – the Designated Severance Fund represents an amount that would be required to pay severance compensation to all staff (based on tenure) if the organisation ceased operations. This is consistent with Thai and Myanmar Labour Law requirements. The close-down budget was reduced to THB 30M in the previous year by the Trustees and is what TBC estimates it will cost to wind down the TBC programme, exclusive of programme costs.

List of Acronyms

BBC	Burmese Border Consortium (former name)	IP	Inter Pares
PRM	Bureau of Population, Refugees, and Migration	IPC	Infection Prevention and Control
CA	Christian Aid	IRC	International Rescue Committee
CBO	Community-Based Organisation	LIFT	Livelihoods and Food Security Trust Fund
CCA	Consortium of Christian Agencies	MAF	Myanmar Armed Forces
CCSDPT	Committee for Coordination of Services to Displaced Persons in Thailand	NCA	Norwegian Church Aid
CDM	Civil Disobedience Movement	NCCA	National Council of Churches Australia (Act for Peace)
CSO	Civil Society Organisation	NGO	Non-Governmental Organisation
DCA	Dan Church Aid	NUG	National Unity Government
DFAT	Department of Foreign Affairs and Trade (Australia)	RTA	Royal Thai Army
FCDO	Foreign and Commonwealth Development Office (UK)	RTG	Royal Thai Government
FCS	Food Card System	SAC	State Administration Council
FRS	Financial Reporting Standard (UK)	SORP	Statement of Recommended Practice (UK)
FX	Foreign Exchange	TBBC	Thailand Burma Border Consortium (former name)
GBP	British Pound	TBC	The Border Consortium
GEC	Governance and Elections Committee	THB	Thai Baht
HRD	Human Rights Defenders	UK	United Kingdom
ICCO	Inter Church Organisation for Development Cooperation	UNHCR	United Nations High Commissioner for Refugees
IDP	Internally Displaced Person	US	United States
INGO	International Non-Governmental Organisation	USD	US Dollar

Reference and Administrative Details:

Name of Charity	The Border Consortium (TBC)
Charity registration number	1109476
Company registration number	05255598 (England and Wales)
Address of registered office	35 Lower Marsh, London SE1 7RL
Address of principal office	12/5 Convent Road, Bangrak, Bangkok 10500, Thailand
Website	www.theborderconsortium.org
Trustees (and Directors) during 2023.	Alexis Chapman (Treasurer since November 2022) Andreas Kiaby (Resignation 24 th January 2023, was recognized 9 November) Peter Bo Larsen (Elected 24 th January 2023, appointed 9 November 2023) Samantha McGavin (Chair since November 2022) Leon de Riedmatten (Resigned 9 November 2023) James Thomson (Secretary since 11 th November 2022) Mani Kumar (Resignation 1 st August 2023 was recognized 9 November 2023) Kasit Piromya (Resigned 9 th November 2023) Ramani Leathard (Elected 9 th November 2023) Chris Eades (Elected 12 th April 2023, appointed 9 th November)
Acting Executive Director – Charity correspondent-	Timothy John Moore Brent Seely
Bankers	Siam Commercial Bank Unit C-7 2 nd Floor CP Tower Building 313 Soi Silom 2/1 Silom, Bang Rak Bangkok Thailand 10500 +6622331727 Siam Commercial Bank 291 Surawong Rd., Khwaeng Suriya Wong, Bang Rak, Bangkok 10500 +6622337115-9
Auditors	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL United Kingdom
Members	Act for Peace - NCCA, Australia. Christian Aid, United Kingdom Church World Service, USA Diakonia, Sweden DanChurchAid, Denmark ICCO-Cordaid, The Netherlands

	Inter Pares, Canada International Rescue Committee, USA Norwegian Church Aid (NCA), Norway
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THE BORDER CONSORTIUM

England & Wales - Charity number 1109476

Accounts



The Border Consortium (TBC)

Trustees' Annual Report and Audited Financial Statements

For the Year Ended 31st December 2022

The Border Consortium is a Company limited by Guarantee in England and Wales. Company Number 05255598.
Registered Office 35 Lower Marsh, London SE1 7RL. Charity Commission registered number 1109476

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Trustees' Report

From 1st January 2022 to 31st December 2022

Charity name: The Border Consortium

Charity registration number: 1109476

Objectives and Activities

Summary of the purposes of the charity as set out in its governing document:

The Border Consortium (TBC), a non-profit, non-governmental organisation, is an alliance of partners working together with displaced and conflict-affected people from Myanmar to address humanitarian needs and to support rights-based community-driven approaches in pursuit of peace and development.

Charitable Objects

1. The relief of charitable needs of displaced people of Myanmar by the provision of humanitarian aid and assistance.
2. To develop the capacity and skills of the members of the socially and economically disadvantaged community of the displaced people of Myanmar in such a way that they are able to participate more fully in society.
3. To promote equality, diversity and racial harmony for the benefit of the public by raising awareness of the needs of and issues affecting the displaced people of Myanmar.
4. To promote human rights, (as set out in the Universal Declaration of Human Rights) along the Thailand-Myanmar border area by monitoring and research.

Since 1984 TBC has provided food, shelter, and capacity-building support to conflict-affected communities. TBC strives to deliver timely, quality services to the refugees in Thailand and to conflict-affected communities in southeastern Myanmar. The overriding working philosophy is to maximise participation of the community in programme design, implementation, monitoring and feedback. TBC promotes a participation and empowerment model to ensure that conflict-affected communities have the information, knowledge and skills necessary for safe, dignified living while displaced, the capacity and resources for local response to emergencies, and the practical experience in decision-making, management, land use planning, sustainable agriculture, and small business development for their future.

TBC members and leadership, alongside refugees and conflict affected persons, continue to advocate with governments, donors and other stakeholders to ensure funding to maintain an acceptable level of services in the camps and emergency assistance in southeastern Myanmar for as long as needed. Given that returns to Myanmar will not proceed as hoped, TBC will continue to advocate for alternate pathways to safe and dignified lives outside their camps.

Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.

TBCs work in 2022 continued to be driven by a response to the humanitarian crisis in Myanmar. Since the coup on the 1st of February 2021, the State Administration Council (SAC) has killed over 2,900 civilians, detained and imprisoned over 17,000 human rights defenders and has displaced at least 1.5 million people. During 2022, the Myanmar Armed Forces (MAF) increasingly resorted to air strikes and heavy artillery fire in contested areas of southeastern Myanmar. This military strategy increased the indiscriminate nature of attacks, which placed more civilian lives at risk in clear violation of customary international law.

The economic situation in Myanmar continued to deteriorate and the impacts of previous economic liberalisation reforms were reversed with increased military control over the Central Bank of Myanmar and other entities. The United Nations Development Programme (UNDP) assesses that the development gains of the past 15 years have now been squandered with almost half of the population, or 25 million people, now impoverished. While other countries in the region are recovering from the economic impacts of COVID-19, Myanmar's socio-economic prospects have declined further. The World Bank reports Myanmar is in economic recession with annual inflation rates of 15% while electricity blackouts and increasing differential between the official and black-market foreign exchange rates caused a contraction in the GDP of 15% during the past year.

A review of the Myanmar Humanitarian Response Plan's (HRP's) Mid-Year Report for 2022 indicates that 81% of food aid beneficiaries during the first half of 2022 were in urban areas of Yangon and Rakhine State. Only 16% of the HRP's targeted beneficiaries were internally displaced or stateless persons. In contrast, the most urgent needs are in rural areas where the Myanmar Armed Forces targeted military attacks against ethnic minorities. The SAC has deliberately obstructed humanitarian aid from reaching displaced and conflict-affected communities in rural areas.

Humanitarian needs have also spilled over the border into Thailand. TBC estimates at least 60,000 people have fled from fear of conflict and/or persecution into Thailand since the coup, including over 30,000 individuals during 2022. This includes both rural ethnic Karen and Karenni villagers as well as human rights defenders and pro-democracy activists.

The political situation has remained broadly stable in Thailand. Sporadic anti-government protests continued, which predominantly took place in Bangkok. Concerns around media freedoms and repression of civic space have not abated. However, refugee policy towards people fleeing from the effects of conflict remains a challenge. Access to asylum is generally discouraged or curtailed with official provision of temporary shelter, assistance or protection often allowed for no longer than a week. The National Screening Mechanism approved by Thai Cabinet in 2019 to enhance protection for refugees and asylum seekers has become plagued by a lack of clarity about the distinctions between persons of concerns and economic migrants.

Threats to regional stability have increased since the coup. MAF airstrikes and heavy artillery shells landed on Thai soil during the year, while the trafficking of methamphetamines and people smuggling is also on the rise.

While outbreaks of COVID-19 continued throughout the year in Thailand, travel restrictions eased. In October the state of emergency for the COVID-19 response was lifted and the Thailand's Centre of COVID-19 Situation Administration was dissolved.

Programmes:

TBC's 2020-2022 strategic plan focuses on four key areas: humanitarian needs, food security and livelihoods, protective environments, and responsible transitions. The primary challenge for TBC in 2022 was to increase the scale of emergency relief in response to the escalation of atrocities and displacement.

In Myanmar, working alongside our local partners TBC has been able to mitigate the impact of violence and displacement for half a million people at an average value of USD 20 per recipient. Since the coup in 2021, TBC has provided emergency relief in the form of cash transfers or food aid and non-food items to 400,000 civilians and the recovery of another 100,000 civilians has been supported through agricultural extension, nutrition promotion, social protection and health care initiatives.

In Thailand, TBC met the immediate humanitarian needs of the 81,050 individuals who remained in refugee camps as of the end of 2022. This was primarily achieved through the provision of food under our Food Card System and shelter material support. Support for maternal, infant and young child feeding (MIYCF) nutrition activities continued and TBC conducted the Biennial Nutrition Survey and the Annual Population Survey. Technical support to Camp Committees and the provision of capacity building trainings continued throughout the year. Massively increased conflict and instability in southeastern Myanmar has all but closed down safe and sustainable return of refugees to Myanmar. Excepting extreme protection cases, currently there is no new processing of refugees for resettlement.

TBC also facilitated emergency relief for newly displaced persons who were not allowed to enter the existing refugee camps. This included supporting local community groups to distribute food and non-food items to new arrivals in officially designated Temporary Safety Areas and/or taking shelter near remote villages. Basic humanitarian assistance was also extended to human rights defenders who had fled into urban areas.

The nine refugee camps remain officially off limits for any new arrivals. For refugees in camps, the options of integration into Thailand, resettlement to third countries or voluntary return to Myanmar appear increasingly remote. Despite multi-faceted advocacy, pathways to legal employment for refugees remain difficult to secure.

Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit

In setting its programme each year, TBC has regard to the Charity Commission's general guidance on public benefit and on prevention and relief of poverty for the public benefit.

Achievements and Performance

Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.

Multi-sectoral responses by TBC and local partners reinforced the resilience of 400,000 displaced and conflict-affected individuals during 2022. This included over 80,000 people in nine refugee camps inside Thailand, more than 20,000 especially vulnerable individuals dispersed along the Thailand-Myanmar border and at least 300,000 villagers in southeastern Myanmar.

The key achievements against TBC's four Strategic Directions were as follows

Strategic Direction #1 Humanitarian Needs

Contribute to Meeting the Humanitarian Needs of Displaced Communities, with a Focus on Women, Children, Older Persons and Peoples with Illnesses or Disabilities

Despite the hostile environment, TBC and partners scaled up low-profile, community-driven emergency responses to reduce the suffering of over 240,000 unique individuals during 2022. Three months' food supply or the equivalent in cash transfers were distributed to over 180,000 internally displaced persons. Smaller amounts of food, cash transfers, temporary shelter and non-food items were distributed to 40,000 people similarly affected by military attacks. This was complemented by the provision of essential health care for

66,000 remote villagers which was primarily for the treatment of common diseases and to mitigate the spread of Covid-19

The majority of beneficiaries were civilians targeted by military assaults in northern Karen State and Kayah state and Mon State, as well as those fleeing from the threat of political persecution, into ethnic administered territory, this population is primarily human rights defenders, public servants and politicians.

Major humanitarian activities took place in Thailand throughout 2022. Uninterrupted food assistance to approximately 80,000 encamped refugees continued through the refugee-led and equitable food card system. Food security was further enhanced by ongoing in-kind charcoal cooking fuel distributions from warehouses in camps under the coordination of the refugee Camp Committees and designated warehouse staff. Due to a combination of limited livelihood opportunities resulting from movement restrictions, and increasing food prices globally, TBC continued to provide an increased value on the food card system, as well as increased levels of charcoal, to ensure refugees could maintain a varied diet and to mitigate food-related anxiety. In addition, TBC conducted quarterly nutrition assessments of the food card value to ensure that the most vulnerable in camps were able to access fully nutritional food basket each month.

In-camp Shelter Working Groups and Teams completed distribution of shelter materials and continued to maintain their stockpiles of key building materials.

The Annual Population Verification (APV) process, a census of encamped refugees, took place successfully for the first time since 2019 This process had been repeatedly delayed due to COVID-19.

New cases of COVID-19 continued in camp. TBC, alongside camp committees, health agencies and community leaders have continued to promote the uptake of vaccines in camp.

Strategic Direction #2 - Food Security

Reinforce food security through improved nutrition and productive livelihoods.

In Myanmar, sustainable natural resource management was promoted in collaboration with 18,000 villagers and agricultural productivity was enhanced for over 8,000 subsistence farmers during the year. Investments in land demarcation and registration in ethnic administered areas promoted the equitable distribution of resources while the reinforcement of locally managed community forests and fish conservation zones protected biodiversity. Agricultural extension interventions included the repair of motorbike roads and bridges to improve access to markets, the provision of mechanical ploughs for farming collectives, the extension of irrigation canals and micro-dams as well as capacity development in organic gardening and small animal breeding.

Malnutrition was mitigated for 40,000 people and access to water, sanitation and hygiene was improved for 37,000 civilians in conflict-affected communities. 8,840 children under 5 years of age were screened for acute malnutrition during the year of whom 386 (4.4%) were identified as moderately or severely malnourished and admitted into supplementary and/or therapeutic feeding programmes. Community engagement in campaigns to promote breastfeeding and address chronic malnutrition was incentivized through the introduction of maternal and child cash transfers. Meanwhile, the installation of water supply and storage infrastructure and sanitary latrines in relatively stable communities was complemented by the introduction of mobile water filtration units for displaced communities in hiding sites.

In Thailand, the Biennial nutrition survey took place in all nine camps. The Healthy Babies Bright Futures programme continued to provide BabyBRIGHT fortified complementary food together with maternal, infant and young child feeding education and activities. Each month, approximately 2,000 children aged 6-24 months were enrolled in educational sessions by their caregivers. TBC's Food Security and Nutrition (FSN) Programme routine activities continued with support for livelihoods and community gardens.

Strategic Direction #3: Safe Futures

Promote protective environments and safe and dignified futures for displaced and conflict-affected communities.

In Myanmar, the reinforcement of social protection mechanisms directly benefitted 20,000 especially vulnerable individuals. Social safety nets included mobilising seed and rice banks, resourcing early childhood development programs, enabling protection monitoring mechanisms, supporting victims of sexual and gender-based violence and expanding community media networks.

The coup and poor situation of human security in Myanmar has meant plans for the return of refugees in camp remains largely on hold. The border with Myanmar remains open for trade, but ongoing conflict in the southeast has seen only a little movement back to Myanmar. Talks about legal local work opportunities for refugees continued to take place throughout 2022 and pilot programmes were discussed. Given Thailand's continuing demand for migrant workers, the possibility of permitting legal local work opportunities for refugees as a transitional step to a future beyond camps remains a priority. Throughout 2022, TBC advocated with agencies, embassies, and the RTG to open options for refugees for resettlement and local integration. However, despite these activities, little concrete breakthroughs were made in 2022. This will remain on the agenda for 2023 with ongoing advocacy and backed by planned activities through TBC's Community Management and Preparedness Programme (CMPP).

Strategic Direction #4: Responsible Transitions

Reinforce accountability, partnership, and local ownership to ensure responsible transitions.

The escalation of military attacks targeting civilians since the 2021 military coup in Myanmar has undermined prospects for the voluntary return of refugees from Thailand. TBC has responded by strengthening the focus on enhancing local governance and management capacities.

TBC's organisational and technical development continued and mixed in-person trainings with online trainings. As a result TBC helped develop the organisational and technical capacity of over 30 local partners and over 3,000 community representatives. This included awareness raising in regards to safeguarding vulnerable groups, community-based protection strategies, promoting gender equality, detecting fraud and corruption and strengthening local complaints mechanisms. Skills development was complemented by resource mobilization for local partners with new funding commitments secured from the United States of America, United Kingdom, Australia, European Union and the multi-donor Livelihoods and Food Security Trust (LIFT),

The nine refugee camps on the Thai-Myanmar border, are run by elected refugee Camp Committees with support through TBC's CMPP. The program is locally managed and led, and includes various groups such as women and youth groups, education providers, and human rights activists. The Code of Conduct for the camps was devised and managed by the Refugee and Camp Committees themselves, demonstrating that refugee-designed codes can lead to protection and security impacts. The program has been developed over time with technical support from TBC and continued in 2022 to result in consistent good governance at the macro level. Despite challenges such as the COVID-19 pandemic and the recent Myanmar coup, the Camp Committees were able to manage most challenges themselves through established governance mechanisms.

A summary of the key indicators used to assess performance during the past year is included below.

TBC Indicators of Success (2022)			
Strategic Directions	Key Indicators	Targets	Achievements
1. Humanitarian Needs	1.1 % refugees receiving cooking fuel as scheduled	>95%	97%
	1.2 % refugee households whose food consumption scores indicate an acceptable diet	>90%	93%
	1.3 # internally displaced or conflict affected persons assisted with the equivalent of three months food supply	100,000	180,000
2. Food Security & Nutrition	2.1 % refugee children under 5 years old with stunting malnutrition	22%	22.5%
	2.2 % surveyed households reporting 'severe hunger'	<2%	0%
	2.3 # upland farmers reporting increased agricultural productivity	5,000	7,809
3. Safe Futures	3.1 % women and people with disabilities in refugee leadership roles	30%	30% women; 1% PWD
	3.2 # reports about human rights concerns documented and publicly distributed	100	171
	3.3 % beneficiaries who report an improved sense of safety and well-being	90%	97%
1. Responsible Transitions	4.1 % complaints raised by beneficiaries that are satisfactorily resolved by TBC within 30 days	>90%	100%
	4.2 % local partners with well-functioning financial, administration & programme management capacities	58%	50%
	4.3 Freely available general reserves at years end	THB 25M	THB 23M

Risk Management

TBC's Risk Management Policy promotes the awareness of risk and embed a risk management culture across the organisation. Risks are identified in TBC's risk register with respect to five categories which are social and environmental; financial; operational; organisational; political; regulatory; strategic; safety and security; and technological risks. Risks are analysed in regards to the likelihood and impact and mitigating actions are developed to reduce the probably and minimise the consequences. The risk register is reviewed at least twice a year by the Board and is a standing agenda item for the management team's monthly meetings. A description of TBC's principal risks and mitigation efforts is summarised below and elaborated upon in the financial review documented on page 9.

Security risks remain high for staff and partners in Myanmar due to ongoing military attacks targeting civilians. TBC attempted to mitigate the physical security risks for staff and partners in the field by investing in communications equipment, strengthening remote monitoring mechanisms and revising financial management procedures to reflect the collapse of the formal banking system.

As the vaccine roll out progressed, this has mitigated but not entirely removed, the risk of COVID-19 for Thailand based staff. However a comparatively poor vaccination drive in Myanmar, driven in part by a distrust of government run health facilities, means COVID-19 remains a risk for Myanmar based staff.

TBC's Fraud Mitigation and Response Committee was newly established to enhance TBCs resilience to fraud and to implement TBC's Fraud Risk Management Plan. In Thailand, TBC introduced facial verification technology, to increase system' security and mitigate the risk of fraud and corruption, for population reconciliation activities and food card purchases.

Financial Review

Overview

TBC's management and headquarters is based in Bangkok, Thailand, and its accounting records are maintained in Thai baht (THB). TBC financial statements conform to the Statement of Recommended Practice for Charities (SORP FRS 102), with both Income and Expenses reported on an accrual's basis, and separation of restricted and general funding. TBC uses QuickBooks Enterprise as its accounting software.

Financial Overview Year 2018-2022 in THB millions:

	2018	2019	2020	2021	2022
Income	520	511	586	1,030	914
Expenditure	592	510	567	730	875
Net Movement	(72)	1	19	300	39
Closing Fund balance	173	174	192	492	531
Restricted funds	54	90	107	396	451
Designated funds	73	58	58	60	57
Net fixed assets	1	1	1	1	1
Freely available general reserve	45	25	26	36	23
Liquidity (Bank–Trade Creditors)	101	89	91	93	85

Prior to 2020, TBC was trending downward in both income and expenditure, as well as the bottom-line general reserve. TBC's 2020-2022 strategic plan reflected this trend with programs in support of voluntary return of refugees to Myanmar or planning for a transitional phase of work outside of camps, and to plan support more refugees in the Thailand camps along the border to resettle back in Myanmar or elsewhere. The COVID-19 Pandemic temporarily stalled this objective and it was a precursor to a much bigger problem that erupted when the coup in Myanmar broke out early in 2021. These events had a tremendous impact on both TBC's strategy and financials, which continued through 2022.

TBC continued to support the strengthening of its local partners with their capacity to respond to the emergency while addressing the emerging multi-sectoral needs. The number of subgrants with partners increased from 79 in 2021 to 95 with a few partners receiving multiple advances for multiple projects. On average, THB 41M was consistently outstanding in advances throughout the year, revealing a steady flow of activities. The lack of formal financial systems along the border and inside Myanmar subsequently require more payments for supplies and services to be made with cash. TBC dutifully recognizes the risk and mitigated it through frequent reporting, and rigorous internal review of support documentation.

Since losing the accounts with Standard Chartered Bank (SCB)-UK and Thailand, due to changes in the SCB-UK bank's strategy, TBC found a viable solution with Siam Commercial Bank of Thailand. Accounts for multiple currencies were created to allow TBC to remain in control over when funds are converted, ideally to obtain the best foreign exchange rate available when needed. TBC still deems it important to maintain banking roots in the UK, however, thus we are still pursuing other banking option there.

Due to travel limitations for the first half the year, the EGM and quarterly Trustees' meeting were held virtually. The Annual General Meeting (AGM), however was successfully convened largely in person on 10 November 2022, for the first time since 2019. During the same week, TBC reserved a day for constituents to visit the Mae La refugee camp and talk directly with the inhabitants about what life has been like since Covid-19 pandemic. They also heard about the refugees' feelings over how the coup has affected their attitude for a possible return. Furthermore, TBC held its annual Donor Meeting during the same week to openly discuss questions about the future funding needs and possibilities.

Finally, TBC underwent a total of 12 planned audits, of various types in 2022; six project specific, five related to compliance and due diligence, and one external annual audit. Although a few observations were made, nothing material was identified as a concern. With this information, TBC wishes to reassure its constituents that TBC's systems and operations are regularly examined for integrity and transparency by multiple external parties, each year.

Principal Funding Sources:

Income Sources 2022	Donor	Currency	Amount	Thai Baht
Australia ANCP (Act for Peace)	R	AUD	161,000	3,963,771
Australia DFAT (IRC)	R	AUD	2,139,647	52,257,261
Denmark DANIDA (DanChurchAid)	U	DKK	1,774,296	8,634,079
Nexus-UNOPS (DanChurchAid)	R	USD	340,776	11,096,007
New Zealand-MFAT	R	NZD	2,500,000	55,046,750
SIDA-Norwegian Refugee Counsel	R	USD	120,000	4,215,624
UNOPS- LIFT Fund	R	USD	1,163,120	38,544,633
UNOCHA- MHF	R	USD	(5,216)	(193,218)
United Kingdom-FCDO	R	GBP	4,954,430	213,121,609
USA- BPRM (IRC)	R	USD	14,203,690	515,370,143
Polish Embassy Thailand	R	USD	24,597	864,027
TOTAL Government Backed				902,920,686
Non Government - Restricted	R			8,530,552
Non Government - Unrestricted	U			2,071,734
TOTAL: Voluntary Income				913,522,972
Investment Income	U			313,747
Other Income - Sale of Assets	U			-
Total Income				913,836,719
Restricted (denoted by R)	R			902,817,159
Unrestricted	U			11,019,560

Some of the funding for TBC programmes and management does not come directly to TBC but instead is secured by NGO partners in their respective home countries and sub-granted to TBC. Several of these funding partners are also consortium members of TBC, who along with other organisations and individuals, make private grants or donations.

Total income for 2022 was THB 913M, which is THB 287M (46%) more than budgeted but THB 113M less than in 2021. TBC made foreign exchange loss of THB 23M compared to a gain of THB 12M in 2021, largely due to a rapid devaluation of the USD and GBP in the latter part of the year.

Seven governments supported TBC's work (United States, United Kingdom, New Zealand, Australia, Denmark, Sweden, and Poland in order of contribution size). TBC also received continued support from the European Union via the UNOPS managed Nexus Response Mechanism, the multi-donor Livelihoods and Food Security Trust (LIFT) that is also managed by UNOPS and the multi-donor Myanmar Humanitarian Fund managed by UNOCHA.. These government-based donors' total contribution funded 99% of TBC's annual budget.

A result from the swift devaluation of the MMK foreign exchange rate at the beginning of 2022, was that TBC's reported expenditure was less than the balance of funds granted by the Myanmar Humanitarian Fund. This unusual occurrence consequently obliged TBC to return a small percentage of income accrued in 2021.

In addition to TBC's regular funding plan, it raised THB 170M (19% of total income) for emergency response along the border after the military-coup, with a portion of it going toward continued support of programs aimed at the COVID-19 pandemic. The contributors to these emergencies consisted of United States-BPRM, UNOPS/EU-Nexus via DanChurchAid, United Kingdom-FCDO, Australia-DFAT, SIDA via Norwegian Refugee Counsel (NRC), New Zealand-MFAT, and World Vision.

Actual Expenditure compared with Budget 2022:

Strategic Objectives 2020-2022	Budget	Actual Direct	Resources	Total Actual
Humanitarian Need	609,000,000	648,337,747	2,719,603	651,057,350
Food Security & Nutrition	23,000,000	37,028,937	874,158	37,903,095
Protective Environment & Safe Futures	39,000,000	47,408,988	582,772	47,991,760
Accountability & Partnership	105,300,000	112,661,950	1,748,316	114,410,266
sub-total Activity Cost	776,300,000	845,437,621	5,924,849	851,362,470
Cost of Generating Funds	700,000	546,963	142,334	689,297
Foreign Exchange Loss	1,000,000	2,223,643	20,880,404	23,104,047
Total Expenditure	778,000,000	848,208,227	26,947,587	875,155,814

TBC entered year three of its 2020-2022 Strategic Plan. TBC's main programs are integrated into four main strategic objectives as noted in the table above. Actual direct expenditure is analysed by the strategic objectives, with related costs to ensure continued access to adequate nutritious food and appropriate shelter split between the refugee camps (humanitarian assistance) and internally displaced persons (emergency relief). In some cases, such as nutrition, shelter, stipends, and camp administration, different activities can fit into multiple objectives, which are broken down by cost centres, each with separate accounting codes.

Generally, each objective includes the following program related costs:

1. Humanitarian Need: Food card system, cooking fuel, shelter, and most emergency response.
2. Food Security & Nutrition: Natural resource management, agricultural extension, nutrition promotion, water, sanitation and hygiene interventions.
3. Protective Environments and Safe Futures: camp management stipends and administration, return related costs and social protection initiatives.
4. Accountability and Partnership: quality control of commodities, safeguarding and compliance monitoring, shelter monitoring and assistance, local support and TBC organizational costs.

A breakdown of the overarching programmes expenditure and the major cost centres are described below.

Resource costs consist of salaries, benefits and other indirect costs related to program implementation. Some resource costs are directly attributable to an activity, while others are allocated according to a management estimate of the amount of time specific staff spend on different activities. The cost of supporting one refugee in the camps for 2022 year was approximately THB 6,807(GBP 160), compared to THB 6,453 in 2021. Resource and governance costs amounted for less than 1% of the total expenses for the year.

Actual programme expenditure for 2022 was THB 852 M (17% more than in 2021). TBC took a net foreign exchange loss of THB 23M by the end of the year, resulting in total reported expenditure of THB 875M.

The largest varying expenditure is related to programmes that address the humanitarian crisis triggered by the Myanmar coup and the continuing impact of the COVID-19 pandemic. TBC carried over a balance of restricted funds from 2021 and expenditure increased in proportion to the new funds raised in 2022.

Total expenditure contributing directly toward the emergency are THB 233M, of which THB 37M were used in Thailand and THB 196 directly supported Myanmar. These figures are comparable to 2021.

Most of the TBC Thailand's camp costs are predictable and only really vary when there are changes in the population numbers, rations, and or commodity prices. TBC's operation in Thailand accounts for THB 540 of total programme expenditures, and Myanmar programs accounts for THB 68M.

The COVID-19 pandemic continued to affect TBC operations for most of the year, resulting in a need to keep the budget ready for a static population of 80,000 refugees. Additionally, to offset reduced livelihoods and income generation opportunities for refugees, the covid rations per household remained at the pandemic levels where Vulnerable and Most Vulnerable households received the higher Most Vulnerable-household rations and Standard received Vulnerable-household rations.

The COVID-19 pandemic restrictions limited TBC staff's ability to travel for meetings, workshops, and physically monitor camp activities for most of the year. Partners continued rigorous monitoring of in-camp activities with TBC's oversight. The previous year's investments in updating its IT and communications equipment provided TBC with more efficient ways to adapt to this change in oversight. TBC was still not sure how quickly the restrictions would lift and to what extent in the camps, so reasonable stockpiles of charcoal and food supplies were needed in the case of another lockdown.

The Food Card System (FCS) remains TBC's largest budget line for the refugee camps and total expenditure, plus service fee, came in at THB 283M, which was in-line with the budget. Funding from the US-BPRM allowed the much-needed covid-related ration levels remain the same.

Charcoal is TBC's second largest camp-related budget line. Expenditure came in at THB 98M, or 13% over budget. Some of this was due to a combination of stock piling, and foreign exchange gains from the grants that closed mid-year after the USD foreign exchange rate rallied to all-time highs in two decades.

Shelter materials in the budget normally only covers the minimal need in the camps. Favourable foreign exchange rates earlier in the year gave TBC the opportunity to purchase additional needed building materials and to go over its budget by 14% for a total of THB 19M.

Camp management costs came in under budget by THB 4M, which can also be attributed to some of the rapidly rising foreign exchange rates mid-year. Last year's investments to improve security measures within the camps and the purchase of long-needed office equipment and computers improved the lines of communications with the Camp Committees. The Polish Embassy in Thailand contributed over THB 800,000 toward more communication and IT equipment for the committees. In November, TBC increased its monthly stipend by 20% across all stipend-paid positions held by refugees. The top-up will have an impact of an additional THB 5.7 M annually going forward.

Food Security and Livelihood program spending also exceeded budget by THB 1.5M because of the favourable foreign exchange rates mid-year. The money was used to procure more Baby-Bright to use in the infant and young child feeding program.

Organizational costs were THB 90M, and in line with the budget. Personnel related costs such as salary, benefits, insurances and home travel were THB 1M under budget, largely due to a more favourable health insurance premium. Total staff severance paid out equalled THB 587,500. A net savings of around, THB 600,000 came from some travel related accounts after the restrictions and camp access was removed, for a total expenditure of THB 5.4M. IT and communication costs came in on budget at THB 2.5M. Recruitment costs for the new ED was THB 1M. An unplanned 30% increase for TBC's annual audit fees was incurred for a total of THB 2.4M, compared to THB 1.8M in previous years.

Myanmar expenditure was over the budget by 122% partially due to cost-extension on two of the larger grants, UNOPS-LIFT and UNOPS-NEXUS visa DCA. TBC also carried over more unspent balance from the previous year than was anticipated. Total expenditure equalled THB 68M. Both of these grants will continue until the end of 2023.

The increase in spending over the originally planned budget was based fully on TBC's response to assure that basic needs and protection were met for the refugee population in the nine camps along the border. Likewise, the increase also reflects the additional funds raised by TBC to respond to the coup in Myanmar with lifesaving activities and programmes, as well as foreign exchange gains made throughout the year.

Fund Balance

TBC ended the year with a total fund balance of THB 530M; THB 450M of which are restricted and THB 80M for general funds. Of the general funds, THB 30M is designated to cover an eventual closedown of the organisation (reduced from THB 35M), THB 27M for staff severance, THB 23M considered as generally available, and less than THB 1 M in assets.

Upon review of these reserves, donor funding commitments, and liquidity over the next twelve months, TBC Management believes that its operations should be considered as a going concern.

Statement explaining the policy for holding reserves and explanation of what reserves are held

The Border Consortium (TBC):

1. Seeks both restricted and unrestricted funding to cover annual expenditures, which are subject to budget review twice a year, to meet its Charitable Objects and strategic objectives in relation to the displaced people from Burma/Myanmar.
2. Endeavours to hold at all times a minimum total fund balance sufficient to cover the funding receivable, inventory and fixed assets.
3. Will not allow its freely available funds balance to be negative.
4. Maintains a designated fund to cover the potential staff severance costs under Thai and Myanmar law
5. Maintains a specific reserve for eventual closedown of the organization which is designated from other freely available reserves.
6. Trustees set specific boundaries within which the Executive Director may operate, which include financial and fundraising conditions consistent with the Reserves Policy.
7. Reviews the Reserves policy annually.

In September 2022, the Trustees agreed make the following edits to the points above.

- Remove the following point as as no longer relevant, which states:

“Considers it reasonable to hold an additional reserve of freely available funds to cover a 50% contingency on its annual budget to cover the sensitivity to factors outside its control, primarily the cost of basic needs, exchange rate variations, and the number of displaced people.”
- Edit Point 5, to remove the inclusion of “camps” as part of the close-down budget, with the expectation that donors would fund the related activities to close the camps.

TBC aims to maintain the current levels of general reserves at a minimum of THB 25 M. Due to uncertainty regarding the timing of camp closures, management and Trustees acknowledge that TBC is facing increasing financial and operational risks.

The organisation’s liquidity decreased by the end of 2022 from THB 93 M to THB 85 M. Liquidity is defined as the level of bank/cash holdings less the short-term creditors’ liability.

TBC Trustees, considers that THB 25 million is a minimum fund balance to maintain as a buffer in 2022 and going forward.

Funds are restricted when donor contracts are designed to be used for specific purposes. By 31 December 2022 TBC had balances of eight restricted funds carried over into 2023, which the funding agreements allowed. Thus, all the income was recognised in 2022. The movement in the various funds over the year are illustrated in Note 18 to the Accounts.

There is a designated fund to cover potential staff severance costs in full in the event there is no longer a need for TBC to support the displaced people of Myanmar. The fund is adjusted annually in proportion to staff departures and accrued long-service. The 2022 fund balance for severance is THB 27M (THB 25M in 2021) – see Note 15 in the audited financial statements.

In September 2022, the Trustees reviewed a proposal to reduce the designated close-down budget from THB 35M to THB 30M. In January 2023, the Trustees ratified the decision. We note that the timeframe for when these funds might be utilised is still an unknown factor and will be reviewed annually.

A description of the principal risks facing the charity

A general Risk Management Plan was developed in 2008; and since 2015 - the plan has expanded to include specific risks in both Thailand and Myanmar. The risk management matrix is updated and reviewed regularly and is assessed by the Trustees twice a year. Any significant change is reported at intervening Board meetings. The risk matrix is also presented to the Members at the Annual General Meeting (AGM) and the Extraordinary General Meeting (EGM). The latest Risk Management Register was reviewed and ratified by the Members and the Board at the AGM in November 2022.

TBC aims to meet humanitarian best practices, deliver quality services and support activities that ensure minimum access to services that help beneficiaries meet their basic needs until they are able to return to Myanmar or find another solution and respond to emergencies.

TBC is continually monitoring and assessing its key risks to mitigate the impact on the sustainability of its programs. The main financial risks are 1. number of displaced people in need of TBC support, 2. the market price of commodities and supplies, and 3. the exchange rates at which the organization receives funding. The overall program risks are:

- The ability to continue to raise and safeguard the necessary funds needed to run the operation in the coming year and longer term to bring the work to a successful conclusion whenever that may be. To help mitigate this risk, Senior Management and Members work to keep donors and government representatives fully informed about developments and engaged with the situation; and,
- The changing external political context (both in Myanmar and Thailand presents a high risk because TBC has no control over the respective governments' strategies towards displaced people. To help mitigate this risk, TBC Senior Management, Trustees and Members seek to maintain a dialogue with key stakeholders in both Myanmar and Thailand to keep the situation of the refugees and IDPs current.
- The willingness or ability of refugees to return to Myanmar, remain in camps, or seek employment in Thailand. For 2022, TBC budgeted for a static camp population of 80,000 people. Any amount of decline in population size would relieve the financial costs of the program, however, the zero-population movement, or yet worse an increase of population, will conversely impact TBCs ability to meet all the humanitarian needs if funding levels weaken. While TBC understands that the current Royal Thai Government procedure would temporarily hold new arrivals at the border and not allow them to enter the refugee camps under normal circumstances, the rapidly evolving humanitarian crisis in Myanmar since the beginning of 2021 could change that.
- TBC recognized that its longstanding internal policy and procedure to report to donors at a fixed accrued exchange rate was no longer viable. A change in procedure was implemented in 2021, whereby transactions are converted back to the donor currency on by using the monthly average for the specific currency's foreign exchange rate taken from the Bank of Thailand.
- TBC mitigated foreign exchange risk by holding several bank accounts in several different countries- UK, Thailand, and Myanmar for many years. However, after Standard Chartered bank in the UK and Thailand forced TBC to close its accounts in 2021 because it no longer fitted with their strategy, TBC was able to open relative currency accounts in the Siam Commercial Bank of Thailand. The coup in Myanmar continued to expose

a possibility of a financial collapse in Myanmar, TBC was able to draw down on the balances. Although TBC navigated the challenges with viable solutions, it must still research other options.

- Cash flow and inadequate security over cash transactions remain a challenge. The number of partners and the amount of outstanding advances over longer periods of time add more pressure for faster and reliable cash flow from donors. Many of the partners operate along both sides of the border where financial systems are all cash based, thus increasing the risk of loss by various means.

Trustees set specific boundaries within which the Executive Director may operate, which include financial and fundraising conditions consistent with the Reserves Policy. The Board does not have a separate finance and audit committee. However, the Board reviews reports from external audits, frequent donor audits and independent evaluations, which provide evidence of the effectiveness of the systems of internal control.

Structure, Governance and Management

Description of charity's trusts:

The charity is incorporated as a Company limited by guarantee in England and Wales, with a Memorandum and Articles of Association.

How is the charity constituted?

When refugees from Myanmar arrived in Thailand in 1984, the Ministry of Interior of the Royal Thai Government (RTG) invited non-governmental organisations (NGOs) in Thailand to provide emergency assistance. The immediate need was food; and the NGOs agreed to work together to operate a programme, initially under the name of the Consortium of Christian Agencies (CCA) and later, as the number of refugees continued to expand and a broader range of donors was accessed, as the Burmese Border Consortium (BBC). It had no legal identity, other than through the legitimacy of its individual members. The name changed to the Thailand Burma Border Consortium (TBBC) when it was incorporated as a Company limited by guarantee in England and Wales on 11 October 2004, with a Memorandum and Articles of Association. Charity Commission registration was granted on 13 May 2005. The name changed again to The Border Consortium (TBC) on 2 November 2012. TBC continues to be a company limited by guarantee.

Membership of TBC is open to any non-governmental, non-profit humanitarian organisation with a demonstrated interest in, and commitment to, the mandate of TBC. Membership applications are submitted to the Board of Directors (Trustees), who review the application and make a recommendation to a General Meeting of current Members for decision. The Consortium membership is made up of nine organisations from nine countries. Each member organisation is required to appoint a member representative to attend General Meetings, of which there is at least one per year, to decide and direct the overall policy and strategy of TBC.

Policy-making authority is delegated to a Board which is elected at each Annual General Meeting. The Board convenes at least four times annually to provide leadership for the Members and regular oversight and guidance to TBC's Executive Director and its programme and services. The Board approves TBC's salary policy. TBC pay scale rates are targeted at the 60th percentile for each level of job groupings for national staff and are reviewed annually. For key international management personnel, the pay policy targets the 50th percentile benchmarked against a relevant INGO and NGO comparative data sets and are also reviewed annually.

The Executive Director has day-to-day responsibility for leading and managing TBC's programme and services, the hiring and supervision of all other staff, and attending all General Meetings and Board Meetings to report on the progress and status of programme activities. After 31 years of service, including 10 years leading the organisation, TBC's Executive Director retired in July 2022. A competitive recruitment process led to the appointment of a successor who was employed from July until deciding the position and timing was not a good fit and submitting her resignation at the end of October. TBC's Board subsequently appointed two of the senior management team to be Acting Co-Executive Directors as an interim arrangement until a longer-term appointment is confirmed.

The TBC Board convened six times remotely in addition to the AGM and EGM online meetings during 2021 to fulfil its overall responsibilities for Consortium oversight. In addition, there were increased informal calls with senior management to keep close to the fast-changing situation. Key issues focused on the evolving crisis in Myanmar and managing the pandemic to ensure staff safety and securing additional emergency funding.

Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees

Trustees are elected at each Annual General Meeting, from the members' representatives and a maximum of four independents (individuals not employed by Member organisations). The Trustees are, by definition, directors. The Board has one subcommittee: the Governance and Elections Committee (GEC). This committee is responsible for managing the recruitment, nomination and election process for Trustees. One new Trustee was elected at the AGM in November.

Policies and procedures adopted for the induction and training of trustees

The GEC has oversight of the induction of new Trustees, who are briefed about current TBC issues by staff and further inducted to the Board of Directors in line with their experience and requirements. All Trustees have a copy of TBC Governance Guidelines, and a GEC introduction to these. The GEC also leads the Board for best practice procedures, and it facilitates the Board self-evaluation process.

Trustees receive a copy of the current Strategic Plan, regular detailed Programme reports and financial summaries. The Trustees ensure that the programmes are in line with the Mission, the Charitable Objects, and the strategic directions from the TBC Strategy 2020-2022. In 2022, GEC's focus has been on ensuring continuity on a governance level for TBC in the period to come.

The charity's organisational structure and any wider network with which the charity works

TBC is an Executive member of the Committee for Coordination of Services to Displaced Persons in Thailand (CCSDPT) through which all NGOs working with displaced people in Thailand coordinate their activities and relate to the RTG. TBC works in partnership with many civil society and community-based organisations (CSOs CBOs) representing refugees and other displaced persons. TBC is the only NGO providing food and shelter needs to the target groups, the other NGOs provide healthcare, water, sanitation, education, skills training, community services etc. TBC with other CCSDPT members works closely with the United Nations High Commissioner for Refugees (UNHCR), monitoring refugee protection issues and advocating with the Thai authorities and international community. TBC is also a member of the INGO Forum Myanmar which aims to influence and increase the effectiveness and coherence of humanitarian relief and development aid in Myanmar.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees are further required to acquaint themselves with the relevant audit information for the accounting period under consideration and to ensure that they disclose any relevant information to the auditors as deemed necessary.

Disclosure of information to auditor

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditor is unaware; and each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Trustees

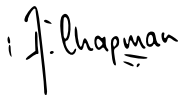
The current trustees of the company are set out on page 44. Alexis Chapman, Andreas Kiaby, Samantha McGavin, Leon de Riedmatten and James Thomson served throughout the full year. Marvin Pannell did not stand for re-election at the AGM in November 2022 and was replaced by Kasit Piromya.

James Thomson was Chair of the Board until the AGM in November 2022 when he was replaced by Samantha McGavin, who was previously Vice-Chair. Andreas Kiaby was elected Vice-Chair at the AGM. Mani Kumar was Secretary and Alexis Chapman was Treasurer for the full year.

Auditor

KPMG LLP UK were first contracted for the 2011 audit. The Members ratified the appointment at the EGM on 15 March 2012. They have subsequently performed the annual audit for the financial years 2012-2021. The continued appointment was ratified by the Board at the AGM in November 2022 and a new engagement letter was signed in December 2022.

The report of the trustees which incorporates the requirements of the Strategic report and the Directors' report as set out in the Companies Act of 2006 and 2013 regulations, was approved by the Board, in their capacity as Trustees and company directors, and signed on its behalf by the Chair.


.....

Alexis Chapman
Treasurer, Board of Directors
Dated: 30 March 2023

Independent auditor's report to the members of The Border Consortium

Opinion

We have audited the financial statements of The Border Consortium ("the charitable company") for the year ended 31 December 2022 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charitable company's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charitable company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management and inspection of policy documentation as to the charitable company’s high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Senior Management Meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. In particular, this is the risk that revenue is overstated because the revenue may have restrictions in place on what it can be spent on, which have not been adhered to.

We also identified a fraud risk related to inappropriate recognition of expenditure, in particular on the classification between restricted and unrestricted funds.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. This included material entries posted as part of the financial statement close process.
- Testing the substance of expenditure recorded to assess whether the expenditure had occurred and whether it was correctly classified, and meets the donor restrictions where required to recognise the associated revenue.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation) and

taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the charitable company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Trustees' Annual Report

The trustees are responsible for the Trustees' Annual Report. Our opinion on the financial statements does not cover that report and, accordingly, we do not express an audit opinion thereon.

Our responsibility is to read the Trustees' Annual Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Trustees Annual Report;
- in our opinion the information given in that report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 20, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Joanne Lees (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

30 March 2023

The Border Consortium

Company number: 05255598

AUDITED FINANCIAL STATEMENTS

Statement of Financial Activities

For the year ended 31 December 2022

	Notes	2022			Total Funds Thai Baht
		Unrestricted Funds		Restricted Funds	
		General Thai Baht	Designated Thai Baht	Thai Baht	
Income and Endowments					
Income from generated funds:					
Donations and legacies	2	10,644,124	-	902,817,163	913,461,287
Investment income	3	313,747	-	-	313,747
Other income:	4	61,689	-	-	61,689
Total income and Endowments		<u>11,019,560</u>	<u>-</u>	<u>902,817,163</u>	<u>913,836,723</u>
Expenditure on					
Costs of generating funds:					
Expenditure on raising funds	2	142,334	-	546,963	689,297
Charitable activities:					
Humanitarian Need	5	2,719,603	-	648,337,747	651,057,350
Food Security & Nutrition	5	874,158	-	37,028,937	37,903,095
Protective Environment & Safe Futures	5	582,772	-	47,408,988	47,991,760
Accountability & Partnerships	5	1,748,316	-	112,661,950	114,410,266
Other expenditure (FX Loss)	8	20,880,404	-	2,223,643	23,104,047
Total Expenditure		<u>26,947,587</u>	<u>-</u>	<u>848,208,228</u>	<u>875,155,815</u>
Net income/(expenditure) before transfers		(15,928,027)	-	54,608,935	38,680,908
Transfers between funds	15	2,508,030	(2,508,030)	-	-
Net movement in funds in period		(13,419,997)	(2,508,030)	54,608,935	38,680,908
Reconciliation of Funds					
Total funds as at beginning of period		36,458,512	59,728,521	396,115,451	492,302,484
Total funds carried forward	18	<u>23,038,515</u>	<u>57,220,491</u>	<u>450,724,386</u>	<u>530,983,392</u>

A comparison is provided for the previous year (2021) as follows:

	Notes	Unrestricted Funds		2021	Total
		General Thai Baht	Designated Thai Baht	Restricted Funds Thai Baht	Funds Thai Baht
Income and Endowments					
Income from generated funds:					
Donations and legacies	2	6,086,160	-	1,011,064,167	1,017,150,327
Investment income	3	365,231	-	-	365,231
Other income	4	618,187	-	-	618,187
Gain on exchange rate	4	12,292,713	-	-	12,292,713
Total income and Endowments		19,362,291	-	1,011,064,167	1,030,426,458
Expenditure on					
Costs of generating funds:					
Expenditure on raising funds	2	-	-	17,417	17,417
Charitable activities:					
Humanitarian Need	5	4,283,973	-	543,093,312	547,377,285
Food Security & Nutrition	5	1,034,062	-	28,784,653	29,818,715
Protective Environment & Safe Futures	5	886,339	-	43,313,364	44,199,703
Accountability & Partnerships	5	2,363,571	-	106,490,259	108,853,830
Other expenditure (FX Loss)	8	25,629	-	(25,629)	-
Total Expenditure		8,593,574	-	721,673,376	730,266,950
Net income/(expenditure) before transfers					
		10,768,717	-	289,390,791	300,159,508
Transfers between funds	15	(1,241,617)	1,241,617	-	-
Net movement in funds in period		9,527,100	1,241,617	289,390,791	300,159,508
Reconciliation of Funds					
Total funds as at beginning of period		26,931,412	58,486,904	106,724,660	192,142,976
Total funds carried forward	18	36,458,512	59,728,521	396,115,451	492,302,484

All operations are from continuing activities.

The accompanying notes from pages 31 to 42 form an integral part of these financial statements.

The Border Consortium

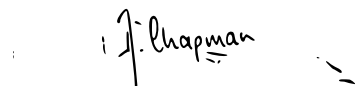
Company number: 05255598

Balance Sheet

As at 31 December 2022

		2022	2021
	Notes	Thai Baht	Thai Baht
Fixed assets			
Tangible assets	11	500,867	799,431
Current assets			
Debtors	12	447,520,680	399,890,806
Cash at banks and in hand		125,964,015	125,958,040
Total current assets		573,484,695	525,848,846
Liabilities			
Creditors falling due within one year	13	(40,809,741)	(32,704,330)
Net Current assets		532,674,954	493,144,516
Total assets less current liabilities		533,175,821	493,943,947
Creditors falling due after more than 1 year	14	(2,192,429)	(1,641,463)
Net assets		530,983,392	492,302,484
The funds of the charity			
Restricted income funds		450,724,386	396,115,451
Unrestricted income funds:			
- General Fund		23,038,515	36,458,512
- Designated funds		57,220,491	59,728,521
Total charity funds	17	530,983,392	492,302,484

The financial statements on pages 27 to 30 were approved by the trustees and were signed on its behalf on 30 March 2023 by:



Alexis Chapman
Treasurer, Board of Directors

The accompanying notes from pages 31 to 42 form an integral part of these financial statements

The Border Consortium

Company number: 05255598

Cash Flow Statement

For the year ended 31 December 2022

		2022	2021
		Thai Baht	Thai Baht
	<i>Note</i>		
Cash flow from operating activities			
Net movement in funds in period		38,680,908	300,159,508
Investment income	3	(313,747)	(365,231)
Gain on disposal of assets	4	-	(32,000)
Depreciation charges	11	298,564	314,316
Net changes in working capital		(38,973,497)	(312,299,551)
Net cash (used in) operating activities		(307,772)	(12,222,958)
Cash flows from investing activities			
Interest received		313,747	365,231
Proceeds from sale of fixed assets		-	32,000
Net cash provided by investing activities		313,747	397,231
Net change in cash		5,975	(11,825,727)
Net funds as at beginning of the period		125,958,040	137,783,767
Net funds as at end of the period		125,964,015	125,958,040

Notes

Net changes in net working capital

	2022	2021
	Thai Baht	Thai Baht
Increase in debtors	(47,629,874)	(296,987,172)
Increase (decrease) in creditors	8,656,377	(15,312,379)
Net changes in working capital	(38,973,497)	(312,299,551)

The accompanying notes from pages 31 to 42 form an integral part of these financial statements

The Border Consortium

Company number: 05255598

Accounting Policies and Notes to the Financial Statements

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with 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 01 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Border Consortium meets the definition of a public benefit entity under FRS 102.

TBC principally operates in Thailand, and its accounting records are maintained in Thai Baht (THB).

Going Concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The business model of the charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and no committed costs beyond its fixed costs of operation which are detailed in note 5.

The Trustees have reviewed the cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period. The Trustees have also considered the implications of COVID-19 on these cash flow forecasts and consider that as a result of its operating model explained above, even if no further funding is received in the 12 month period, the charity has sufficient cash reserves to pay all committed costs.

Consequently, the Trustees are confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the monetary value of the income can be measured with sufficient reliability. Such income is only deferred when the donor specifies that the grant or donation must only be expended in future accounting periods.

Voluntary income consists of grants, donations and gifts that provide core funding or are of a general nature. Gifts in kind are valued at estimated fair market value at the time of receipt.

Investment income consists of bank interest and is recognised on a receivable basis.

Other income consists of gains on the disposal of fixed assets and gains on exchange rates.

Expenditure

All expenditure is accounted for on an accrual basis and recognised when there is a legal or constructive commitment to the expenditure.

Irrecoverable VAT in Thailand is charged against the category of expenditure for which it was incurred.

Resource costs consist of salaries, benefits and other indirect costs related to programme implementation. Some resource costs are directly attributable to an activity; others are allocated according to a management estimate of the amount of time staff members spend on different activities. General administration costs are not allocated to activities.

Costs of generating funds are those costs incurred in attracting voluntary income and raising funds.

Costs of Charitable activities comprise all costs incurred in the pursuit of the charitable objects of TBC, including both the direct costs and resource costs relating to these activities.

Governance costs comprise costs attributable to ensuring public accountability and compliance with regulations.

Allocation of General Support Costs

The organisation's support costs have been allocated between governance costs and other general support costs. Governance activities comprise of costs involving the public accountability and its compliance with regulation and good practice. These include costs relate to statutory audit and legal fees, as well as trustees' expenses and related consultancy fees.

General support costs (i.e those that are not directly related to an activity) are allocated on the basis of headcount for that particular cost category. Examples of these costs include staff related costs, general office costs, IT costs, vehicle maintenance costs and travel and accommodation expenses are broadly equivalent. The allocation of support and governance costs is analysed in notes 6 and 7.

Tangible Fixed Assets

Tangible fixed assets costing more than THB 60,000 are capitalised at cost and depreciated on a straight-line basis over their estimated useful lives as follows:

<u>Asset Category</u>	<u>Annual rate</u>
Office equipment	20%
Computers	33%
Vehicles	20%

Debtors

Debtors are created when there is a signed contract with a donor to provide funding for a period into the future. The timing of receipts from that debtor are variable (monthly, quarterly, annually) or are dependent on certain milestones being reached. The debtor value at the end of the financial year reflects the balance outstanding between the amount contracted and the amount received. No provision is made for doubtful debts.

Creditors

Creditors are created when there is a signed contract with a supplier/service provider whereby the timing of the payment to that contractor is at a point in the future. Normal credit terms granted by the organization are 30 days. At the end of an accounting period the trade creditors figure reflects the amount that has still to be paid to a supplier under a binding contract.

Fund Structure

There are several restricted income funds to account for situations where a donor contracts to meet specific expenses, or directs the fund be used for specific purposes.

All other funds are unrestricted income funds. Within unrestricted funds there are two specific designated funds. One is set aside for the full potential of severance costs in the event that all staff contracts were to be terminated. The other is set aside to provide the required funds for closedown of the costs related to the administrative and legal responsibilities of the organization, referred to as the close-down budget.

Foreign Currencies

Transactions in foreign currencies are recorded at the exchange rate ruling at the date the transaction occurred.

The THB value of foreign currency assets and liabilities as at the period end have been adjusted by using the Bank of Thailand rates for those dates, with differences taken to the Statement of Financial Activities.

The net value of exchange differences for the accounting period is recorded either as an exchange gain under income or as an exchange loss under expenses.

Employee Benefits

TBC operates a Staff Provident Fund by deducting a maximum of 15% from basic salary of the staff participating in the Plan and matching the staff contribution up to 6%. The contributions are invested in a government registered provident fund managed by a recognised financial institution. Staff are entitled to the benefits upon resignation from the organisation. TBC's contributions to the Plan are charged to the Statement of Financial Activities in the year to which they relate.

Legal Status

The Thailand Burma Border Consortium (TBBC) was incorporated in England on 11 October 2004, Charity status was granted on 13 May 2005. The name was changed to The Border Consortium (TBC) on 2 November 2012.

Tax Accounting

TBC is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2. VOLUNTARY INCOME AND COST

	2022		
	Unrestricted	Restricted	Total
	Thai Baht	Thai Baht	Thai Baht
Voluntary Income			
Donations	245,425	-	245,425
Grants	10,398,699	902,817,163	913,215,862
Total Voluntary Income	<u>10,644,124</u>	<u>902,817,163</u>	<u>913,461,287</u>
Total cost of generating voluntary income			
Donors meeting & Fundraising Marketing	(142,334)	(546,963)	(689,297)
Net voluntary income	<u>10,501,790</u>	<u>902,270,200</u>	<u>912,771,990</u>
	2021		
	Unrestricted	Restricted	Total
	Thai Baht	Thai Baht	Thai Baht
Voluntary Income			
Donations	104,061	-	104,061
Grants	5,982,099	1,011,064,167	1,017,046,266
Total Voluntary Income	<u>6,086,160</u>	<u>1,011,064,167</u>	<u>1,017,150,327</u>
Total cost of generating voluntary income			
Donors meeting & Fundraising Marketing	-	(17,417)	(17,417)
Net voluntary income	<u>6,086,160</u>	<u>1,011,046,750</u>	<u>1,017,132,910</u>

3. INVESTMENT INCOME

Investment income of THB 313,747 (previous period THB 365,231) arises from the bank deposit accounts.

4. OTHER INCOME

	2022	2021 Thai Baht
Gain on disposal of fixed assets	-	32,000
Exchange Rate Gain	-	12,292,713
Others	61,689	586,187
Total	61,689	12,910,900

5. CHARITABLE ACTIVITIES EXPENDITURE

	2022			
	Direct Cost Thai Baht	Support Cost Thai Baht	Governance allocation Thai Baht	TOTAL COST Thai Baht
Humanitarian Need	648,583,836	535,004	1,938,510	651,057,350
Food Security & Nutrition	37,294,965	171,965	436,165	37,903,095
Protective Environment & Safe Futures	47,586,340	114,644	290,776	47,991,760
Accountability & Partnerships	113,775,559	343,931	290,776	114,410,266
Total	847,240,700	1,165,544	2,956,227	851,362,471

	2021			
	Direct Cost Thai Baht	Support Cost Thai Baht	Governance allocation Thai Baht	TOTAL COST Thai Baht
Humanitarian Need	545,457,056	738,616	1,181,613	547,377,285
Food Security & Nutrition	29,428,345	178,287	212,083	29,818,715
Protective Environment & Safe Futures	43,865,099	152,817	181,787	44,199,703
Accountability & Partnerships	108,228,620	443,423	181,787	108,853,830
Total	726,979,120	1,513,143	1,757,270	730,249,533

Note 5 above shows direct, support and governance costs per each expense category. The basis for these allocations is outlined in the notes above.

General support costs are further analysed in the table below (note 6) and compared to 2021 costs and Governance costs are similarly presented in note 7.

6. GENERAL SUPPORT COSTS

	2022	2021
	Thai Baht	Thai Baht
Staff Related Costs	815,881	1,059,200
Office Related costs (including Rent)	116,554	151,315
IT Related Costs	139,865	181,577
Vehicle Related Costs	58,277	75,657
Travel, accommodation and miscellaneous costs	34,986	45,394
Total	1,165,543	1,513,143

7. GOVERNANCE COSTS

	2022	2021
	Thai Baht	Thai Baht
Audit fee	2,373,124	1,643,241
Trustees expenses	159,457	110,768
Consultant Fee	423,646	-
Meetings	-	3,262
Total	2,956,227	1,757,271

8. OTHER EXPENDITURE

	2022	2021
	Thai Baht	Thai Baht
Loss on exchange rate	23,104,047	-

9. ANALYSIS OF STAFF COSTS

The number of persons employed by the Charity at 31 December was as follows:

	Number of employees	
	2022	2021
Programme and programme support	52	48
Management and administration	10	10
Total	62	58

The aggregate payroll costs of these persons were as follows:

	2022	2021
	Thai Baht	Thai Baht
Salaries	57,822,346	54,824,252
Housing, Living and Education allowances	3,386,193	3,416,000
Provident fund	2,344,017	2,434,614
Staff Insurance	2,649,816	2,804,520
Other employee benefits	2,763,389	3,390,206
Social security fund	318,872	294,140
Total	69,284,633	67,163,732

Notes relating to Staff remuneration.

The number of employees whose emoluments in the year as defined for taxation purposes amounted to over the equivalent of £60,000 were as follows:

	2022	2021
£60,001 to £70,000 (THB 2,576,557 to THB 3,005,933)	1	2
£70,001 to £80,000 (THB 3,005,976 to THB 3,435,352)	1	1
£80,001 to £90,000 (THB 3,435,395 THB 3,864,771)	1	1

An annual average rate of GBP/THB 42.9419 (2021: 43.2881) is used for conversion.

The emoluments of the highest paid employee were THB 3,503,915 (2021: THB 3,628,825).

The total amount paid to the five key management personnel of the organisation in 2022 was THB 14,473,102. The amount in 2021 was THB 15,190,203.

TBC pay scale rates are targeted at the 60th percentile for each level of job groupings for national staff and are reviewed annually. For key international management personnel, the pay policy targets the 50th percentile benchmarked against a relevant INGO and NGO comparative set and are also reviewed annually. The amount paid in termination costs to staff in 2022 was THB 845,313. (2021: THB nil).

Amount of remuneration that trustees received in 2022: nil (2021: nil).

TBC Board member gift for years of service in 2022 are THB nil (2021: THB 3,340).

10. AUDITOR'S REMUNERATION

The auditor's remuneration for the statutory audit is THB 2,372,684 (2021: THB 1,635,000) and Financial Statement of Audit for the US-BPRM is THB 420,000 (2021: THB 400,000).

11. TANGIBLE FIXED ASSETS

	2022			
	Office Equipment Thai Baht	Computers Thai Baht	Vehicles Thai Baht	Total Thai Baht
Cost:				
As at beginning of the period	279,077	1,642,931	17,630,827	19,552,835
As at end of the period	<u>279,077</u>	<u>1,642,931</u>	<u>17,630,827</u>	<u>19,552,835</u>
Depreciation:				
As at beginning of the period	236,276	1,564,167	16,952,961	18,753,404
Charge for the year	21,400	78,764	198,400	298,564
As at end of the period	<u>257,676</u>	<u>1,642,931</u>	<u>17,151,361</u>	<u>19,051,968</u>
Net book value				
As at beginning of the period	42,801	78,764	677,866	799,431
As at end of the period	21,401	-	479,466	500,867

12. DEBTORS

	2022	2021
	Thai Baht	Thai Baht
Trade debtors	424,946,501	360,979,694
Other debtors	22,574,179	38,911,112
	<u>447,520,680</u>	<u>399,890,806</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	Thai Baht	Thai Baht
Trade creditors	21,415,395	21,492,415
Deferred Income	15,516,529	7,820,545
Accruals	2,435,945	1,635,000
Other creditors	1,441,872	1,353,445
Payroll Myanmar	-	402,925
	40,809,741	32,704,330

Trade creditors at 31 December 2022 represented 30 days past purchases (2021: 30 days).

14. CREDITORS: FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	Thai Baht	Thai Baht
Long term liabilities	2,192,429	1,641,463
	2,192,429	1,641,463

Creditors falling due after more than one year represents provision or provident fund obligations, raised for Burma/Myanmar based staff established in 2015.

15. TRANSFERS BETWEEN FUNDS

As per the Labour Protection Act of 5 April 2019, employees who are terminated after working for the same employer for an uninterrupted period of twenty years or more, receive severance payment of 400 days of wages at the most recent rate. An amount of THB 2,491,970 (2021: THB 1,241,617) was transferred to the designated Severance fund to account for the increased liability.

In September 2022, the TBC Board reviewed a revised budget for the estimated closing activities. In January 2023, TBC Board ratified the decision for the reduction of THB 5,000,000 in designated funds from THB 35,000,000 to THB 30,000,000.

The net transfer of THB (5,000,000) + THB 2,491,970 = THB (2,508,030) brings the total Designated Funds Balance to THB 57,220,491.

16. RELATED PARTY TRANSACTIONS

There were no transactions with Members, other than for funding received.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds Thai Baht	2022 Restricted Funds Thai Baht	Total Thai Baht
Tangible fixed assets	500,867	-	500,867
Debtors	1,822,241	445,698,439	447,520,680
Cash at banks and in hand	84,434,452	41,529,563	125,964,015
Creditors falling due within one year	(4,306,125)	(36,503,616)	(40,809,741)
Creditors falling due after one year	(2,192,429)	-	(2,192,429)
Net Assets	80,259,006	450,724,386	530,983,392

	Unrestricted Funds Thai Baht	2021 Restricted Funds Thai Baht	Total Thai Baht
Tangible fixed assets	799,431	-	799,431
Debtors	1,477,823	398,412,983	399,890,806
Cash at banks and in hand	99,372,460	26,585,580	125,958,040
Creditors falling due within one year	(3,821,218)	(28,883,112)	(32,704,330)
Creditors falling due after one year	(1,641,463)	-	(1,641,463)
Net Assets	96,187,033	396,115,451	492,302,484

18. FUND MOVEMENTS IN THE PERIOD

	Balance at 31 Dec 21 Thai Baht	Income Thai Baht	Expenditure Thai Baht	Transfers Thai Baht	Balance at 31 Dec 22 Thai Baht
1. Australia ANCP (Act for Peace-NCCA)	3,443,410	3,963,772	5,385,362	-	2,021,820
2. Australia AusAID (DFAT) 2021/2022 IRC	20,341,018	52,257,263	72,598,281	-	-
Caritas-Australia (Nutrition)	2,975,271	6,325,000	6,813,105	-	2,487,166
ICCO -KIA 2022/23	-	1,872,920	1,019,251	-	853,669
ICCO -KIA 2020/22	1,584,904	-	1,584,904	-	-
3. LIFT Fund Phase II (UNOPS)	6,939,619	38,544,634	42,397,104	-	3,087,149
4. New Zealand – MFAT	21,172,828	55,046,751	64,459,730	-	11,759,849
5. Polish Embassy	-	864,027	864,027	-	-
6. SIDA- NRC	-	4,215,624	4,215,624	-	-
7. UK- FCDO 2021-2022	4,112,500	108,688,358	112,800,858	-	-
UK - FCDO 2022-2023	-	104,433,250	35,267,248	-	69,166,002
8. UN OCHA- MHF #2	5,909,766	(193,219)	5,716,547	-	-
9. UNOPS – NEXUS/DCA	5,284,098	11,096,007	13,218,369	-	3,161,736
10. USA BPRM (IRC) 2022/23	-	508,620,000	150,433,005	-	358,186,995
10. USA BPRM (IRC) 2021/22	324,352,037	6,750,144	331,102,181	-	-
World Vision	-	332,632	332,632	-	-
Total Restricted Funds	396,115,451	902,817,163	848,208,228	-	450,724,386
Designated Fund – Severance Pay & Closedown	59,728,521	-	-	(2,508,030)	57,220,491
3. General Fund	36,458,512	11,019,560	26,947,587	2,508,030	23,038,515
Total Funds	492,302,484	913,836,723	875,155,815	-	530,983,392

Description of Government funded Grants

1. Australian Government ANCP (Act for Peace) – Support provided specifically to the two camps managed by the Karenni Refugee Committee for both administration of the camps and provision of stipends. Income represents the new agreement which covers their fiscal year July 2022-June 2023
2. Australian Government DFAT (IRC)- Year 3 (FY July 2021-December 2022) of two-and-a-half-year-grant, funding TBC programme border wide in Thailand.
3. LIFT Phase II fund (UNOPS) – Year 3 of Phase II January – December 2022. The “inception” phase started in October 2019 with the First full two years of a multi-year project in Myanmar starting in 2020. The grant was originally to end September 2022, but a 15-month cost-extension was agreed to and planned to end December 2023. The grant provides sub-grants for rehabilitation/peace building activities to local implementing partners.

4. New Zealand – Ministry of Foreign Affairs and Trade (MFAT)- funding to support the reduction in the transmission of Covid-19 virus and support the resilience and basic needs of newly displaced and conflict affected people from the SE of Myanmar. A two-year agreement was extended to continue the program from June 2022- June 2024.
5. Embassy of the Republic of Poland. Contributed toward the infrastructure of the camp committees, specifically with the purchase of IT and communications equipment,
6. Swedish International Development Agency (SIDA) via Norwegian Refugee Council- April – September 2022 to provide needs-based protection to vulnerable conflict and displacement affected populations
7. United Kingdom- FCDO– primarily focused on shelter needs and nutrition programmes in the Thai camps, as well as Myanmar emergency response for south eastern Myanmar. The 2021-2022 agreement was extended for 3 months and ended in September 2022. A new agreement was made to continue supporting of the same activities, starting October 2022-March 2024.
8. UN OCHA via the Myanmar Humanitarian Fund (MHF)- Grant #2 continued support of Locally-led Relief to Karen communities, through education, food security, health interventions, nutrition, and water, sanitation, and hygiene services. August 2021-January 2022
9. UNOPS- Nexus project via DCA, originally July 2021-June 2022 was extended until December 2023. Funding supports the work with partners by responding to the emerging needs of SE Myanmar brought on by the coup.
10. United States Government (BPRM) via IRC – Principal funder for the organization supporting assistance for food and cooking fuel within all 9 camps. Additional funds were donated to support influx of those fleeing Myanmar into Thailand. A new three year agreement was signed starting July 2023 and expected to end July 2025.

Additional Note: Danish Government-DANIDA (DCA)- not specifically shown in the table, provides unrestricted funds of DKK 1,774,296 for the period January – December 2022.

All of the above funders are institutional donors (either independent governments, the EU or in the case of the LIFT fund board – a consortium of international funders). They are classified as “restricted” in as much as the funding can only be used in specific geographic areas or for specific elements of the overall programme. There are no restrictions of usage in terms of trust law.

Note – the Designated Severance Fund represents an amount that would be required to pay severance compensation to all staff (based on tenure) if the organisation ceased operations. This is consistent with Thai and Myanmar Labour Law requirements. The close-down budget was reduced to THB 30M in 2022 by the Trustees and is what TBC estimates it will cost to wind down the TBC programme, exclusive of program costs.

List of Acronyms

BBC	Burmese Border Consortium (former name)	IP	Inter Pares
BPRM	Bureau of Population, Refugees, and Migration	IPC	Infection Prevention and Control
CA	Christian Aid	IRC	International Rescue Committee
CBO	Community-Based Organisation	LIFT	Livelihoods and Food Security Trust Fund
CCA	Consortium of Christian Agencies	MAF	Myanmar Armed Forces
CCSDPT	Committee for Coordination of Services to Displaced Persons in Thailand	NCA	Norwegian Church Aid
CDM	Civil Disobedience Movement	NCCA	National Council of Churches Australia (Act for Peace)
CSO	Civil Society Organisation	NGO	Non-Governmental Organisation
DCA	Dan Church Aid	NUG	National Unity Government
DFAT	Department of Foreign Affairs and Trade (Australia)	RTA	Royal Thai Army
FCDO	Foreign and Commonwealth Development Office (UK)	RTG	Royal Thai Government
FCS	Food Card System	SAC	State Administration Council
FRS	Financial Reporting Standard (UK)	SORP	Statement of Recommended Practice (UK)
FX	Foreign Exchange	TBBC	Thailand Burma Border Consortium (former name)
GBP	British Pound	TBC	The Border Consortium
GEC	Governance and Elections Committee	THB	Thai Baht
HRD	Human Rights Defenders	UK	United Kingdom
ICCO	Inter Church Organisation for Development Cooperation	UNHCR	United Nations High Commissioner for Refugees
IDP	Internally Displaced Person	US	United States
INGO	International Non-Governmental Organisation	USD	US Dollar

Reference and Administrative Details:

Name of Charity	The Border Consortium (TBC)
Charity registration number	1109476
Company registration number	05255598 (England and Wales)
Address of registered office	35 Lower Marsh, London SE1 7RL
Address of principal office	12/5 Convent Road, Bangrak, Bangkok 10500, Thailand
Website	www.theborderconsortium.org
Trustees (and Directors) during 2022.	Alexis Chapman (Treasurer) Andreas Kiaby Samantha McGavin (Chair since November 2022) Leon de Riedmatten James Thomson (Chair until November 2022) Mani Kumar Marvin Pannell (term expired in November 2022) Kasit Piromya (elected in November 2022)
Co-Executive Director – Co-Executive Director – Charity correspondent-	Duncan McArthur Timothy Moore Duncan McArthur
Bankers	Siam Commercial Bank Unit C-7 2 nd Floor CP Tower Building 313 Soi Silom 2/1 Silom, Bang Rak Bangkok Thailand 10500 +6622331727 Siam Commercial Bank 291 Surawong Rd., Khwaeng Suriya Wong, Bang Rak, Bangkok 10500 +6622337115-9
Auditors	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL United Kingdom
Members	Act for Peace - NCCA, Australia. Christian Aid, United Kingdom Church World Service, USA Diakonia, Sweden DanChurchAid, Denmark ICCO-Cordaid, The Netherlands Inter Pares, Canada International Rescue Committee, USA Norwegian Church Aid (NCA), Norway

THE BORDER CONSORTIUM

England & Wales - Charity number 1109476

Accounts



The Border Consortium (TBC)

Trustees' Annual Report and Audited Financial Statements

For the Year Ended 31 December 2021

The Border Consortium is a Company limited by Guarantee in England and Wales. Company Number 05255598.

Registered Office 35 Lower Marsh, London SE1 7RL. Charity Commission registered number 1109476

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Trustees' Annual Report for the period

From 1st January 2021 to 31st December 2021

Charity name: The Border Consortium

Charity registration number: 1109476

Objectives and Activities

Summary of the purposes of the charity as set out in its governing document

The Border Consortium (TBC), a non-profit, non-governmental organisation, is an alliance of partners working together with displaced and conflict-affected people from Myanmar to address humanitarian needs and to support rights-based community-driven approaches in pursuit of peace and development.

Charitable Objects

1. The relief of charitable needs of displaced people of Myanmar by the provision of humanitarian aid and assistance.
2. To develop the capacity and skills of the members of the socially and economically disadvantaged community of the displaced people of Myanmar in such a way that they are able to participate more fully in society.
3. To promote equality, diversity and racial harmony for the benefit of the public by raising awareness of the needs of and issues affecting the displaced people of Myanmar.
4. To promote human rights, (as set out in the Universal Declaration of Human Rights) along the Thailand- Myanmar border area by monitoring and research.

Since 1984 TBC has provided food, shelter, and capacity-building support to conflict-affected communities. TBC strives to deliver timely, quality services to the refugees in Thailand and to conflict-affected communities in southeastern Myanmar. The overriding working philosophy is to maximise participation of the community in programme design, implementation, monitoring and feedback. TBC promotes a participation and empowerment model to ensure that conflict-affected communities have the information, knowledge and skills necessary for safe, dignified living while displaced, the capacity and resources for local response to emergencies, and the practical experience in decision-making, management, land use planning, sustainable agriculture, and small business development for their future.

TBC members and leadership, alongside refugees and conflict affected persons, continue to advocate with governments, donors and other stakeholders to ensure funding to maintain an acceptable level of services in the camps and emergency assistance in southeastern Myanmar for as long as needed. Given that returns to Myanmar will not proceed as hoped, TBC will continue to advocate for alternate pathways to safe and dignified lives outside their camps.

Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.

TBC faced two major emergencies in 2021 - the ongoing COVID-19 pandemic in both Thailand and Myanmar and the upsurge in Emergency Response needs due to the military coup and the escalating crisis in Myanmar.

Myanmar's Armed Forces (MAF) announced a State of Emergency on 1 February 2021 and established the State Administrative Council (SAC) to govern the nation. The military's claim that electoral fraud justified the seizure of power was rebuked by independent observers. To the contrary, the military coup was widely denounced as unconstitutional, and the SAC condemned as illegitimate. Millions of people took to the streets in protest in a widespread Civil Disobedience Movement (CDM). Protracted strikes crippled public sector services, while SAC interventions in the operations of the Central Bank of Myanmar and restrictions on internet access caused massive disruptions in the financial sector.

The brutal response of state security forces to the protests in cities and towns resulted in the arbitrary arrest and detention of over 8,000 people, including children and over 1,250 people killed on the streets, while airstrikes and artillery attacks indiscriminately targeted and displaced over 200,000 civilians in south eastern Myanmar alone, and destroyed schools, health clinics, churches and homes. The resurgence of COVID-19 wreaked an horrendous toll on the population while the health service was decimated by military attacks on personnel, on hospitals and the military diverting and hoarding supplies for themselves and their families.

The dramatic escalation in militarisation, violence and abuse exacerbated vulnerabilities in conflict-affected communities. The military offensives disrupted access to fields just as upland farmers should be preparing for the wet season rice crops, adversely affecting food security for the coming year. Girls and women were at risk of conflict-related sexual violence as a direct result of roving MAF patrols. Patterns of systematic violence and abuse reflected the "four cuts" counter-insurgency strategies which have been used to target civilians for decades to undermine the access of Ethnic Armed Organisations (EAO)s to food, recruits, intelligence and resources. By the end of the year, UNDP estimated half of the country was in poverty.

In Thailand, the Royal Thai Army's response to the emergency was short and sharp. New arrivals were detained at the border. There was no formal screening mechanism, refugees were not allowed to enter the existing camps, but instead were sent back to Myanmar within days, leaving people to remain as IDPs in Myanmar with low profile assistance.

The ongoing COVID-19 pandemic meant that NGOs' access to refugee camps in Thailand was significantly reduced, refugees could not access informal work outside of the camps, third country resettlement was limited and formal voluntary returns to Myanmar remained on hold due to the security situation in Myanmar.

Programmes:

TBC's 2020-2022 strategic plan focuses on four key areas: humanitarian needs, food security and livelihoods, protective environments, and responsible transitions.

In 2021, hopes for refugee futures beyond the camps faded. Voluntary return was no longer an option. TBC pivoted from preparing refugees for future return to focus on an emergency response once again in conflict affected areas of southeastern Myanmar, responding to new arrivals scattered in forests along the Thailand borders and ensuring that the refugees in the camps were not forgotten.

In Myanmar, restrictions on access for humanitarian agencies based in towns and areas administered by the de-facto authorities resulted in emergency responses primarily being channelled through low-profile civil society organisations. Local partners pivoted from a development focus to emergency response to address the exponential needs of conflict-affected communities and human rights defenders and activists who fled from urban areas to ethnic administered areas in southeastern Myanmar for protection and essential assistance - food, shelter, access to clean water, basic medicines. Coronavirus infection prevention and control (IPC) measures were implemented throughout all programmes limiting activities and restricting access to many project areas.

While INGOs and UNHCR prepared for a potential large influx of refugees into Thailand, tight restrictions on the nine refugee camps due to COVID-19 outbreaks, posed major challenges for the delivery of food and shelter assistance. However, despite difficulties, access to supplies for households in camps remained uninterrupted and food security held at a high level. Communities were heavily affected with loss of additional income that would normally be used to complement and fill the gaps of assistance received and there was a notable increase in psychosocial issues.

TBC successfully raised an additional USD 7 million to support the emergency needs of displaced and conflict affected communities in Myanmar and Thailand border areas due to the evolving crisis.

Local partners are at the core of TBC's work. Through the network of local partners built up over decades, TBC supported the delivery of assistance to over 200,000 people in southeastern Myanmar since the coup in February, 17,000 people sleeping rough in Thailand outside of the camps and throughout the Coronavirus pandemic supporting 80,000 people through remote communications with refugee partners in the nine refugee camps in Thailand.

Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit

In setting its programme each year, TBC has regard to the Charity Commission's general guidance on public benefit and on prevention and relief of poverty for the public benefit.



Achievements and Performance

Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.

TBC programmes reached over 300,000 (2020: 150,000) men, women, and children – including over 80,000 in nine refugee camps along Thailand's western border and 200,000 in southeastern Burma/Myanmar. Campaigns on COVID-19 prevention measures reached over 280,000 people.

The key achievements against TBCs four Strategic Directions were as follows

Strategic Direction #1 - Humanitarian Needs

Contribute to meeting the humanitarian needs of displaced communities, with a focus on women, children, older persons, and people with illness or disabilities.

Over 150,00 civilians in southeastern Myanmar benefitted from access to multi sectoral humanitarian aid to alleviate basic needs. Beneficiaries received the cash equivalent of three-months rice supply, while staple food supplies were distributed to those in proximity to the Thai border. Non-food items, including hammocks, blankets, sleeping mats, mosquito nets and women's hygiene kits were distributed to ensure that displaced people were protected from the natural elements and had their human dignity upheld. Over 50% of beneficiaries were women and girls.

120,000 people benefitted from pre-positioned medical supplies and public health promotion by ethnic health service providers in community health centres and COVID-19 mitigation measures implemented across rural areas of southeastern Myanmar.

Around 18,000 displaced people crossed into Thailand seeking assistance. UNHCR and INGOs were denied access to the new arrivals. However local partners and Thai networks mobilised to deliver much needed basic food and shelter items in temporary safety areas with backstopping from TBC and others, before the new refugees were pressured to return back to Myanmar where they remained internally displaced.

Despite Covid restrictions, essential programmes in the refugee camps were uninterrupted and Food security for 16,100 households remained stable. Since the onset of COVID-19 in 2020, household food card values were increased and remained at higher levels to compensate for food price increases, and lack of livelihoods opportunities, ensuring refugees could meet their minimum nutritional requirements and alleviate anxiety around food insecurity.

Encamped refugee households received bamboo, eucalyptus poles and leaf thatch to ensure shelters were in an acceptable condition prior to the rainy season, with a focus on materials and labour support for Special Needs households. The Camp Shelter teams responded to shelter damage affecting 1,144 households resulting from floods, landslides, fires and storms. Stockpiles of key construction materials were replenished in all camps.

Strategic Direction #2 - Food Security

Reinforce food security through improved nutrition and productive livelihoods.

In southeastern Myanmar, agricultural productivity of subsistence farmers increased due to improved community-driven natural resource management, market access and awareness of nutrition-sensitive agriculture. Initiatives included the construction/repair of motorbike roads and bridges, the extension of irrigation canals and micro-dams and intensive trainings in organic gardening and climate-smart agriculture.

7,000 people benefitted from efforts to mitigate malnutrition in conflict-affected communities through training for ethnic health service providers, integrated management of acute malnutrition and behavioural change promotion relating to maternal, infant and young child feeding (M-IYCF).

An additional 6,000 people were assisted with improved access to water and sanitation facilities and hygiene awareness. Gravity flow water supply systems and shallow wells were constructed to improve access to domestic water, complemented by the installation of sanitary latrines and public campaigns about personal and environmental hygiene. These awareness campaigns were also adapted to include guidance about risk communication and community engagement (RCCE) in preventing the transmission of COVID-19.

The results from the 2021 Food Security surveys in the refugee camps in Thailand illustrated that household diets remained acceptably diverse (96%), although often lacking in haem-iron. The quality of food was good, and households experienced little to no instances of hunger.

Additional nutritional needs for young children, adolescent girls, pregnant women and nursing mothers were met through supplementary feeding and the "Healthy Babies, Bright Futures" Infant and Young Child Feeding Programme (IYCF), with approximately 2,000 children enrolled monthly.

Strategic Direction #3: Safe Futures

Promote protective environments and safe and dignified futures for displaced and conflict-affected communities.

Partners courageously documented and reported atrocities to inform the international community that the Myanmar national authorities are not only unwilling and unable to protect human rights but are also the primary perpetrators of violence. This was complemented with human rights education amongst communities to mitigate against the normalisation of abuse, restore a sense of human dignity and promote self-protection strategies for reporting and responding to human rights violations.

High levels of female participation in IDP camp/site management and leadership roles, public awareness campaigns to stop violence against women as well as the management of safe houses and referral services

for survivors of sexual and gender-based violence all contributed to strengthen the protection environment.

Establishing and maintaining rice banks provided social safety nets for 4,000 households.

Since the outbreak of COVID-19 in early 2020 and the subsequent border closures, formal voluntary return of refugees in Thailand was suspended. Additionally, the likelihood for future refugee returns was negatively impacted by the escalating crisis in Myanmar, which drastically reduced human security and the ability for potential returnees to secure their livelihoods upon return to Myanmar. The exploration of legal pathways for refugees into migrant communities, and local work options, were also on hold due to the third wave of COVID-19 in Thailand with resultant restrictions on movement and the forcing of many factories to close temporarily while others were under lockdown.

TBC and partners presented at a wide range of webinars and panel discussions on the evolving humanitarian crisis to raise awareness of the unfolding situation, highlighting the need for assistance to address the exponential needs of thousands of displaced people, and to advocate for entry into Thailand to access safety and protection, in line with Thailand's long-standing tradition of offering sanctuary to those in need.

Strategic Direction #4: Responsible Transitions

Reinforce accountability, partnership, and local ownership to ensure responsible transitions.

Over 30 partners engaged in emergency response. The localisation approach embedded in emergency activities contributed to building capacities amongst civil society organisations and ethnic service providers. It also builds social cohesion among host communities and displaced persons and across ethnic lines for human rights defenders and political activists who have fled into EAO administered areas.

Remote capacity assessments through consultation with local staff, identified the needs of our partners to enhance their organisational capacities. In Myanmar, needs focused on strategic planning and the development of organisational policies and procedures. While financial management systems are generally sound, many partners requested support in consolidating accounts for multiple donors and project expenses. In Thailand the priorities were nutrition, WASH and data analysis trainings alongside technical and financial support.

TBC staff primarily responded to the requests through coaching, which was conducted online.

Risk Management

TBC revised the Risk Management Policy to promote the awareness of risk and embed a risk management culture across the organisation. The risk register was reviewed by the Board and members at the EGM and an expanded risk register was ratified at the AGM in November.

Several risks increased in 2021 due to the crisis in Myanmar and the COVID-19 global pandemic.

Security risks increased for staff and partners in Myanmar as conflict and systematic human rights violations escalated throughout the country. It was necessary to periodically close offices, for staff to keep a low profile, or evacuate when needed. COVID-19 was largely unchecked in Myanmar and staff had limited access to hospitals, testing and oxygen supplies and the UN vaccination programme roll out had

barely started by year end. However, TBC maintained daily contact with staff in Myanmar for health and safety checks.

Despite the near collapse of the formal banking system, financial risks were managed by reverting to previous emergency response mechanisms for delivering cash assistance and informal money traders were utilised.

The need for an IT business continuity plan was identified and is in progress

TBC developed a Fraud Risk Management Plan to cement a cohesive action plan for the mitigation of fraudulent activity within the organisation and its partners. The TBC Fraud and Compliance specialist provided refresher training to all staff.

Conclusion from TBC Chair's report to the members at the AGM November 2021

Looking ahead, it is a highly unpredictable situation in Myanmar with an expanding conflict and humanitarian crisis and no real end in sight to the conflict. The international community has had little influence at present and there has been no real leadership from ASEAN in terms of resolving the conflict or leading the humanitarian response. The worst of the humanitarian crisis is also yet to come as the economic and food security crisis in Myanmar unfolds. Beyond emergency assistance, protection will also be critical in Myanmar, given it is essentially a human rights crisis. It needs to be forefront in our minds- along with access to asylum in Thailand and durable solutions! Given refugee voluntary repatriation is off the agenda, no new resettlement places have been offered, and the Thai government does not permit local integration, the only option for solutions is to work toward expanding legal opportunities for refugees in the camps to work in Thailand. While not a protection solution, per se, as there is no pathway to citizenship, permission to work would lead to a greater measure of self-reliance, dignity and integration.



Financial Review

Overview

TBC's management and headquarters is based in Bangkok, Thailand, and its accounting records are maintained in Thai baht (THB). TBC financial statements conform to the Statement of Recommended Practice for Charities (SORP FRS 102), with both Income and Expenses reported on an accrual's basis, and separation of restricted and general funding.

Financial Overview Year 2017-2021 in THB millions:

	2017	2018	2019	2020	2021
Income	595	520	511	586	1,030
Expenditure	684	592	510	567	730
Net Movement	(89)	(72)	1	19	300
Closing Fund balance	244	172	173	192	492
Restricted funds	120	54	90	107	396
Designated funds	79	73	58	58	59
Net fixed assets	3	1	1	1	1
Freely available general reserve	42	45	25	26	36
Liquidity (Bank–Trade Creditors)	112	101	89	91	93

Prior to 2020, TBC was trending downward in both income and expenditure, as well as the bottom-line general reserve. TBC's 2020-2022 strategic plan reflected this trend with programs in support of voluntary return of refugees to Myanmar or planning for a transitional phase of life outside of camps and plans for more refugees in the Thailand camps along the border to resettle back in Myanmar or elsewhere.

TBC believed that the COVID-19 Pandemic temporarily only stalled this objective, however, it was a precursor to a much bigger problem that erupted when the coup in Myanmar broke out early in 2021. These events had a tremendous impact on both TBC's strategy and financials and brought on additional challenges that continued from 2020.

As displacement in Myanmar grew exponentially, donors responded with increased emergency funds of THB 265 million. Within the organisation and our local partners, emergency response capacity was strengthened to address the multi-sectoral emerging needs.

The number of subgrants with partners increased from 28 in 2020 to 79 with a few receiving multiple advances for multiple projects. On average, THB 47M was consistently outstanding in advances throughout the year. The lack of formal financial systems along the border and inside Myanmar subsequently require more payments for supplies and services to be made with cash. TBC dutifully recognized the risk and mitigated it through frequent reporting, and rigorous internal review of support documentation.

The banking system in Myanmar was already moderately risky and TBC only transferred funds needed a few months at a time, but the coup took it to a higher risk level. TBC's accounts, and many others, were initially frozen and inaccessible for weeks. Within the bank, an ad-hoc system eventually formed but TBC could only withdraw small, limited amounts at a time. As a response to a potential banking collapse, TBC completely suspended transferring funds to the Myanmar accounts and implemented a plan to drawdown on its current balances to cover the basic operational costs of the TBC offices and payroll of staff which is still in progress.

In March, TBC faced another banking challenge when Standard Chartered Bank-UK and Thailand, informed us that we must close our accounts because we no longer fit into their strategy. An initial three-month deadline was extended by a few months so that we could dissolve account balances, inform donors, and urgently search for other options. Although not ideal, mostly due to having all of our funds in one bank and in one country, we found a viable solution to keep foreign currencies in their original tender in Thailand. It's still important for TBC to maintain banking roots in the UK and we have since applied to open a new account in the UK with another bank; approval still pending.

Finally, TBC changed its long-standing policy on how it reports financial transactions back to donors in order to mitigate FX swings, largely in response to the FX losses it incurred over the past several years. Instead of using the FX rate at the time of recognizing donor income for the entire duration of the grant, TBC uses the monthly average for the respective currency taken from the Bank of Thailand website. This has allowed for transactions to be reported at the FX rate closer to the time they are incurred.

Due to travel limitations, TBC held a virtual Annual General Meeting (AGM) on 11 November 2021, and similar to the previous year, the traditional camp visits with donors and TBC Board and members could not take place. Instead, TBC held a seminar on 9 November with a Donors meeting the following day so that consortium members could discuss the financial situation and potential future of the programme, especially in light of the crisis in Myanmar. Donors joined the first two days of events, and the AGM was specifically reserved for TBC to openly discuss their questions.

Principal Funding Sources:

Income Sources 2021	Donor	Currency	Amount	Thai Baht
Australia ANCP (Act for Peace)	R	AUD	238,000	5,689,676
Australia DFAT Thailand (IRC)	R	AUD	1,500,000	35,859,300
Denmark DANIDA (DanChurchAid)	U	DKK	1,225,840	5,982,099
Nexus-DCA	R	USD	346,576	11,166,367
New Zealand-MFAT	R	NZD	4,400,000	97,064,000
SIDA-Norwegian Refugee Counsel	R	USD	120,000	3,787,572
UNOPS- LIFT Fund	R	USD	1,499,813	44,639,534
UNOPS- MHF	R	USD	1,011,636	33,366,909
UK FCDO	R	GBP	2,954,570	119,742,518
US BPRM (IRC)	R	USD	19,289,343	632,408,852
TOTAL Government Backed				989,706,827
Non Government - Restricted	R			27,339,439
Non Government - Unrestricted	U			12,982,961
TOTAL: Voluntary Income				1,030,029,227
Investment Income	U			365,231
Other Income - Sale of Assets	U			32,000
Total Income				1,030,426,458
Restricted (denoted by R)	R			1,011,064,167
Unrestricted	U			19,362,291

Some of the funding for TBC programmes and management does not come directly to TBC but instead is secured by NGO partners in their respective home countries and sub-granted to TBC. Several of these funding partners are also members of TBC, who along with other organisations and individuals, make private grants or donations.

Total income for 2021 was THB 1.03 billion, which is THB 431M (42%) more than budgeted and THB 444M (76%) more than in 2020. TBC made FX gains of THB 12M compared to a loss of THB 9M in 2020 as a result of the strengthening foreign currencies against the Thai Baht throughout the year.

Six governments supported TBC's work (United States, United Kingdom, New Zealand, Australia, Denmark, and Sweden, in order of contribution size). TBC received continued support from the European Union via the LIFT consortium for Phase II of its work in Myanmar, as well as UNOPS and UNOCHA funds to respond to the emergency in Myanmar. These nine donors' total contribution funded 96% of TBC's annual budget.

In addition to TBC's regular funding plan, it raised THB 265M (26% of total income) for emergency response in southeastern Myanmar after the military-coup with a portion of it going toward continued support of programs aimed at the COVID-19 pandemic. The contributors to these emergencies consisted of United States-BPRM, UNOPS/EU-Nexus via DanChurchAid, United Kingdom-FCDO, UNOPS via LIFT, SIDA via Norwegian Refugee Counsel (NRC), UNOCHA via Myanmar Humanitarian Fund (MHF), New Zealand-MFAT, Citizens of Burma Award (COBA), Caritas-Australia, and World Vision.

Actual Expenditure compared with Budget 2021:

Strategic Objectives 2020-2022	Budget	Actual Direct	Resources	Total Actual
Humanitarian Need	364,054,000	543,093,312	4,283,973	547,377,285
Food Security and Nutrition	30,015,000	28,784,653	1,034,062	29,818,715
Protective Environment & Safe Futures	36,868,000	43,313,364	886,339	44,199,703
Accountability & Partnership	103,910,000	106,490,259	2,363,571	108,853,830
sub-total Activity Cost	534,847,000	721,681,588	8,567,945	730,249,533
Cost of Generating Funds	900,000	17,417	-	17,417
Foreign Exchange Loss	1,000,000	(25,629)	25,629	-
Total Expenditure	536,747,000	721,673,376	8,593,574	730,266,950

TBC entered year two of its 2020-2022 Strategic Plan. TBC's main programs are integrated into four main strategic objectives as noted in the table above. In some cases, such as nutrition, shelter, and camp administration, different activities can fit into multiple objectives, which are broken down by cost centers, each with separate accounting codes. A breakdown of the overarching programmes expenditure and the major accounts are described below.

Expenditure is analysed by the strategic objectives, with costs related to ensure continued access to adequate nutritious food and appropriate shelter split between the refugee camps (humanitarian assistance) and internally displaced persons (emergency relief). Resource costs consist of salaries, benefits and other indirect costs related to program implementation. Some resource costs are directly attributable to an activity; others are allocated according to a management estimate of the amount of time staff spend on different activities. The cost of supporting one refugee in the camps for 2021 year was approximately THB 6,453 (GBP 150), compared to THB 6,256 in 2020. Resource and governance costs amounted to less than 1% of the total expenses for the year.

Actual programme expenditure for 2021 was THB 730 M (29% more than in 2020). Expenditure increased in proportion to the additional funds raised for programmes to address the humanitarian crisis triggered by the Myanmar coup and the continuing COVID-19 pandemic. Additionally, the gains made from

strengthening FX rates gave TBC more buying power in THB, subsequently allowing some programs to spend more than their original budgets.

TBC's operation in Thailand accounts for THB 520 (71%) of all expenditures, while THB 210M (29%) went toward the Myanmar programme and emergencies. By comparison, the expenditure ratio was 89%/11%, respectively, in 2020.

There were no signs that the COVID-19 pandemic was slowing down in 2021. Consequently, instead of budgeting for a 7% decline in camp population, estimates were based on a static population of 80,000 refugees for the entire year. Additionally, the covid rations per household remained at the pandemic levels where Vulnerable and Most Vulnerable households received Most Vulnerable-household rations and Standard and Self-Reliant households received Vulnerable-household rations. By the end of the year, however, most Self-Reliant households no longer received rations as they were evaluated to be self-sufficient.

The COVID-19 pandemic restrictions limited TBC staff's ability to travel for meetings, workshops, and physically monitor camp activities. To combat the challenge, additional investments were made in communications took place by purchasing adequate equipment and activating and implementing new technologies, both free and paid. TBC proactively took action to minimize potential gaps in the supply chain by purchasing additional charcoal to store in the warehouses and working with vendors and suppliers to ensure sufficient commodities were stocked in the refugee camp stores throughout the year.

The Food Card System (FCS) remains TBC's largest budget line for the refugee camps and total expenditure, plus service fee, came in at THB 271M, 6% over budget. Although we budgeted for a static population of 80,000, we had planned to revert to the pre-Covid level-rations in the second half of the year. The additional funding from US-BPRM allowed us to continue with the elevated rations.

Charcoal is TBC's second largest camp-related budget line and in 2021, expenditure was THB 83M, or 12% over budget, mainly because of stock piling. Strong negotiations with the suppliers and stockpiling earlier in the year helped to keep these prices down.

Shelter materials in the budget normally only covers the essentials. Favourable FX rates gave TBC the opportunity to go over its budget by THB 6.2 M for a total of THB 19 M.

Camp management costs increased by THB 4.7M, which went toward improved security measures within the camps and also to purchase long-needed office equipment and computers for the various refugee committees, all of which was funded by the UK-FCDO grant. In November, TBC increased its monthly stipend by 20% across all stipend-paid positions held by refugees. The top-up will have an impact of an additional THB 5.7 M annually going forward.

Food Security and Livelihood program spending also exceeded budget by THB 2 M because of the favourable FX rates in the year. The money was used as a one-off expense to provide border-wide loans for communities to invest in their own self-sustaining ventures, such as livestock and farming equipment.

Organizational costs were THB 81 M (THB 4 M under budget). Personnel related costs such as salary, benefits, insurances and home travel were THB 1 M over budget, largely due to increased need for OPD/IPD, hired contract staff for emergency response, and housing. Most of the savings, THB 5.1 M (59%), came from the travel related accounts, including all the costs for workshops, meetings, and running

vehicles; total expenditure of THB 3.8M. A 21% increase of THB 570,000 was spent on communication and IT related costs to improve TBC means of communications, monitoring, and a few upgrades; total expenditure of THB 3.2 M. The balance of savings came from all of the other organizational costs to run the offices, such as supplies, utilities, and rent.

Myanmar planned expenditure came in under budget by around THB 20 M, out of a total of THB 41 M, largely due to disruptions caused by the coup. LIFT is primarily a development program and in Year 2 of a 3-year project. Unused funds will carry over into 2022.

Of the THB 265M funds raised to address the crisis in Myanmar and the ongoing pandemic, approximately THB 169 M was spent in 2021. Most of the expenditure is found in the Humanitarian Objective, however, some smaller amounts fall into other objectives, depending on the specific type of activity they support. THB 11.5 M was used for the influx in Thailand, THB 143 M used in Myanmar, and THB 13 M for the Covid response on both sides of the border. The balance will carry over to 2022.

The increase in spending over the originally planned budget was based fully on TBC's response to assure that basic needs and protection were met for the refugee population in the nine camps along the border. Likewise, the increase also reflects the additional funds raised by TBC to respond to the coup in Myanmar with lifesaving activities and programmes, as well as FX gains made throughout the year

Fund Balance

TBC ended the year with a total fund balance of THB 492 M; THB 396 M of which are restricted and THB 96 M for general funds. Of the general funds, THB 35 M is designated to cover an eventual closedown of the organisation, THB 24 M for staff severance, THB 36 M considered as generally available, and less than THB 1 M in assets.

Statement explaining the policy for holding reserves and explanation of what reserves are held

The Border Consortium (TBC):

1. Seeks both restricted and unrestricted funding to cover annual expenditures, which are subject to budget review twice a year, to meet its Charitable Objects and strategic objectives in relation to the displaced people from Burma/Myanmar.
2. Considers it reasonable to hold an additional reserve of freely available funds to cover a 50% contingency on its annual budget to cover the sensitivity to factors outside its control, primarily the cost of basic needs, exchange rate variations, and the number of displaced people.
3. Endeavours to hold at all times a minimum total fund balance sufficient to cover the funding receivable, inventory and fixed assets.
4. Will not allow its freely available funds balance to be negative.
5. Maintains a designated fund to cover the potential staff severance costs under Thai and Myanmar law
6. Maintains a specific reserve for eventual closedown of the camps and the organization which is designated from other freely available reserves.

7. Trustees set specific boundaries within which the Executive Director may operate, which include financial and fundraising conditions consistent with the Reserves Policy.

8. Reviews the Reserves policy annually.

TBC aims to maintain the current levels of general reserves at a minimum of THB 25 M. Due to uncertainty regarding the timing of camp closures, management and Trustees acknowledge that TBC is facing increasing financial and operational risks.

The organisation's liquidity increased by the end of 2021 from THB 91 M to THB 93 M. Liquidity is defined as the level of bank/cash holdings less the short-term creditors' liability. TBC reached what was considered a critical minimum level of THB 25 million Freely Available Funds in 2019, particularly since a close-down of the organization was not in the foreseeable future. TBC Trustees, therefore consider that the THB 25 million is a minimum fund balance to maintain as a buffer in 2021 and going forward.

Funds are restricted where a donor contracts to meet specific expenses or directs the funds to be used for specific purposes. By 31 December 2021 TBC had balances of eleven restricted funds carried over into 2022, which the funding agreements allowed; thus, all the income was recognised in 2021. The movement in the various funds over the year are illustrated in Note 18 to the Accounts.

There is a designated fund to cover potential staff severance costs in full as per our obligations under Thai and Myanmar labour law in the event there is no longer a need for TBC to support the displaced people of Myanmar. The fund is adjusted annually in proportion to staff departures and accrued long-service. The 2021 fund balance for severance is THB 24.7 M (THB 23.5 M 2020) – see Note 15 in the audited financial statements.

In 2019, the Trustees agreed to designate THB 35 M to cover organisational costs during a close-down scenario. We note that the timeframe for when these funds might be utilised is still an unknown factor and will be reviewed annually.

A description of the principal risks facing the charity

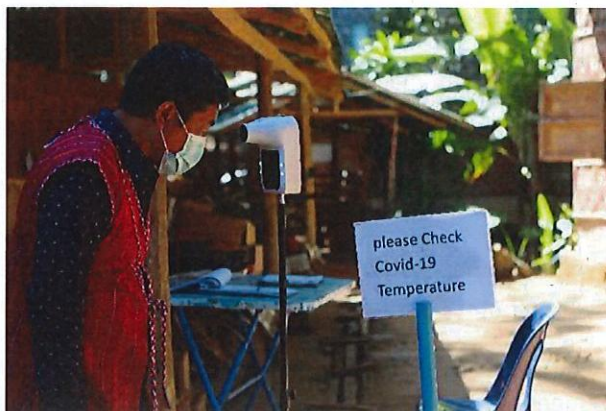
A general Risk Management Plan was developed in 2008; and since 2015 - the plan has expanded to include specific risks in both Thailand and Myanmar. The risk management matrix is updated and reviewed regularly and is assessed by the Trustees twice a year. Any significant changes are reported at intervening Board meetings. The risk matrix is also presented to the Members at the Annual General Meeting (AGM) and the Extraordinary General Meeting (EGM). The latest Risk Management Register was reviewed and ratified by the Members and the Board at the AGM in November 2021.

TBC aims to meet humanitarian best practices, deliver quality services and support activities that ensure minimum access to services that help beneficiaries meet their basic needs until they are able to return to Myanmar or find another solution and respond to emergencies.

TBC is continually monitoring and assessing its key risks to mitigate the impact on the sustainability of its programs. The main risks are 1. number of displaced people in need of TBC support, 2. the market price of commodities and supplies, and 3. the exchange rates at which the organization receives funding. The overall program risks are:

- The ability to continue to raise and safeguard the necessary funds needed to run the operation in the coming year and longer term to bring the work to a successful conclusion whenever that may be. To help mitigate this risk, Senior Management and Members work to keep donors and government representatives fully informed about developments and engaged with the situation; and,
- The changing external political context (both in Myanmar and Thailand presents a high risk because TBC has no control over the respective governments' strategies towards displaced people. To help mitigate this risk, TBC Senior Management, Trustees and Members seek to maintain a dialogue with key stakeholders in both Myanmar and Thailand to keep the situation of the refugees and IDPs current.
- The willingness or ability of refugees to return to Myanmar, remain in camps, or seek employment in Thailand. For 2021, TBC budgeted for a static camp population of 80,000 people. Any amount of decline in population size would relieve the financial costs of the program, however, the zero-population movement, or yet worse an increase of population, will conversely impact TBCs ability to meet all the humanitarian needs if funding levels weaken. While TBC understands that the current Royal Thai Government procedure would temporarily hold new arrivals at the border and not allow them to enter the refugee camps under normal circumstances, the rapidly evolving humanitarian crisis in Myanmar since the beginning of 2021 could change that.
- TBC recognized that its longstanding internal policy and procedure to report to donors at a fixed accrued exchange rate was no longer viable. A change in procedure was implemented in 2021, whereby transactions are converted back to the donor currency on by using the monthly average for the specific currency's FX rate taken from the Bank of Thailand.
- TBC has mitigated FX risk by holding several bank accounts in several different countries- UK, Thailand, and Myanmar for many years. In 2021, however, TBC faced difficulties with all three. Standard Chartered bank in the UK and Thailand forced TBC to close its accounts because it no longer fitted with their strategy. The coup in Myanmar immediately exposed TBC to a higher possibility of a financial collapse in Myanmar. TBC was able to navigate both of the challenges with viable solutions, however, it must still research other options.
- Cash flow and inadequate security over cash transactions increased. The number of partners and the amount of outstanding advances over longer periods of time added more pressure for faster cash flow, particularly from donors. Many of the partners operate along both sides of the border where financial systems are all cash based, thus increasing the risk of loss by various means.

Trustees set specific boundaries within which the Executive Director may operate, which include financial and fundraising conditions consistent with the Reserves Policy. The Board does not have a separate finance and audit committee; the Board reviews reports from external audits, frequent donor audits and independent evaluations, which provide evidence of the effectiveness of the systems of internal control.



Structure, Governance and Management

Description of charity's trusts:

The charity is incorporated as a Company limited by guarantee in England and Wales, with a Memorandum and Articles of Association.

How is the charity constituted?

When Burmese refugees arrived in Thailand in 1984, the Ministry of Interior of the Royal Thai Government (RTG) invited non-governmental organisations (NGOs) in Thailand to provide emergency assistance. The immediate need was food, and the NGOs agreed to work together to operate a programme, initially under the name of the Consortium of Christian Agencies (CCA) and later, as the number of refugees continued to expand and a broader range of donors was accessed, as the Burmese Border Consortium (BBC). It had no legal identity, other than through the legitimacy of its individual members. The name changed to the Thailand Burma Border Consortium (TBBC) when it was incorporated as a Company limited by guarantee in England and Wales on 11 October 2004, with a Memorandum and Articles of Association. Charity Commission registration was granted on 13 May 2005. The name changed again to The Border Consortium (TBC) on 2 November 2012. TBC continues to be a company limited by guarantee.

Membership of TBC is open to any non-governmental, non-profit humanitarian organisation with a demonstrated interest in, and commitment to, the mandate of TBC. Membership applications are submitted to the Board of Directors (Trustees), who review the application and make a recommendation to a General Meeting of current Members for decision. The Consortium membership is made up of nine organisations from nine countries. Each member organisation is required to appoint a member representative to attend General Meetings, of which there is at least one per year, to decide and direct the overall policy and strategy of TBC.

Policy-making authority is delegated to a Board which is elected at each Annual General Meeting. The Board convenes at least four times annually to provide leadership for the Members and regular oversight and guidance to TBC's Executive Director and its programme and services. The Board approves TBC's salary policy. TBC pay scale rates are targeted at the 60th percentile for each level of job groupings for national staff and are reviewed annually. For key international management personnel, the pay policy

targets the 50th percentile benchmarked against a relevant INGO and NGO comparative data sets and are also reviewed annually.

The Executive Director has day-to-day responsibility for leading and managing TBC's programme and services, the hiring and supervision of all other staff, and attending all General Meetings and Board Meetings to report on the progress and status of programme activities.

The TBC Board convened six times remotely in addition to the AGM and EGM online meetings during 2021 to fulfil its overall responsibilities for Consortium oversight. In addition, there were increased informal calls with senior management to keep close to the fast-changing situation. Key issues focused on the evolving crisis in Myanmar and managing the pandemic to ensure staff safety and securing additional emergency funding.

Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees

Trustees are elected at each Annual General Meeting, from the members' representatives and a maximum of four independents (individuals not employed by Member organisations); the Trustees are, by definition, directors.

The Board has one subcommittee: the Governance and Elections Committee (GEC). This committee is responsible for managing the recruitment, nomination and election process for Trustees. One new Trustee was elected at the AGM in November.

Policies and procedures adopted for the induction and training of trustees

The GEC has oversight of the induction of new Trustees, who are briefed about current TBC issues by staff and further inducted to the Board of Directors in line with their experience and requirements. All Trustees have a copy of TBC Governance Guidelines, and a GEC introduction to these. The GEC also leads the Board for best practice procedures, and it facilitates the Board self-evaluation process.

Trustees receive a copy of the current Strategic Plan, regular detailed Programme reports and financial summaries. The Trustees ensure that the programmes are in line with the Mission, the Charitable Objects, and the strategic directions from the TBC Strategy 2020-2022. In 2021, GEC's focus has been on ensuring continuity on a governance level for TBC in the period to come.

The charity's organisational structure and any wider network with which the charity works

TBC is an Executive member of the Committee for Coordination of Services to Displaced Persons in Thailand (CCSDPT) through which all NGOs working with displaced people in Thailand coordinate their activities and relate to the RTG. TBC works in partnership with many civil society and community-based organisations (CSOs CBOs) representing refugees and other displaced persons. TBC is the only NGO providing food and shelter needs to the target groups, the other NGOs provide healthcare, water, sanitation, education, skills training, community services etc. TBC with other CCSDPT members works closely with the United Nations High Commissioner for Refugees (UNHCR), monitoring refugee protection issues and advocating with the Thai authorities and international community. TBC is also a member of the INGO Forum Myanmar which aims to influence and increase the effectiveness and coherence of humanitarian relief and development aid in Myanmar.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees are further required to acquaint themselves with the relevant audit information for the accounting period under consideration and to ensure that they disclose any relevant information to the auditors as deemed necessary.

Disclosure of information to auditor

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditor is unaware; and each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Trustees

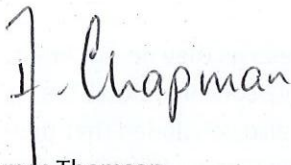
The current trustees of the company are set out on page 43. Alexis Chapman, Andreas Kiaby, Samantha McGavin, Marvin Pannell, Leon de Riedmatten and James Thomson (Chair) served throughout the full year. In addition, Mani Kumar was elected as a new trustee to the board at the AGM in November 2021. Subsequently the following were appointed at the first board meeting in 2021 - Samantha McGavin, Vice-chair; Mani Kumar, Secretary; and Alexis Chapman, Treasurer. James Thomson continues for the second year as the Chair of the Board

Auditor

KPMG LLP UK were first contracted for the 2011 audit. The Members ratified the appointment at the EGM on 15 March 2012. They have subsequently performed the annual audit for the financial years 2012–2020. The continued appointment was ratified by the Board at the AGM in November 2021 and a new engagement letter was signed in 2021.

The report of the trustees which incorporates the requirements of the Strategic report and the Directors' report as set out in the Companies Act of 2006 and 2013 regulations, was approved by the Board, in their capacity as Trustees and company directors, and signed on its behalf on

30 JUNE 2022 by



James Thomson

Chair, Board of Directors

Independent auditor's report to the members of The Border Consortium

Opinion

We have audited the financial statements of The Border Consortium ("the charitable company") for the year ended 31 December 2021 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charitable company's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charitable company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management and inspection of policy documentation as to the charitable company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Senior Management Meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because of limited complexity in the recognition of revenue from donations and its easy verifiability to donor confirmations.

We also identified a fraud risk related to inappropriate recognition of expenditure, in particular between restricted and unrestricted funds.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals which reclassify types of expenditure and journals which reverse recorded expenses.
- Testing the substance of expenditure recorded to assess whether the expenditure had occurred and whether it was correctly classified.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation) and taxation

legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the charitable company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 20, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

JL Lees

Joanne Lees (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

08 JULY 2022

The Border Consortium

Company number: 05255598

AUDITED FINANCIAL STATEMENTS

Statement of Financial Activities

For the year ended 31 December 2021

	Notes	2021			Total Funds Thai Baht
		Unrestricted Funds		Restricted Funds	
		General Thai Baht	Designated Thai Baht	Thai Baht	
Income and Endowments					
Income from generated funds:					
Donations and legacies	2	6,086,160	-	1,011,064,167	1,017,150,327
Investment income	3	365,231	-	-	365,231
Other income	4	618,187	-	-	618,187
Gain on exchange rate	4	12,292,713	-	-	12,292,713
Total income and Endowments		<u>19,362,291</u>	<u>-</u>	<u>1,011,064,167</u>	<u>1,030,426,458</u>
Expenditure on					
Costs of generating funds:					
Expenditure on raising funds	2	-	-	17,417	17,417
Charitable activities:					
Humanitarian Need	5	4,283,973	-	543,093,312	547,377,285
Food Security & Nutrition	5	1,034,062	-	28,784,653	29,818,715
Protective Environment & Safe Futures	5	886,339	-	43,313,364	44,199,703
Accountability & Partnerships	5	2,363,571	-	106,490,259	108,853,830
Other expenditure (FX Loss)	8	25,629	-	(25,629)	-
Total Expenditure		<u>8,593,574</u>	<u>-</u>	<u>721,673,376</u>	<u>730,266,950</u>
Net income/(expenditure)					
before transfers		10,768,717	-	289,390,791	300,159,508
Transfers between funds	15	(1,241,617)	1,241,617	-	-
Net movement in funds in period		9,527,100	1,241,617	289,390,791	300,159,508
Reconciliation of Funds					
Total funds as at beginning of period		26,931,412	58,486,904	106,724,660	192,142,976
Total funds carried forward	18	<u>36,458,512</u>	<u>59,728,521</u>	<u>396,115,451</u>	<u>492,302,484</u>

A comparison is provided for the previous year (2020) as follows:

	Notes	2020			Total Funds Thai Baht
		Unrestricted Funds		Restricted Funds	
		General Thai Baht	Designated Thai Baht	Funds Thai Baht	
Income and Endowments					
Income from generated funds:					
Donations and legacies	2	12,339,993	-	572,583,965	584,923,958
Investment income	3	645,900	-	-	645,900
Other income:	4	600,000	-	-	600,000
Total income and Endowments		<u>13,585,893</u>	<u>-</u>	<u>572,583,965</u>	<u>586,169,858</u>
Expenditure on					
Costs of generating funds:					
Expenditure on raising funds	2	-	-	-	-
Charitable activities:					
Humanitarian Need	5	927,403	-	398,262,061	399,189,464
Food Security & Nutrition	5	240,438	-	29,002,662	29,243,100
Protective Environment & Safe Futures	5	171,742	-	33,506,771	33,678,513
Accountability & Partnerships	5	652,617	-	95,120,854	95,773,471
Other expenditure (FX Loss)	8	9,163,991	-	-	9,163,991
Total Expenditure		<u>11,156,191</u>	<u>-</u>	<u>555,892,348</u>	<u>567,048,539</u>
Net income/(expenditure) before transfers		2,429,702	-	16,691,617	19,121,319
Transfers between funds	15	(516,054)	516,054	-	-
Net movement in funds in period		1,913,648	516,054	16,691,617	19,121,319
Reconciliation of Funds					
Total funds as at beginning of period		25,017,764	57,970,850	90,033,043	173,021,657
Total funds carried forward	18	<u>26,931,412</u>	<u>58,486,904</u>	<u>106,724,660</u>	<u>192,142,976</u>

All operations are from continuing activities.

The accompanying notes from pages 30 to 41 form an integral part of these financial statements.

The Border Consortium

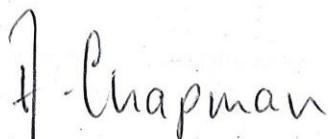
Company number: 05255598

Balance Sheet

As at 31 December 2021

		2021	2020
	Notes	Thai Baht	Thai Baht
Fixed assets			
Tangible assets	11	799,431	1,113,747
Current assets			
Debtors	12	399,890,806	102,903,634
Cash at banks and in hand		125,958,040	137,783,767
Total current assets		525,848,846	240,687,401
Liabilities			
Creditors falling due within one year	13	(32,704,330)	(47,261,884)
Net Current assets		493,144,516	193,425,517
Total assets less current liabilities		493,943,947	194,539,264
Creditors falling due after more than 1 year	14	(1,641,463)	(2,396,288)
Net assets		492,302,484	192,142,976
The funds of the charity			
Restricted income funds		396,115,451	106,724,661
Unrestricted income funds:			
- General Fund		36,458,512	26,931,411
- Designated funds		59,728,521	58,486,904
Total charity funds	17	492,302,484	192,142,976

The financial statements on pages 26 to 41 were approved by the trustees and were signed on its behalf on 30 JUNE 2022 by:



Alexis Chapman
Treasurer, Board of Directors

The accompanying notes from pages 30 to 41 form an integral part of these financial statements

The Border Consortium

Company number: 05255598

Cash Flow Statement

For the year ended 31 December 2021

		2021	2020
		Thai Baht	Thai Baht
	<i>Note</i>		
Cash flow from operating activities			
Net movement in funds in period		300,159,508	19,121,319
Investment income	3	(365,231)	(645,900)
Gain on disposal of assets	4	(32,000)	(600,000)
Depreciation charges	11	314,316	531,371
Net changes in working capital		(312,299,551)	(54,085,152)
Net cash provided by (used in) operating activities		(12,222,958)	(35,678,362)
Cash flows from investing activities			
Interest received		365,231	645,900
Proceeds from sale of fixed assets		32,000	600,000
Payments to Acquire tangible assets		-	(992,000)
Net cash provided by investing activities		397,231	253,900
Net change in cash		(11,825,727)	(35,424,462)
Net funds as at beginning of the period		137,783,767	173,208,229
Net funds as at end of the period		125,958,040	137,783,767

Notes

Net changes in net working capital

	2021	2020
	Thai Baht	Thai Baht
Increase in debtors	(296,987,172)	(17,785,764)
Decrease in creditors	(15,312,379)	(36,299,388)
Net changes in working capital	(312,299,551)	(54,085,152)

The Border Consortium

Company number: 05255598

Accounting Policies and Notes to the Financial Statements

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with 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 01 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Border Consortium meets the definition of a public benefit entity under FRS 102.

TBC principally operates in Thailand, and its accounting records are maintained in Thai Baht (THB).

Going Concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The business model of the charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and no committed costs beyond its fixed costs of operation which are detailed in note 5.

The Trustees have reviewed the cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period. The Trustees have also considered the implications of COVID-19 on these cash flow forecasts and consider that as a result of its operating model explained above, even if no further funding is received in the 12 month period, the charity has sufficient cash reserves to pay all committed costs.

Consequently, the Trustees are confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the monetary value of the income can be measured with sufficient reliability. Such income is only deferred when the donor specifies that the grant or donation must only be expended in future accounting periods.

Voluntary income consists of grants, donations and gifts that provide core funding or are of a general nature. Gifts in kind are valued at estimated fair market value at the time of receipt.

Investment income consists of bank interest and is recognised on a receivable basis.

Other income consists of gains on the disposal of fixed assets and gains on exchange rates.

Expenditure

All expenditure is accounted for on an accrual basis and recognised when there is a legal or constructive commitment to the expenditure.

Irrecoverable VAT in Thailand is charged against the category of expenditure for which it was incurred.

Resource costs consist of salaries, benefits and other indirect costs related to programme implementation. Some resource costs are directly attributable to an activity; others are allocated according to a management estimate of the amount of time staff members spend on different activities. General administration costs are not allocated to activities.

Costs of generating funds are those costs incurred in attracting voluntary income and raising funds.

Costs of Charitable activities comprise all costs incurred in the pursuit of the charitable objects of TBC, including both the direct costs and resource costs relating to these activities.

Governance costs comprise costs attributable to ensuring public accountability and compliance with regulations.

Allocation of General Support Costs

The organisation's general support costs have been allocated between governance costs and other general support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with trustees' expenses and consultancy fees related directly to governance issues.

General support costs (i.e those that are not directly related to an activity) are allocated on the basis of headcount for that particular cost category. Examples of these costs include staff related costs, general office costs, IT costs, vehicle maintenance costs and travel and accommodation expenses are broadly equivalent. The allocation of support and governance costs is analysed in notes 6 and 7.

Tangible Fixed Assets

Tangible fixed assets costing more than THB 60,000 are capitalised at cost and depreciated on a straight-line basis over their estimated useful lives as follows:

<u>Asset Category</u>	<u>Annual rate</u>
Office equipment	20%
Computers	33%
Vehicles	20%

Debtors

Debtors are created when there is a signed contract with a donor to provide funding for a period of time into the future. The timing of receipts from that debtor are variable (monthly, quarterly, annually) or are dependent on certain milestones being reached. The debtor value at the end of the financial year reflects the balance outstanding between the amount contracted and the amount received. No provision is made for doubtful debts.

Creditors

Creditors are created when there is a signed contract with a supplier/service provider whereby the timing of the payment to that contractor is at a point in the future. Normal credit terms granted by the organization are 30 days. At the end of an accounting period the trade creditors figure reflects the amount that has still to be paid to a supplier under a binding contract.

Fund Structure

There are a number of restricted income funds to account for situations where a donor contracts to meet specific expenses, or directs the fund be used for specific purposes.

All other funds are unrestricted income funds. Within unrestricted funds there are two specific designated funds, one of which is set aside for the full potential severance costs in the event that all staff contracts were to be terminated and the other is set aside to provide the required funds for closedown of both the camps and the organisation.

Foreign Currencies

Transactions in foreign currencies are recorded at the exchange rate ruling at the date the transaction occurred.

The THB value of foreign currency assets and liabilities as at the period end have been adjusted by using the Bank of Thailand rates for those dates, with differences taken to the Statement of Financial Activities.

The net value of exchange differences for the accounting period is recorded either as an exchange gain under income or as an exchange loss under expenses.

Employee Benefits

TBC operates a Staff Provident Fund by deducting a maximum of 15% from basic salary of the staff participating in the Plan and matching the staff contribution up to 6%. The contributions are invested in a government registered provident fund managed by a recognised financial institution. Staff are entitled to the benefits upon resignation from the organisation. TBC's contributions to the Plan are charged to the Statement of Financial Activities in the year to which they relate.

Legal Status

The Thailand Burma Border Consortium (TBBC) was incorporated in England on 11 October 2004, Charity status was granted on 13 May 2005. The name was changed to The Border Consortium (TBC) on 2 November 2012.

Tax Accounting

TBC is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2. VOLUNTARY INCOME AND COST

	Unrestricted Thai Baht	2021 Restricted Thai Baht	Total Thai Baht
Voluntary Income			
Donations	104,061	-	104,061
Grants	5,982,099	1,011,064,167	1,017,046,266
Total Voluntary Income	<u>6,086,160</u>	<u>1,011,064,167</u>	<u>1,017,150,327</u>
Total cost of generating voluntary income			
Donors meeting & Fundraising Marketing	-	(17,417)	(17,417)
Net voluntary income	<u>6,086,160</u>	<u>1,011,046,750</u>	<u>1,017,132,910</u>

	Unrestricted Thai Baht	2020 Restricted Thai Baht	Total Thai Baht
Voluntary Income			
Donations	129,044	-	129,044
Grants	12,210,634	572,583,965	584,794,599
Income resulting from marketing events/publications	315	-	315
Total Voluntary Income	12,339,993	572,583,965	584,923,958
Total cost of generating voluntary income			
Donors meeting & Fundraising Marketing	-	-	-
Net voluntary income	12,339,993	572,583,965	584,923,958

3. INVESTMENT INCOME

Investment income of THB 365,231 (previous period THB 645,900) arises from the bank deposit accounts.

4. OTHER INCOME

	2021 Thai Baht	2020 Thai Baht
Gain on disposal of fixed assets	32,000	600,000
Exchange Rate Gain	12,292,713	-
Others	586,187	-
Total	12,910,900	600,000

5. CHARITABLE ACTIVITIES EXPENDITURE

	2021			
	Direct Cost Thai Baht	Support Cost Thai Baht	Governance allocation Thai Baht	TOTAL COST Thai Baht
Humanitarian Need	545,457,056	738,616	1,181,613	547,377,285
Food Security & Nutrition	29,428,345	178,287	212,083	29,818,715
Protective Environment & Safe Futures	43,865,099	152,817	181,787	44,199,703
Accountability & Partnerships	108,228,620	443,423	181,787	108,853,830
Total	726,979,120	1,513,143	1,757,270	730,249,533

	2020			
	Direct Cost	Support Cost	Governance allocation	TOTAL COST
	Thai Baht	Thai Baht	Thai Baht	Thai Baht
Humanitarian Need	397,922,644	223,856	1,042,964	399,189,464
Food Security & Nutrition	29,006,996	58,037	178,067	29,243,100
Protective Environment & Safe Futures	33,509,867	41,455	127,191	33,678,513
Accountability & Partnerships	95,452,842	193,439	127,190	95,773,471
Total	555,892,349	516,787	1,475,412	557,884,548

Note 5 above shows direct, support and governance costs per each expense category. The basis for these allocations is outlined in the notes above.

General support costs are further analysed in the table below (note 6) and compared to 2020 costs and Governance costs are similarly presented in note 7.

6. GENERAL SUPPORT COSTS

	2021	2020
	Thai Baht	Thai Baht
Staff Related Costs	1,059,200	402,260
Office Related costs (including Rent)	151,315	25,290
IT Related Costs	181,577	13,375
Vehicle Related Costs	75,657	24,448
Travel, accommodation and miscellaneous costs	45,394	51,414
Total	1,513,143	516,787

7. GOVERNANCE COSTS

	2021	2020
	Thai Baht	Thai Baht
Audit fee	1,643,241	1,460,000
Trustees expenses	110,768	-
Meetings	3,262	15,412
Total	1,757,271	1,475,412

8. OTHER EXPENDITURE

	2021	2020
	Thai Baht	Thai Baht
Loss on exchange rate	-	9,163,991

9. ANALYSIS OF STAFF COSTS

The number of persons employed by the Charity at 31 December was as follows:

	Number of employees	
	2021	2020
Programme and programme support	48	48
Management and administration	10	10
Total	58	58

The aggregate payroll costs of these persons were as follows:

	2021	2020
	Thai Baht	Thai Baht
Salaries	54,824,252	53,946,015
Housing, Living and Education allowances	3,416,000	2,460,282
Provident fund	2,434,614	2,428,134
Staff Insurance	2,804,520	3,214,527
Other employee benefits	3,390,206	1,756,222
Social security fund	294,140	351,550
Total	67,163,732	64,156,730

Notes relating to Staff remuneration.

The number of employees whose emoluments in the year as defined for taxation purposes amounted to over the equivalent of £60,000 were as follows:

	2021	2020
£60,001 to £70,000 (Thai Baht 2,597,329 to Thai Baht 3,030,167)	2	2
£70,001 to £80,000 (Thai Baht 3,030,210 to Thai Baht 3,463,048)	1	1
£80,001 to £90,000 (Thai Baht 3,463,091 to Thai Baht 3,895,929)	1	1
£90,001 to £100,000 (Thai Baht 3,895,972 to Thai Baht 4,328,810)	0	1

The emoluments of the highest paid employee were THB 3,628,825 (2020: THB 3,629,425).

The total amount paid to the five key management personnel of the organisation in 2021 was THB 15,190,203. The amount in 2020 was THB 15,106,099.

TBC pay scale rates are targeted at the 60th percentile for each level of job groupings for national staff and are reviewed annually. For key international management personnel, the pay policy targets the 50th percentile benchmarked against a relevant INGO and NGO comparative set and are also reviewed annually. The amount paid in termination costs to staff in 2021 was THB nil (2020: THB 756,504).

None of the trustees received any remuneration in 2021 nil (2020: nil).

TBC Board member received a gift for five years of service as Chair in 2021 worth THB 3,340 (2020: THB nil).

10. AUDITOR'S REMUNERATION

The auditor's remuneration of THB 2,035,000 (2020: THB 1,860,000) for the statutory audit at THB 1,635,000 (2020: THB 1,460,000) and non-audit service at THB 400,000 (2020: THB 400,000).

11. TANGIBLE FIXED ASSETS

	2021			
	Office Equipment Thai Baht	Computers Thai Baht	Vehicles Thai Baht	Total Thai Baht
Cost:				
As at beginning of the period	350,077	1,865,597	18,396,827	20,612,501
Disposal	(71,000)	(222,666)	(766,000)	(1,059,666)
As at end of the period	<u>279,077</u>	<u>1,642,931</u>	<u>17,630,827</u>	<u>19,552,835</u>
Depreciation:				
As at beginning of the period	285,877	1,692,316	17,520,561	19,498,754
Charge for the year	21,399	94,517	198,400	314,316
Disposal	(71,000)	(222,666)	(766,000)	(1,059,666)
As at end of the period	<u>236,276</u>	<u>1,564,167</u>	<u>16,952,961</u>	<u>18,753,404</u>
Net book value				
As at beginning of the period	64,200	173,281	876,266	1,113,747
As at end of the period	42,801	78,764	677,866	799,431

12. DEBTORS

	2021	2020
	Thai Baht	Thai Baht
Trade debtors	360,979,694	93,581,577
Other debtors	38,911,112	9,322,057
	<u>399,890,806</u>	<u>102,903,634</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	Thai Baht	Thai Baht
Trade creditors	21,492,415	10,761,617
Deferred Income	7,820,545	33,901,115
Accruals	1,635,000	1,606,174
Other creditors	1,353,445	992,978
Payroll Myanmar	402,925	-
	<u>32,704,330</u>	<u>47,261,884</u>

Trade creditors at 31 December 2021 represented 30 days past purchases (2020: 30 days).

14. CREDITORS: FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	Thai Baht	Thai Baht
Long term liabilities	1,641,463	2,396,288
	<u>1,641,463</u>	<u>2,396,288</u>

Creditors falling due after more than one year represents provision or provident fund obligations, raised for Burma/Myanmar based staff established in 2015.

15. TRANSFERS BETWEEN FUNDS

As per the Labour Protection Act of 5 April 2019, employees who are terminated after working for the same employer for an uninterrupted period of twenty years or more, receive severance payment of 400 days of wages at the most recent rate.

To remain in compliance, the amount of THB 1,241,617 (2020: THB 516,054) was transferred between funds to increase the designated Severance fund by THB 1,241,617 (2020: THB 516,054) in order to reflect the increased liability.

In September 2019, TBC Board ratified the decision to book THB 35,000,000 designated for closing activities. TBC Board has agreed to maintain this same level in 2021. These fund are recorded in the Designated General Fund.

16. RELATED PARTY TRANSACTIONS

There were no transactions with Members, other than for funding received.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2021		Total
	Unrestricted Funds Thai Baht	Restricted Funds Thai Baht	
Tangible fixed assets	799,431	-	799,431
Debtors	1,477,823	398,412,983	399,890,806
Cash at banks and in hand	99,372,460	26,585,580	125,958,040
Creditors falling due within one year	(3,821,218)	(28,883,112)	(32,704,330)
Creditors falling due after one year	(1,641,463)	-	(1,641,463)
Net Assets	<u>96,187,033</u>	<u>396,115,451</u>	<u>492,302,484</u>

	2020		Total
	Unrestricted Funds Thai Baht	Restricted Funds Thai Baht	
Tangible fixed assets	1,113,747	-	1,113,747
Debtors	5,300,936	97,602,698	102,903,634
Cash at banks and in hand	84,537,154	53,246,613	137,783,767
Creditors falling due within one year	(3,137,234)	(44,124,650)	(47,261,884)
Creditors falling due after one year	(2,396,288)	-	(2,396,288)
Net Assets	<u>85,418,315</u>	<u>106,724,661</u>	<u>192,142,976</u>

18. FUND MOVEMENTS IN THE PERIOD

	Balance at 31 Dec 20 Thai Baht	Income Thai Baht	Expenditure Thai Baht	Transfers Thai Baht	Balance at 31 Dec 21 Thai Baht
1. Australia ANCP (Act for Peace-NCCA) Australia AusAID (DFAT) 2020/2021 IRC	2,587,864	5,689,676	4,834,130	-	3,443,410
2. Australia AusAID (DFAT) 2021/2022 IRC	-	35,859,300	18,372,443	-	17,486,857
Caritas-Australia (Nutrition)	-	5,156,800	2,181,529	-	2,975,271
Caritas-Australia (Emergency)	-	3,797,248	3,797,248	-	-
Citizens of Burma Award (COBA)	-	6,599,864	6,599,864	-	-
Church World Service	23,725	-	23,725	-	-
ICCO -KIA 2020/21	977,165	-	977,165	-	-
ICCO -KIA 2020/22	-	1,917,225	332,321	-	1,584,904
4. LIFT Fund Phase II (UNOPS)	1,285,124	44,639,534	38,985,039	-	6,939,619
5. New Zealand – MFAT	-	97,064,000	75,891,172	-	21,172,828
6. SIDA- NRC	-	3,787,572	3,787,572	-	-
7. United Kingdom- FCDO	-	119,742,518	115,630,018	-	4,112,500
8. UN OCHA- MHF #1	-	8,252,937	8,252,937	-	-
8. UN OCHA- MHF #2	-	25,113,972	19,204,206	-	5,909,766
9. UNOPS – NEXUS/DCA	-	11,166,367	5,882,269	-	5,284,098
10. USA BPRM (IRC) 2020/21	80,494,585	156,878,567	237,373,152	-	-
10. USA BPRM (IRC) 2021/22	-	475,530,285	151,178,248	-	324,352,037
World Vision	-	9,868,302	9,868,302	-	-
Total Restricted Funds	106,724,660	1,011,064,167	721,673,376	-	396,115,451
Designated Fund – Severance Pay & Closedown	58,486,904	-	-	1,241,617	59,728,521
3. General Fund	26,931,412	19,362,291	8,593,574	(1,241,617)	36,458,512
Total Funds	192,142,976	1,030,426,458	730,266,950	-	492,302,484

Description of Government funded Grants

1. Australian Government ANCP (Act for Peace) – Support provided specifically to the two camps managed by the Karenni Refugee Committee for both administration of the camps and provision of stipends.
2. Australian Government DFAT (IRC)- Second year (FY July 2021-June 2022) of two-and-a-half-year-grant, funding TBC programme border wide in Thailand.
3. Danish Government-DANIDA (DCA)- provides unrestricted funds for January – December 2021

4. LIFT Phase II fund (UNOPS) – Year 2 of Phase II January – December 2021. The “inception” phase started in October 2019 with the First full year of a multi-year project in Myanmar starting in 2020 and slated to end in September 2022. The grant provides sub-grants for rehabilitation/peace building activities to local implementing partners.
5. New Zealand – Ministry of Foreign Affairs and Trade (MFAT)- funding to support the reduction in the transmission of Covid-19 virus and support the resilience and basic needs of newly displaced and conflict affected people from the SE of Myanmar, June 2021- June 2022
6. Swedish International Development Agency (SIDA) via Norwegian Refugee Council- April – September 2021 to provide needs-based protection to vulnerable conflict and displacement affected populations
7. United Kingdom- FCDO– primarily focused on shelter needs and nutrition programmes in the Thai camps, as well as Myanmar emergency response for south eastern Myanmar. Additional GBP 1,000,000, granted to support the response to the humanitarian crisis brought on by the coup in Myanmar.
8. UN OCHA via the Myanmar Humanitarian Fund (MHF)- issued two separate grants at different time in the year. Grant one ran from January- December 2021, supported Locally-led Relief to Karen communities, through education, food security, health interventions, nutrition, and water, sanitation, and hygiene services. Grant #2 was granted to support the same programs but with a timeline of August 2021-January 2022.
9. UNOPS- Nexus project via DCA, July 2021-June 2022. Funding to work with partners by respond to the emerging needs of SE Myanmar brought on by the coup.
10. United States Government (BPRM) – Principal funder for the organization supporting assistance for food and cooking fuel within all 9 camps. Additional funds of USD 1,712,163 donated to support influx of those fleeing Myanmar into Thailand. The grant was to originally end in March 2021 but was extended an additional 5 months until July 2021. A new grant was issued starting August 2021 until July 2022.

All of the above funders are institutional donors (either independent governments, the EU or in the case of the LIFT fund board – a consortium of international funders). They are classified as “restricted” in as much as the funding can only be used in specific geographic areas or for specific elements of the overall programme. There are no restrictions of usage in terms of trust law.

Note – the Designated Severance Fund represents an amount that would be required to pay severance compensation to all staff (based on tenure) if the organisation ceased operations. This is consistent with Thai and Myanmar Labour Law requirements. The close-down budget of THB 35M is what TBC estimates it will cost to wind down the TBC programme, not including program costs.

List of Acronyms

BBC	Burmese Border Consortium (former name)	IP	Inter Pares
BPRM	Bureau of Population, Refugees, and Migration	IPC	Infection Prevention and Control
CA	Christian Aid	IRC	International Rescue Committee
CBO	Community-Based Organisation	LIFT	Livelihoods and Food Security Trust Fund
CCA	Consortium of Christian Agencies	MAF	Myanmar Armed Forces
CCSDPT	Committee for Coordination of Services to Displaced Persons in Thailand	NCA	Norwegian Church Aid
CSO	Civil Society Organisation	NCCA	National Council of Churches Australia (Act for Peace)
DCA	Dan Church Aid	NGO	Non-Governmental Organisation
DFAT	Department of Foreign Affairs and Trade (Australia)	RTG	Royal Thai Government
FCDO	Foreign and Commonwealth Development Office (UK)	SORP	Statement of Recommended Practice (UK)
FCS	Food Card System	TBBC	Thailand Burma Border Consortium (former name)
FRS	Financial Reporting Standard (UK)	TBC	The Border Consortium
FX	Foreign Exchange	THB	Thai Baht
GBP	British Pound	UK	United Kingdom
GEC	Governance and Elections Committee	UNHCR	United Nations High Commissioner for Refugees
ICCO	Inter Church Organisation for Development Cooperation	US	United States
IDP	Internally Displaced Person	USD	US Dollar
INGO	International Non-Governmental Organisation		

Reference and Administrative Details:

Name of Charity	The Border Consortium (TBC)
Charity registration number	1109476
Company registration number	05255598 (England and Wales)
Address of registered office	35 Lower Marsh, London SE1 7RL
Address of principal office	12/5 Convent Road, Bangrak, Bangkok 10500, Thailand
Website	www.theborderconsortium.org
Trustees (and Directors) during 2021.	Alexis Chapman (Treasurer) Andreas Kiaby Samantha McGavin Marvin Parnell Leon de Riedmatten James Thomson (Chair) Mani Kumar (elected to Board- November 2021)
Executive Director – from 1 st January 2013 to date Charity correspondent	Sally Thompson MBE Sally Thompson MBE
Bankers	Siam Commercial Bank Unit C-7 2 nd Floor CP Tower Building 313 Soi Silom 2/1 Silom, Bang Rak Bangkok Thailand 10500 +6622331727 Siam Commercial Bank 291 Surawong Rd., Khwaeng Suriya Wong, Bang Rak, Bangkok 10500 +6622337115-9
Auditor's	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL United Kingdom
Members	Act for Peace - NCCA, Australia. Christian Aid, United Kingdom

	Church World Service, USA Diakonia, Sweden DanChurchAid, Denmark ICCO, The Netherlands Inter Pares, Canada International Rescue Committee, USA Norwegian Church Aid (NCA), Norway
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THE BORDER CONSORTIUM

England & Wales - Charity number 1109476

Accounts



The Border Consortium (TBC)

Trustees' Annual Report and Audited Financial Statements

For the Year Ended 31 December 2020

The Border Consortium is a Company limited by Guarantee in England and Wales. Company Number 05255598.

Registered Office 35 Lower Marsh, London SE1 7RL. Charity Commission registered number 1109476

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Trustees' Annual Report for the period

From 1st January 2020 to 31st December 2020

Charity name: The Border Consortium

Charity registration number: 1109476

Objectives and Activities

Summary of the purposes of the charity as set out in its governing document

The Border Consortium (TBC), a non-profit, non-governmental organisation, is an alliance of partners working together with displaced and conflict-affected people from Myanmar to address humanitarian needs and to support rights-based community-driven approaches in pursuit of peace and development.

Charitable Objects

1. The relief of charitable needs of displaced people of Myanmar by the provision of humanitarian aid and assistance.
2. To develop the capacity and skills of the members of the socially and economically disadvantaged community of the displaced people of Myanmar in such a way that they are able to participate more fully in society.
3. To promote equality, diversity and racial harmony for the benefit of the public by raising awareness of the needs of and issues affecting the displaced people of Myanmar.
4. To promote human rights, (as set out in the Universal Declaration of Human Rights) along the Thailand- Myanmar border area by monitoring and research.

Since 1984 TBC has provided food, shelter, and capacity-building support to conflict-affected communities. TBC strives to deliver timely, quality services to the refugees in Thailand and to conflict affected communities in south eastern Myanmar. The overriding working philosophy is to maximise participation of the community in programme design, implementation, monitoring and feedback. TBC promotes a participation and empowerment model to ensure that conflict-affected communities have the information, knowledge and skills necessary for safe, dignified living while displaced, and the practical experience in decision-making, management, land use planning, sustainable agriculture, and small business development for their future.

TBC continues to emphasize the right to return and the corresponding responsibilities of the governments of Thailand and Myanmar for repatriation and reintegration. However, large scale voluntary return from Thailand has not occurred and the situation in south eastern Myanmar has become increasingly unstable. TBC recognises that many refugees will not consider return under current conditions and seeks to broaden options for refugee futures.

This report of the Trustees incorporates the information required under the Companies Act 2006 (strategic report and Directors' report) Regulations 2013.

Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.

Context:

The National League for Democracy was re-elected with a resounding victory in the general elections in November 2020 in Myanmar, but ethnic political parties failed to make significant gains and the military-backed Union Solidarity and Development Party (USDP) fared poorly. By end of year, uncertainty was greater than ever.

In August the 4th session of the Union Peace Conference was held with representation from 10 Nationwide Ceasefire Agreement (NCA) signatories in attendance and an agreement on continuing the formal peace talks after the general elections, was reached. However there has been little genuine progress over the last five years and the Myanmar armed forces continued its militarization and offensives in south eastern Myanmar in violation of the NCA causing further displacement. Meanwhile Rakhine, Chin, Kachin and Shan States continued to experience on going offensives

Thailand saw sustained protests throughout the latter half of 2020, but while protests took place across the country, they were mostly concentrated in Bangkok. These protests were mobilised around three key demands, the drafting of a new constitution, the resignation of Prime Minister Prayuth Chan-ocha and reform of the monarchy.

However, events were dominated by the outbreak of the COVID-19 pandemic early in 2020, which impacted all programming and activities across the organisation in Thailand, Myanmar and the refugee camps.

The first case of COVID-19 in Thailand was reported on 13th January. A State of Emergency was declared at the end of March and remained in place throughout the year. Infection Prevention and Control measures were widely introduced including restrictions on inter-provincial travel, large gatherings and a general curfew. The closure of national border for civilians and quarantines on international arrivals into Thailand managed to contain the number of COVID cases, local transmissions were very low and gradually restrictions eased. However, December saw a rise in COVID cases, the majority of which were focused in migrant worker clusters, which led to a return of restrictions on gatherings and entertainment venues. By the end of the year Thailand had total 7,163 cases and 61 deaths.

The first case of COVID-19 in Myanmar was announced on 23rd March. Prior to this the government had started the implementation of restrictions focused on social gatherings and travel with over 50 Union, state and regional level directives introduced. As similar restrictions hit Thailand, migrants in Thailand rushed to return to Myanmar to avoid the travel restrictions and closing of the border. By the end of June approximately 100,000 migrant workers had returned to Myanmar through formal crossing points, with many others crossing unofficially. Ethnic Armed Organisations played a large role in COVID-19 prevention through screening at checkpoints and the management of community-based quarantines. However, as of 31st December Myanmar, had total 124,630 confirmed cases with 2,682 deaths.

Further complicating the situation for civilians was ongoing conflict. COVID-19 restrictions combined with a lack of adequate government support has placed an added burden on already vulnerable communities.

Programmes:

TBC's programme interventions in Thailand and Myanmar were guided by its 2020-2022¹ strategic plan, which focuses on four key areas: humanitarian needs, food security and livelihoods, protective environments, and responsible transitions.

¹ TBC Strategy 2020-2022 is available at <https://www.theborderconsortium.org/strategic-plans/strategic-plans-2020-2022/>

The onset of COVID-19 early in the year meant that access to refugee camps was significantly reduced, formal voluntary returns to Myanmar and third country resettlement were suspended, refugees could no longer supplement the basic assistance provided through informal work outside of the camps and field visits to partners in south eastern Myanmar were largely suspended.

TBC successfully raised additional USD 2million to respond to the pandemic, ensuring the ongoing food security of refugees, while in south eastern Myanmar personal protective equipment was widely distributed to partners and service providers in support of COVID-19 screening posts and community quarantine centres.

At the end of December 2020,² 79,463 displaced people (51% women) remained in nine refugee camps in Thailand, a net decrease during the year of 2.3%. Around 1,370 people spontaneously returned unassisted to Myanmar during the year, but there were no formal returns through UNHCR facilitated voluntary return. 982 people departed the camps for third country resettlement and around 1,370 people left the camps, reportedly to seek work opportunities in Thailand. There were 1,628 children born in the camps during the year.

Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit

In setting its programme each year TBC has regard to the Charity Commission's general guidance on public benefit and on prevention and relief of poverty for the public benefit.

Achievements and Performance

Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.

TBC programmes reached over 150,000 (2019:135,000) men, women, and children – including over 80,000 in nine refugee camps along Thailand's western border, 70,000 in south eastern Burma/Myanmar and in addition campaigns on COVID-19 prevention measures reached over 200,000 people. Most of TBC's beneficiaries are from the Karen, Karenni, and Mon ethnic groups.

The key achievements against TBCs four Strategic Directions are as follows

Humanitarian Needs

Strategic Direction #1 Contribute to meeting the humanitarian needs of displaced communities, with a focus on women, children, older persons, and people with illness or disabilities.

TBC initiated comprehensive measures to minimise the risk of transmission of the Coronavirus including no-touch methods for programme implementation in the refugee camps. All mass gatherings were suspended, non-essential travel to camps was halted, refugees received Personal Protective Equipment (PPE) and handwashing stations were established in all camps. In response to the COVID-19 pandemic, refugee households received increased food rations on their food cards from the onset of the pandemic through to the end of the year. TBC ensured all **Food Card System (FCS) shops were well-stocked** during the ongoing pandemic (Figure 1). Contingency stocks were established to maintain stable supply chains. FCS Working Groups monitored all FCS shops to ensure that they followed the Infection Prevention and Control (IPC) Protocols. The increased assistance was

² TBC Verified Caseload December 2020 <https://www.theborderconsortium.org/wp-content/uploads/2021/01/2020-12-December-map-tbc-unhcr.pdf>

recognized as a sound protection measure that reduced anxiety and contributed to the stability of the camps throughout the period.



Figure 1: A fully-stocked FCS shop during the pandemic
Photo credit: TBC



Figure 2: TBC FCS Coordinator ensures the IPC Protocol is followed at all FCS shops.
Photo credit: TBC

Shelter Teams completed the **annual shelter materials delivery and distribution** including bamboo and eucalyptus poles, and leaf thatches. Over 1,400 shelter special needs households received additional materials and assistance with repairs as necessary. Key buildings such as stockpile warehouses for charcoal and other commodities were repaired before the start of the rainy season. Efficient materials stockpiles management enabled community leaders to respond more effectively to emergency cases caused by fire and floods during the year.

TBC partners reinforced resilience of over 30,000 people from conflict-affected communities in south eastern Myanmar despite significant disruptions induced by COVID -19 restrictions. Disaster risk reduction initiatives included mobilisation of rice banks and pre-positioning of health supplies for ethnic health providers. Quarantine centres were established, public awareness campaigns mobilised and PPE distributed to community health workers in response to COVID-19.

Partners delivered emergency cash assistance to 11,500 people in response to food insecurity. Causes included militarisation and indiscriminate attacks against civilians; confiscation of agricultural fields; a plague of rats and Covid-related restrictions on movement and access to markets.

Food Security

Strategic Direction #2 Reinforce food security through improved nutrition and productive livelihoods.

TBC long term nutrition projects continued throughout the year. “Healthy Babies, Bright Futures” Infant and Young Child Feeding (IYCF) is focused on alleviating stunting (chronic malnutrition). Since 2014 through the initiative, TBC has been working closely with pregnant women, breastfeeding mothers, children and extended family members who have influence on infant feeding practices in the home. The emphasis is on exclusive breastfeeding for the first 6 months of age with continued breastfeeding until 24 months, appropriate complementary feeding between the ages of 6 – 24 months, and good maternal nutrition reaching approximately 2,000 children monthly in the camps.

While stunting remains high at 25.8%, significant progress was been achieved with a 6% reduction border wide from 2017 and a 15% reduction since 2013. Acute malnutrition rates for children under 5 years in the camps remains very low at 2.2%.

These results from 2019 Biennial survey confirm favourable nutritional status of children brought about by the positive impact of the Food Card System and the effective implementation of the TBC Food Security and Nutrition Programme.

Livelihood programmes have continued throughout the year, and blend trainings with applied activities, such as community gardens, which have taken on an increased importance during COVID-19.

In south eastern Myanmar over 40,000 people benefitted from interventions promoting agricultural productivity and nutrition promotion.

Partners focused on strengthening productivity of upland farming practices through intensive training in sustainable agriculture, the extension of irrigation canals and repair of motorbike roads to access markets. TBC supported the Karen Agriculture Department to issue 10,000 land use certificates for households in conflict affected areas.

Promotion of nutrition awareness amongst health workers enabled expansive outreach to encourage nutritious infant and young child feeding behaviours as well as environmental hygiene and increasing household access to safe water and sanitary latrines.



Safe Futures

Strategic Direction #3: Promote protective environments and safe and dignified futures for displaced and conflict-affected communities.

Preparations for safe and informed returns of refugees to Myanmar continued. Prior to the pandemic, four Go-and-See (GSV) visits took place in early 2020. The visits paid close attention to key factors including suitability and availability of land for livelihoods; accessibility and availability of water year-round for consumption and farming including animal husbandry; soil fertility for agricultural production; year-round accessibility and road condition; and cooperation from host communities and local authorities.

With the onset of COVID-19 and the border closures, all GSV visits were suspended and there were no formal UNHCR facilitated voluntary returns during the year. However, some groups continued to prepare for return and submitted proposals for productive assets and construction materials for consideration when the travel restrictions are lifted.

The Thai government had shown interest in a 'U-turn for refugees who did not want to return to Myanmar permanently whereby they would go back to Myanmar to get documentation and return to Thailand as legal Myanmar citizens to take up work in the migrant community, but again with the border closure this did not progress. However, the Thai government may consider a regulation to allow refugees to work temporarily in Thailand if it can be demonstrated that the refugee workforce

can efficiently fill the labour shortage gap in Thailand. Advocacy efforts will focus on this in 2021. There are currently approximately 40,000 people of working age in the camps.

In Myanmar the responsiveness of social protection mechanisms in ethnic communities was highlighted by the capacity of partners to reallocate funds and revise plans to focus on COVID 19 infection prevention and control mechanisms. In addition, seed and rice banks were mobilised, support for early childhood development sustained, protection monitoring scaled up and responses to sexual and gender-based violence diversified.

Responsible Transitions

Strategic Direction #4: Reinforce accountability, partnership, and local ownership to ensure responsible transitions.

The value of local ownership was critical to an effective response to COVID-19. Travel restrictions severely limited contact and for much of the year TBC was communicating remotely with partners via online platforms. IT resources for partners were strengthened both in refugee camps and in Myanmar to increase connectivity. This facilitated online meetings, monitoring of programmes, protection reporting, trainings, surveys and consultations. It also broadened participation from the community as people did not have to travel long distances or pay for transport and accommodation.

TBC works together with 25 local partners, from refugee and camp committees, women's organisations, youth groups, environmental groups, ethnic service providers and civil society organisations. Core support for their organisations and stipends for their staff are critical areas of support aside from organisational capacity building and direct support for programmes. Annual organisational assessments are conducted to guide priorities for the following year.

Trainings in 2020 included good governance principles, financial management, project management, complaints mechanisms, and also effective communications skills in response to increased remote connectivity.

Risk Management

Risk management in two key areas was strengthened during the year specifically on COVID-19 and Fraud

COVID-19

TBC made every effort to prevent and control infections both within the displaced communities and our organizations guided by the **TBC COVID-19 risk management policy; and TBC Prevention and Control of Coronavirus for Refugee communities** (available in three languages). Risk management measures covered Food Card System (FCS) shops, warehouses, gatherings, and restrictions in and out of camps.

Programmes which involved group gatherings were halted due to the inability to substantially mitigate the risk of Coronavirus transmission to a safe level or modified to be socially distanced. Group trainings and public fora were changed to virtual meetings where possible. The few physical trainings that did take place were all socially distanced and related to COVID-19 best practices. Some planned interventions were postponed.

Fraud and Corruption Management

TBC developed a **Fraud Risk Management Plan** to cement a cohesive action plan for mitigation of fraudulent activity within the organisation and its partners. It underpins efforts to identify systems and organisational vulnerabilities, action lessons learnt, and identify gaps requiring pre-emptive response. In recent years, almost all fraud experienced by TBC has occurred in the context of misappropriation/misuse of household food cards/ration books or cooking fuel by in-camp stipend staff and food card system vendors. TBC's partners - Refugee Committees, Camp Committees - play a strong

role in the detection of, and response to said fraudulent activity. In 2020 there were six cases of Fraud ranging from GBP 74 – GBP 533. All cases were investigated and resolved with no outstanding issues at the end of the year.

The three principal risks to the programme were all heightened during the year. 1) The number of displaced people in need of TBC support remained relatively static compared to the projected decrease of 7%. 2) The market price of commodities and supplies increased due to temporary disruptions in the supply chain as a result of COVID 19, and 3) The exchange rates particularly USD to THB were not favourable resulting in a net loss value THB 9 million donors funds. However, the negative impact was mitigated through dialogue with donors resulting in timely and significant funding increase.

Conclusion from TBC Chair's report to the members at the AGM October 2020

TBC looks to a future for refugees beyond camp life. TBC will be flexible and continue to adapt programmes and organisation structure, to remain relevant to the changing situation. Continued funding through 2021 will ensure basic humanitarian needs of refugees are met. Uncertainty is greater than ever with a challenging political context in both Myanmar and Thailand. TBC is a small and dedicated team carrying an increasingly heavy load.

Financial Review

TBC's management and headquarters is based in Bangkok, Thailand, and its accounting records are maintained in Thai baht (THB). TBC financial statements conform to the Statement of Recommended Practice for Charities (SORP FRS 102), with both Income and Expenses reported on an accruals basis, and separation of restricted and general funding.

In 2020 six governments supported TBC's work (United States, Australia, United Kingdom, Canada Denmark, and Taiwan in order of contribution size). TBC received continued support from the European Union via the LIFT consortium for Phase II of its work in Myanmar. These seven donors' total contribution funded 98% of TBC's annual budget.

In addition to TBC's regular funding plan, it raised THB 67M (11%) in response to the Covid-19 pandemic. The main contributors consisted of US BPRM, DANIDA, UK FCDO via HARP, UNOPS/LIFT, and Kerk-in-Actie.

Financial Overview Year 2016-2020 in THB millions:

	2016	2017	2018	2019	2020
Income	603	595	520	511	586
Expenditure	736	684	592	510	567
Net Movement	(133)	(89)	(72)	1	19
Closing Fund balance	333	244	172	173	192
Restricted funds	163	120	54	90	107
Designated funds	84	79	73	58	58
Net fixed assets	5	3	1	1	1
Freely available general reserve	81	42	45	25	26
Liquidity (Bank–Trade Creditors)	143	112	101	89	91

Total income for 2020 was THB 586 million, or 15% more than in 2019.

Principal Funding Sources

Most funding for TBC programmes and management does not come directly to TBC but instead is secured by NGO partners in their respective home countries and sub-granted to TBC. Several of these funding partners are also members of TBC, who along with other organisations and individuals, make private grants or donations.

Due to travel restrictions, TBC held its first virtual Annual General Meeting on 29 October 2020 when members discussed the current financial situation, need, and potential future of the programme. Because the meeting was shortened to one day compared to several days and a camp visit in previous years, TBC did not include the annual donor meeting.

Principal Funding Sources

Income Sources 2020		Donor Currenc y	Amount	Thai Baht
Australia ANCP (Act for Peace - NCCA)	R	AUD	229,000	5,115,032
Australia GAP (Act for Peace - NCCA)	R	AUD	8,406	173,898
Australia DFAT Thailand (IRC)	R	AUD	1,600,000	35,916,960
Canada- GAC (Inter Pares)	R	CAD	159,438	3,636,940
China, Republic of (Taiwan)	R	USD	80,000	2,481,976
Denmark DANIDA (DanChurchAid) (Covid-19 Response)	R	DKK	1,267,290	5,928,445
Denmark DANIDA (DanChurchAid)		DKK	1,180,150	5,440,963
UNOPS- LIFT Fund	R	USD	1,478,950	44,267,192
UK FCDO (HARP-F)	R	GBP	2,150,000	84,633,560
US BPRM (IRC)	R	USD	11,756,165	382,222,314
TOTAL Government Backed				569,817,280
Non Government - Restricted	R			8,207,648
Non Government - Unrestricted				6,899,030
TOTAL: Voluntary Income				584,923,958
Investment Income				645,900
Other Income - Sale of Assets				600,000
Total Income				586,169,858
Restricted (denoted by R)				572,583,965
Unrestricted				13,585,893

ANCP GAP funds accrued interest of THB 173,898 and were utilized on programme expenditure in 2020

Expenditure

Actual programme expenditure for 2020 was THB 558 M This was THB 66 M (13%) more than in 2019. Expenditure increased in proportion to the additional funds raised to address the Covid-19 pandemic. TBC's operation in Thailand continues to account for 91% of all expenditure with 9% utilised in the Myanmar programme. As a result of the weakening foreign currencies, namely the USD, TBC experienced a net loss of THB 9M upon cash conversions into Thai Baht, which TBC had to cover with its own funds.

TBC initiated its three-year-strategy for 2020-2022, which created a need to regroup its chart of accounts to align with the new strategic objectives. The 2019 figures have been adjusted to show the same comparison of categories in the financial statements.

TBC entered 2020 with the expectation that it will no longer purchase food as in-kind, except for use in the nutrition programme via IYCF activities, because the Food Card System would be in full implementation in all camps. TBC also purchased biometric equipment, such as finger-print scanners, to increase efficiency while reducing the potential for fraud. Similar to 2019, TBC estimated the camp population rate to gradually reduce by 7%, or from 81,000 to 76,000.

The Covid-19 pandemic, however, diverted the strategies and assumptions, which heavily impacted the budget. A few of the main variables include:

1. Border wide travel restrictions that caused the refugee population to remain at average 79,000 throughout the year.
2. Vulnerability in supply chains required TBC to stockpile rice in the camps.
3. Additional restrictions within the camps limited refugees' ability to supplement the basic assistance, thus TBC management decided to increase rations to all households from April until December.
4. TBC management made several key decisions during the pandemic in order to fulfil its commitment to the refugee population. Several of the decisions required that TBC use its own general funds to cover any financial gap.

All these variables required an additional minimum need of THB 70M, of which TBC raised THB 67M. The Food Card System remains TBC largest budget line and with the additional rations provided, it went over the 2020 projected budget by 11%, totalling THB 253M and compared to THB 178M in 2019. Due to the extended need for increased rations, rice (THB 15M) was provided as in-kind to supplement the remaining two months of the year. Supply and demand issues caused costs of rice, around THB 18/kg (including shipping and handling), to be slightly higher than it would be in a normal situation.

Charcoal remained TBC's second largest budget line and in 2020, TBC extended the rations to all households. The result was an additional THB 7M (9%) over budget, for a total of THB 83M. Well negotiated prices, on average of THB 11-12/kg, and stockpiling early in the year allowed TBC to keep this cost down.

Shelter supplies remained within its budget of THB 16M with a overspend of THB 2.7M on nutrition to account for the increased needs in the camps. Camp management costs increased slightly, for additional security measures within the camps. Provision of Personal Protective Equipment (PPE) in the camps and TBC offices became a new cost and the additional donations of around THB 14M, were enough to cover the needs for the year.

Organizational costs were THB 77M, or THB 4M less than in 2019. Savings were made in several travel related accounts, including all of the costs around workshops, meetings, and running vehicles. The more significant increased costs related to communications, office equipment and supplies and PPE, enabling the organisation to respond to the changing operational environment as a result of COVID pandemic and also an increase in staff insurance, and the annual audit fee. TBC also procured a new vehicle so that it could retire three unreliable vehicles in the Mae Sot office.

TBC experienced another year of net foreign exchange loss, THB 9M, on all currencies but namely from the USD funds it receives for the US BPRM grant. TBC disposed some of its fixed assets for THB 600,000.

Expenditure is analysed by the strategic objectives, with costs related to ensuring continued access to adequate nutritious food and appropriate shelter split between the refugee camps (humanitarian assistance) and internally displaced persons (emergency relief). Resource costs consist of salaries, benefits and other indirect costs related to program implementation. Some resource costs are directly attributable to an activity; others are allocated according to a management estimate of the amount of time staff spend on different activities. The cost of supporting one refugee in the camps for 2020 year was approximately Thai baht 6,256 (GBP 160), and an increase from THB 5,318 in 2019. Resource and governance costs amounted to less than 1% of the total expenses.

Actual expenditure compared with Budget in 2020 (THB):

Strategic Objectives 2020-2022	Budget	Actual Direct	Resources	Total Actual
Humanitarian Need	384,706,078	398,262,061	927,403	399,189,464
Food Security and Nutrition	8,157,399	29,002,662	240,438	29,243,100
Protective Environment & Safe Futures	27,905,950	33,506,771	171,742	33,678,513
Accountability & Partnership	81,873,330	95,120,854	652,618	95,773,471
sub-total Activity Cost	502,642,757	555,892,348	1,992,201	557,884,548
Cost of Generating Funds	950,000	-	-	-
Foreign Exchange Loss	1,000,000	-	9,163,991	9,163,991
Total Expenditure	504,592,757	555,892,348	11,156,192	567,048,539

TBC notes that the increase in spending over the originally planned budget was based fully on TBC's response to assure that basic needs and protection were met for the refugee population in the nine camps along the border during the Covid-19 pandemic.

Statement explaining the policy for holding reserves stating why they are held

The Border Consortium:

1. Seeks both restricted and unrestricted funding to cover annual expenditures, which are subject to budget review twice a year, to meet its Charitable Objects and strategic objectives in relation to the displaced people from Burma/Myanmar.
2. Considers it reasonable to hold an additional reserve of freely available funds to cover a 50% contingency on its annual budget to cover the sensitivity to factors outside its control, primarily the cost of basic needs, exchange rate variations, and the number of displaced people.
3. Endeavours to hold at all times a minimum total fund balance sufficient to cover the funding receivable, inventory and fixed assets.
4. Will not allow its freely available funds balance to be negative.
5. Maintains a designated fund to cover the potential staff severance costs under Thai and Myanmar law
6. Maintains a specific reserve for eventual closedown of both the camps and the organization which is designated from other freely available reserves.³
7. Trustees set specific boundaries within which the Executive Director may operate, which include financial and fundraising conditions consistent with the Reserves Policy.
8. Reviews the Reserves policy annually.

TBC aims to maintain the current levels of general reserves. Due to uncertainty regarding the timing of camp closures, management and Trustees acknowledge that TBC is facing increasing financial and operational risks.

The organisation's liquidity slightly increased by the end of 2020 to THB 91 million. Liquidity is defined as the level of bank/cash holdings less the short-term creditors' liability. TBC reached the minimum critical level of THB 25 million Freely Available Funds since 2019. TBC Trustees consider THB 25 million fund is still relevant going into 2021.

³ This figure was reduced by TBC Management in 2019 from THB 50 million to THB 35 million

Funds are restricted where a donor contracts to meet specific expenses or directs the fund to be used for specific purposes. By 31 December 2020 TBC had balances of six restricted funds carried over into 2021 which the funding agreements allowed; thus, all the income was recognised in 2020. The movement in the various funds over the year are illustrated in Note 18 to the Accounts.

There is a designated fund to cover the potential staff severance costs in full under Thai and Myanmar labour law in the event there is no longer a need for TBC to support the displaced people of Myanmar. The fund is adjusted annually in proportion to staff departures and long-service. The 2020 fund balance for severance is THB 23.5 million (THB 23 million 2019) – see Note 15 in the audited financial statements.

In 2019, the Trustees agreed to designate THB 35 million to cover organisational costs during a close-down scenario. We note that the time for when these funds are utilised is still an unknown factor and will be reviewed annually.

A description of the principal risks facing the charity

A general Risk Management Plan was developed in 2008; and since 2015 - the plan has expanded to include specific risks in both Thailand and Myanmar. The risk management matrix is updated and reviewed regularly and is assessed by the Trustees twice a year. Any significant changes are reported at intervening Board meetings. The risk matrix is also presented to the Members at the Annual General Meeting (AGM) and the Extraordinary General Meeting (EGM). The latest Risk Management Plan was reviewed and ratified by the Members and Board at the EGM and AGM in May and October 2020.

TBC aims to meet humanitarian best practice, deliver quality services and support activities that ensure minimum access to services that help beneficiaries meet their basic needs until they are willing to return to Myanmar.

TBC is continually monitoring and assessing its key risks to mitigate the impact on the sustainability of its programs. The main risks are 1. number of displaced people in need of TBC support, 2. the market price of commodities and supplies, and 3. the exchange rates at which the organization receives funding. The overall program risks are:

- The ability to continue to raise and safeguard the necessary funds needed to run the operation in the coming year and longer term to bring the work to a successful conclusion whenever that may be. To help mitigate this risk, Senior Management and Members work to keep donors and government representatives fully informed about developments and engaged with the situation; and,
- The changing external political context (both in Myanmar and Thailand) presents a high risk because TBC has no control over the respective governments' strategies towards displaced people. To help mitigate this risk, TBC Senior Management, Trustees and Members seek to maintain a dialogue with key stakeholders in both Myanmar and Thailand to keep the situation of the refugees and IDPs current.
- The willingness or ability of refugees to return to Myanmar, remain in camps, or seek employment in Thailand. For 2020, TBC anticipated and budgeted for a protracted departure rate and 7% reduction of the refugee population. As much as a decline in population would relieve the financial costs of the programme, zero-population movement, or yet worse an increase of population, will conversely impact TBCs ability to meet all the humanitarian needs with its current funding levels. While TBC understands that the Royal Thai Government would temporarily hold new arrivals at the border and not allow them to

enter the refugee camps under normal circumstances, the rapidly evolving humanitarian crisis in Myanmar since the beginning of 2021 could change that.

- TBC recognizes that its longstanding internal policy and procedure to report to donors at a fixed accrued exchange rate, needs to be revised if it wants the ability to maintain support to the refugee population. A change in procedure will be implemented in 2021.

Trustees set specific boundaries within which the Executive Director may operate, which include financial and fundraising conditions consistent with the Reserves Policy. The Board does not have a separate finance and audit committee; the entire Board reviews reports from external audits, frequent donor audits and independent evaluations, which provide evidence of the effectiveness of the systems of internal control.

Structure, Governance and Management

Description of charity's trusts:

The charity is incorporated as a Company limited by guarantee in England and Wales, with a Memorandum and Articles of Association.

How is the charity constituted?

When Burmese refugees arrived in Thailand in 1984, the Ministry of Interior of the Royal Thai Government (RTG) invited non-governmental organisations (NGOs) in Thailand to provide emergency assistance. The immediate need was food, and the NGOs agreed to work together to operate a programme, initially under the name of the Consortium of Christian Agencies (CCA) and later, as the number of refugees continued to expand and a broader range of donors was accessed, as the Burmese Border Consortium (BBC). It had no legal identity, other than through the legitimacy of its individual members. The name changed to the Thailand Burma Border Consortium (TBBC) when it was incorporated as a Company limited by guarantee in England and Wales on 11 October 2004, with a Memorandum and Articles of Association. Charity Commission registration was granted on 13 May 2005. The name changed again to The Border Consortium (TBC) on 2 November 2012. TBC continues to be a company limited by guarantee.

Membership of TBC is open to any non-governmental, non-profit humanitarian organisation with a demonstrated interest in, and commitment to, the mandate of TBC. Membership applications are submitted to the Board of Directors (Trustees), who review the application and make a recommendation to a General Meeting of current Members for decision. The Consortium membership is made up of nine organisations from nine countries. Each member organisation is required to appoint a member representative to attend General Meetings, of which there is at least one per year, to decide and direct the overall policy and strategy of TBC.

Policy-making authority is delegated to a Board which is elected at each Annual General Meeting. The Board convenes at least four times annually to provide leadership for the Members and regular oversight and guidance to TBC's Executive Director and its programme and services. The Board approve TBC's salary policy. TBC pay scale rates are targeted at the 60th percentile for each level of job groupings for national staff and are reviewed annually. For key international management personnel, the pay policy targets the 50th percentile benchmarked against a relevant INGO and NGO comparative set and are also reviewed annually.

The Executive Director has day-to-day responsibility for leading and managing TBC's programme and services, the hiring and supervision of all other staff, and attending all General Meetings and Board Meetings to report on the progress and status of programme activities.

The TBC Board convened four times remotely in addition to AGM and EGM online meetings during 2020 to fulfil its overall responsibilities for Consortium oversight. In addition there were increased informal calls with senior management to keep close to the fast changing situation. Key issues focused on managing in the pandemic to ensure staff safety securing additional funding to respond to the crisis and keeping track of minor fraud cases and staff issues.

Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees

Trustees are elected at each Annual General Meeting, from the members' representatives and a maximum of four independents (individuals not employed by Member organisations); the Trustees are, by definition, directors.

The Board has one subcommittee: the Governance and Elections Committee (GEC). This committee is responsible for managing the recruitment, nomination and election process for Trustees.

Policies and procedures adopted for the induction and training of trustees

The GEC has oversight of the induction of new Trustees, who are briefed about current TBC issues by staff and further inducted to the Board of Directors in line with their experience and requirements. All Trustees have a copy of TBC Governance Guidelines, and a GEC introduction to these. The GEC also leads the Board for best practice procedures, and it facilitates the Board self-evaluation process.

Trustees receive a copy of the current Strategic Plan, regular detailed Programme reports and financial summaries. The Trustees ensure that the programmes are in line with the Mission, the Charitable Objects, and the strategic directions from the TBC Strategy 2020-2022. In 2020, GEC's focus has been on ensuring continuity on a governance level for TBC in the period to come.

The charity's organisational structure and any wider network with which the charity works

TBC is an Executive member of the Committee for Coordination of Services to Displaced Persons in Thailand (CCSDPT) through which all NGOs working with displaced people in Thailand coordinate their activities and relate to the RTG. TBC works in partnership with many civil society and community-based organisations (CSOs CBOs) representing refugees and other displaced persons. TBC is the only NGO providing food and shelter needs to the target groups, the other NGOs provide healthcare, water, sanitation, education, skills training, community services etc. TBC with other CCSDPT members works closely with the United Nations High Commissioner for Refugees (UNHCR), monitoring refugee protection issues and advocating with the Thai authorities and international community. TBC is also a member of the INGO Forum Myanmar which aims to influence and increase the effectiveness and coherence of humanitarian relief and development aid in Myanmar.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees are further required to acquaint themselves with the relevant audit information for the accounting period under consideration and to ensure that they disclose any relevant information to the auditors as deemed necessary.

Disclosure of information to auditor

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditor is unaware; and each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Trustees

The current trustees of the company are set out on page 35. Alexis Chapman, Leon de Riedmatten, James Thomson and Samantha McGavin served throughout the full year. In addition, Leslie Wilson and Knut Christiansen served until the AGM in October 2020 but did not stand for re-election. James Thomson was elected as the new chair and Andreas Kiaby and Marvin Pannell were elected as new trustees to the board at the AGM in October 2020. Subsequently the following were appointed at the first board meeting in 2021 - Samantha McGavin, Vice-chair; Andreas Kirby, Secretary; and Alexis Chapman, Treasurer.

Auditor

KPMG LLP UK were first contracted for the 2011 audit. The Members ratified the appointment at the EGM on 15 March 2012. They have subsequently performed the annual audit for the financial years 2012–2019. The continued appointment was ratified by the Board at the AGM in October 2020 and a new engagement letter was signed in 2021.

Military Coup

At the time of writing Myanmar is in the grips of a military coup. The military's claim that electoral fraud justified the seizure of power on the 1st February 2021 has been rebuked by independent observers. The military coup has widely been denounced as unconstitutional, while the violent repression of peaceful protests has been widely criticised as a violation of civil and political rights. The President and Aung San Suu Kyi remain in detention in undisclosed locations along with hundreds of other prominent figures, civil servants, journalists, and activists. A countrywide civil disobedience movement continues to grow engaging all walks of society, despite the military crackdown intensifying with increased use of lethal force. Partners are adapting programmes to adapt to the emergency and in Thailand, contingency plans are underway for a potential influx.

The report of the trustees which incorporates the requirements of the Strategic report and the Directors' report as set out in the Companies Act 2006 (strategic Report and Directors' report) Regulations 2013, was approved by the Board, in their capacity as Trustees and company directors, and signed on its behalf on

_____ 7 May, 2021 by



James Thomson
Chair, *Board of Directors*

Independent auditor's report to the members of The Border Consortium Limited

Opinion

We have audited the financial statements of the Border Consortium Limited ("the charitable company") for the year ended 31 December 2020 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charitable company's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charitable company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks"), we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management and inspection of policy documentation as to the high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls. Due to the nature of the entity in the not for profit sector, expenditure recognition (existence and accuracy) is also considered as a presumed fraud risk. There is a risk that payment does not exist or is overstated. Therefore, fraud related procedures are designed to address this.

Professional standards require us to make a rebuttable presumption that the fraud risk from income recognition is a significant risk. Since The Border Consortium is a not for profit organisation it is unnecessary to create higher revenue to manipulate the results of operation. We have not identified any other pressures or incentives that would suggest additional risk of fraudulent revenue recognition. Most of the funding is generated from donations and legacies, with limited complexity in the process, and easily verifiable to donor confirmations.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included postings to unrelated/unusual account combinations, those posted by staff who do not usually post journals and journals in the post close period.
- Reviewed of the year end cut-off processes for revenue and expenditure.
- Assessing the completeness of disclosed related party transactions in the financial statements

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with management (as required by auditing standards). We discussed with the Trustees and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Charity is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations

Other information

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in Trustee's Annual Report, which constitutes the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 16, the trustees are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Joanne Lees (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

12 May 2021

Audited Financial Statements

Statement of Financial Activities

For the year ended 31 December 2020

	Notes	2020			Total Funds Thai Baht
		Unrestricted Funds		Restricted Funds	
		General Thai Baht	Designated Thai Baht	Thai Baht	
Income and Endowments					
Income from generated funds:					
Donations and legacies	2	12,339,993	-	572,583,965	584,923,958
Investment income	3	645,900	-	-	645,900
Other income:	4	600,000	-	-	600,000
Total income and Endowments		<u>13,585,893</u>	<u>-</u>	<u>572,583,965</u>	<u>586,169,858</u>
Expenditure on					
Costs of generating funds:					
Expenditure on raising funds	2	-	-	-	-
Charitable activities:					
Humanitarian Need	5	927,403	-	398,262,061	399,189,464
Food Security & Nutrition	5	240,438	-	29,002,662	29,243,100
Protective Environment & Safe Futures	5	171,742	-	33,506,771	33,678,513
Accountability & Partnerships	5	652,617	-	95,120,854	95,773,471
Other expenditure (FX Loss)	8	9,163,991	-	-	9,163,991
Total Expenditure		<u>11,156,191</u>	<u>-</u>	<u>555,892,348</u>	<u>567,048,539</u>
Net income/(expenditure) before transfers					
		2,429,702	-	16,691,617	19,121,319
Transfers between funds	15	(516,054)	516,054	-	-
Net movement in funds in period		1,913,648	516,054	16,691,617	19,121,319
Reconciliation of Funds					
Total funds as at beginning of period		25,017,764	57,970,850	90,033,043	173,021,657
Total funds carried forward	18	<u>26,931,412</u>	<u>58,486,904</u>	<u>106,724,660</u>	<u>192,142,976</u>

A comparison is provided for the previous year (2019) as follows:

	Notes	2019			Total Funds Thai Baht
		Unrestricted Funds		Restricted Funds	
		General Thai Baht	Designated Thai Baht	Funds Thai Baht	
Income and Endowments					
Income from generated funds:					
Donations and legacies	2	10,817,862	-	499,093,014	509,910,876
Investment income	3	996,663	-	-	996,663
Other income:	4	34,886	-	-	34,886
Total income and Endowments		11,849,411	-	499,093,014	510,942,425
Expenditure on					
Costs of generating funds:					
Expenditure on raising funds	2	497,162	-	-	497,162
Charitable activities:					
Humanitarian Need	5	13,490,666	-	322,151,310	335,641,976
Food Security & Nutrition	5	3,497,580	-	27,457,095	30,954,675
Protective Environment & Safe Futures	5	2,498,271	-	23,817,936	26,316,207
Accountability & Partnerships	5	9,493,430	-	89,839,173	99,332,603
Other expenditure (FX Loss)	8	17,190,034	-	-	17,190,034
Total Expenditure		46,667,143	-	463,265,514	509,932,657
Net income/(expenditure) before transfers					
		(34,817,732)	-	35,827,500	1,009,768
Transfers between funds	15	14,593,367	(14,593,367)	-	-
Net movement in funds in period		(20,224,365)	(14,593,367)	35,827,500	1,009,768
Reconciliation of Funds					
Total funds as at beginning of period					
		45,242,129	72,564,217	54,205,543	172,011,889
Total funds carried forward	18	25,017,764	57,970,850	90,033,043	173,021,657

All operations are from continuing activities.

The accompanying notes from pages 24 to 33 form an integral part of these financial statements.

TBC initiated its three-year-strategy for 2020-2022, which created a need to regroup its chart of accounts to align with the new strategic objectives. The 2019 figures have been adjusted to show the same comparison of categories in the financial statements.

Balance Sheet

As at 31 December 2020

		2020	2019
	Notes	Thai Baht	Thai Baht
Fixed assets			
Tangible assets	11	1,113,747	653,118
Current assets			
Debtors	12	102,903,634	85,117,870
Cash at banks and in hand		137,783,767	173,208,229
Total current assets		240,687,401	258,326,099
Liabilities			
Creditors falling due within one year	13	(47,261,884)	(84,294,253)
Net Current assets		193,425,517	174,031,846
Total assets less current liabilities		194,539,264	174,684,964
Creditors falling due after more than 1 year	14	(2,396,288)	(1,663,307)
Net assets		192,142,976	173,021,657
The funds of the charity			
Restricted income funds		106,724,661	90,033,046
Unrestricted income funds:			
- General Fund		26,931,411	25,017,761
- Designated funds		58,486,904	57,970,850
Total charity funds	17	192,142,976	173,021,657

The financial statements on pages 21 to 23 were approved by the trustees and were signed on its behalf on 7 May 2021 by:



Alexis Chapman
Trustee, Board of Directors

The accompanying notes from pages 25 to 35 form an integral part of these financial statements

Cash Flow Statement

For the year ended 31 December 2020

		2020	2019
		Thai Baht	Thai Baht
	<i>Note</i>		
Cash flow from operating activities			
Net movement in funds in period		19,121,319	1,009,768
Investment income		(645,900)	(996,663)
Gain on disposal of assets		(600,000)	-
Depreciation charges		531,371	1,041,277
Net changes in working capital	1	(54,085,152)	14,176,014
Net cash provided by (used in) operating activities		(35,678,362)	15,230,396
Cash flows from investing activities			
Interest received		645,900	996,663
Proceeds from sale of fixed assets		600,000	-
Payments to Acquire tangible assets		(992,000)	(390,550)
Net cash provided by investing activities		253,900	606,113
Net change in cash		(35,424,462)	15,836,509
Net funds as at beginning of the period		173,208,229	157,371,720
Net funds as at end of the period		137,783,767	173,208,229

Notes**1. Net change in net working capital**

	2020	2019
	Thai Baht	Thai Baht
(Increase)/Decrease in debtors	(17,785,764)	(14,474,062)
Increase/(Decrease) in creditors	(36,299,388)	28,650,076
Net changes in working capital	(54,085,152)	14,176,014

Accounting Policies and Notes to the Financial Statements

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with 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 01 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Border Consortium meets the definition of a public benefit entity under FRS 102.

TBC principally operates in Thailand, and its accounting records are maintained in Thai Baht (THB).

Going Concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The business model of the charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and no committed costs beyond its fixed costs of operation which are detailed in note 5.

The Trustees have reviewed the cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period. The Trustees have also considered the implications of COVID-19 on these cash flow forecasts and consider that as a result of its operating model explained above, even if no further funding is received in the 12 month period, the charity has sufficient cash reserves to pay all committed costs.

Consequently, the Trustees are confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the monetary value of the income can be measured with sufficient reliability. Such income is only deferred when the donor specifies that the grant or donation must only be expended in future accounting periods.

Voluntary income consists of grants, donations and gifts that provide core funding or are of a general nature. Gifts in kind are valued at estimated fair market value at the time of receipt.

Investment income consists of bank interest and is recognised on a receivable basis.

Other income consists of gains on the disposal of fixed assets and gains on exchange rates.

Expenditure

All expenditure is accounted for on an accrual basis and recognised when there is a legal or constructive commitment to the expenditure.

Irrecoverable VAT in Thailand is charged against the category of expenditure for which it was incurred.

Resource costs consist of salaries, benefits and other indirect costs related to programme implementation. Some resource costs are directly attributable to an activity; others are allocated according to a management estimate of the amount of time staff members spend on different activities. General administration costs are not allocated to activities.

Costs of generating funds are those costs incurred in attracting voluntary income and raising funds.

Costs of Charitable activities comprise all costs incurred in the pursuit of the charitable objects of TBC, including both the direct costs and resource costs relating to these activities.

Governance costs comprise costs attributable to ensuring public accountability and compliance with regulations.

Allocation of General Support Costs

The organisation's general support costs have been allocated between governance costs and other general support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with trustees' expenses and consultancy fees related directly to governance issues.

General support costs (i.e those that are not directly related to an activity) are allocated on the basis of headcount for that particular cost category. Examples of these costs include staff related costs, general office costs, IT costs, vehicle maintenance costs and travel and accommodation expenses are broadly equivalent. The allocation of support and governance costs is analysed in notes 6 and 7.

Tangible Fixed Assets

Tangible fixed assets costing more than THB 60,000 are capitalised at cost and depreciated on a straight-line basis over their estimated useful lives as follows:

<u>Asset Category</u>	<u>Annual rate</u>
Office equipment	20%
Computers	33%
Vehicles	20%

Debtors

Debtors are created when there is a signed contract with a donor to provide funding for a period of time into the future. The timing of receipts from that debtor are variable (monthly, quarterly, annually) or are dependent on certain milestones being reached. The debtor value at the end of the financial year reflects the balance outstanding between the amount contracted and the amount received. No provision is made for doubtful debts.

Creditors

Creditors are created when there is a signed contract with a supplier/service provider whereby the timing of the payment to that contractor is at a point in the future. Normal credit terms granted by the organization are 30 days. At the end of an accounting period the trade creditors figure reflects the amount that has still to be paid to a supplier under a binding contract.

Fund Structure

There are a number of restricted income funds to account for situations where a donor contracts to meet specific expenses, or directs the fund be used for specific purposes.

All other funds are unrestricted income funds. Within unrestricted funds there are two specific designated funds, one of which is set aside for the full potential severance costs in the event that all staff contracts were

to be terminated and the other is set aside to provide the required funds for closedown of both the camps and the organisation.

Foreign Currencies

Transactions in foreign currencies are recorded at the exchange rate ruling at the date the transaction occurred.

The THB value of foreign currency assets and liabilities as at the period end have been adjusted by using the Bank of Thailand rates for those dates, with differences taken to the Statement of Financial Activities.

The net value of exchange differences for the accounting period is recorded either as an exchange gain under income or as an exchange loss under expenses.

Employee Benefits

TBC operates a Staff Provident Fund by deducting a maximum of 15% from basic salary of the staff participating in the Plan and matching the staff contribution up to 6%. The contributions are invested in a government registered provident fund managed by a recognised financial institution. Staff are entitled to the benefits upon resignation from the organisation. TBC's contributions to the Plan are charged to the Statement of Financial Activities in the year to which they relate.

Legal Status

The Thailand Burma Border Consortium (TBBC) was incorporated in England on 11 October 2004, Charity status was granted on 13 May 2005. The name was changed to The Border Consortium (TBC) on 2 November 2012.

Tax Accounting

TBC is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2. VOLUNTARY INCOME AND COST

	Unrestricted Thai Baht	2020 Restricted Thai Baht	Total Thai Baht
Voluntary Income			
Donations	129,044	-	129,044
Grants	12,210,634	572,583,965	584,794,599
Income resulting from marketing events/publications	315	-	315
Total Voluntary Income	12,339,993	572,583,965	584,923,958
Total cost of generating voluntary income			
Donors meeting & Fundraising Marketing	-	-	-
Net voluntary income	12,339,994	572,583,964	584,923,958
		2019	
	Unrestricted Thai Baht	Restricted Thai Baht	Total Thai Baht
Voluntary Income			
Donations	126,902	-	126,902
Grants	10,690,960	499,093,014	509,783,974
Total Voluntary Income	10,817,862	499,093,014	509,910,876
Total cost of generating voluntary income			
Donors meeting & Fundraising Marketing	497,162	-	497,162
Net voluntary income	10,320,700	499,093,014	509,413,714

3. INVESTMENT INCOME

Investment income of THB 645,900 (previous period THB 996,663) arises from the bank deposit accounts.

4. OTHER INCOME

	2020 Thai Baht	2019 Thai Baht
Gain on disposal of fixed assets	600,000	-
Other income	-	34,886
Total	600,000	34,886

5. CHARITABLE ACTIVITIES EXPENDITURE

	Direct Cost Thai Baht	Support Cost Thai Baht	2020 Governance allocation Thai Baht	TOTAL COST Thai Baht
Humanitarian Need	397,922,644	223,856	1,042,964	399,189,464
Food Security & Nutrition	29,006,996	58,037	178,067	29,243,100
Protective Environment & Safe Futures	33,509,867	41,455	127,191	33,678,513
Accountability & Partnerships	95,452,842	193,439	127,190	95,773,471
Total	555,892,349	516,787	1,475,412	557,884,548

2019

	Direct Cost	Support Cost	Governance allocation	TOTAL COST
	Thai Baht	Thai Baht	Thai Baht	Thai Baht
Humanitarian Need	331,409,547	3,071,892	1,160,537	335,641,976
Food Security & Nutrition	29,960,119	796,416	198,140	30,954,675
Protective Environment & Safe Futures	25,605,809	568,869	141,529	26,316,207
Accountability & Partnerships	96,793,698	2,397,376	141,529	99,332,603
Total	483,769,173	6,834,553	1,641,735	492,245,461

Note 5 above shows direct, support and governance costs per each expense category. The basis for these allocations is outlined in the notes above.

General support costs are further analysed in the table below (note 6) and compared to 2019 costs and Governance costs are similarly presented in note 7.

TBC initiated its three-year-strategy for 2020-2022, which created a need to regroup its chart of accounts to align with the new strategic objectives. The 2019 figures have been adjusted to show the same comparison of categories in the financial statements.

6. GENERAL SUPPORT COSTS

	2020	2019
	Thai Baht	Thai Baht
Staff Related Costs	402,260	5,319,928
Office Related costs (including Rent)	25,290	334,457
IT Related Costs	13,375	176,890
Vehicle Related Costs	24,448	323,328
Travel, accommodation and miscellaneous costs	51,414	679,950
Total	516,787	6,834,553

7. GOVERNANCE COSTS

	2020	2019
	Thai Baht	Thai Baht
Audit fee	1,460,000	1,300,000
Trustees expenses	-	184,674
Meetings	15,412	157,061
Total	1,475,412	1,641,735

8. OTHER EXPENDITURE

	2020	2019
	Thai Baht	Thai Baht
Loss on exchange rate	9,163,991	17,190,034

9. ANALYSIS OF STAFF COSTS

The number of persons employed by the Charity at 31 December was as follows:

	Number of employees	
	2020	2019
Programme and programme support	48	42
Management and administration	10	14
Total	58	56

The aggregate payroll costs of these persons were as follows:

	2020	2019
	Thai Baht	Thai Baht
Salaries	53,946,015	52,916,472
Housing, Living and Education allowances	2,460,282	3,022,651
Provident fund	2,428,134	2,413,126
Staff Insurance	3,214,527	2,398,215
Other employee benefits	1,756,222	1,903,293
Social security fund	351,550	416,964
Total	64,156,730	63,070,721

Notes relating to Staff remuneration.

The number of employees whose emoluments in the year as defined for taxation purposes amounted to over the equivalent of £60,000 were as follows:

	2020	2019
£60,001 to £70,000 (Thai Baht 2,397,172 to Thai Baht 2,796,654)	2	2
£70,001 to £80,000 (Thai Baht 2,796,694 to Thai Baht 3,196,176)	1	1
£80,001 to £90,000 (Thai Baht 3,196,216 to Thai Baht 3,595,698)	1	1
£90,001 to £100,000 (Thai Baht 3,595,738 to Thai Baht 3,995,220)	1	1

The emoluments of the highest paid employee were THB 3,629,425 (2019: THB 3,649,913).

The total amount paid to the five key management personnel of the organisation in 2020 was THB 15,106,099. The equivalent figure for 2019 was THB 15,175,372.

TBC pay scale rates are targeted at the 60th percentile for each level of job groupings for national staff and are reviewed annually. For key international management personnel, the pay policy targets the 50th percentile benchmarked against a relevant INGO and NGO comparative set and are also reviewed annually. The amount paid in termination costs to staff in 2020 was THB 756,504 (2019: THB 94,026).

None of the trustees received any remuneration (2019: nil).

Two independent trustees received reimbursement of travel expenses of THB 0 (2019: THB 91,756).

10. AUDITOR'S REMUNERATION

The auditor's remuneration of THB 1,860,000 (2019: THB 1,709,357) related to the statutory audit at THB 1,460,000 (2019: THB 1,309,357) and non-audit service at THB 400,000 (2019: THB 400,000).

11. TANGIBLE FIXED ASSETS

	2020			
	Office Equipment Thai Baht	Computers Thai Baht	Vehicles Thai Baht	Total Thai Baht
Cost:				
As at beginning of the period	350,077	1,865,597	20,035,472	22,251,146
Additions	-	-	992,000	992,000
Disposal	-	-	(2,630,645)	(2,630,645)
As at end of the period	<u>350,077</u>	<u>1,865,597</u>	<u>18,396,827</u>	<u>20,612,501</u>
Depreciation:				
As at beginning of the period	264,477	1,597,800	19,735,751	21,598,028
Charge for the year	21,400	94,516	415,455	531,371
Disposal	-	-	(2,630,645)	(2,630,645)
As at end of the period	<u>285,877</u>	<u>1,692,316</u>	<u>17,520,561</u>	<u>19,498,754</u>
Net book value				
As at beginning of the period	85,600	267,797	299,721	653,118
As at end of the period	64,200	173,281	876,266	1,113,747

12. DEBTORS

	2020 Thai Baht	2019 Thai Baht
Trade debtors	93,581,577	75,052,317
Other debtors	9,322,057	10,065,553
	<u>102,903,634</u>	<u>85,117,870</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 Thai Baht	2019 Thai Baht
Trade creditors	10,761,617	32,792,623
Deferred Income	33,901,115	48,915,893
Accruals	1,606,174	1,551,256
Other creditors	992,978	1,034,481
	<u>47,261,884</u>	<u>84,294,253</u>

Trade creditors at 31 December 2020 represented 30 days past purchases (2019: 30 days).

14. CREDITORS: FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	Thai Baht	Thai Baht
Long term liabilities	2,396,288	1,663,307
	<u>2,396,288</u>	<u>1,663,307</u>

Creditors falling due after more than one year represents provision or provident fund obligations, raised for Burma/Myanmar based staff established in 2015.

15. TRANSFERS BETWEEN FUNDS

As per the Labour Protection Act of 5 April 2019, employees who are terminated after working for the same employer for an uninterrupted period of twenty years or more, receive severance payment of 400 days of wages at the most recent rate.

To remain in compliance, the amount of THB 516,054 was transferred between funds to increase the designated Severance fund by THB 516,054 in order to reflect the increased liability.

In September 2019, TBC Board ratified the decision to book THB 35,000,000 designated for closing activities. TBC Board has agreed to maintain this same level in 2020. These fund are recorded in the Designated General Fund.

16. RELATED PARTY TRANSACTIONS

There were no transactions with Members, other than for funding received.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2020		
	Unrestricted Funds	Restricted Funds	Total
	Thai Baht	Thai Baht	Thai Baht
Tangible fixed assets	1,113,747	-	1,113,747
Debtors	5,300,936	97,602,698	102,903,634
Cash at banks and in hand	84,537,154	53,246,613	137,783,767
Creditors falling due within one year	(3,137,233)	(44,124,651)	(47,261,884)
Creditors falling due after one year	(2,396,288)	-	(2,396,288)
Net Assets	<u>85,418,316</u>	<u>106,724,660</u>	<u>192,142,976</u>
	2019		
	Unrestricted Funds	Restricted Funds	Total
	Thai Baht	Thai Baht	Thai Baht
Tangible fixed assets	653,118	-	653,118
Debtors	10,309,539	74,808,331	85,117,870
Cash at banks and in hand	77,914,632	95,293,597	173,208,229
Creditors falling due within one year	(4,225,368)	(80,068,885)	(84,294,253)
Creditors falling due after one year	(1,663,307)	-	(1,663,307)
Net Assets	<u>82,988,614</u>	<u>90,033,043</u>	<u>173,021,657</u>

18. FUND MOVEMENTS IN THE PERIOD

	Balance at 31 Dec 19	Income	Expenditure	Transfers	Balance at 31 Dec 20
	Thai Baht	Thai Baht	Thai Baht	Thai Baht	Thai Baht
1. Australia ANCP (Act for Peace-NCCA)	2,216,149	5,115,032	4,743,317	-	2,587,864
2. Australia ANCP GAP (Act for Peace)	2,658,863	173,898	2,832,761	-	-
7. Australia AusAID (DFAT) 2020/2021 IRC	19,752,305	35,916,960	34,313,068	-	21,356,197
3. Canada GAC (Inter Pares) Christian Aid	-	3,636,940	3,636,940	-	-
ICCO -KIA 2019/20	951,567	-	951,567	-	-
ICCO -KIA 2020/21	-	1,792,480	815,315	-	977,165
4. LIFT Fund Phase II (UNOPS) Republic of China (Taiwan)	1,618,780	44,267,193	44,600,849	-	1,285,124
5. UK FCDO - HARP Myanmar	6,966,107	9,645,500	16,611,607	-	-
5. UK FCDO - HARP Thailand	3,605,652	74,988,060	78,593,712	-	-
6. US BPRM (IRC) 2019/20	52,263,620	-	52,263,620	-	-
6. US BPRM (IRC) 2020/21 Kerk in Actie	-	382,222,314	301,727,729	-	80,494,585
Save the Children	-	2,166,000	2,166,000	-	-
8. DANIDA- DCA	-	5,928,444	5,928,444	-	-
Church World Service	-	2,573,268	2,549,543	-	23,725
Total Restricted Funds	90,033,043	572,583,965	555,892,348	-	106,724,660
Designated Fund - Severance Pay & Closedown	57,970,850	-	-	516,054	58,486,904
General Fund	25,017,764	13,585,893	11,156,191	(516,054)	26,931,412
Total Funds	173,021,657	586,169,858	567,048,539	-	192,142,976

1. Australian Government ANCP (Act for Peace) – Support provided specifically to the two camps managed by the Karenni Refugee Committee for both administration of the camps and provision of stipends.
2. Australian Government ANCP (GAP) – Gender Action Platform programme working both in the Thailand camps and in south-eastern Myanmar. 2020 was the final year of the three-year project.
3. Canadian Government (Inter-Pares) – Multiyear funding covering a range of services within the camps. 2020 was the final year of the five-year project.
4. LIFT Phase II fund (UNOPS) – The “inception” phase started in October 2019 with the First full year of a multi-year project in Myanmar starting in 2020 and slated to end in September 2022. The grant provides sub-grants for rehabilitation/peace building activities to local implementing partners. Additional USD 70,000 was added to support emergency relief from the Covid-19 pandemic.
5. United Kingdom- FCDO (HARP) – primarily focused on shelter needs and nutrition programmes in the Thai camps. UK FCDO/HARP-Myanmar emergency response for south eastern Myanmar. Additional GBP 400,000, granted to support increased rations during Covid-19 Pandemic. 2020 is the final year of a two-year grant.

6. United States Government (BPRM) – Multiyear funding. Principal funder for the organization supporting assistance for food and cooking fuel within all 9 camps. Additional funds of USD 1,256,165 donated to support increased rations during the Covid-19 pandemic.
7. Australian Government DFAT (IRC)- First year (FY July 2020-June 2021) of new two-and-a-half-year-grant, funding TBC programme border wide in Thailand.
8. Danish Government-DANIDA (DCA)- in addition to the unrestricted fund donation, restricted funds were donated to support increased food rations for refugees during Covid-19

All of the above funders are institutional donors (either independent governments, the EU or in the case of the LIFT fund board – a consortium of international funders). They are classified as “restricted” in as much as the funding can only be used in specific geographic areas or for specific elements of the overall programme. There are no restrictions of usage in terms of trust law.

Note – the Designated Severance Fund represents an amount that would be required to pay severance compensation to all staff (based on tenure) if the organisation ceased operations. This is consistent with Thai and Myanmar Labour Law requirements. The close-down budget of THB 35M is what TBC estimates it will cost to wind down the TBC programme, not including program costs.

LIST OF ACRONYMS

BBC	Burmese Border Consortium (former name)	IP	Inter Pares
BPRM	Bureau of Population, Refugees, and Migration	IPC	Infection Prevention and Control
CA	Christian Aid	IRC	International Rescue Committee
CBO	Community-Based Organisation	KIA	Kerk in Actie
CCA	Consortium of Christian Agencies	LIFT	Livelihoods and Food Security Trust Fund
CCSDPT	Committee for Coordination of Services to Displaced Persons in Thailand	MOI	Ministry of Interior (Thailand)
CSO	Civil Society Organisation	NCA	Nationwide Ceasefire Agreement (Myanmar)
DCA	Dan Church Aid	NCA	Norwegian Church Aid
DFAT	Department of Foreign Affairs and Trade (Australia)	NCCA	National Council of Churches Australia (Act for Peace)
FCDO	Foreign and Commonwealth Development Office (UK)	NGO	Non-Governmental Organisation
FCS	Food Card System	PPE	Personal Protective Equipment
FRS	Financial Reporting Standard (UK)	RTG	Royal Thai Government
FX	Foreign Exchange	SORP	Statement of Recommended Practice (UK)
GAC	Global Affairs Canada	TBBC	Thailand Burma Border Consortium (former name)
GAP	Gender Action Platform	TBC	The Border Consortium
GBP	British Pound	THB	Thai Baht
GEC	Governance and Elections Committee	UK	United Kingdom
GSV	Go and See Visit	UNHCR	United Nations High Commissioner for Refugees
HARP	Humanitarian Assistance and Resilience Programme	US	United States
ICCO	Inter Church Organisation for Development Cooperation	USG	United States Government
IDP	Internally Displaced Person	USD	US Dollar
INGO	International Non-Governmental Organisation		

Reference and Administrative Details

Name of Charity	The Border Consortium (TBC)
Charity registration number	1109476
Company registration number	05255598 (England and Wales)
Address of registered office	35 Lower Marsh, London SE1 7RL
Address of principal office	12/5 Convent Road, Bangrak, Bangkok 10500, Thailand
Website	www.theborderconsortium.org
Trustees (and Directors) during 2020.	Alexis Chapman (Chair- term ended Oct 2020; assumed Treasurer) Leslie Wilson (Resigned as Vice Chair and Trustee Oct 2020) Leon de Riedmatten James Thomson (Secretary 2020; Elected as Chair Oct 2020) Knut Christiansen (Resigned as Trustee August 2020) Samantha McGavin Andreas Kiaby (voted in as Trustee Oct 2020) Marvin Parnell (voted in as Trustee Oct 2020)
Executive Director – from 1 st January 2013 to date Charity correspondent	Sally Thompson MBE Sally Thompson MBE
Bankers	Standard Chartered Bank 1 Basinghall Avenue London EC2V 5DD, United Kingdom Standard Chartered Bank 90 North Sathorn Road, Bangrak, Bangkok 10500, Thailand
Auditors	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL United Kingdom
Members	Act for Peace - NCCA, Australia. Christian Aid, United Kingdom Church World Service, USA Diakonia, Sweden DanChurchAid, Denmark ICCO, The Netherlands Inter Pares, Canada International Rescue Committee, USA Norwegian Church Aid, Norway