

Prospect Burma CIO

Report and Financial Statements
For the year ended 31st March 2023
Unaudited



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**PROSPECT BURMA CIO
TRUSTEES' REPORT – STATUTORY
INFORMATION FOR THE YEAR ENDED 31
MARCH 2023**

Patron	The former Prince of Wales
Vice-Patron	Daw Kyi Kyi May
The Board of Trustees	<p>Trustees who served during this year and up to the date of this report were as follows:</p> <p>Michael Marett-Crosby (Chair to 1 July 2022, and from 1 January 2023)</p> <p>Lindy Ambrose (Vice-Chair to 1 July 2022, Chair from 2 July to 31 December 2022, Vice-Chair from 1 January 2023)</p> <p>Guy Slater</p> <p>Caroline Courtauld MBE</p> <p>Richard Atterbury</p> <p>Martin Smith</p> <p>Stephanie O'Connell</p> <p>Kathleen Mathea Falco</p> <p>Anthony Hulse (from 1 April 2023) Honorary Treasurer</p>
Executive Director	Hannah Marcazzo (to 1 July 2022)
Interim Director	Michael Marett-Crosby (from 2 July 2022 to 31 December 2022)
Executive Director	Joanna Barnard (from 1 January 2023)
Principal Office of the charity	35A Brondesbury Villas, London, NW6 6AH
Charity number	1167686
Bankers	<p>The Royal Bank of Scotland plc</p> <p>Drummond House</p> <p>1 Redheughs Avenue</p> <p>Edinburgh</p> <p>EH12 9JN</p>
Independent Examiner	<p>Crowe U.K. LLP</p> <p>Black Country House</p> <p>Rounds Green Road</p> <p>Oldbury</p> <p>West Midlands</p> <p>B69 2DG</p>

Foreword from Prospect Burma's Chair

Prospect Burma's Annual Report reports on the charity's work during a year of darkness for the young people of Myanmar.

The military regime that seized power in the coup of February 2021 is destroying the country's education system. It wants closed schools, withered universities and brutal efforts to restrict access to knowledge. Its bleak ethno-nationalism and its preaching of its glory demand ignorance in order to be heard.

Against this stands the enduring commitment of Myanmar's young people to a different and inclusive future – for themselves and their communities, for their country. We are privileged to witness this every day – in the work of our alumni, in the dedication of our students, in the statements that potential scholars share with us when they describe their plans.

"I am passionate," one student told us, "to promote sustainable development and to create a model to enable people who live in poverty to flourish. To implement my dream, I need to have knowledge."

When I read this on a Sunday afternoon, I confess that I was burdened – freighted with the need to respond to multiple crises across Myanmar.

This student's dream recalled to me why we do our work, and why our donors choose to support a country that often slips below the febrile misattentions of the news.

The year upon which we report in what follows has been challenging. Our students face new restrictions at home. It is hard for them to leave their country and sometimes even harder to return. Our Myanmar-based staff have now moved to places of safety, but this has not been easy for them, and I would like to thank them for the commitment that has kept them working through such hard times.

In June 2022, we said farewell to our long-serving Executive Director, Hannah Marcazzo. She has been a dedicated leader, deeply committed to our students and to the charity. She has led Prospect Burma through tumultuous years in the country, and has overseen our expanding mission for the young people of Myanmar. We will miss her very much.

After a brief interim, the board were delighted to appoint Dr Joanna Barnard as our new Executive Director. Joanna brings both a deep knowledge of Myanmar and her existing experience of our work. We look forward greatly to her leadership.

This is a time to embrace new opportunities. For the first time, we are supporting online scholarships to universities across the world. We have continued work to bridge the gap between school and international higher education. We support as many students as we can to bring Myanmar to the world and the wider world to Myanmar by enrolling face to face in universities.

This work is undertaken by our small and committed team, divided by time zones, united in delivering lasting benefits to those we serve.

At the very end of the year in review, our Vice Chair Lindy Ambrose announced that she would be stepping down after 16 years on the Board. I would like to thank Lindy for her long service to our beneficiaries, and to extend my gratitude to all Prospect Burma's board members.

Above all, I would like to thank our donors for standing with the people of Myanmar, and for sticking with us. Every student our donors help becomes a potential change-maker for communities and people – in the refugee camps or shattered cities of today's Myanmar, and for a better future in tomorrow's country. We must increase our impact in the year ahead.

"I am passionate," that student wrote.

At time of writing, Myanmar's politics and the realities on the ground are changing again. Prospect Burma will remain passionate for all those who need our help, whatever the future.

Another lost generation will be a tragedy for Myanmar and for the world. The plans of the young are the only future currency that matters.

Dr Michael Marett-Crosby
Chair of Trustees

Trustee report for the year ended 31 March 2023

The trustees present their report and the financial statements of Prospect Burma CIO (the “CIO” or “Prospect Burma”) for the period from 1 April 2022 to 31 March 2023. The CIO is the successor charity to Prospect Burma, an unincorporated association operating under the terms of a Trust Deed dated 7 December 1989, all of whose assets, liabilities and charitable activities were transferred to the CIO on 1 April 2017.

Reference and administrative information set out on page 1 forms part of this report.

Objectives and Activities

The formal objectives of the CIO as set out in its constitution are:

- to promote and enable the education and/or training of any type of people in or from Burma (Myanmar) in any way that the charity trustees think fit, including but not limited to awarding such persons scholarships, maintenance allowances or grants tenable at any school, university, college or institution of higher or further education or training. In furtherance of enabling such education or training, make such grants or provide such other support to such educational institutions as the charity trustees may think fit;
- to encourage returning scholars to impact their communities positively upon return to Myanmar, by supporting and providing grants to alumni led training, networking, community interventions and related activities.

Prospect Burma fulfils these objectives by providing university scholarships to people from Myanmar, supporting programmes that facilitate access to tertiary education outside of Myanmar and providing networking opportunities to graduates.

Our vision is to see Myanmar transformed through the expertise of its people. We want to facilitate positive change in the country, which includes helping to create cultural bridges to repair relationships among different ethnic and religious groups. We continue to deliver on our objectives despite the ravages of conflict since the country’s February 2021 coup.

Myanmar is lacking the skilled, educated workforce it needs to repair the country’s damaged infrastructure and institutions, and support the peaceful rebuilding of civil society. Prospect Burma believes that the best way to create positive and lasting change in the country is through investing in education. We provide education opportunities to dedicated, talented people from Myanmar who have a realistic ambition for making a difference. We reach out to remote regions, including those affected by conflict, to help individuals determine a path for their future. We support their education abroad to gain much-needed skills, qualifications and intercultural opportunities that they cannot get at home.

Our values:

- We are **inclusive**: We believe all people should be treated with equal respect regardless of who they are –including their ethnicity, gender, religion, sexuality, or mental or physical ability.
- We are **committed**: We have worked to build a better future for the people of Myanmar since 1989, through multiple manmade and natural disasters, and our commitment remains as strong as ever as new challenges emerge.
- We have **integrity**: We take pride in delivering our service with honesty and accountability.

Public Benefit statement

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period from 1 April 2022 to 31 March 2023 and notes significant changes in the period since the year end. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have had regard to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities contribute to the aims and objectives that have been set.

Context

Myanmar has suffered from decades of underinvestment in skills and infrastructure by successive military regimes. This underinvestment has disproportionately affected ethnic and rural groups.

Against this backdrop, the impact of the military coup of February 2021 continues to be catastrophic for all the people of Myanmar. The military has failed to wrestle control of much of the country. Local communities have set up defence forces resulting in sporadic battles across the country, alongside entrenched civil war between the military and multiple Ethnic Armed Organisations. Conflict has escalated across multiple states and regions during the latter part of 2023.

The military is widely blocking basic services such as food and information in order to weaken resolve. Where communities set up their own administration and services, such as schools, these are routinely destroyed by airstrikes or burned by ground troops. Those in education and those who teach them are regarded by the military as targets.

A third of the population is now in humanitarian need. More than half a million people have been newly displaced due to the recent escalation of conflict, bringing the total number of Burmese refugees or displaced persons to well above 2.5 million.

The number of young people dropping out of education has dramatically increased. School enrolment is down by over 40%. The number of pupils taking high school exit examinations has decreased by over 80%. Universities are

widely closed. Where students and teachers continue to participate in education in secret, they are regularly imprisoned.

Feedback from partner organisations strongly points to displacement as being the most common reason for students in ethnic states to be dropping out of education. They report that this displacement is due to personal risk caused by the conflict, and also due to economic collapse. Due to the conflict, Myanmar's economy has failed to bounce back from the COVID-19 pandemic, and is one of the worst performing in the world. Many of our applicants are destitute because their families have lost their businesses, land or homes since the coup.

The dire state of the public and private sectors will clearly require a wide range of expertise in order to enable improvement. This expertise will need to exist across the country's multiple ethnicities if it is to create a prosperous egalitarian society rather than a repeat of the discriminatory regimes of recent decades which have fostered intolerance and conflict.

However, the provision of higher education in order to attain this expertise has collapsed, just when it is needed most. Instead, Myanmar is wasting a generation of talented young people who are unable to gain the knowledge they need in order to drive positive change.

This tragedy will stunt Myanmar's nation-building in the long term. It also carries more immediate high risks. Firstly, young people will instead be likely to fall into abuse, trafficking, crime and forced conscription. Secondly, they will lack the skills to build resilience in their communities to cope with immediate threats such as tropical cyclones, floods, disease and economic failure. Cumulatively, this is why Prospect Burma's work to provide access to higher education is so vital to the people of Myanmar at this time of great need.

Our Activities

Prospect Burma works with marginalised young people in Myanmar to access education which is otherwise unattainable for them.

We focus on higher levels of education because skills are needed in situ urgently. Myanmar desperately needs doctors, engineers, project managers and other professionals to turn around its humanitarian crisis. This has worsened catastrophically since the country's 2021 coup and the collapse of its basic services – including education.

We work with partners in hard-to-reach communities, including displaced persons, to provide young people with information, learning, and pastoral and financial support. We run three programmes which operate independently, but young people also have a chance to graduate through them from aged 16 onwards:

- **Post-high school programme:** A range of learning programmes, online or in safe locations, which offer Grade 11–12 education, critical thinking, digital literacy, English Language and other skills.
- **International scholarship programme:** We support young people to access university level courses abroad, which would otherwise be unobtainable.

- **Alumni networking:** We help graduates connect and network so that they can pool their skills to maximise the benefit they can bring to their communities.

Post-high school programme

Our post-high school programme provides people from under-served areas of Myanmar with the opportunity to gain vital foundation skills, from which our students can either progress to higher education or gain skills and qualifications that will help them in the workplace. For young people from these areas, the idea of studying abroad seems like an impossibility. Working with regional partners, our programme provides key skills including critical thinking, cultural exchange, and internationally recognised English language qualifications, vital building blocks for international study. With religious and ethnic tensions causing ongoing conflict throughout the country for many years, exposure to new ideas, religions and ethnicities is a core component of the programme.

In 2022/23 we spent a total of £178,341 (£95,954 2021/22) on our post-high school programme. Despite a backdrop of COVID-19, and post-coup protests and conflict, we were able to deliver five projects. For safety reasons, two were delivered online which allowed us to extend, rather than reduce, our delivery in hard-to-reach areas despite the uncertain working environment.

The projects are called Access to Learning Mizoram, Access to Learning Rakhine State, Access to Learning Kachin State, Prospect Connect, and English Language Scholarships.

- **Access to Learning Mizoram**

High school education in Chin State has become either non-existent or too dangerous to attend due to armed conflict. Young Chins often have no option but to take up arms or join drugs and human trafficking gangs. Over two years, this project has opened options of a brighter future by providing scholarships to Grade 11–12 education in the relative safety of Mizoram, across the Indian border. Students have been given the opportunity to study towards a college degree certificate in order to access further studies abroad, vocational training and career opportunities. 20 students and two staff made the challenging journey from remote villages in Chin State. Prospect Burma funds tuition, accommodation, living costs and additional tutoring in English Language so that beneficiaries can better understand the lessons. The cost of the project in 2022/23 was £43,760 (£22,934 in 2021/22).

- **Access to Learning Rakhine State**

Prospect Burma partnered with a local Community Based Organisation (CBO) to establish an education centre in the Sittwe township of Rakhine State. It is designed to support young people from across all parts of Rakhine State to develop critical thinking techniques, gain English language skills, digital literacy, and cultural and social awareness. It also supports these students with their applications for higher education scholarships, and their involvement in community development projects. Rakhine State was relatively peaceful during this period due to a ceasefire between the Burmese military and the Arakan Army. However, the project was still delivered online due to the fragility of this peace. 61 students attended the six-month course,

split across two batches. The cost of the project in 2022/23 was £9,982 (£18,637 2021/22).

- **Access to Learning Kachin State**

We ran our programme in Kachin State in collaboration with our local partner, the Institute of Liberal Arts and Sciences (ILAS). 15 students from Kachin and Shan States were supported by Prospect Burma to take part in a one-year residential programme that provides basic to intermediate English Language tuition. We funded their accommodation, living costs and tuition in English Language. The progressive curriculum includes social responsibility, environmental awareness, and development of self-confidence and self-reliance that is absent from most Myanmar education. This can enable young people to change their communities, even if they do not progress further in higher education (for which advanced English would also be required). All 15 students graduated from the project in April 2023. The cost in 2022/23 was £10,862 (2021/22: Nil).

- **Prospect Connect**

We ran our Prospect Connect programme for a second year running. The 17-week course is designed to provide intermediate or advanced English language tuition to disadvantaged or marginalised students from across Myanmar. It is carried out online, with outreach conducted by our partner, the Myintmo Education Foundation.

Students are based in a number of States across the country, including Karen, Kayah, Shan, Kachin, Chin and Rakhine. The educational component of the course is run by our partner EduLink. Prospect Burma provides internet data packages for students to access the course on their smartphones, and finances their travel to and from Yangon to take their International English Language Test System (IELTS) test at the end of the course, as well as funding their accommodation. This test can only be taken in Yangon under British Council exam conditions.

During this 17-week course, a cohort of 62 students has engaged with wide-ranging topics such as civic education, global health, sexual education, financial management basics, and the modern history of Burma. Many of these workshops are led online by Prospect Burma alumni.

In a post-programme survey, 83% of students felt that their English had improved. 79% responded that they would consider applying for a scholarship to study higher education abroad, while more than half felt ready to do so. 96% felt confident or very confident about their leadership skills, while 98% felt confident or very confident in identifying their own strengths and weaknesses.

Once students gain an accredited English qualification by taking the post course exam, they will be eligible to apply to universities to study abroad. Prospect Burma will monitor the higher education and career progress being made by these students for up to 12 months after their scholarship and provide them support as needed. The cost during 2022/23 was £56,482 (£12,875 2021/22).

- **English Language Scholarships**

We supported seven students to study Intermediate English Language IELTS preparation courses through the British Council. The course is delivered online and

lasts for up to four months, after which the students will sit their IELTS exam. The students are among 10 students who initially started the course in 2020, but it was suspended due to COVID-19. Of the seven students, five sat their IELTS exams at the British Council, while the other two chose instead to complete the Duolingo online English test. The cost of the project in 2022/23 was £339 (£1,944 2021/22).

International Scholarship Programme

This programme supports dedicated and visionary people from Myanmar who have realistic ambitions to make a difference in their country. We support students who are united by their desire to build a better future for Myanmar through gaining vital skills that are desperately needed. We reach out to remote as well as conflict-affected regions, to help prospective students select the right course for their future, and support them in their education abroad to gain much-needed skills and qualifications which they simply cannot get at home.

Studying abroad is a daunting prospect for many people who may not have left their villages before, let alone boarded a plane to a distant country. Many of the people we support have experienced huge hardship in their lives, from civil war and devastating natural disasters to childhood poverty, and as a result they have a deep and passionate desire to change their country for the better. The time they spend abroad exposes them to different cultures and different ways of thinking. It gives them an opportunity to engage, work and live with people from other religions and cultures. Through our international scholarship programme they become change makers who go on to effect positive and lasting changes in Myanmar.

Prospect Burma scholarships are provided to university students from Myanmar to help cover the cost of university fees, living expenses, educational resources and transport. Each new scholarship application is considered by the Scholarships Committee and graded on several criteria. Once a student is granted a scholarship, Prospect Burma aims to continue supporting them annually to help ensure successful graduation.

Prospect Burma imposes strict criteria for eligibility to ensure that our scholarships programme is fair and prioritises those who will benefit the most. To be eligible, applicants must:

- Be from Myanmar
- Demonstrate a commitment to helping the development of Myanmar or to service within their home communities
- Show proficiency in the English language
- Provide evidence of prior community engagement and leadership potential
- Provide proof of acceptance at a recognised college / university

In the 2022/23 academic year we awarded partial scholarships to educate 54 scholars from Myanmar:

- 44 continuing and 10 new students received PB scholarships.
- We aim to maintain a gender balance while awarding scholarships, although this is dependent on the applications we receive. In 2022/23, 54% of scholarships were awarded to men and 46% were awarded individuals that identified as 'female' or 'other'.

- Our commitment to diversity is reflected in the ethnicities of our 2022/23 scholarship recipients: Bamar (13), Karen (13), Mixed ethnicity (4), Chin (5), Shan (4), Kachin (3), Mon (1), Arakanese (2), Pa-O (3), Naga (1), Kayin (3), Kayah (1).
- 43 students (80%) are studying at Asian universities.
- The total cost of the international scholarship programme in 2022/23 was £451,982 (£352,569 2021/22), an average of £8,370 per student (£6,944 2021/22).

We held scholarship information sessions for all interested potential applicants throughout December 2022 and January 2023. The 12 sessions were attended by a total of 1,961 participants; 1,357 participants were female, 571 were male, and 33 identified as 'Other'. These sessions advised applicants on how to apply for a Prospect Burma scholarship, as well as giving advice specific to some of our partner universities. Applicants came from over 19 geographic areas and constituted 12 different ethnicities.

The application window for our scholarship programme closed on 31 January 2023. We received a staggering 1,100 applications, almost double the amount received in the 21/22 financial year, and over three times as many as before the coup. This reflects the clear need for international scholarship programmes in a country whose young people face so few options for their futures, particularly in education.

Online scholarships

In September 2022 we started work on a new programme, designed to make quality international higher education accessible to those inside of Myanmar who have no other way of accessing higher education. Prospect Burma, as a subgrantee of the Emerging Democracies Initiative (EDI), secured funding to set up a pilot project to provide scholarships for young people to enable them to study for degrees and certificate level studies online. We worked with two international universities which provide quality, accredited online courses, and adapted our existing in-person scholarship cycle. We worked with outreach partners in six states and regions (Rakhine, Chin, Shan, Kachin, Kayah, Karen) and opened the opportunity to our wider network, to ensure that we made the scholarship offering as inclusive as possible.

A total of 563 people registered for information sessions, with over 70 completed applications received before the application deadline of 28 February 2023. Applications were scored according to set criteria, and a final selection of 22 individuals was made, who will commence their studies in Summer 2023. Almost two thirds of the final cohort are from ethnic states (4 Kayah, 3 Kachin, 2 Shan, 1 Rohingya, 1 Mon, 1 Karen, 2 other/mixed, 8 Bamar), and there is an even gender balance. Prospect Burma will contribute to tuition fees, data and equipment costs.

Alumni networking

Our plans to facilitate physical alumni groups within Myanmar are on indefinite hold in order to protect the safety of beneficiaries. Given the risk of arbitrary detainment or violence, it is simply too dangerous for young people to gather at this time.

Before the coup, 89% of graduates returned to Myanmar within 5 years of completing their studies. It is not yet clear whether this figure will decrease following the increased level of risk in the country. During 2022/23, we have facilitated informal

contact between alumni where appropriate. We will expand this area of work once the changing needs of our alumni become clearer.

Achievements and Performance

Prospect Burma's main activities and beneficiaries are described above. All charitable activities focus on people from Myanmar and are undertaken for the public good.

When Prospect Burma supports the educational pathway of a student, it not only changes that student's life but countless other lives. Prospect Burma empowers the student to effect positive changes in Myanmar, creating a multiplier effect. By enabling students to pursue their dreams and realise their appetite for learning, we expect that they will go on to have a positive impact on many other people's lives within the country.

Naw San Oo's case study (pseudonym used for safety reasons) illustrates the direct and indirect impacts of educating students from Myanmar.

International scholarship programme case study

Naw San Oo, originally from a small rural village in Karen State, was originally awarded a Prospect Burma scholarship to study International Political Economy & Development at Rangsit University in Thailand in 2018–19. Naw San Oo's parents were killed in the conflict between the Tatmadaw and the Karen National Liberation Army when she was two years old and she was brought up in an orphanage in Yangon, before returning to Karen State to continue her schooling aged ten. Naw San Oo excelled academically despite her difficult circumstances, completing her high school studies while living in the Nu Poe and Umpiem Mai refugee camps on the Thai–Myanmar border.

Naw San Oo is particularly interested in human rights and is focused on developing this aspect of her studies. In her application for a Prospect Burma scholarship she said: "In the future, I would like to become a leader who is keen to engage and advocate for peace, justice and equality for all women and men in Myanmar. Mostly, women are still denied rights of humankind and are expected to be submissive in our society. Therefore, I would like to inspire and educate Karen people about human rights." For her internship during her degree, she worked at a human rights charity translating witness statements from Karen people caught up in the recent conflict. She graduated last year with first class honours, and was awarded the Gold Medal Award in recognition of achieving the highest GPA of her academic year. She said, "When I went on the stage to collect the award, I felt 10 years old again when I lived in the camp. The people there did not understand the meaning of education. I am the first person from the camp to reach my goal. My foster parents never understood me and my dream for an education. I can now show them what I have accomplished. This is not the end, this is just the beginning of my life to bright and shine."

In August 2022, Naw San Oo started working at an NGO campaigning for human rights and democracy in the ASEAN region, with a particular focus on Myanmar. She is a trainer, assisting Myanmar young women leaders in their professional growth by providing online training, advice and mentorship to help them transform their societies through inter-ethnic and feminist activism. "Even though I cannot return to my motherland due to political

unrest, I can still contribute to Burma's sustainable development by empowering its women to become active participants in the country's progress."

Reflecting on her scholarship from Prospect Burma, Naw San Oo said: "Education is a light of a candle. When working in the darkness you need light. I believe that education is that light. Education was the only opportunity to get me out of the refugee camp and Prospect Burma gave me that. Prospect Burma gave me hope and stopped me feeling like a refugee."

Management and Human Resource

There were 5 part-time staff members working in the UK office in the 2022/23 period (3.2 FTE), supporting operations, fundraising, communications, finance, programme management, database development, and strategic direction.

We continue to rely on volunteers to support the Prospect Burma team in the UK, and our current complement of volunteers are helping us in fundraising, administration, IT and database management. Most of this work has been conducted remotely during this period. Our group of volunteers bring a wide range of skills and experience to the team, from technical digital support, archiving, data evaluation, governance and much more. In 2022/23, we received valuable support from 8 volunteers.

The Prospect Burma Regional Team for Southeast Asia had 5 full-time members. We closed our Yangon office in 2021 due to security risks following the coup. All team members have now been safely relocated, and one individual has left the organisation. Of our current team, 3 are based in Thailand, and our Programmes Manager is based in India.

The UK and Regional teams maintain close communication via regular video calls, and use cloud-based filing systems and secure databases to enable a close integration of our work. This has made the transition to working from home during the pandemic efficient and effective.

Plans for Future Years

In December 2021, and in response to the ongoing crisis in Myanmar, we updated our three-year strategic plan for Prospect Burma. This was launched in April 2022.

Since then, the humanitarian situation in Myanmar has continued to worsen. Our beneficiaries are finding it harder than ever to access quality education.

We have been reviewing carefully how to maximise our impact for the young people of Myanmar. With the continuation of widespread conflict in Myanmar, the time is right to set and to deliver a strategy that responds directly to needs on the ground, and that can adapt to an evolving and complex fundraising landscape.

We will continue to offer international scholarships to Myanmar's dedicated and talented young people. This is our core work, and we draw on decades of experience to deliver our scholarship programme with efficiency and insight. We are being asked by our Myanmar beneficiaries to keep this at the heart of our work.

We aim to broaden this opportunity to individuals inside of the country who have no ability to leave through the provision of new scholarships for online degree level study. This approach will enable us to provide access to education for individuals across a range of different circumstances and backgrounds.

We will provide pathways into international higher education to increase the diversity of those able to study at tertiary level. This work of widening access to education is integral to making our scholarship programme as relevant as possible across the many political geographies where educational opportunities have significantly diminished since the coup.

We intend to reinvigorate our alumni activities to draw on the momentum and dedication of our existing and future alumni of our programmes.

In the longer term, Prospect Burma's investment in educating the people of Myanmar will make an important contribution to the future development of the country. Our scholars have the motivation and vision to enact real change; our work is to support them on their journey to reach their potential.

Financial Review

The results of the year's operations are set out in the attached financial statements. Total income amounted to £480,768 (2021/22 £605,106) and total expenditure amounted to £693,708 (2021/22 £648,328). In consequence, net loss (before unrealised loss on investments) £212,941 (2021/22 net loss £43,223). A number of factors have impacted on this performance. The result primarily reflects the unforeseen loss of the US Department of State grant; this had been a consistent source of funding for the charity for 24 years, and for most of these years our single largest donor. We were informed in late June 2022 that our grant would not be renewed, effective from October 2022. The trustees were aiming to balance the 2022/23 budget, but owing to this decision, as well as the global economic crisis and the ongoing war in Ukraine, income was significantly lower than forecast, far outpaced by expenditure commitments which had been set early on in the financial year.

In consequence, the Trustees made the decision to draw down a total of £100,000 from the charity's reserves in order to meet our commitments to scholars. A fundraising plan was put in place to explore new areas of fundraising and income streams, recognising that any new fundraising takes time to bear fruit.

Even with the changed fundraising landscape, Trusts, Foundations and Institutions remained our most significant source of funding, with the US Department of State our largest donor; we raised £79,501 (2021/2022 £150,462) from this source. New donors have included the International Labour Organization (ILO) and the Emerging Democracies Initiative (EDI). We received £94,731 (2021/2022 £145,825) in donations from individuals; we are grateful for the support of our donors who have set up regular payments, those who have made one-off donations during the year, and those that have taken the initiative to fundraise for Prospect Burma.

With concerns over the pandemic receding and a growing willingness to meet face-to-face, we were able to hold a series of in-person events and to spend time with donors and current students. We have plans for an enhanced series of events through 2023/24 and beyond. We have also explored novel ways of raising funds, including a prize draw.

Given the disparity between income and expenditure during the year, we will be carefully monitoring expenses and cashflow while continuing to explore new areas of fundraising and income streams. Deferred income from EDI will be spent during 2023/24 as we continue to develop this project, which we predict will be a significant growth area for the charity.

Prospect Burma operates predominantly in pounds sterling although some of our income and cash and most of our charitable expenditure is in US dollars. Accordingly, the accounts are presented in pounds sterling which is also our “functional currency” (see note 2). Generally, income is retained in the currencies in which it is received but any dollar shortfalls are funded out of sterling funds on a spot basis. Forward currency hedges are not used. Exchange differences are included in governance and support costs (2022/23 a gain of £7,509; 2021/22 a gain of £2,132).

The unrestricted reserves policy of Prospect Burma CIO is set at £250,945 (2022 £332,082), reflecting a reduced post-high school programme portfolio for the coming year. The policy is set on the basis that such a sum would guard against the possibility of not receiving one or more of our regular grants. This would ensure that we would not need to suspend, or greatly curtail, the provision of scholarships during that year while other funding was being sought or a restructuring plan was introduced. As our scholarship payments are discretionary there is some flexibility for adjustment of our expenditure dependent on our income.

At year end, our total funds were £239,898 (£239,175 unrestricted and £723 restricted), which is consistent with our reserves policy.

INVESTMENT POLICY AND PERFORMANCE

The core of the reserve funds is invested in common investment funds suitable for charities with an appetite for low to medium risk. They are managed by Sarasin Investment Funds Limited. Sarasin’s investment strategy focuses on long-term value drivers, sustainability and societal welfare. ESG (environmental, social and governance) factors are embedded within their investment process.

These funds have been held for several years and, although readily realisable, are considered longer term investments since the underlying constituents are equities, bonds, cash and alternative assets appropriate for a UK registered charity. In addition to the drawdown of £100,000 detailed above, during 2022/23 they decreased in market value by £29,973 from £340,838 to £210,865 (2021/2022 £1,276 loss). Following the year end we drew down a further £75,000 from our reserve funds to meet our scholarship commitments.

The remainder of the charity’s funds is held in cash, bank deposits and term accounts denominated both in sterling and US dollars. These yield low interest but are necessary to ensure adequate liquidity and security so that we can fund

charitable activities throughout the year without excessive dependence on the timing of receipt of grants and donations.

Principal risks and uncertainties

Our risk management is focused on the preservation of the assets of the charity, the security of its people and data, and the protection of its reputation. Policies and procedures are reviewed by the Trustees regularly at their meetings and amended in the light of changing circumstances and emerging risk.

Prospect Burma is dependent on financial support from funders. After an initial upsurge in donations in 2021/2022 due to the publicity surrounding military actions in Myanmar, we witnessed a tapering off in donations and donor pledges. A tough global fundraising environment has made raising funds for our work more challenging. To counter this, we explored new income opportunities, in particular from bilateral and other institutional donors who support work in Myanmar. We had some success with these efforts, delivering a project supported by ILO during the course of the year, though further funds proved difficult to access as donor preferences shifted towards shorter term humanitarian assistance over more development-orientated programming.

In September 2022 we started work as a subgrantee of EDI on a new online learning project to support young people inside of Myanmar to continue to education while so many other opportunities have closed. We see this as an important, complementary offering to our long-established international scholarship opportunity, and the beginning of a longer term workstream.

Throughout 22–23 we will continue to submit proposals and funding applications to a broad variety of donors and, in this way, build the pipeline for increased income later in the year.

Staff and trustees continue to keep in close and regular communication. The level of financial and operational controls was enhanced in response to remote working and remains heightened in the present circumstances in Myanmar and the UK. Cash flow, liquidity, the recoverability of debtors and the valuation of investments are monitored regularly for any issues.

Travel restrictions imposed during the COVID-19 pandemic were lifted almost worldwide ahead of this reporting period. While international travel to and from Myanmar has been possible, this has not proved to be issue-free for staff and beneficiaries. The intermittent closure of passport offices, within Myanmar and at its offices in other countries, has caused delays in obtaining travel documentation. All staff and beneficiaries have ultimately reached their required destinations. However, there remains a future risk whereby some beneficiaries studying abroad may be unable to re-enter Myanmar, thus being rendered stateless, and the risk of further passport office closures which may affect the departure of future beneficiaries.

The personal risk remains too high for staff to operate inside Myanmar. Our UK staff are unable to visit; meanwhile our staff within the country have now relocated beyond its borders. The same is true for a significant number of our beneficiaries and alumni, who are now based in the same locations as our Regional Office staff. This enables us to maintain close support and contact with them.

Going concern considerations

The Trustees have considered carefully Prospect Burma's operation as a going concern, noting some significant changes to the operating environment of the charity:

- The worsening humanitarian situation in Myanmar, reducing opportunities for education within the country and increasing demand on Prospect Burma's resources
- The increasing difficulty of travel for Myanmar nationals, and the likelihood that they may experience significant visa and passport problems, reinforced by the actions of junta-allied Myanmar embassies
- The rising costs of international scholarships and the cost of living
- The absence of Myanmar from international media narratives on humanitarian assistance
- Myanmar as a low priority for most donors, a status that appears unlikely to change in the short term

In this context, the foreseeable future for the charity is 12 months. We are likely to see significant humanitarian and perhaps political developments over this period in Myanmar. We do not judge it wise to try to predict beyond this horizon.

To prepare ourselves for these next 12 months, we have revised our strategic goals so as to manage these risks as best we can. We will focus on the delivery of scholarships, which is our area of greatest expertise. To this end, we have secured continuing support for online scholarships, with a budget agreed with a major funder to cover the 2024 calendar year.

We have reduced spending on UK-based staff, with remaining staff salaries covered in part by the online scholarships project, which reduces the burden of salaries on our other funds and fundraising.

We are also reshaping our financial support team to save costs and so as to allow the Executive Director more time for fundraising. Obtaining the requisite funds for the vital work ahead is a major activity for the next year, supported by the Chair and select trustees.

We are preparing a proposal to cover core costs and institutional change that we will present to multiple donors whom we have identified.

Our reserves remain such that we can, should it be necessary, meet our contractual commitments to staff and, in line with our reserves policy, cover all continuing scholarship payments for the academic year. We do not commit contractually to scholarships for more than 12 months.

Our financial situation is subject to regular careful review by two trustees on the Finance and Risk Committee. The Finance and Risk Committee also reviews the 12-month cash flow regularly, and the Executive Director provides regular updates on cash flow to the Chair and the Treasurer.

These considerations, in addition to the remaining funds available, lead the Trustees to conclude that Prospect Burma remains a going concern.

Structure, governance and management

Prospect Burma is a Charitable Incorporated Organisation (CIO) operating under the terms of a constitution dated 1 April 2017.

The CIO constitution allows for up to 15 trustees to be appointed. Trustees serve for a renewable term of 3 years, and can serve until they retire or have served 3 terms. All trustees give their time voluntarily and receive no benefit from the charity.

Trustees

Our trustees are responsible for setting the strategy and are responsible in law for the running of Prospect Burma.

New Trustees are nominated by members of the existing Board of Trustees and appointed where they have the necessary skills, enthusiasm and experience to contribute to the charity's development. Upon appointment, new trustees are given a formal introduction to Prospect Burma's work and provided with the information they need to fulfil their roles, which includes information about the role of trustees and charity law.

The board of trustees is supported by two subcommittees:

1. the Finance & Risk subcommittee reviews governance, finance, risk, HR and fundraising;
2. the Ethics subcommittee reviews due diligence undertaken on new potential partners and other stakeholders.

Statement of responsibilities of the trustees

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principals of the charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with Charity law. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent examiner

Crowe UK LLP was reappointed as Prospect Burma's independent examiner during the year.

The trustees' report was approved by the Trustees on 10th January 2024 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'M Marett-Crosby', with a long, sweeping horizontal line extending to the right.

Dr Michael Marett-Crosby
Chair of Trustees

Independent examiner's report to the trustees of Prospect Burma CIO

I report to the trustees on my examination of the accounts of Prospect Burma CIO for the year ended 31 March 2023 which are set out on pages 20 to 31.

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Crowe UK LLP

Helen Blundell LLB FCA FCIE DChA

Crowe U.K. LLP

Chartered Accountants

Black Country House

Roads Green Road

Oldbury

West Midlands

B69 2DG

Date: 11 January 2024

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

		Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
	Note						
Income from:							
Donations and grants	2	191,889	269,666	461,555	239,748	341,698	581,446
Other trading activities	3.a	10,748	-	10,748	13,882	-	13,882
Investment Income	3.b	8,465	-	8,465	9,778	-	9,778
Total income		211,102	269,666	480,768	263,408	341,698	605,106
Expenditure on:							
Raising funds	4	59,437	-	59,437	90,618	-	90,618
Charitable activities	4						
Access to learning		-	178,341	178,341	-	89,220	89,220
Change in the community		-	3,948	3,948	-	10,182	10,182
From learning to leadership		324,053	127,929	451,982	153,175	305,133	458,308
Total expenditure		383,490	310,218	693,708	243,793	404,535	648,328
Net income/(expenditure)	5	(172,388)	(40,552)	(212,941)	19,615	(62,837)	(43,222)
(Losses)/gains on investments	8	(29,973)	-	(29,973)	(1,276)	-	(1,276)
Net movement in funds		(202,361)	(40,552)	(242,913)	18,339	(62,837)	(44,498)
Reconciliation of funds:							
Total funds brought forward		441,536	41,275	482,811	423,197	104,112	527,309
Total funds carried forward	12	239,175	723	239,898	441,536	41,275	482,811

Balance sheet

As at 31 March 2023

	Note	£	2023 £	2022 £
Fixed assets:				
Investments	8		<u>210,865</u>	<u>340,838</u>
			210,865	340,838
Current assets:				
Debtors	9	76,369		43,128
Cash at bank and in hand		<u>67,177</u>		<u>126,750</u>
		143,546		169,878
Liabilities:				
Creditors: amounts falling due within one year	10	<u>(114,513)</u>		<u>(27,905)</u>
Net current assets / (liabilities)			<u>29,033</u>	<u>141,973</u>
Total net assets / (liabilities)	11		<u>239,898</u>	<u>482,811</u>
 The funds of the charity:	 12			
Restricted income funds		723		41,275
Unrestricted income funds:				
Unrestricted funds		<u>239,175</u>		<u>441,536</u>
Total charity funds			<u>239,898</u>	<u>482,811</u>

Approved by the trustees on **10th January 2024**
and signed on their behalf by:



.....
Dr Michael Robert Marett-Crosby
Trustee

The attached notes form part of these financial statements.

Statement of cash flows

For the year ended 31 March 2023

	Note	2023 £	£	2022 £	£
Cash flows from operating activities	14				
Net cash used in operating activities			(167,083)		(65,030)
Cash flows from investing activities:					
Dividends, interest and rents from investments		7,509		9,778	
Disposal of investments		100,000		-	
Net cash from investing activities			<u>107,509</u>		<u>9,778</u>
Change in cash and cash equivalents in the year			(59,574)		(55,252)
Cash and cash equivalents at the beginning of the year			<u>126,750</u>		<u>182,002</u>
Cash and cash equivalents at the end of the year	15		<u><u>67,177</u></u>		<u><u>126,750</u></u>

Notes to the financial statements

For the year ended 31 March 2023

1 Charity information

Prospect Burma CIO is a Charitable Incorporated Organisation. Registered with the Charity Commission (No. 1167686). The registered office address is 35A Brondesbury Villas, London, NW6 6AH

Accounting policies

a) Basis of presentation and comparative figures

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP 2015) and Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Prospect Burma meets the definition of a public benefit entity under FRS102

b) Going concern

The financial statements are drawn up on the basis that the charity remains a going concern. Prospect Burma made a deficit of £212,941 for the year before unrealised investment losses. The trustees have made an assessment of Prospect Burma's ability to continue as a going concern and assured themselves of the validity of the assumptions which underlie their conclusion that it continues to do so for the reasonably foreseeable future. As further explained in the Trustees' annual report, the Trustees prepared a budget and cash flow forecast for the 24 months to March 2025 which supports the expectation that income and expenditure will be reasonably balanced and that the reserves held on the balance sheet are more than sufficient to meet the contingencies or other known circumstances may require. There are longer term uncertainties which it is difficult to foresee but over those timeframes the Trustees are confident that they could manage down expenditure to the extent necessary to preserve Prospect Burma's ability to continue as a going concern.

c) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Income received in advance of a specified service is deferred until the criteria for income recognition are met.

In addition to having to meet the above criteria, donations, government grants and other grants, whether 'capital' or 'revenue', are only recognised when any performance conditions attached to them have been met.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been given by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.

Interest on funds held on deposit is recognised on an accruals basis and includes amounts notified as paid or payable by the Bank plus amounts earned but not yet due for payment.

Dividends are recognised once the dividend has been declared and the notification has been received of the dividend due.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income, when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. The trustees' annual report contains information about the contribution to the charity made by volunteers and donated professional services.

In accordance with the Charity SORP, volunteers' time is not valued in these financial statements.

Where it is not possible to quantify the value of the gifts in kind they are acknowledged in the notes to the financial statements and the trustees' report.

Notes to the financial statements

For the year ended 31 March 2023

e) Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

f) Gift aid

Incoming resources from tax reclaims are included in the Statement of financial Activities at the same time as the gift to which they relate.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and is classified under the following activity headings:

- Costs of raising funds comprise the salary costs of a fundraiser and their direct associated support costs.
- Expenditure on charitable activities includes the costs of providing bursaries and other projects undertaken to further the purposes of the charity and their associated 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 trustee meetings, cost associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities and the independent examiner's fees and legal fees.
- Support costs are those costs incurred which are not directly an output of the charitable activity.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Raising funds

These are costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

i) Charitable activities

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

j) Apportionment of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned in proportion to the total direct projects' cost.

k) Grants payable

Grants payable are payments made to third parties in the furtherance of the charitable objectives. Grants payable without performance conditions are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity. Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

l) Foreign currency

The charity's functional currency is UK pounds.

Foreign currency transactions are recorded on initial recognition in the functional currency by applying to the foreign currency amount the spot exchange rate at the date of the transaction. Any differences on conversion are written off in the Statement of Financial Activities.

Notes to the financial statements

For the year ended 31 March 2023

m) Operating leases

The charity classifies the office lease as an operating lease. Rental charges are expensed on a straight line basis over the term of the lease.

n) Tangible fixed assets

Capital items costing in excess of £500 are capitalised. Fixed assets are shown at historical cost (None at 31.03.2023 and 2022).

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

- | | |
|-------------------------|-------------|
| • Furniture & equipment | 20% on cost |
| • Computer equipment | 20% on cost |

o) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

p) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

q) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

r) Investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the Balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.
The charity does not hold options, derivatives or other complex financial instruments.

s) Taxation

The charity is exempt from taxation under section 521 to 536 of the Income Tax Act 2007 (ITA2007).

t) Basic financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

u) Critical Accounting Estimates and Judgements

We are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

v) Funds

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Restricted funds are donations or grants which the donor has specified are to be used solely for particular purposes/areas of the charity's work or for specific projects undertaken by the charity.

Notes to the financial statements

For the year ended 31 March 2023

2 Income from donations and grants

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Donations	83,070	-	83,070	154,303
Donations from individuals	38,516	13,020	51,536	110,453
Gift aid reclaimed	16,963	-	16,963	14,395
Regular giving and capital donations	18,732	7,500	26,232	20,977
Other income	-	-	-	141
Grants				
US State Department Grant*	-	79,501	79,501	150,462
Trusts foundations and Charities	34,608	120,862	155,470	130,715
ILO	-	32,030	32,030	
EDI	-	16,753	16,753	
	<u>191,889</u>	<u>269,666</u>	<u>461,555</u>	<u>581,446</u>

*The purpose of State Department grant is to provide equitable access to higher education for disadvantaged Burmese nationals and build a core group of skilled Burmese able to strengthen the democratic transition in Burma.

3.a Income from Trading activities

	Unrestricted £	Restricted £	2023 £	2022 £
Fundraising events	10,748	-	10,748	13,882
	<u>10,748</u>	<u>-</u>	<u>10,748</u>	<u>13,882</u>

3.b Income from Investments

	Unrestricted £	Restricted £	2023 £	2022 £
Dividend income from investments	8,073	-	8,073	9,739
Bank interest receivable	392	-	392	39
	<u>8,465</u>	<u>-</u>	<u>8,465</u>	<u>9,778</u>

Notes to the financial statements

For the year ended 31 March 2023

4 Analysis of expenditure - Current Year

	Cost of raising funds £	Access to learning £	Change in the community £	From learning to leadership £	Support and governance costs £	2023 Total £	2022 Total £
Staff costs (Note 6)	45,161	37,440	3,000	37,440	-	123,041	128,154
Direct costs	-	98,067	-	305,986	99,560	503,613	477,296
Premises costs	-	-	-	-	19,591	19,591	4,488
Office and supplies costs	-	-	-	-	52,374	52,374	37,715
Independent Examiner's fees	-	-	-	-	2,598	2,598	2,807
Exchange Loss or (Gain)	-	-	-	-	(7,509)	(7,509)	(2,132)
	45,161	135,507	3,000	343,426	166,614	693,708	648,328
Support costs	14,276	42,834	948	108,556	(166,614)	-	-
Total expenditure 2023	59,437	178,341	3,948	451,982	-	693,708	648,328
Total expenditure 2022	90,618	89,220	10,182	458,308	-	648,328	-

Of the total expenditure, £383,490 was unrestricted (2022: £243,793) and £310,218 was restricted (2022: £404,535)

4a Analysis of expenditure - prior Year

	Cost of raising funds £	Access to learning £	Change in the community £	From learning to leadership £	Support and governance costs £	2022 Total £	2021 Total £
Staff costs (Note 6)	73,947	9,919	5,622	21,928	16,738	128,154	106,227
Direct costs	7,749	70,517	3,558	391,256	4,216	477,296	346,889
Premises costs	-	-	-	-	4,488	4,488	26,322
Office and supplies costs	-	-	-	-	37,715	37,715	40,648
Independent Examiner's fees	-	-	-	-	2,807	2,807	2,640
Exchange Loss or (Gain)	-	-	-	-	(2,132)	(2,132)	4,329
	81,696	80,436	9,180	413,184	63,832	648,328	527,055
Support costs	8,530	8,398	958	43,139	(61,025)	-	-
Governance costs	392	386	44	1,985	(2,807)	-	-
Total expenditure 2022	90,618	89,220	10,182	458,308	-	648,328	527,055
Total expenditure 2021	67,580	95,954	10,952	352,569	-	527,055	-

Notes to the financial statements

For the year ended 31 March 2023

5 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2023	2022
	£	£
Operating lease costs - rental payment	15,217	3,043
Independent Examiner's fees:	2,598	2,165
	<u>17,815</u>	<u>5,208</u>

There were no future lease payments due under non-cancellable operating lease at 31 March 2023.

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023	2022
	£	£
Salaries and wages	115,817	118,984
Social security costs	4,795	6,505
Pension costs	2,429	2,665
	<u>123,041</u>	<u>128,154</u>

The total employee benefits including employer National Insurance and pension contributions of the key management personnel were £23,195 (2022: £38,637). No member of staff received emoluments of more than £60,000 in this year (2022: None)

The charity trustees were not paid or did not receive any other benefits from working with the charity in the year (2022 : £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year.

	2023	2022
	No.	No.
Staff during the year	5	4
	<u>5</u>	<u>4</u>

Notes to the financial statements

For the year ended 31 March 2023

8 Investments

Listed investments

	2023	2022
	£	£
Market value of investments		
At the start of the year	340,838	342,114
Disposals	(100,000)	
Unrealised (loss) / gain on investment	(29,973)	(1,276)
At the end of the year	<u>210,865</u>	<u>340,838</u>

The charity's investments are professionally managed in common investment funds designed for charities pursuing a socially responsible investment policy. The funds are invested principally in fixed interest bonds and equities, together with small allocations to property and alternative assets.

9 Debtors

	2023	2022
	£	£
Trade debtors (see note 10)	70,978	15,000
Other debtors	1,553	8,200
Prepayments and accrued income	3,838	19,928
	<u>76,369</u>	<u>43,128</u>

10 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	26,947	21,576
Taxation and social security	6,948	3,329
Accruals	12,922	3,000
Deferred income (see below)	67,696	-
	<u>114,513</u>	<u>27,905</u>

Prospect Burma signed a subgrantee agreement with the Emerging Democracies Initiative (EDI) on 16 November 2022 to design and deliver a programme to award online scholarships.

A total of £84,448 had been drawn down by 31 March 2023, of which £8,470 was received and £70,978 was carried in trade debtors but received subsequently. Of the total drawn down, £16,752 was recognised as income to cover staff costs for the new programme setup, the remaining £67,696 being recorded as deferred income on the balance sheet to cover the cost of programmes and overheads incurred in FY2023/24.

Notes to the financial statements

For the year ended 31 March 2023

11 Analysis of net assets between funds - Current Year

	General unrestricted £	Restricted £	Total funds £
Investments	210,865	-	210,865
Current assets	142,823	723	143,546
Current liabilities	(114,513)	-	(114,513)
Net assets at the end of the year	239,175	723	239,898

Analysis of net assets between funds - prior year

	General unrestricted £	Restricted £	Total funds £
Investments	340,838	-	340,838
Current assets	128,603	41,275	169,878
Current liabilities	(27,905)	-	(27,905)
Net assets at the end of the year	441,536	41,275	482,811

12 Movements in funds -Current Year

	At the start of the year £	Income £	Expenditure & investment loses £	At the end of the year £
Restricted funds:				
From learning to leadership	41,275	269,666	(310,218)	723
Total Restricted Funds	41,275	269,666	(310,218)	723
Unrestricted funds:				
From learning to leadership	441,536	211,102	(413,463)	239,175
Total Unrestricted Funds	441,536	211,102	(413,463)	239,175
Total funds	482,811	480,768	(723,681)	239,898

Movements in funds - prior year

	At the start of the year £	Income £	Expenditure £	At the end of the year £
Restricted funds:				
From learning to leadership	104,112	341,698	(404,535)	41,275
Total Restricted Funds	104,112	341,698	(404,535)	41,275
Unrestricted funds:				
From learning to leadership	423,197	263,408	(245,069)	441,536
Total Unrestricted Funds	423,197	263,408	(245,069)	441,536
Total funds	527,309	605,106	(649,604)	482,811

Notes to the financial statements

For the year ended 31 March 2023

Purposes of restricted funds

From learning to leadership

Scholarships to Burmese students to enable them to take up places in universities and colleges outside Myanmar.

13 Related party transactions

Aggregate personal donations from Prospect Burma trustees were £29,081 (2022-£38,000).

14 Reconciliation of net expenditure to net cash flow from operating activities

	2023	2022
	£	£
Net income/ expenditure for the reporting period (as per the Statement of Financial activities)	(242,913)	(44,498)
Dividends, interest, fx gain/loss and rent from investments	(7,509)	(9,778)
(Increase)/ Decrease in debtors	(33,241)	(32,238)
Increase/ (Decrease) in creditors	86,608	20,208
Unrealised loss / (gain) on investments	29,973	1,276
Net cash used in operating activities	<u>(167,083)</u>	<u>(65,030)</u>

15 Analysis of cash and cash equivalents -Current year

	At the start of the year	Cash flows	At the end of the year
	£	£	£
Cash at bank and in hand	126,750	(59,574)	67,177
Total cash and cash equivalents	<u>126,750</u>	<u>(59,574)</u>	<u>67,177</u>

16 Analysis of cash and cash equivalents -Prior year

	At the start of the year	Cash flows	At the end of the year
	£	£	£
Cash at bank and in hand	182,002	(55,252)	126,750
Total cash and cash equivalents	<u>182,002</u>	<u>(55,252)</u>	<u>126,750</u>