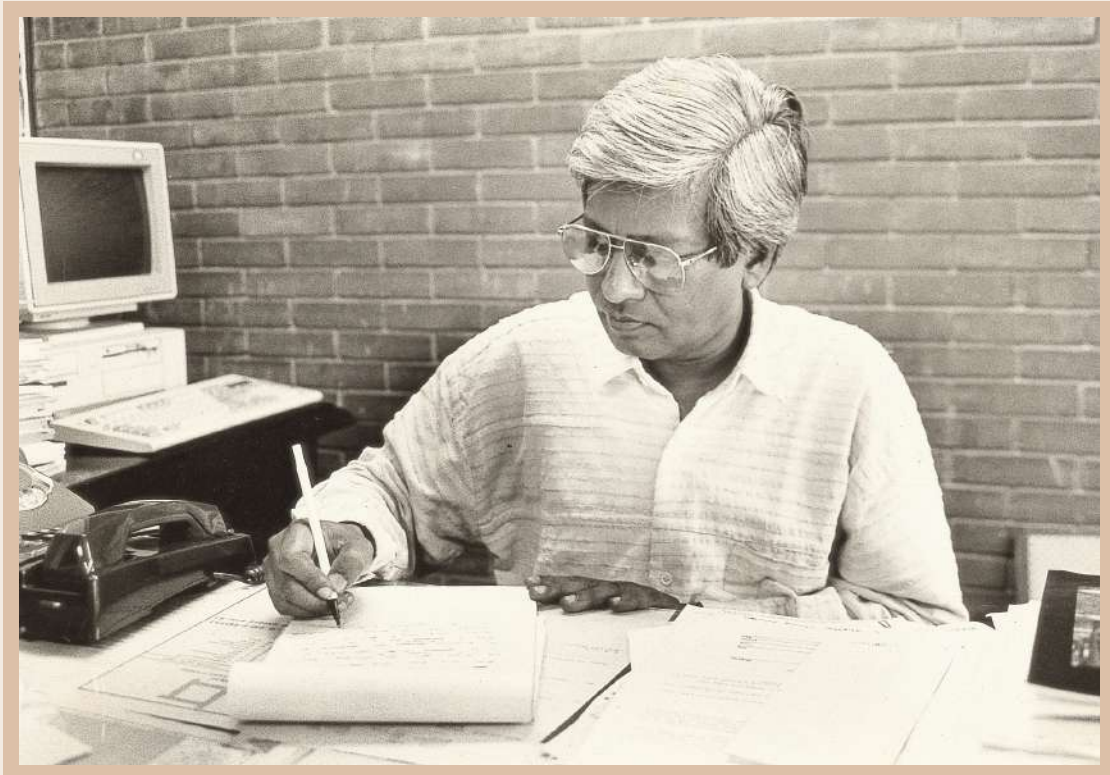




ANNUAL  
REPORT 2021





If BRAC is to become a relevant organisation, we must strive to continuously find solutions to new social challenges of a society. We must reach out first to those who need the most. We must continue to fight the root causes of inequality - be it economic or gender-based discrimination.



**Sir Fazle Hasan Abed**

Founder, BRAC

# CONTENTS

	<b>3</b> Chairperson's foreword	<b>4</b> Letter from the Executive Director BRAC	<b>6</b> Letter from the Managing Director Enterprises, BRAC	<b>8</b> Building a world we want
<b>10</b> Vision, mission and values	<b>11</b> Safeguarding at BRAC and beyond: 'Shongjog'	<b>12</b> BRAC across the world	<b>14</b> Doing development differently	<b>24</b> 2021 at a glance: In Bangladesh
	<b>26</b> Development partners	<b>28</b> BRAC Management	<b>31</b> BRAC organogram	<b>32</b> BRAC General Body
<b>33</b> BRAC Governing Body	<b>36</b> BRAC International Supervisory Boards	<b>39</b> BRAC Global Board	<b>41</b> BRAC Bangladesh Programme Committee	<b>42</b> BRAC Governing Body Committees
	<b>44</b> Financials			

**Note:**

All USD figures in this report are based on the exchange rate of 31 Dec 2021.

## CHAIRPERSON'S FOREWORD

# CONTINUING A MISSION OF COMMITMENT, RELEVANCE AND RESULTS



As BRAC crosses the 50 year landmark, the foundational resource to drive its future journeys remains the same - a sense of mission that was both the initial spark forged in the cyclone-devastated Bhola in 1970, and a recurring thread in BRAC's subsequent journeys.

Technocratic discourse of development often misses the fundamental significance of this key ingredient. The sense of commitment is why we are in the development work in the first place. Even in the closing months of his life, Abed *bhai's* focus was indeed on BRAC, the institution, but it was even more so on reinforcing the sense of mission that gave meaning to the institution.

In the preceding 40 years, BRAC stamped its footprints in multiple areas. These were not random choices. Abed *bhai* always gave great importance to listening to the field. The logic was fundamental: if your conversations are not with those whose lives you are trying to improve, how will you know where and how best to focus your attention and energy?

Anti-diarrhoeal innovation and immunisation in the 1980s were goals in their own rights, but these upended the reasoning heard from rural women: that they went for six or seven children in the expectation that at least a few would survive. The decline in child-bearing burden for women set the stage for their own opportunities to engage in economic roles, boosting the potential for women's empowerment.

In the 1990s when the state pushed for compulsory primary education, village-level discussions revealed that formal education was inaccessible for children living in poverty. This is where BRAC triggered a new frontier of non-formal education.

Abed *bhai* was an attentive listener not only to the field but also to new research. He looked both inside BRAC and outside for insights. On multiple occasions, Abed *bhai* told me how he picked up useful insights from the poverty research I was leading in the 1990s, to open new programme fronts on extreme poverty. These were

designed to reach people who were being bypassed by microcredit, and people who had graduated from poverty but could not access institutional finance. Under his guidance and the dedicated efforts of BRAC's staff, the Ultra-Poor Graduation programme and BRAC Bank have gone on to become signature achievements addressing these two critical groups. BRAC's foray into social enterprises, too, emerged from the intense interactions with rural artisans who had skills but little access to remunerative markets.

As we cross the 50 year milestone, the urgency to remain relevant to the priorities of people who are the furthest behind in today's circumstances is as compelling as ever. New challenges - and opportunities - loom. Urbanisation. Climate change. Youth. Agriculture.

I am sure other challenges will manifest themselves. Before his passing, Abed *bhai* pointed towards an emerging challenge reinforced by the pandemic - mental health. How perceptive Abed *bhai* was.

If commitment and relevance have been two of BRAC's foundational resources, the third in my view is the concern for worthy results. The sense of mission that Abed *bhai* ignited is not merely about declarative intentions. BRAC's focus has consistently been on generating beneficial, measurable and sustainable outcomes for the millions of people BRAC works with.

Hold on to the sense of mission. Prioritise listening to the field. Be concerned about impact and results. The challenge of changing the fate of millions of vulnerable people is nowhere near the end.

### DR HOSSAIN ZILLUR RAHMAN

Chairperson  
BRAC



# WE HAVE NEVER FACED BIGGER CHALLENGES, BUT WE HAVE NEVER BEEN MORE READY

Bangladesh turns 50 this year. It's been half a century of hope, resilience and hard work. The country has seen tremendous progress - spearheaded not just by the country's leaders, but by the lesser-known contributors - women, the farmers and the workers in the garment sector. The story of the rise of Bangladesh is the story of its people.

It goes without saying that BRAC's genesis is deeply rooted in Bangladesh's independence. As BRAC celebrates its 50th, we are reflective of 50 years of working towards everyone having the same opportunity to realise their potential. There is a lot to celebrate from the past but many challenges loom large ahead.

Two years of COVID-19 set back years of progress made in addressing systemic inequalities. Access to basic education, healthcare and other services has improved, but people continue to struggle to break out of intergenerational poverty. Education is often unable to provide employable skills to graduates. Money spent on healthcare is not able to provide quality treatment, and families are being pushed into poverty because of high out-of-pocket expenses. The increasing impacts of climate change are uprooting lives, land and livelihoods, causing large scale displacement and deepening poverty. Gender equality remains an unfinished agenda.

The last five decades have been transformative in many ways - women have come out of their

homes, got themselves educated and joined the workforce in huge numbers, but some stories have not changed. The woman who leaves an abusive marriage with responsibility for all the children and no legal protection; the woman whose husband has a premature stroke and who is left with the entire liability for the family; the young girl who is raped and waits for years for justice to be dealt to the perpetrator, knowing it will likely never happen.

"I have seen many defeated men but I have never seen a defeated woman", said our founder once. These women are also not defeated. They just need that extra skill and confidence that someone is there rooting for them. Someone telling them - "*Apa, apni parben*" (sister, you can do this)! That's where the BRAC *apas* and *bhais* came in with such effectiveness, providing the tools people need to turn their lives around.

Continuing the upward trajectory of social development will require holistic efforts, strong partnerships and agile programming. We will need to listen even closer to what is happening on the ground, supporting people and communities as they go ahead, organise and make change - the BRAC way.

The last 50 years of work has positioned us well for the future. New programmes and pilots in early childhood development, skills and youth employment are gaining worldwide attention. Innovative financing mechanisms are being developed for a holistic approach to climate change adaptation. Graduation programming is being



contextualised to respond to climate change, urban poverty and disability.

BRAC's work is evolving to adapt to emerging social challenges, such as embedding mental health screening and referral into primary healthcare, harnessing the power of community to accelerate education and programming in the humanitarian-development nexus to respond to protracted crises.

We still have a long way to go to establish a just and equal society where everyone can realise their full potential. It will take all of us to get there, more so than

ever in this era of rapid change. BRAC will not deviate from this journey. We have half a century of insights now, and we will be doubling down on our efforts. We have never faced bigger challenges, but we have never been more ready.

A handwritten signature in black ink, appearing to read 'Asif Saleh'.

**ASIF SALEH**  
Executive Director  
BRAC



# SOCIAL ENTERPRISES: ENSURING EVERYONE IN BANGLADESH CAN SHARE IN THE NATION'S PROSPERITY

Bangladesh's story is a story of investing in human potential. One of the world's poorest nations at birth and extremely vulnerable to natural disasters, Bangladesh has managed to outperform its neighbours in many socioeconomic indicators by harnessing people power.

A key reason for this is the symbiotic relationship between the government, private sector and non-government organisations. As one of those non-government organisations, BRAC has grown up with Bangladesh, and as we reflect on Bangladesh's 50th this year, we look forward to BRAC's 50th in the coming year.

BRAC has played a role in much of Bangladesh's social development, particularly in fields such as education, health, poverty reduction, child and maternal mortality and women's economic and social empowerment. BRAC's social enterprises have also played a significant role in many sectors of Bangladesh's economy.

BRAC's approach to tackling the country's social challenges has always combined development programming with enterprise models. By the time social enterprises started to get global recognition, many of BRAC's social enterprises were well-established leaders in their respective markets.

BRAC's sericulture project supported women living in rural areas to produce high quality silk from the 1970s. This was followed by other traditional craft products, particularly those disappearing

from production such as *nakshikatha* (intricate embroidered patterns weaved on cotton depicting the stories of women's lives). Operations particularly focused on areas with few livelihood opportunities. Aarong was established to create market linkages to sell these products. In the years following, Aarong has become the country's biggest lifestyle brand, playing a key role in bringing craft into mainstream fashion, attracting consumer interest towards locally-made products and bringing Bangladesh's rich craft heritage to the world - all while supporting over 65,000 artisans.

Bangladesh quadrupled food production in the last five decades, to the point where it is now close to self-sufficient. BRAC's social enterprises played an important part in this.

Starting in 1972, BRAC has ensured farmers have access to quality agricultural inputs, technical advice and support, soil testing facilities and sustainable production technologies. In addition, since 1996 it has developed, produced and marketed high-yielding hybrid varieties of rice, maize, potato and vegetables. BRAC Seed and Agro is the largest private sector seed producer in the country, and 2 million farmers now grow



220,000 hectares of crops using BRAC's seeds. BRAC's cold storage enterprise further supports potato farmers with storage facilities, to ensure steady, year-round potato supply.

BRAC's social enterprises played a pioneering role in introducing the poultry and feed industries. Millions of women joined BRAC's poultry programme, while millions more started their own poultry enterprises at home through BRAC's supply of day-old chicks across the country. BRAC Feed was quickly started, to produce millions of tonnes of poultry feed to support this. Broader than these contributions, however, was the development of industries in these two sectors - in 1984 there was only one small government hatchery and in 1994 there were no feed mills. Just a few decades later, Bangladesh has over 80 feed mills and over 130 commercial hatcheries.

BRAC's social enterprises also helped to grow the fisheries and dairy industries. BRAC Fisheries equipped and supported people to engage in aquaculture and harness the potential of Bangladesh's ponds for commercial fish farming, by ensuring access to quality fish spawn in rural areas. BRAC Fisheries is now the market leader for all of the products it offers, as well as the leading wholesale fish food supplier in regional markets. When dairy farmers, who often purchased cows through microfinance loans, faced the challenge of keeping their milk fresh until they could get it to market - and struggled to get decent prices for it even when they did get it to market, BRAC Dairy was created. Now processing 140,000 litres of milk per day from 50,000 farmers, it has grown to be the country's third largest milk processor, with operations spanning the entire dairy value chain.

BRAC Artificial Insemination, which now covers 33% of the AI market, ensures 850,000 farmers have access to high-quality cattle breeds and trains farmers on caring for the general health of their cows.

As Bangladesh propels itself to middle-income status, the significant contribution social enterprises have made to development, and their potential to contribute to future development, cannot be overlooked. Traditional grant-based models of development will need to evolve into a sustainable mode of service delivery, and, from BRAC, there will be a strengthened focus on social enterprises to address new and evolving challenges in sectors such as health, environment, education and skills. As the climate changes, social enterprises will also have a role to play in supporting people to transition to climate-resilient livelihoods.

Bangladesh is well past the war-torn struggles of 1971. It is one of the world's fastest growing economies and aspiring to attain middle-income status in the coming decade. Social enterprises can play a key role in enabling sustainable growth, and ensuring that everyone in Bangladesh is able to share in the nation's prosperity.



**TAMARA HASAN ABED**

Managing Director  
Enterprises, BRAC



# BUILDING A WORLD WE WANT

The idea behind BRAC is to change systems of inequity. We act as a catalyst, creating platforms for people to realise their potential. We were born in Bangladesh and are almost self-sustainable in Bangladesh through our own network of social enterprises and investments. We now operate in 10 countries across Asia and Africa.



## SOCIAL DEVELOPMENT

Facilitating social transformation through eight programmatic priorities:

Eliminating extreme poverty, expanding financial choices, employable skills for decent work, climate change and emergencies, gender equality, universal healthcare, pro-poor urban development, investing in the next generation.



## HUMANITARIAN RESPONSE

Responding to natural and manmade disasters across the country and providing comprehensive services to Rohingya and host communities in Cox's Bazar.



## SOCIAL ENTERPRISES

Solutions for social challenges and surplus for greater impact: Initiatives that engage individuals, micro and small enterprises as suppliers, producers, and consumers.





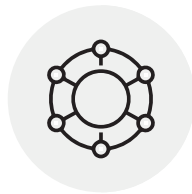
## INVESTMENTS

Socially responsible companies that assist us in our mission. Our network of investments helps us strive towards the goal of self-sustainability.



## BRAC UNIVERSITY

Creating a functional elite responsive to the needs of the whole of society. This includes providing the tools required in health, education, governance, and business to change systems of inequity that keep people trapped in poverty and discrimination.



## STICHTING BRAC INTERNATIONAL

Set up as a non-profit foundation in the Netherlands to govern and manage all BRAC entities outside Bangladesh, except for our affiliates. The entities are legally registered with relevant authorities in compliance with all applicable legal and regulatory requirements.



## AFFILIATES

### BRAC USA

The North American affiliate of BRAC. BRAC USA provides comprehensive support to BRAC around the world by raising awareness about its work and mobilising resources to strengthen programmes.

### BRAC UK

The European affiliate of BRAC. BRAC UK works to raise resources for BRAC programmes in Africa and Asia by developing partnerships with local and global organisations, donor agencies, academic and research institutions, and governments.

# VISION

A world free from all forms of exploitation and discrimination where everyone has the opportunity to realise their potential.

# MISSION

Our mission is to empower people and communities in situations of poverty, illiteracy, disease, and social injustice. Our interventions aim to achieve large scale, positive changes through economic and social programmes that enable men and women to realise their potential.

# VALUES

Integrity

Innovation

Inclusiveness

Effectiveness





# SAFEGUARDING IN BRAC AND BEYOND: 'SHONGJOG'

Safeguarding practices have been embedded in BRAC's initiatives since the start of the organisation. In 2019, a journey began to further strengthen the practices, by incorporating its safeguarding standards across different organisational and programmatic aspects. This was in accordance with the six broad pillars of the BRAC Safeguarding Framework: safe governance, safe people practices, safe partnering, safe programming, safe risk management, and safe reporting.

BRAC now has safeguarding in its overarching policies, guidelines, ongoing training and awareness initiatives, safe recruitment policy and systematic safe people practices, programme design checklist, safeguarding risk assessment and mitigation process, due diligence assessment of partners - which are all effectively embedded in programmes and departments. Most importantly, a robust reporting and response mechanism, including a 24/7 helpline centre, is now actively functioning.

The current focus is on decentralising the safeguarding responsibilities in the field level, by creating a group of 'Shurokhha Bondhu' (selected individuals who will drive safeguarding principles in their respective programmes, departments and social enterprises) in the district levels. Alongside, strengthening community safeguarding

awareness is a major target for 2022, with the aim to improve standards of safeguarding practices and behaviours, and inform individuals on the reporting and response mechanisms.

In the safeguarding complaint or case management process, it is crucial to respond to the complainant or survivor. BRAC has been practising a survivor-centric approach and maintaining gender-based violence case management standards for addressing any safeguarding incident. To ensure that survivors receive necessary support, BRAC is going to introduce a 'referral linkage' support for survivors.

Using a census method, BRAC has conducted local service mapping to collect information on all the necessary services with regards to safeguarding issues. This mapping system has now been included in an app named 'Shongjog' (meaning 'connectivity'), which is an open resource for all.



**The Shongjog app includes** medical or health-related services, legal services, psychosocial services, safe shelter homes, information of police stations, among other services.

Shongjog has been created to bridge the gap between survivors and service providers, by connecting survivors to information and services designed to assist them in recovering from their traumatic experiences. It consists of consolidated information and referral pathways across **61 districts and 435 upazilas**. The database is available for everyone to use on their own or on behalf of someone else they want to support. The app has a crowd-sourcing option, for suggestions on relevant service information to be included or updated, as necessary.

## Way forward

Shongjog will help establish a more efficient reporting and response mechanism in terms of referral linkage between service providers and service seekers.

More initiatives will be taken to strengthen the necessary referral linkages, creating connectivity and cooperation among the service providers to ensure rapid and quality support.

We hope that these collective efforts will enable safeguarding practices, establish a culture of mutual respect and care, and ensure a safe environment for all.

# BRAC ACROSS THE WORLD



## USA

Initiated: 2007  
An independent charity to raise profile and funds for BRAC globally



## UK

Initiated: 2006  
An independent charity to raise profile and funds for BRAC globally



## SIERRA LEONE

Initiated: 2008  
AFSL, Health, MF, YE



## RWANDA

Initiated: 2018  
MF



## LIBERIA

Initiated: 2008  
AFSL, Education, Health  
MF, UPG, YE



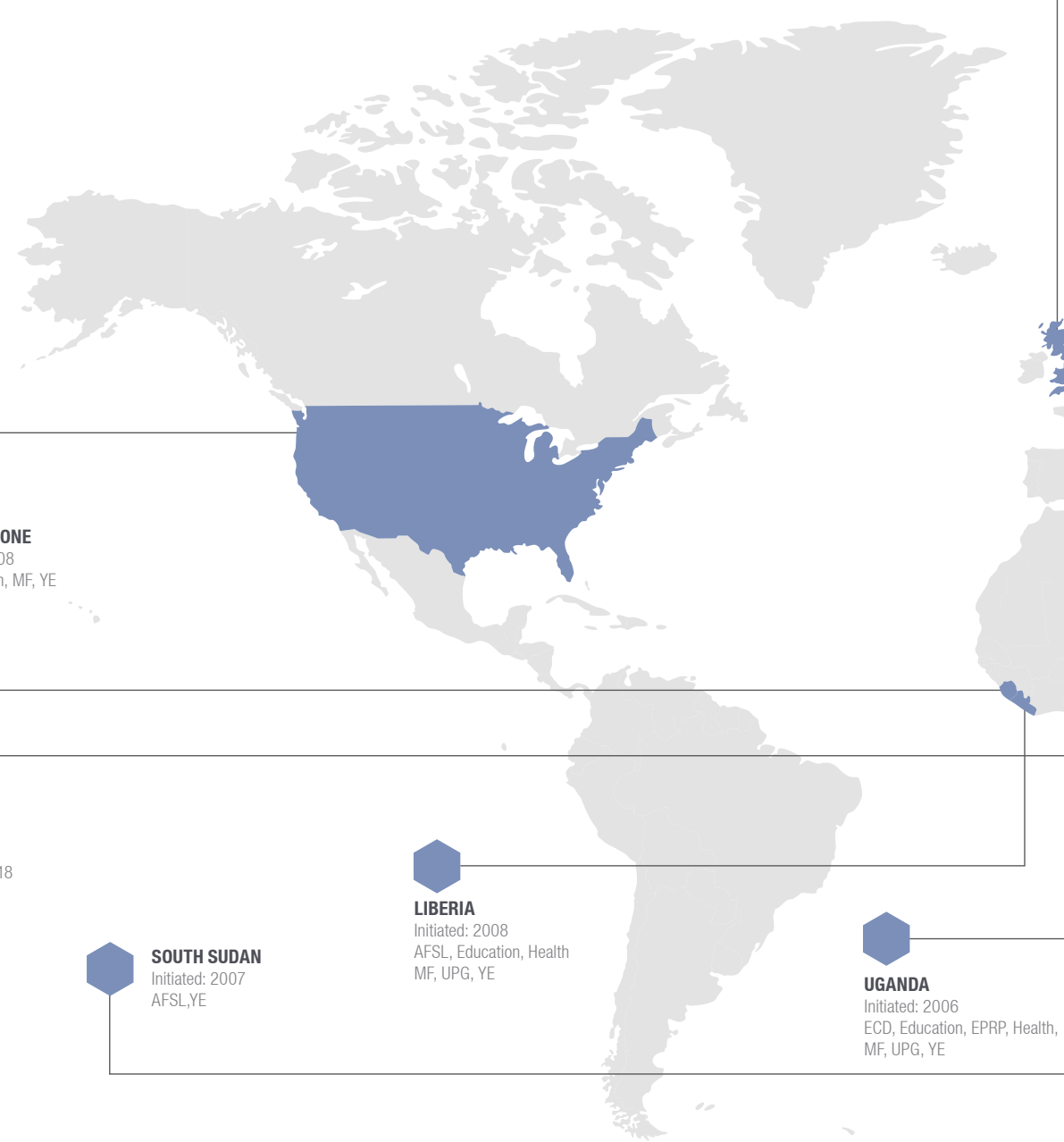
## SOUTH SUDAN

Initiated: 2007  
AFSL, YE



## UGANDA

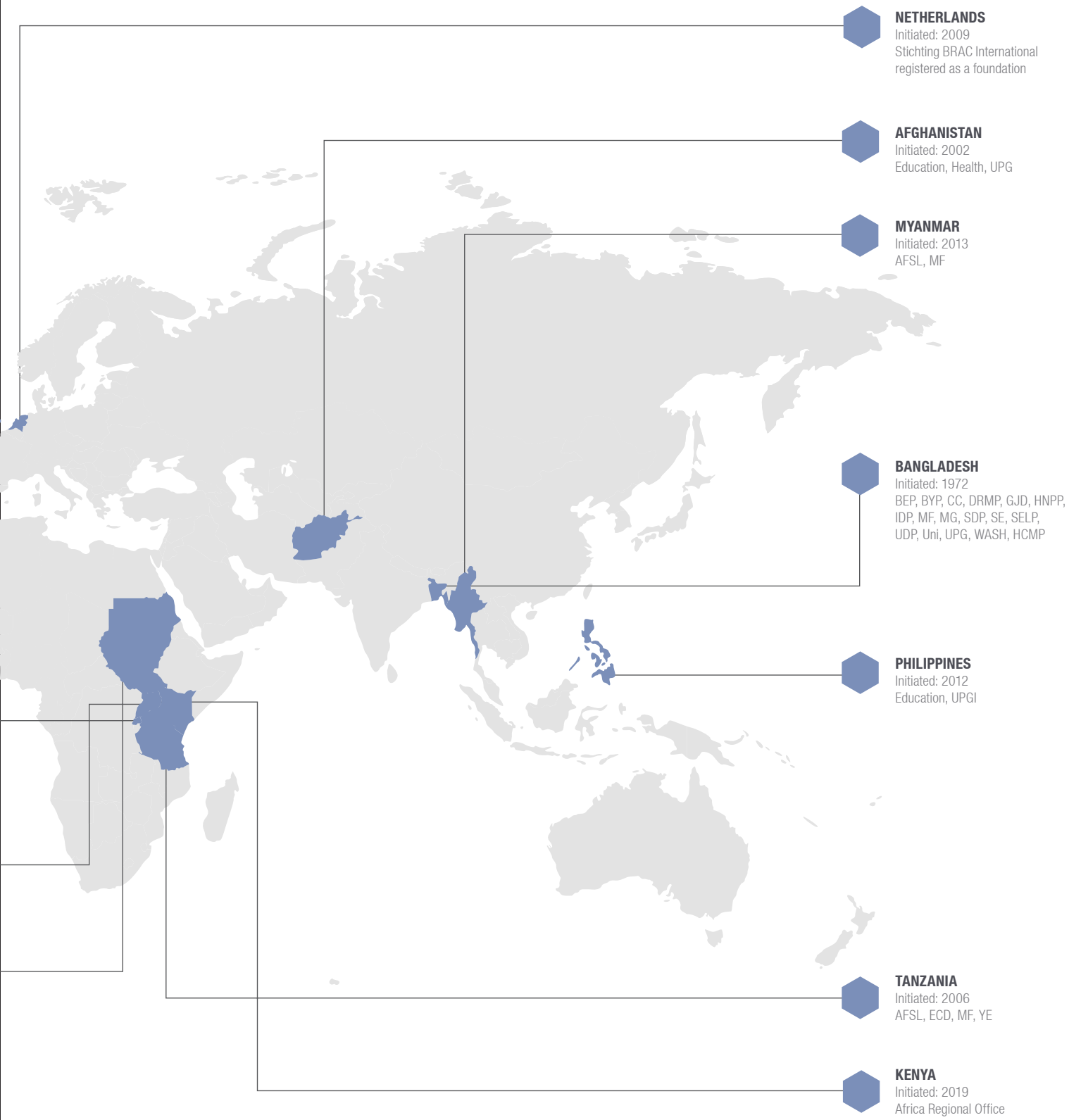
Initiated: 2006  
ECD, Education, EPRP, Health,  
MF, UPG, YE

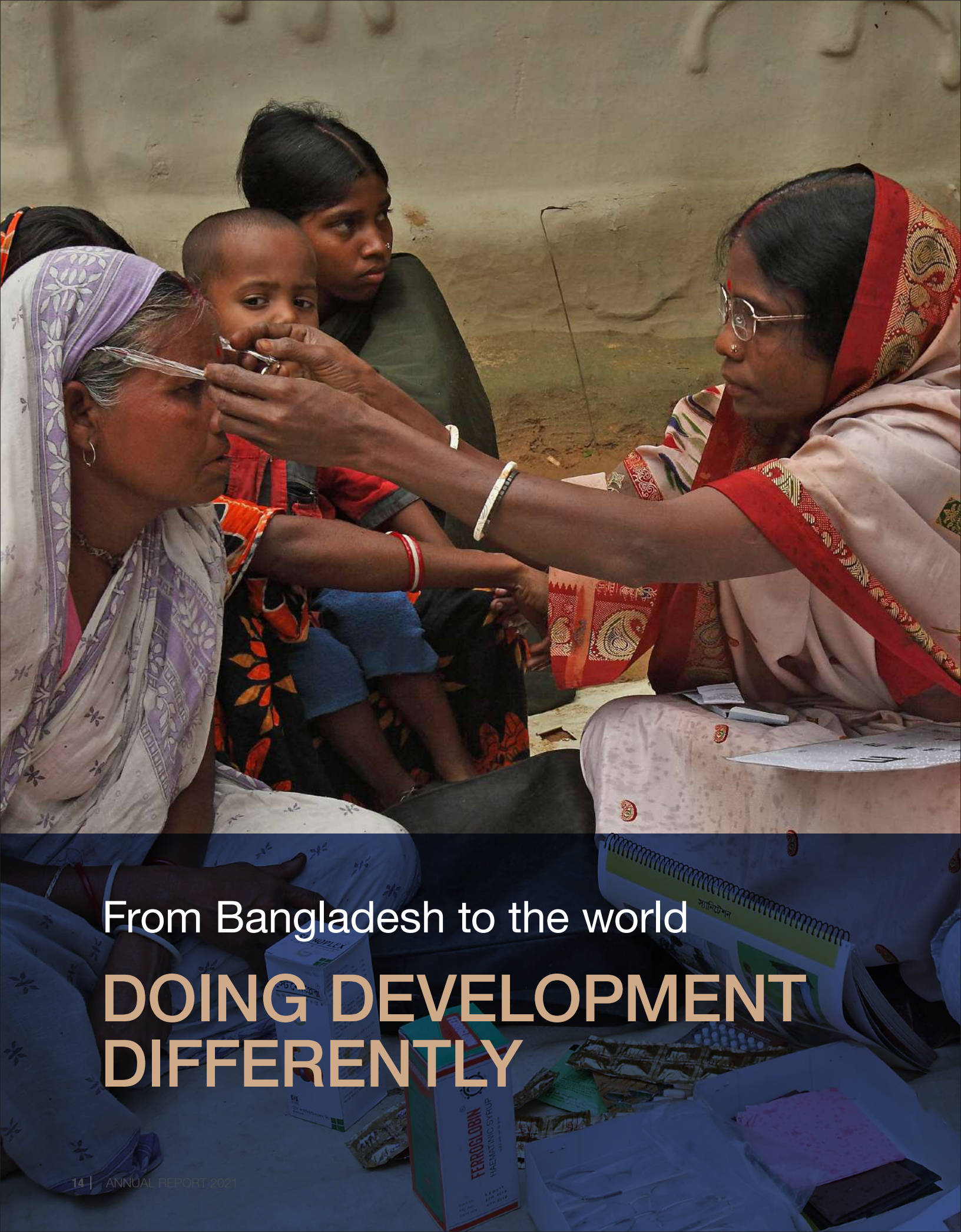


**AFSL:** Agriculture, Food Security and Livelihood  
**BEP:** BRAC Education Programme  
**BYP:** BRAC Youth Platform  
**CC:** Climate Change  
**DRMP:** Disaster Risk Management Programme  
**ECD:** Early Childhood Development  
**EPRP:** Emergency Preparedness and Response Programme

**GJD:** Gender Justice and Diversity  
**HNPP:** Health, Nutrition and Population Programme  
**HCMP:** Humanitarian Crisis Management Programme  
**IDP:** Integrated Development Programme  
**MF:** Microfinance  
**SE:** Social Enterprises  
**SELP:** Social Empowerment and Legal Protection

**SDP:** Skills Development Programme  
**UDP:** Urban Development Programme  
**Uni:** University  
**WASH:** Water, Sanitation and Hygiene  
**UPG:** Ultra-Poor Graduation  
**UPGI:** Ultra-Poor Graduation Initiative  
**YE:** Youth Empowerment





From Bangladesh to the world

# DOING DEVELOPMENT DIFFERENTLY



# 25 southern development approaches from BRAC

## Village organisations

Uniting people for collective power



Remote communities face common challenges globally - lack of access to information, services and opportunities, unreliable communication and limited market linkage.

In 1977, BRAC began working with communities in rural areas across Bangladesh to form village development organisations. These organisations are governed by people from the community and act as a single point for information and services. Members hold regular meetings, receive training on social issues and come up with collective solutions. Members save money collectively, enabling members to take out collateral-free loans.

The organisations are an engine for rural development, increasing solidarity and uniting people to have the power to collectively tackle challenges, improving access to services and generating employment by increasing the amount of money circulating in the community.

The model has been scaled up in six countries.

## Para-professionals

Unlocking the agency of people in their own communities



Globally, there is a shortage of professionals, especially in critical roles like psychologists - and particularly in remote areas. People can be brought in from cities, but this is an expensive, short-term solution that requires a lot of time before professionals understand the community.

To tackle this, BRAC trains hundreds of thousands of people, mostly women, to work as para-professionals. These people, in roles like para-counsellors, legal aid providers and veterinarians, take BRAC's work to the last mile in their own communities. They deliver knowledge, offer products and services, and link people with other providers.

It's an affordable long-term solution with significant added benefits - para-professionals have lived experience of the challenges faced in their communities, and ownership of solutions.

The model has been scaled up in ten countries.

## Community-led healthcare

Bringing health to every household



Bangladesh's healthcare landscape in the 1970s was stark. One in five children in Bangladesh died before their fifth birthday, women had six children on average and adults were expected to live for just 46 years.

BRAC's answer was to support the national healthcare system with an affordable, community-driven healthcare network. Women, trained as health workers, travelled door-to-door in their own communities, armed with knowledge, diagnostic tools and referral networks, earning a small profit from selling products. The network was supported by specialists, such as midwives, and a range of facilities, such as maternity clinics.

Today, 97% of children live to the age of five, women have two children on average and adults are expected to live for 72 years.

The model has been scaled up in six countries.

## Credit plus plus

Looking beyond microfinance to support people to transform their lives



Microfinance provides financial services to people who cannot access traditional banks, typically because of remoteness, lack of collateral or lack of service by banks - because loan amounts are small and transaction costs are high.

Microfinance is only part of a solution, however - and must be combined with other services for people to improve their lives.

The first 'plus' is creating markets, so a woman who buys a cow has a way to sell the milk it produces. The second 'plus' is providing services like education and healthcare, to support her to build her resilience and drive intergenerational change.

The model has been scaled up in seven countries.

## Adolescent development programme

Putting girls back in charge of their lives



Every second girl in Bangladesh is married before her 18th birthday, putting her at risk of never being able to realise her full potential.

In the early 1990s, safe spaces for girls were scarce, so classrooms transformed into after-school clubs, where girls, especially those who dropped out of school, could continue learning.

9,000 *kishori* (adolescent girl) clubs across Bangladesh provided over 300,000 girls with the space to be themselves, and work on becoming whatever they wanted to be.

Clubs were walking distance from girls' homes, and run by trained mentors - women from the community - who taught life skills, sports and the arts, and encouraged girls to read.

These clubs produced women who went on to compete internationally, and the model has been adapted in six countries.

## One-room schools

Reimagining education for millions of children



Two out of five children of primary school age in Bangladesh were not in school in the early 1980s. Of those enrolled, half dropped out.

Schools were far away, and often interfered with vital chores or harvest seasons. Male teachers made parents with young daughters worry.

BRAC's one-room school model reimagined education, addressing the reasons students dropped out. Schools were brought to students, through renting rooms in communities. School was free, materials were provided and learning was joyful, with no homework and flexible class times. Classes were run in cohorts; the teacher was a woman recruited and trained from the same community, who worked with the same group of students for all their classes.

The model brought education to 15 million students, was adopted by the government and scaled up in six countries.

## Gender equality at every level

Investing in women as catalysts of change



When women have better access to basic services, the effects go far beyond a single individual.

Women make better lives for themselves, and then multiply that impact by improving the lives of their families, the people around them and, eventually, changing the trajectories of whole communities.

Women equally being involved in decision-making results in more cohesive, peaceful communities. The challenge is that their voices - particularly those living in poverty - often go unheard.

BRAC works to shift attitudes and practices to expand opportunities available to women, develop and mainstream approaches to strengthen confidence and skills, and build enabling environments.

Women are the backbone of all BRAC's programming and at the centre of every intervention, in roles like para-professionals, programme participants, clients, artisans and entrepreneurs.

This approach is adopted in ten countries.

## Sharecroppers scheme

Finance to match harvesting seasons



Sharecropping is cultivating crops on land belonging to other people. It is often done by farmers who do not own land, who then share the harvest with the landowner.

Sharecroppers need capital at the start of the season. They lack collateral, so banks won't lend. Microfinance has monthly repayments, and there is no profit until harvest. Their only choice is *mahajans* - informal lenders - who charge high interest, demand full repayment and some of the harvest.

One bad harvest can mean years of debt.

With support from the central bank, BRAC launched the first collateral-free loan, with 10% annual interest, in 2009. One-third of the loan is repaid initially. The remaining two-thirds are repaid after two harvest seasons. If a harvest fails, there is flexibility to recover.

## Graduating from extreme poverty

Investing in the power of hope



Extreme poverty is more than a lack of finances. Over time, it turns into a lack of hope, and a lack of belief in one's agency and ability to change their own life.

BRAC introduced the Graduation approach in 2002, when it was realised that existing programming was not reaching people in extreme poverty.

Graduation is now a globally recognised approach to equip people to move out of extreme poverty towards self-sufficiency. It is a time-bound pathway comprising income generation, social protection, financial support and social empowerment - with a key focus on supporting people to rebuild hope.

93% of graduates in Bangladesh continue to benefit seven years after graduating, and 14 million people have graduated through adapting the approach in 50 countries.

## Play Labs

Harnessing the power of play for learning and healing



90% of brain development occurs during the first five years of life. Focusing on the early years is essential to realising potential later in life.

BRAC Play Labs harness the power of play to build wellbeing, resilience and positivity in children aged 3-5 years.

Research shows Play Labs achieve the greatest challenge in early childhood development - over two years, they reduce performance gaps to the point where the least privileged children can enter kindergarten as well-prepared as the most privileged.

Play Labs operate across Bangladesh, Uganda and Tanzania, and have been adapted to create BRAC Humanitarian Play Labs, which operate in the Rohingya camps in Bangladesh, and the Rhino refugee camp in Uganda.

## On-the-job apprenticeships

Modernising tradition to meet a growing skill gap



Two out of five people aged 15-24 in Bangladesh are not in employment, education or formal training.

To bridge this gap, BRAC connects young people who have dropped out of school with master craftspeople. They are paid a stipend and work in pairs with the master craftspeople in their workshop for six months through an on-the-job apprenticeship model. Apprentices learn one of 25 trades, mapped to local demand, plus soft skills to enhance employability.

Master craftspeople also receive stipends, and training on topics like gender rights, disability inclusion and occupational health.

30,000 apprentices have graduated (59% women and 10% persons with disabilities and transgender). Among them, early marriage has reduced by 62% and household incomes have increased six-fold. 95% of graduates continue working or set up their own businesses.

## Community-based safe sanitation

A community-based approach to achieve zero open defecation



1.6 million people die every year globally because of poor hygiene and sanitation.

Bangladesh has made remarkable progress in sanitation - open defecation has reduced from 34% to almost zero over the past two decades.

A key to this success was reducing the gap between hygiene knowledge and practice. The government launched a national campaign to do this and BRAC supported the efforts by taking the campaign to the community level, through community mobilisation and forming community-level WASH committees. This was supported by activating market forces - starting rural sanitation centres which sold sanitary construction materials and supporting people to become sanitation entrepreneurs.

The work grew to become the largest WASH programme anywhere managed by an NGO and 39 million people received access to hygienic sanitation.

## Evidence-based development

Frontline insights combined with research



BRAC staff and volunteers are from the same communities they work with, and always connected to the realities on the ground. The frontline insights from this lived experience are the most important evidence.

Supporting this, is rigorous monitoring, evaluation and research. The Research and Evaluation Division was established just three years after inception - in 1975 - and evolved as BRAC grew, both to ensure work is evidence-driven and that learning is captured to share nationally and globally. This focus on research and learning has spawned many initiatives, including the establishment of BRAC University.

Work and evidence run parallel - evidence informs BRAC's work, and the work informs the areas in which insights and research are needed. Work takes into account best practices from the globe, as well as increasingly informing the globe of best practices from the south.

## Linking development with markets

Sustainable impact through entrepreneurial programming



BRAC combines development thinking with market forces.

Too often business looks at the base of the pyramid and sees millions of potential consumers. In doing this, it misses out on the opportunity to tap into their creativity, engage them in productive livelihoods, and link them to markets – or to create new ones.

BRAC sees people in poverty as active contributors to economic growth and equips people across all its work to emerge as micro-entrepreneurs, artisans and social service providers.

This entrepreneurial programming approach has led to sustainability of impact, as people become self-reliant, and the creation of multiple social enterprises. In Bangladesh, Aarong Dairy, for example, links farmers who often have just three cows each to otherwise inaccessible markets; it now makes up one-third of the nation's dairy market.

## Food security

Creating value chains to support agricultural production



Bangladesh needed to produce three million more metric tonnes of food in 1972. Widespread hunger was causing chronic malnutrition, leading to child stunting and poor maternal and child health.

BRAC's approach was multi-pronged - broadening awareness about the importance of nutrition, expanding access to microfinance in rural areas, educating people on leasing land for farming, and ensuring people had access to high quality inputs and market linkages so they could make a livelihood from farming.

To support this, work was then done at the macro level - research and development, participatory demonstration, extension services, technology innovation and building value chains to make markets work for people living in poverty, which spawned a network of social enterprises.

The model has been adapted in six countries.

## Aarong

A livelihood platform for artisans



Bangladesh is a country of rich craft traditions. For years it produced the finest muslin in the world - a fabric so light it was called 'woven air'. By the early 20th century, however, many craft traditions had been lost - and more were disappearing every year.

Artisans sold their crafts through buyers who took most of the profit. Retailers were few and scattered, and only paid when products sold, meaning artisans - mostly women living in poverty in rural areas - could wait months to be paid.

Aarong was started to make craft into a viable livelihood, and, through that, preserve heritage. Artisans were paid when products were made. While importing goods rose in popularity, Aarong grew demand for local fashion, home and gift products, fusing tradition with modern designs.

Decades later, Bangladesh's crafts are world heritage listed and demanded globally.

## Humanitarian-development nexus

An approach for protracted displacement



The nature of crises is changing globally, with climate change and conflict increasingly leading to protracted displacement. To respond, we must merge short-term humanitarian response and long-term development approaches.

Bangladesh welcomed almost one million Rohingya fleeing violence in Myanmar in 2017. BRAC is the biggest civil society responder, providing multi-faceted, holistic services to both Rohingya and host communities.

Urgent humanitarian needs such as shelter, healthcare and hygiene were the initial focus. As the crisis prolonged, the focus shifted from mass scale short-term relief to localised, targeted, long-term approaches to equip people to work towards self-reliance. Five years on, while still responding to incidents like natural disasters, BRAC's work includes development approaches to meet needs like livelihoods, mental health and social cohesion.

## Local solutions

Solutions that work because they are from the ground



In the early 1980s, poultry farmers in remote areas needed vaccines for their chickens, and those vaccines needed to be kept cold.

Refrigeration was expensive and rarely available. Bananas, however, weren't.

They were tiny, free, available everywhere and the flesh was just cool enough - and provided an added benefit of cushioning against breakage. Thousands of farmers were saved from catastrophic losses.

Our pragmatic solutions come from deeply understanding the unique challenges that every community faces, through the lived experiences of our staff who are from the same communities.

'Banana immunisation' is just one example.

BRAC has established a southern approach of development - the work starts in communities, with the belief that the people closest to the challenges are the closest to the solutions.

## Built to last

Community-led housing



Bangladesh is among the most densely populated countries in the world. In 1974, 8% of the population lived in urban areas. Today that is 40% of the population, and it is expected to reach 50% by 2050.

33% of the people in urban areas live in makeshift shelters. Safe homes are crucial to escaping poverty, but people do not have the capital to invest in them.

To break this cycle, BRAC introduced a community-led housing financing model. Community leaders mobilise a capital fund from member contributions and external grants to provide their members with loans to build houses, starting with people in the most need. Communities manage the funds, and houses are constructed with local labour, to local conditions, with local materials, using climate-resilient designs - so they are affordable, and built to last.

## Functional education

Can a tiger build a house?



Illiteracy was a significant challenge among adults in Bangladesh in 1972. This was an important factor in terms of vulnerability - an inability to read could result in being tricked into selling an asset at a low price or signing a contract without understanding it.

BRAC's functional education programme began in 1973, with a curriculum comprising literacy, numeracy and life skills. It also focused on building confidence - facilitators encouraged people to analyse their environment, self-reflect and focus on their abilities. One of the early realisations in a class was that, given access to the resources, they could all build a house - giving them an ability that even the famed Royal Bengal tigers didn't have.

## Technology adoption

Data-driven decision-making



BRAC started scaling up its operations early on, and technology quickly became a powerful enabling force - to ensure efficiency, overcome the challenges of distance, reduce time in administrative duties and inform decision-making.

The BRAC Computer Centre was established in 1985, and the automation of key data processing functions significantly improved the efficiency, transparency and reliability of BRAC's early development initiatives.

With thousands of employees working with millions of people in remote areas, technology adoption continued until a strategic decision was taken to digitise all operations in 2016. This produced significant benefits during COVID-19, enabling data-driven decision-making at all levels inside BRAC and nationally, and informing the creation of telehealth, slum mapping and relief distribution apps, and real-time, data-informed awareness campaigns.

## Community and travelling libraries

Bringing books to everyone



Three million people have engaged in reading through BRAC's libraries across Bangladesh.

*Gonokendro* (community libraries) were a bridge to the rest of the world for many remote villages for years. They burst with books, magazines and films, and were managed by locally-recruited librarians. These self-financed spaces offered training, encouraged cultural activities and explored the arts. They were the reason many women who did not go to school would become readers.

BRAC's mobile libraries were created to go to those unable to access the community libraries. Rickshaws and boats carried a set of abridged versions of Bengali literary classics, and would set up outside a house with a large *uthan* (yard), spreading out a large mat for people to sit on and read.



## Popular theatre

Community-led entertainment



Bengal has always had a love of performing arts - poetry like the famed *kobi gaan*, and narrative folk music like the catchy *panchali* and *poter gaan* (songs about myths, performed with painted mats). Social, political, environmental and spiritual messaging was often embedded in performances.

In the 1980s theatre became a tool for development in Bangladesh. BRAC followed this trend, using theatre to create awareness and generate dialogue on issues in communities, but with a twist - the theatre is led entirely by the community.

Rather than performing pre-determined shows, each play explores one theme identified by people from the community. Instead of actors, the people on stage have no prior theatre experience, are from the community they perform in, and have lived experience of what they were performing. All shows are performed in the local dialect, and performers receive a stipend.

232,000 of BRAC's popular theatre shows have been performed throughout Bangladesh, attended by over 77 million people.

## Polli Shomaj

Women making space for themselves at the table



Women being equally involved in decision-making results in more cohesive, healthy, peaceful communities.

To accelerate that, BRAC supports women to organise themselves through *Polli Shomaj* (community-driven women's networks) in villages across Bangladesh.

Polli Shomaj members are from all walks of life - mothers, students, local elites. Meetings are informal, but are the basis of powerful local action.

Members play active roles to support their communities across a wide range of areas - tackling natural disasters, influencing local government decisions, and countering gender-based violence. Women gain networks, self-belief and first-hand experience in influencing the trajectory of their community.

Research shows that members are significantly more likely to be politically active than non-members. Since 2002, over 9,000 members have contested local elections, with almost 3,000 being elected.

## Boat schools

Bringing classrooms to where children are



Bangladesh is a country of rivers. Much of the land is wetlands (*haors*) that stay submerged under water for half of the year.

BRAC's boat schools were introduced with a simple philosophy: if children cannot get to schools, schools will go to them. Painted bright pink and equipped with solar panels, the boats function as both classrooms and school buses, following a set route to collect children from their homes and return them after school.

Boat schools mostly operate in the wetlands, where primary enrolment and literacy rates lag far behind national averages.

Over 14,000 students in Bangladesh's remote wetlands region have accessed education through boat schools, and the model has been replicated in the Philippines.

# 2021 AT A GLANCE IN BANGLADESH



Almost **2** in every **5** people in Bangladesh received some kind of support from BRAC

**64.6** million people accessed health and nutrition services and received awareness, of which

**3.6** million are people with disabilities

**1** in every **3** people in Bangladesh reached with awareness on COVID-19 prevention, while

**1** in every **8** people received masks

**1** in every **3** pregnant women in Bangladesh supported with antenatal care



**500,000** people accessed WASH-related services

**207,360** students accessed safely-managed drinking and sanitation facilities across 300 schools



**11.5** million people accessed financial services and awareness

USD **4.5** billion worth of total loans disbursed, reaching **5.4** million households

**1** out of every **2** confirmed malaria patients received treatment and **400,000** people tested for malaria in Chittagong Hill Tract region



**3** out of every **5** confirmed TB patients received treatment and **2** million symptomatic TB cases diagnosed and treated

**27%** of Bangladesh's urban population living in informal settlements accessed affordable housing and community infrastructure services

**860,000** people living in urban vulnerability supported with community infrastructure, housing support and awareness, of which **17,300** are people with disabilities



**200,000** households accessed enterprise training, livelihoods interventions, financial support and awareness, of which **282** are people with disabilities

**1.34 million** households accessed disaster risk reduction services and awareness, of which **121,500** are people with disabilities

**12,290** climate-vulnerable households accessed appropriate adaptive solutions and awareness to tackle impacts of climate change, including **35** persons with disabilities



**146,651** households living in extreme poverty reached with productive assets, climate-adaptive enterprises and loans to recover from COVID-19 shocks

**65,315** households graduated from extreme poverty, including **2,607** persons with disabilities



**190,000** children had access to education, including **5,506** learners with disabilities

Students from BRAC-operated schools comprise **2.5%** of the enrolled grade 5 primary students

**2.9 million** people engaged in income generating activities, training, psychosocial care and awareness on safe migration

**5,297** returnee migrants accessed psychological, social and economic reintegration services

**42,414** people accessed skills training and decent work initiatives, including **23,327** women and girls

**17,658** young people supported with improved access to employability and entrepreneurship training



USD **3.36 million** recovered for **14,553** survivors of violence, through alternative dispute resolution and court cases

**1.5 million** people accessed legal support and awareness, of which **1,023** are people with disabilities

# DEVELOPMENT PARTNERS

## GOVERNMENT ALLIANCES

BRAC has a long history of working in collaboration with the Government of Bangladesh. Our joint effort has significantly contributed to attaining many of the Millennium Development Goals. Below are the names of some of the Ministries and government units that we have been closely working with.

- The Prime Minister's Office
- Office of the President of Bangladesh
- Bangladesh National Parliament
- NGO Affairs Bureau
- Cabinet Division
- Ministry of Labour and Employment
- Ministry of Railways
- Ministry of Shipping
- Ministry of Water Resources
- Ministry of Women and Children Affairs
- Ministry of Youth and Sports
- Economic Relations Division
- National Human Rights Commission of Bangladesh
- Department of Haor & Wetland Development Board (*under Ministry of Water Resources*)
- Ministry of Social Welfare
- Health Service Division
- Bangladesh Police
- Bangladesh Bank
- Ministry of Education
- Ministry of Information
- ICT Division
- Ministry of Planning
- Dhaka North City Corporation
- Dhaka South City Corporation
- Roads and Highway Department

## STRATEGIC PARTNERS



Strategic Partnership Arrangement (SPA) is a partnership between BRAC, the Australian Government and the Canadian Government, based on shared goals, clear results and mutual accountability. BRAC, Australia's Department of Foreign Affairs and Trade (DFAT), and Canada's Department of Foreign Affairs, Trade and Development (DFATD) have been working together to tackle the key development challenges more effectively, efficiently, and collaboratively.

The third phase of the SPA spans from 2021-2025 and supports BRAC's overarching strategy to ensure economic recovery post-COVID-19, social cohesion of marginalised communities to retain the development gains achieved to date, and to support accelerated human development with the renewed focus back on meeting the Sustainable Development Goals with targeted and clustered programming, system strengthening and new model development. The SPA Partnership will also help BRAC to strengthen its organisational systems and sustainability, and seek to influence development practices in Bangladesh and globally through shared learning and advocacy.

Through SPA, BRAC has been able to reduce the transaction costs of aid and facilitate a greater focus on high-level outcomes rather than inputs. With the provision of core funding, the partnership enables BRAC to develop programmes to address the changing needs of the people of Bangladesh, build institutional capacity, and develop a more holistic and integrated response to poverty reduction and inequalities.

## MAJOR DONORS



The LEGO Foundation



## RESEARCH AND LEARNING PARTNERS



## Global Executive Management Committee



**ASIF SALEH**  
Executive Director  
BRAC



**SHAMERAN ABED**  
Executive Director  
BRAC International



**TAMARA HASAN ABED**  
Managing Director  
Enterprises, BRAC



**Jerome Oberreit**  
Executive Director  
BRAC Global



**TUSHAR BHOWMIK**  
Chief Financial Officer  
BRAC

## BRAC Bangladesh Senior Management Committee



**ARINJOY DHAR**  
Senior Director  
Microfinance  
BRAC



**KAM MORSHED**  
Senior Director  
Advocacy, Innovation & Migration  
BRAC



**MD. AKRAMUL ISLAM**  
Senior Director  
Communicable Diseases  
WASH, HCMP and IDP, BRAC



**MOHAMMAD ANISUR RAHMAN**  
Senior Director  
Enterprises, BRAC



**MOUTUSHI KABIR**  
Senior Director  
People, Culture and Communications  
BRAC

# Directors



**AFM SHAHIDUR RAHMAN**  
Director  
Monitoring, Evaluation, Accountability  
and Learning, BRAC



**AHMED NAJMUL HUSSAIN**  
Director  
Administration and Road Safety  
BRAC



**M MAKBUL HOSSAIN**  
Director  
Operations  
BRAC



**MAFRUZA KHAN**  
Director  
Global Resource Mobilisation and  
Partnerships  
BRAC



**MD LIAKATH ALI**  
Director  
Climate Change  
BRAC and BRAC International  
Urban Development, BRAC



**DR MORSEDA CHOWDHURY**  
Director  
Health, Nutrition and Population  
BRAC



**NANDA DULAL SAHA**  
Director  
Internal Audit  
BRAC and BRAC International



**NOBONITA CHOWDHURY**  
Director  
Preventing Violence Against Women  
Initiative and Gender Justice & Diversity  
BRAC



**PALASH KANTI DAS**  
Director  
Ultra-Poor Graduation  
BRAC



**SAFI RAHMAN KHAN**  
Director  
Education, Skills Development, and  
Migration  
BRAC



**SAIIEED BAKTH MOZUMDER**  
Director  
Tea Estates  
BRAC



**MD SAJEDUL HASAN**  
Director  
Disaster Risk Management  
BRAC and BRAC International

# Directors



**SHAHRIAR HOQUE**  
Director  
Technology  
BRAC



**SHEELA RUBINA RAHMAN**  
Director  
Legal & Compliance  
BRAC



**SK JENEFA KHANOM JABBAR**  
Director  
Social Compliance and Safeguarding  
BRAC



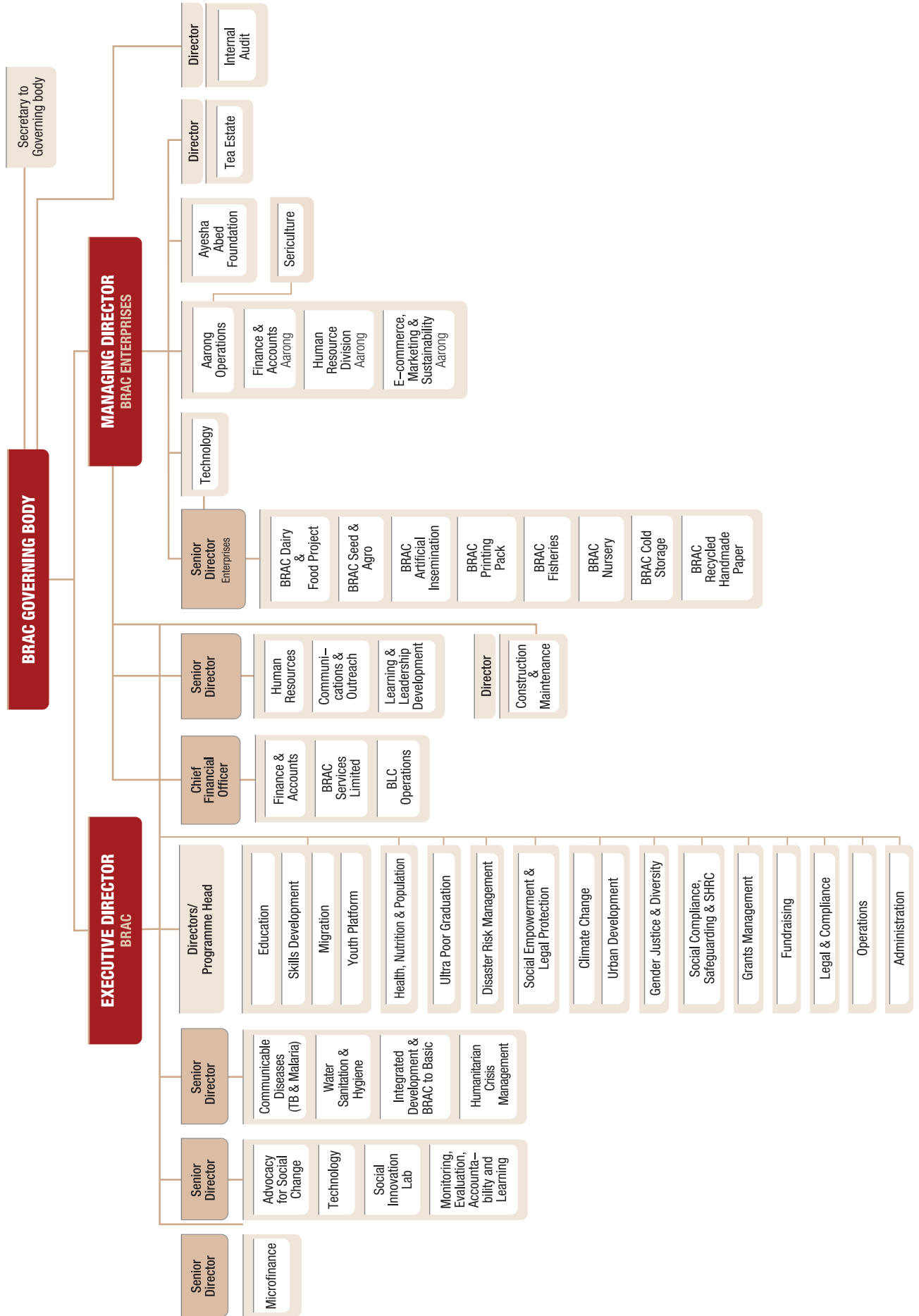
**SONIA WALLMAN**  
Director  
Grants Management  
Global Resource Mobilisation and  
Partnership(GRP)  
BRAC and BRAC International



**SYED MAZBAHUL MORSHAD**  
Chief Engineer  
BRAC



# BRAC ORGANOGRAM



# BRAC GENERAL BODY

The General Body is the collective name for the members of the Society registered in Dhaka on 21 March 1972 as the 'Bangladesh Rehabilitation Assistance Committee' under the Societies Registration Act 1860. On 15 June 1992, the name of the Society was changed to 'BRAC'.

The General Body presently comprises the following 28 members:

Abdul–Muyeed Chowdhury

Shabana Azmi

Syed S Kaiser Kabir

Shafiqul Hassan

Irene Zubaida Khan

Sylvia Borren

Dr Debapriya Bhattacharya

Parveen Mahmud

Advocate Syeda Rizwana Hasan

Adeeb H Khan

Dr Muhammad Musa

Faruque Ahmed

Shib Narayan Kairy

Tamara Hasan Abed

Asif Saleh

Dr Fawzia Nazli Rasheed

Melissa Dawn Parke

Victoria Balyejusa Sekitoleko

Marilou van Golstein Brouwers

Dr Hossain Zillur Rahman

Ameerah Haq

Gregory Chen

Fathima Dada

Simone Sultana

Lord George Mark Malloch–Brown KCMG

Professor Dr M A Sattar Mandal

Dr Fahmida Khatun

Tapan Chowdhury

Under the Rules and Regulations of BRAC, the General Body elects the Governing Body.

At the BRAC Annual General Meeting on 28 June 2021, the General Body adopted BRAC's audited financial statements for the calendar year 2020, appointed BRAC's external auditors for the calendar year 2021 and Financial Years 2021-2022, and elected the members of the Governing Body.

# BRAC GOVERNING BODY



**Dr Hossain Zillur Rahman**  
Chairperson

Economist and social thinker, **Hossain Zillur Rahman** is a leading policy voice of Bangladesh with wide-ranging experiences within and outside the government. Holding a master's in economics (Dhaka University) and PhD in political sociology (Manchester University), Dr Rahman founded the Dhaka-based think-tank Power and Participation Research Centre (PPRC) in 1996 and was elected chairperson of BRAC, Bangladesh in 2019. Prior to founding PPRC, he led the internationally known 62-village Analysis of Poverty Trends Project at the Bangladesh Institute of Development Studies (1989-98) and was the lead consultant in drafting the government of Bangladesh's poverty reduction strategy in 2004. He was appointed a member of the Independent South Asian Commission on Poverty Alleviation (2003-06) and also served on the board of the central bank of Bangladesh. Dr Rahman has authored influential works in the areas of poverty, governance, social development and urbanisation and was a key contributor to the adoption of a national social security strategy (2015). Dr Rahman served as an advisor (Cabinet Minister) for the ministries of Education and Commerce in the Caretaker Government of Bangladesh (2007-08) and was credited with a lead role in the subsequent return of Bangladesh to electoral democracy. He was awarded the Dr John Meyer Global Citizenship Award by the Institute for Global Leadership, Tufts University in 2009. Dr Rahman was one of the three awardees of the Gold Medal Award 2013 of Rotary International Bangladesh for his services to humanity.



**Adeeb H Khan**  
Member

**Adeeb Hossain Khan** qualified as a Chartered Accountant in England in 1991 and has been Senior Partner of Rahman Rahman Huq (Member Firm of KPMG International) since 2012.

He has been a Council Member of the Institute of Chartered Accountants of Bangladesh (ICAB) since 2013. He was the President of ICAB in 2017. He is a board member of Metropolitan Chamber of Commerce & Industry (MCCI), the oldest and one of the most prestigious trade chambers of Bangladesh, chairing its Taxation Sub-Committee. He is a member of the Executive Committee of Bangladesh Legal Aid and Services Trust (BLAST).

Mr Khan's past experience in directorial roles include Biman Bangladesh Airlines, the national flag carrier of Bangladesh, and Electricity Generation Company of Bangladesh Limited. He frequently speaks at various forums on matters connected to taxation, corporate governance, and private sector reform.



**Adv Syeda Rizwana Hasan**  
Member

**Advocate Syeda Rizwana Hasan** is an enrolled lawyer with the Supreme Court of Bangladesh. She is the chief executive of Bangladesh Environmental Lawyers Association (BELA) which was awarded the Tang Award from Taiwan for its contribution in the arena of Rule of Law (2020). Her main focus is to promote environmental justice in Bangladesh.

Ms Rizwana did her master's and bachelor's in law from the University of Dhaka with distinction. She started her career with BELA in 1993 and is continuing to work with the same organisation.

Ms Rizwana's area of work includes vehicular, river and industrial pollution, ship breaking, grabbing of wetlands, cutting of hills, unregulated mining, unplanned urbanisation, commercial shrimp cultivation, deforestation and loss of biodiversity.

Ms Rizwana is a visiting faculty in the University of Asia Pacific, State University, Eastern University and North South University.

Ms Rizwana is a member of NGOs including RDRS, Friends In Village Development Bangladesh, Nijera Kori, Association of Land Reforms and Development, and BRAC. Rizwana serves as a member of various committees formed by the government on environmental issues.

Ms Rizwana is an amigás (a member of the Environmental Law Alliance Worldwide) and a member of the Environmental Law Commission of IUCN. She is a board member of South Asian Network for Development and Environmental Economics (SANDEE). Her organisation is a member of the NGO platform on ship breaking, IUCN, South Asian Watch on Trade, Environment and Economics, and Friends of the Earth International.

Ms Rizwana is amongst the first five women from South Asia to receive the 'Celebrating Womanhood' award (2008) given by the Creative Statement and South Asia Partnership based in Nepal. She received the prestigious Goldman Environmental Prize in 2009 for her outstanding contribution in protecting and conserving the environment of the country. She has also been named as one of the 40 Environmental Heroes of the World by TIME magazine. In 2012, Rizwana was awarded with the Ramon Magsaysay Award.

Ms Rizwana has been awarded with Women of Courage by the US state department in 2022.



**Shafiqul Hassan**  
Member

**Shafiqul Hassan** is the managing director of Echo Sourcing Limited UK and Echotex Limited Bangladesh. Echotex received Bangladesh's National Environmental Award, Metropolitan Chamber of Commerce and Industry Dhaka's Environmental Award, and J Sainsbury plc's Corporate Social Responsibility Award in 2010. Echotex was also awarded Best Clothing Supplier in 2011 as well as Best Clothing Supplier and Supplier of the Year in 2012 by J Sainsbury plc. Mr Hassan co-founded a premium clothing label called Ninety Percent, launched in 2018, that shares ninety percent of its distributed profits between social and environmental causes, along with the people who are involved in making the clothes. He is the co-founder of Children's Hope, an NGO that works to educate children living in slums in Dhaka. He obtained his bachelor's degree from City University, London and master's degrees from Aston University, Birmingham, UK.



**Melissa Parke**  
Member

**Melissa Dawn Parke** has over two decades of experience in international law, politics, sustainable development, humanitarian affairs, human rights and governance. She served as Australia's Minister for International Development and is a former federal member for Fremantle. Prior to entering the Australian parliament Ms Parke served as an international lawyer with the United Nations for eight years in Kosovo, Gaza, New York and Lebanon. Following her retirement from parliament, she was appointed as an 'Eminent Expert on Yemen' for the United Nations Human Rights Council. Ms Parke is an ambassador for the International Campaign to Abolish Nuclear Weapons, and a member of the Advisory Council of the Australian Centre for International Justice. She holds bachelor's degrees in business (Curtin University) and law (University of New South Wales), and a master's degree in public international law (Murdoch University).



**Dr Fahmida Khatun**  
Member

**Dr Fahmida Khatun** is currently the executive director of the Centre for Policy Dialogue (CPD), a leading think tank in South Asia. She has accomplished her bachelor's and master's in economics from Jahangirnagar University, Bangladesh. She did another master's in environmental and natural resource economics and PhD in economics from the University College London, UK. She did her post-doctoral research at the Earth Institute, Columbia University, USA. She was a visiting fellow at Christian Michelsen Institute, Norway; Korea Institute for Industrial Economics and Trade, South Korea; and Center for Study of Science, Technology and Policy, India.

Dr Khatun's areas of interest include macroeconomic policy and management, climate change and environmental economics, financial sector, international aid effectiveness, international trade and WTO issues, youth employment, gender issues, interests of Least Developed Countries, and Sustainable Development Goals. She has published extensively at home and abroad. She is a columnist for the Daily Star and contributor for the East Asia Forum.

She was a director of the state-owned Janata Bank Limited during 2008-2011, and of the SME Foundation of Bangladesh during 2010-2013. She was a member of the Panel of Economists for the Eight Five Year Plan of Bangladesh Planning Commission.



**Fathima Dada**  
Member

**Fathima Dada** has worked in education throughout her career, as a teacher, lecturer, university external examiner, children's author and textbook author. Her books have sold over a million copies. Ms Dada has held almost every level of job in the education industry - from strategy, global product management and marketing, to production and design, sales and sales strategy in the roles of MD, CEO and chairperson. She is currently the managing director of Oxford Education and chairs the Board of Oxford AQA qualifications. She has also been involved with government and non-governmental work in policy, curriculum, assessment, qualifications and implementation. She has served on several ministerial committees and overseen education reform and policy development in several countries, including working for UNESCO to support education systems in Mozambique, Malawi and Zambia. She has been a council member on the Schools and Vocational Quality Assurance authority in South Africa for 10 years. She helped lead the transformation to sustainability of the education programme of BRAC in Bangladesh. Ms Dada is on the Board of Oasis Asset Management, and has previously been an active Board member to affordable school chains including Omega (Ghana), Spark (South Africa), Bridge (Kenya) and Zaya (India).



**Dr M A Sattar Mandal**  
Member

**Dr M A Sattar Mandal**, an agricultural economist, has been involved in teaching, research and policy planning in agriculture and rural development for over four decades. Professor Mandal had his bachelor's and master's in agricultural economics from Bangladesh Agricultural University (BAU) in 1973 and 1974, respectively. He did his PhD from the University of London in 1979 and post-doctoral studies from the University of Oxford in 1986-87. Professor Mandal's major areas of academic interests include agriculture and rural development, food and agricultural policy planning, irrigation and water resource management, agricultural technology, rural mechanisation and agribusiness development.

Professor Mandal was the Vice-Chancellor of Bangladesh Agricultural University (BAU), Mymensingh, during 2008-2011. He worked for the Bangladesh Planning Commission first as a member of the General Economics Division during 2000-2001 when he led the mid-term evaluation of the Fifth Five Year Plan and completed the background studies for the Sixth Five Year Plan. He served the Planning Commission for the second term as member for Agriculture, Water Resources & Rural Institutions Division during 2011-2013 when he was involved in the evaluation and approval of many high-profile projects relating to Blue Gold project, capital dredging of the Jamuna river, rural development, food security and poverty reduction.

Professor Mandal has been affiliated with BAU as its first emeritus professor of agricultural economics since 2017. He is currently a member of the syndicate of Bangladesh Agricultural University and Sylhet Agricultural University. He has been advising the Ministry of Agriculture, Government of the People's Republic of Bangladesh as a member of its expert pool. He is currently a member of the Governing Body of BRAC Bangladesh. Professor Mandal has been a member of the Independent Steering Committee (ISC) for the new CGIAR research programme on Fish AgriFood Systems (FISH) of the WorldFish, Penang, Malaysia. Professor Mandal also advises Water Resources Group 2030 of the World Bank and CIMMYT- Bangladesh.

Until recently, Professor Mandal was a government nominated member of the Board of Directors of the Krishi Gobeshona Foundation (Agricultural Research Foundation and also a Trustee of the Bangladesh Krishi Gobeshona Endowment Trust (BKGET) of the government. He also worked as a Senior Advisor to the Food and Agriculture Organization of the United Nations (FAO) in Bangladesh during 2015-2016.

He has worked as a visiting professor in many universities abroad including School of Development Studies of the University of East Anglia, UK in 1997 and 2000, and Faculty of Life Sciences of the Rhine-Waal University of Applied Sciences, Kleve, Germany since 2013 through 2017.

Professor Mandal received the Ekushey Padak (second highest civilian award in Bangladesh) in 2022 for his contribution in the field of research.



**Tapan Chowdhury**  
Member

**Tapan Chowdhury** is a prominent industrialist and leads **SQUARE**, one of the pioneer and respected business houses of Bangladesh. **SQUARE** is engaged in pharmaceuticals, hospitals, vertically integrated textiles, toiletries, food & consumer products, information & communication technology, organic tea plantation, stock brokerage and satellite television broadcasting.

During the last Caretaker regime, Mr Chowdhury was an advisor (Minister) responsible for the Ministry of Power & Energy, Youth & Sports, Food & Disaster Management and Science and ICT.

Mr Chowdhury was the immediate past president of Bangladesh Textile Mills Association (BTMA) and former president of the Metropolitan Chamber of Commerce and Industry (MCCI), past president of Bangladesh Employers Federation (BEF) and Bangladesh Association of Publicly Listed Companies (BAPLC).

Mr Chowdhury is currently an advisor to Bangladesh Association of Pharmaceutical Industries (BAPI), trustee of Bangladesh University of Health Sciences Trust (BUHS), director of Pioneer Insurance Limited, Guardian Life Insurance Limited, board member of Central Depository of Bangladesh Limited (CDBL), governing body member of Bangladesh Enterprise Institute (BEI), executive committee member of International Chamber of Commerce (ICC), core group member of the United Forum of Churches of Bangladesh.

Over the years, the Government of Bangladesh has recognised Mr Chowdhury as one of the highest individual taxpayers of the country. He is a graduate of University of Dhaka and completed many advanced level courses on Business Management & Strategic Planning from the UK.

# BRAC INTERNATIONAL SUPERVISORY BOARDS



**Irene Khan**

**CHAIR** Stichting BRAC International Supervisory Board

An international thought leader and advocate on human rights, gender and social justice issues, Irene Khan is the United Nations Special Rapporteur on Freedom of Opinion and Expression, and distinguished fellow at the Graduate Institute for International and Development Studies in Geneva. Ms Khan was Secretary-General of Amnesty International from 2001 to 2009, and Director-General of the International Development Law Organization (IDLO) from 2012 – 2019. Prior to that, she worked for the United Nations High Commissioner for Refugees for 21 years at headquarters and in various countries.

Ms Khan sits on the boards of several international NGOs and think tanks, and has been a member of the World Bank's Gender Advisory Council. She has received several honorary degrees and prestigious awards, including the Sydney Peace Prize in 2006 for her work to end violence against women and girls. Her book, *The Unheard Truth: Poverty and Human Rights*, has been translated into seven languages. Born in Bangladesh, Ms Khan studied law at the University of Manchester and Harvard Law School.



**Sylvia Borren**

**Vice Chair** Stichting BRAC International Supervisory Board

**Sylvia Borren** has worked all her life within and for civil society organisations, both professionally and as a volunteer. She was part of the Dutch and global women's and sexual rights movements (COC, ILGA, IWC for a just and sustainable Palestinian-Israeli peace) and is now advisor to the UN Women National Committee Netherlands and ATRIA (institute on gender equality and women's history). Ms Borren was part of the anti-poverty movement (director of Oxfam Novib 1994-2008, and co-chair of the Global Call to Action against Poverty and EEN).

She was on two national governmental advisory commissions (for Youth Policy and the Advisory Council on International Affairs), co-chair of the Worldconnectors (a Dutch think tank), on the board of a large mental health institute (Altrecht), worked as an organisational consultant with De Beuk for many years, led the project Quality Educators for All with the trade union Education International, and continues to be a member of the Worldconnectors.

Ms Borren was recently director of Greenpeace Netherlands (2011-2016), part of the Forest Stewardship Council Netherlands, and is now on the advisory commission of Staatsbosbeheer, which manages nature reserves.

She is a freelance consultant at 'Working for Justice' and a senior advisor for Governance & Integrity.



**Dr Debapriya Bhattacharya**

**MEMBER** Stichting BRAC International Supervisory Board

**Dr Debapriya Bhattacharya**, a macroeconomist and public policy analyst, is a distinguished fellow at the Centre for Policy Dialogue (CPD), Dhaka, where he was its first executive director. He was Bangladesh's Ambassador and Permanent Representative to WTO and UN Offices in Geneva and Vienna and former special advisor on LDCs to the Secretary General of UNCTAD. Earlier, he was a senior research fellow at the Bangladesh Institute of Development Studies (BIDS).

He studied in Dhaka, Moscow, and Oxford. Visiting positions held include Senior Fulbright Fellow at the Center for Global Development, Washington DC. He serves on the boards and working groups of various leading institutions and editorial boards of reputed journals including Oxford Development Studies. He was General Secretary of the Bangladesh Economic Association for three consecutive terms.

Dr Bhattacharya chairs the Southern Voice, a network of 50 think tanks from Africa, Asia, and Latin America, dedicated to following up and reviewing the implementation of the Sustainable Development Goals. He led the pioneering multi-country studies on shaping the 2030 Agenda of the United Nations, data deficits of SDG monitoring, and early signals of SDG implementation in the developing countries. He also chairs LDC IV Monitor, an independent partnership of eight international organisations and academic institutions engaged in monitoring the outcome of the fourth United Nations Conference on the Least Developed Countries.

He serves as the Convenor of the Citizen's Platform for SDGs, Bangladesh – a platform of more than 100 NGOs and private sector bodies, seeking to contribute to the delivery of the SDGs at the country level.

He recently edited the volume Bangladesh's Graduation from the Least Developed Countries Group: Pitfalls and Promises, Routledge (2018); Southern Perspectives on the Post-2015 International Development Agenda, Routledge, London (2017); and was the team leader of the study Quest for Inclusive Transformation of Bangladesh: Who Not to be Left Behind (2017).



**Parveen Mahmud FCA**

**MEMBER** Stichting BRAC International Supervisory Board  
**Interim Chair** BRAC International Holdings B.V. Supervisory Board

**Parveen Mahmud** is the chairperson of Underprivileged Children Education Program, Bangladesh. She started her career with BRAC and was the deputy managing director of Palli Karma Sahayak Foundation (PKSF). She has diverse experiences with national and international development agencies, the corporate sector, and is a practising accountant.

Ms Mahmud was the founding managing director of Grameen Telecom Trust. She was a partner in Acnabin & Co, Chartered Accountants. She is the first female president of the Institute of Chartered Accountants of Bangladesh (ICAB), and also, the first female board member of the South Asian Federation of Accountants (SAFA), the apex accounting professional body of SAARC. She is the chairperson of CA Female Forum – Women in Leadership Committee, ICAB and is the vice chairperson of the Women in Leadership Committee of SAFA.

She sits on numerous boards including Transparency International Bangladesh, Centre for Policy Dialogue, PKSF, Rangpur Dinajpur Rural Service, Manusher Jonnyo Foundation, Dhaka Ahsania Mission Foundation for Economic Development, Ghashful and Grameenphone Limited. She is an independent director of Apex Footwear Limited and Berger Paints Bangladesh Limited.

Ms Mahmud is the chairperson of Her Story Foundation and Dakkha – Skilling Bangladesh. She was the chairperson of Micro Industries Development and Assistance Services, Acid Survivor's Foundation and Shasha Denims Limited.

Ms Mahmud served as a member of the National Advisory Panel and was convener, SME Women's Forum for SME Development of Bangladesh. She was also the founding board member of the SME Foundation and a working group member of the Consultative Group on Social Indicators of UNCTAD/ISAR.

Ms Mahmud has received several accolades for her services, including Ananyanna Top Ten Women – 2018 Award in 2019, Joya Alokito Nari – 2018 Award from RTV, and Begum Rokeya Shining Personality Award 2006 from Narikantha Foundation.



**Victoria Sekitoleko**

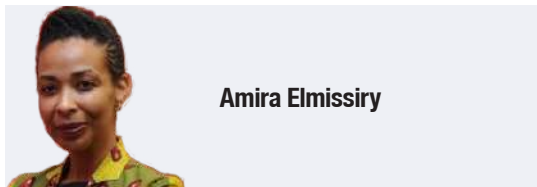
**MEMBER** Stichting BRAC International Supervisory Board

**Victoria Balyejusa Sekitoleko** is a former Minister of Agriculture in the Ugandan government. She was a representative of the United Nations Food and Agriculture Organization (FAO) in China, Mongolia, and South Korea, and previously served as the FAO's representative in Ethiopia to the African Union and to the Economic Community for Africa.

Ms Sekitoleko is currently the chair of the governing board of the Uganda Agribusiness Alliance, which unites all those involved in the industry to optimise their ability to profitably and sustainably pursue the many global opportunities in the world's largest industry.

In 2010, Ms Sekitoleko founded the Uganda Community Cultural Centre which trades as Speakers Forum. This trains professionals to become skilled presenters, and also supports community libraries.

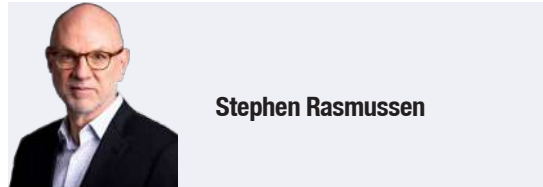
Ms Sekitoleko was educated at Makerere University in Kampala, where she obtained a BSc in agriculture majoring in farm management and extension.



**Amira Elmissiry**

**MEMBER** Stichting BRAC International Supervisory Board  
BRAC International Holdings B.V. Supervisory Board

**Amira Elmissiry** is the chief accountability officer at the Corporate Performance and Accountability Department of African Development Bank based in Abidjan, Cote D'Ivoire. She is an experienced lawyer and investment professional in private equity and corporate finance and holds an MBA from the African Leadership University. Amira has worked with various international organisations, including Initiatives of Change International, a Geneva-based international organisation, and the German Technical Cooperation. She has a passion for development finance, social justice and sourcing ways for promoting entrepreneurial development amongst young people. Some of Amira's personal achievements till date include being recognised by the Choiseul Institute – as one of the top100 African Economic Leaders, MIPAD 100 Most Influential People of African Descent and Forbes Africa Top 20 Youngest Power Women in Africa.



**Stephen Rasmussen**

**MEMBER** Stichting BRAC International Supervisory Board  
BRAC International Holdings B.V. Supervisory Board

**Stephen Rasmussen** is the acting CEO of CGAP, an independent resource centre housed in the World Bank that is dedicated to advancing financial inclusion for people living in poverty. Mr Rasmussen has 30 years of development and financial inclusion experience. In 2014–2015, he established and was the first CEO of Karandaaz Pakistan, a start-up company focused on small business finance for job creation, digital financial inclusion, and innovation in the financial sector. Before joining CGAP, he was the World Bank's microfinance focal point for South Asia. From 2001 to 2008, he was the CEO of the Pakistan Microfinance Network, and from 1994 to 2003, he was the CEO of the Aga Khan Rural Support Programme, a large rural development programme in northern Pakistan, where he also helped establish First MicroFinanceBank, the first microfinance bank in Pakistan.



# BRAC GLOBAL BOARD



**Dr Martha Alter Chen**  
Chair

**Martha (Marty) Chen** is a Lecturer in Urban Planning and Design at the Harvard Graduate School of Design and Co-Founder, Emeritus International Coordinator and Senior Advisor of the global network Women in Informal Employment: Globalizing and Organizing ([www.wiego.org](http://www.wiego.org)). An experienced development practitioner and scholar, her areas of specialization are employment, gender and poverty with a focus on the working poor in the informal economy.

Before joining Harvard in 1987, she had two decades of resident development experience working in Bangladesh (with the NGO BRAC) and in India (as field representative of Oxfam America). Dr. Chen co-founded and, for twenty years, led the WIEGO network which is well known worldwide for its work to improve the status of the working poor in the informal economy through stronger organizations, improved statistics and research and a more favorable policy environment.

Dr. Chen received a PhD in South Asia Regional Studies from the University of Pennsylvania. She was awarded a high civilian award, the Padma Shri, by the Government of India in April 2011; and a Friends of Bangladesh Liberation War award by the Government of Bangladesh in December 2012.

Currently, she is chair of the boards of BRAC Global and the United Nations University World Institute for Development Economics Research (UNU WIDER).



**Dr Hossain Zillur Rahman**  
Senior Trustee



**Ameerah Haq**  
Member

**Ms Ameerah Haq** is a former Under-Secretary-General of the United Nations at the Department of Field Support, for which she held the position from 2009, until her retirement. She was the senior most Bangladeshi national in the United Nations during those years. She recently served as the Vice-Chair of the Independent High-level Panel on Peace Operations at the UN. She has over 39 years of experience working with the United Nations, including 19 years in field assignments. She was the last Special Representative of the Secretary-General (SRSG) in the UN Integrated Mission

in Timor-Leste. She has also held the positions of Deputy SRSG and UN Resident Coordinator and Humanitarian Coordinator in Sudan, as well as Deputy SRSG and UN Resident Coordinator in Afghanistan. In addition, Ms Haq has held senior positions within UNDP, and has served as United Nations Coordinator in Malaysia and Laos.

Ms Haq currently serves on the board of the Centre for Humanitarian Dialogue in Geneva, Human Rights up Front, and on the board of the Peace Operations Training Institute in Virginia. She is also an Advisor to the United Nations Foundation in Washington and a member of the Special Advisory Group at the Challenges Forum of the Folke Bernadette Academy of Sweden. Ms Haq also delivers lectures at universities and speaks at seminars hosted by think tanks and non-governmental organisations.

During her service at the UN, Ms Haq was awarded the highest Presidential Medal in East Timor by President Jose Ramos Horta, the highest civilian medal of the Lao People's Democratic Republic and the Malalai Medal of Honor from President Hamid Karzai of Afghanistan, which is among the highest civilian honours given for courage and dedication. She is also the recipient of the Julia Taft Outstanding Humanitarian Service Award during the time she served as humanitarian coordinator for her work in Darfur, Sudan.

Ms Haq received a Bachelor's degree in Psychology from Western College for Women in Oxford, Ohio, in 1969. She subsequently went on to receive a Master's degree in Community Organisation and Planning from Columbia University, New York, in 1972, and a Master's in Business Administration from New York University in 1974.

Ms Haq is a mother of two children, Sheehan Perera and Nadina Perera.



**Lord Mark Malloch-Brown KCMG**  
Member

**Mark Malloch-Brown** is President of the Open Society Foundations. He is on the board of the UN Foundation and the International Crisis Group and is on the advisory committees to the heads of the IMF and UNICEF.

He served as deputy secretary-general and earlier chief of staff of the UN under Kofi Annan. For six years before that he was administrator of the UNDP, leading the UN's development efforts around the world. He was later Minister of State in the Foreign Office, covering Africa and Asia, and sat in Prime Minister Gordon Brown's cabinet. He has also served as vice-chairman of the World Economic Forum. He began his career as a journalist at The Economist and then worked for the UN High Commissioner for Refugees and was later a vice-president of the World Bank.

He formerly chaired the Business Commission on Sustainable Development and the Royal Africa Society. He is author of *The Unfinished Global Revolution: The Limits of Nations and the Pursuit of a New Politics*.



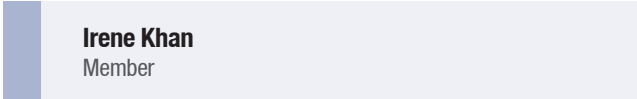
**Minouche Shafik,  
Baroness Shafik DBE**  
Member

**Nemat (Minouche) Shafik** is a leading economist, whose career has straddled public policy and academia. She was appointed as the director of the London School of Economics and Political Science in September 2017.

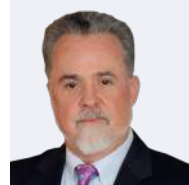
She did her BA at the University of Massachusetts-Amherst, her MSc at LSE and her DPhil at the University of Oxford and, by the age of 36, had become the youngest ever Vice President of the World Bank. She taught at Georgetown University and the Wharton Business School. She later served as the permanent secretary of the Department for International Development from 2008 to 2011, deputy managing director of the International Monetary Fund from 2011-2014 and as deputy governor of the Bank of England from 2014-2017, where she sat on all the monetary, financial and prudential policy committees and was responsible for a balance sheet of over £500 billion.

Minouche has sat on and chaired numerous boards and currently serves on the Board of Trustees of the Bill & Melinda Gates Foundation, the Supervisory Board of Siemens, the Council of the Institute for Fiscal Studies, the Global Board of BRAC, and is deputy chair of the Board of Trustees of the British Museum. She was made a Dame Commander of the British Empire in the Queen's Birthday Honours list in 2015, a Crossbench Peer in the House of Lords in 2020, and an honorary fellow of the British Academy in 2021.

Her book *What We Owe Each Other: A New Social Contract* is out now.



**Irene Khan**  
Member



**Raymond C Offenheiser**  
Member

**Raymond C Offenheiser** is Director of the Pulte Institute for Global Development, part of the University of Notre Dame's Keough School of Global Affairs, where he serves as Distinguished Professor of the Practice and provides strategic leadership to the Pulte Institute's academic, research, and public policy activities. A widely-known nonprofit leader, innovator, and international development expert, Offenheiser served as President of Oxfam America for 20 years. Prior to joining Oxfam, Offenheiser represented the Ford Foundation in Bangladesh and the Andean and Southern Cone regions of South America, as well as directing programmes for the Inter-American Foundation in Brazil and Colombia.

At the 2012 G20 Summit, Offenheiser was appointed by the Obama Administration to represent civil society on the leadership council of the New Alliance for Food Security and Nutrition in Africa. He currently is the Chair of the Board of BRAC USA and a member of the board of BRAC Global which oversees the work of all BRAC affiliated entities across the world. He is also a board member of the Oxfam America Action Fund and the Consensus Building Initiative. He also serves on the Forum for Corporate Responsibility for BHP Mining Corporation and the Development Partners Initiative. Offenheiser was a co-founder of the ONE Campaign and the Washington, DC based, the Modernizing Foreign Assistance Network, and the Food Policy Action Network. He has also served on the advisory boards of the World Economic Forum, the Council on Foreign Relations, the Aspen Institute, the World Agricultural Forum, the Gates Foundation, the Clinton Global Initiative, and both Harvard and Cornell Universities.



**Ken Caldwell**  
Member

**Ken Caldwell** has held a wide variety of executive and non-executive leadership roles in international development and humanitarian organisations over the past 30 years.

He has served as Global Programmes Director at Save the Children, and Executive Director of WaterAid International. He is Chair of the Board Programme Committee at Oxfam GB, and has also served as a board member of the Institute of Development Studies, as a member of the UK Roundtable on Sustainable Development, and as the Founding Chair of BOND (the representative body for UK INGOs). He has worked with a wide range of leading global NGO federations, providing advice on global strategy and governance issues, and has published research on INGO governance.

Ken was elected as Chair of BRAC UK in May 2021, and joined the BRAC Global Board in June 2021.

# BRAC Bangladesh Programme Committee

At its 160th meeting, the BRAC Governing Body approved the process for new grants approval and formed a programme committee to bring rigour and risk mitigation into the project approval process. A four-member Programme Committee was formed:

1. Dr Hossain Zillur Rahman, Chairperson, Governing Body, BRAC Bangladesh
2. Melissa Parke, Member, Governing Body, BRAC Bangladesh
3. Adv. Syeda Rizwana Hassan, Member, Governing Body, BRAC Bangladesh
4. Lord Mark Malloch-Brown KCMG, Member (resigned from the Governing Body on December, 2020)

## Meeting date: 24 May 2021

**After due deliberation, approval was given to the following:**

- Approved the proposal of Bangladesh Community Nutrition and Health Activity project
- Approved the proposal for the Bangladesh Youth Activity project
- Approved the proposal of 'Improving Skills and Economic Opportunities for the Host Community and Rohingya Youth and Adolescents in Cox's Bazar' project
- Approved the proposal titled – 'Secretariat Host and Grant Custodian of START fund Bangladesh'.
- Approved the proposal for 'Safe School Reopening under Bangladesh COVID-19 School Sector Response (CSSR) Project'
- Approved the proposal titled - 'Supporting Primary Education During COVID-19'
- Approved the project titled - 'Community Fort for Resisting COVID-19 in Bangladesh'

## BRAC Bangladesh Impact Committee

The BRAC Bangladesh Impact Committee constitutes of the following Governing Body Members:

1. Dr Hossain Zillur Rahman, Chairperson
2. Dr Fahmida Khatun
3. Professor Dr M A Sattar Mandal

## Role and purpose

BRAC, as an entity, has multiple identities, but at its core, as embedded by its founder, it is a purpose-driven organisation, responsive to the needs of people who are the furthest behind, supporting them to unlock their potential.

**The committee will provide guidance in four strategic areas:**

- Outcomes for participants
- Organisational sustainability
- Knowledge creation
- Brand value

## Meeting date: 2 November 2021

### Highlights of the key decisions taken

The first meeting was an introductory session on the scope, frequency and other matters of the Impact Committee.

# BRAC Governing Body Committees

## BRAC Finance, Audit and Risk (FARC) Committee

The governing body of BRAC constitutes the BRAC Finance, Audit & Risk Committee with the following members:

1. <b>Adeeb H Khan</b> Member, BRAC Governing Body	Chair
2. <b>Fathima Dada</b> Member, BRAC Governing Body	Member
3. <b>Adv. Syeda Rizwana Hasan</b> Member, BRAC Governing Body	Member
4. <b>Melissa Dawn Parke</b> Member, BRAC Governing Body	Member
5. <b>Asif Saleh</b> Executive Director, BRAC (ex-officio)	Member
6. <b>Tamara Hasan Abed</b> Managing Director, Enterprises BRAC (ex-officio)	Member

**Tushar Bhowmik**, Chief Financial Officer, BRAC acts as member secretary of the committee.

Each member is free of any relationship that would interfere with the exercise of his or her independent judgment as a member of the committee. Members of the committee have professional experience and expertise in different sectors.

### Role and purpose

The primary function of the BRAC Finance, Audit and Risk Committee is to assist the BRAC Governing Body (the board) in fulfilling its responsibilities regarding:

- Financial reporting and budgeting processes; system of internal controls and risk assessment;
- Compliance with legal and regulatory requirements;

- Qualifications, independence, and performance of the external auditors; and
- Qualifications, independence, and performance of the internal audit function.

### Meetings during 2020–2021

Three meetings were held:

#### 1. Meeting date: 2 December 2020

Highlights of the key discussions and decisions taken:

- The committee recommended the annual budget of 2021 of USD 1,587 million (BDT 13,490 crores) for the year 2021 for the approval from Governing Body;
- The committee noted the lower fatality rate in the country and also expressed satisfaction with the various measures taken by the organisation for employee well-being;
- The committee approved the Internal Audit Plan for the year 2021;
- The committee approved the revised Internal Audit Charter of BRAC.

#### 2. Meeting date: 24 March 2021

Highlights of the key discussions and decisions taken:

- The committee advised management to work on the internal audit observations and ensure appropriate corrective actions;
- The committee authorised the Chair of the Committee to approve the 2020 Audited Financial Statement on behalf of the Audit Committee.

#### 3. Meeting date: 26 May 2021

Highlights of the key discussions and decisions taken:

- The committee recommended presenting the Audited Financial Statements for the year ended on 31 December 2020 to the 49th Annual General Meeting for approval;
- The committee recommended placing the revised Annual Budget of USD 1,009 million for the year 2021 to the 163rd meeting of the BRAC Governing Body for approval;
- The committee endorsed the proposal of Nurul Faruk Hasan & Co. as the external auditor for the financial year 2021-22 and calendar year 2021 at a proposed fee of BDT 2,000,000 (USD 23,350) for each year to be placed to the BRAC General Body for approval;
- The committee approved the revised Internal Audit Plan for the year 2021 together with the updated KPIs;

### BRAC Investment Committee

The BRAC Investment Committee is responsible for reviewing and approving investments within the authority delegated by the Governing Body of BRAC. The Governing Body constituted the Committee with the following members:

- |  |             |
|--|-------------|
| <b>1. Shafiqul Hassan</b><br>Member, BRAC Governing Body                     | Chairperson |
| <b>2. Fathima Dada</b><br>Member, BRAC Governing Body                        | Member      |
| <b>3. Adeeb H.Khan</b><br>Member, BRAC Governing Body                        | Member      |
| <b>4. Tamara Abed</b><br>Managing Director, Enterprises<br>BRAC (ex-officio) | Member      |

**Tushar Bhowmik**, Chief Financial Officer, BRAC acts as member secretary of the committee.

### Ombudsperson

BRAC has established an Office of the Ombudsperson with a comprehensive mandate to investigate any grievance or complaint made to him/her by any individual concerning any decision taken by BRAC. The Ombudsperson always maintains the highest level of confidentiality regarding complainants and complaints. The office prepares an annual report concerning the discharge of its functions and submits it to the Chairperson who then puts the report before the governing body for their consideration. Currently, Ms Rokeya Sultana is the Ombudsperson of BRAC.

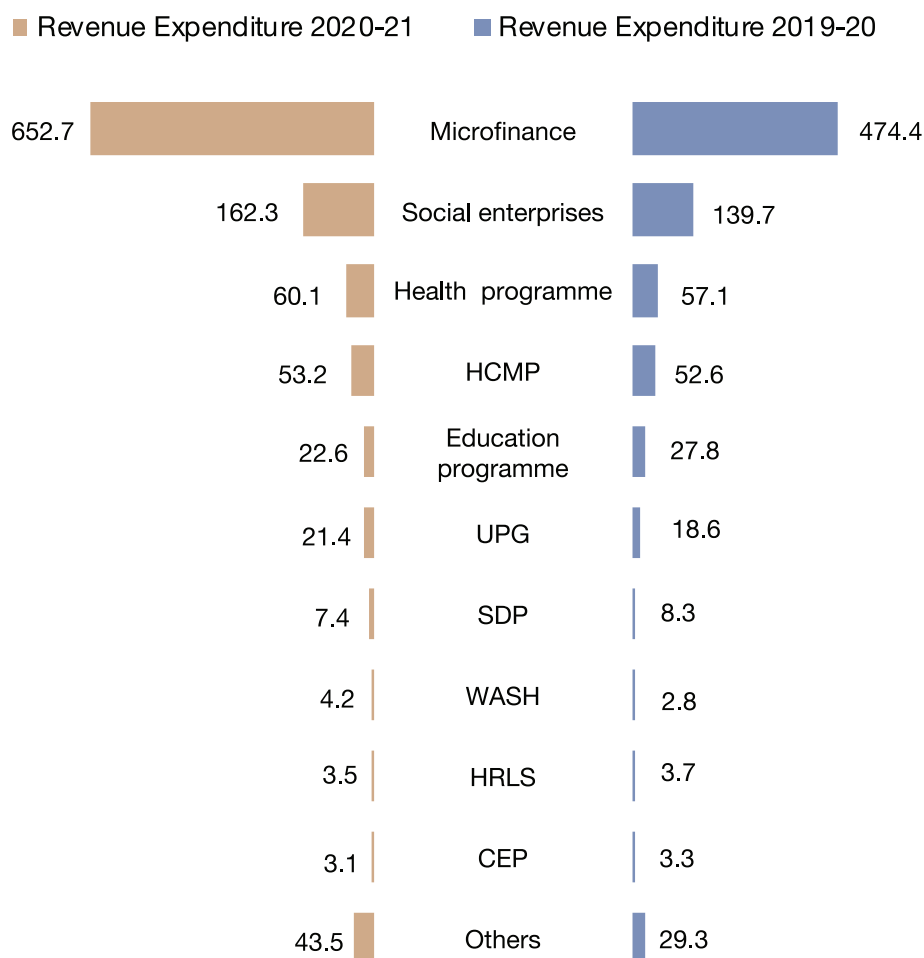
### External auditor

The appointment of Nurul Faruk Hasan & Co., Chartered Accountants, Bangladesh (member firm of Deloitte) as the auditor of BRAC for the financial year 2021-22 and calendar year 2021 was approved in BRAC's Annual General Meeting.

# FINANCIALS

Figures in million USD

## Revenue Expenditure 2021 vs 2020



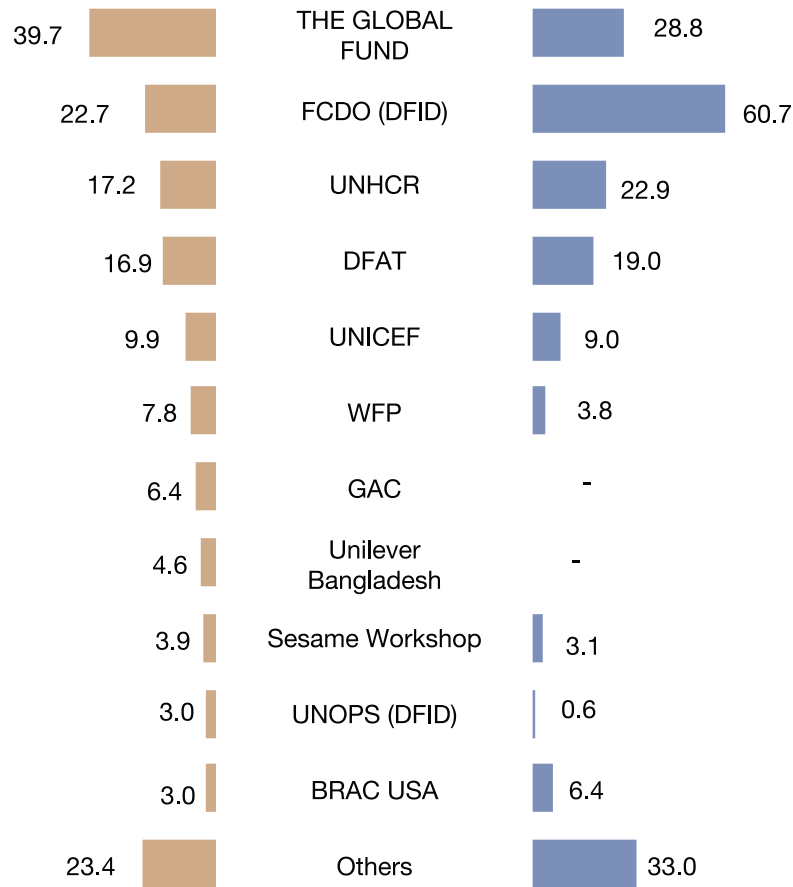
## Contribution of BRAC to Government Exchequer

Particulars	30 June 2021		30 June 2020	
	BDT	USD	BDT	USD
Direct Tax Payment	700,000,000	8,338,297	279,684,768	3,331,564
Tax deduction at source by the third parties	679,300,294	8,091,725	241,972,128	2,882,336
Tax deduction at source from third parties	414,188,591	4,933,753	371,557,766	4,425,941
Value Added Tax	1,075,057,780	12,805,929	807,558,610	9,619,519
Import Duty	213,795,374	2,546,699	377,802,557	4,500,328
<b>Total</b>	<b>3,082,342,039</b>	<b>36,716,403</b>	<b>2,078,575,829</b>	<b>24,759,688</b>

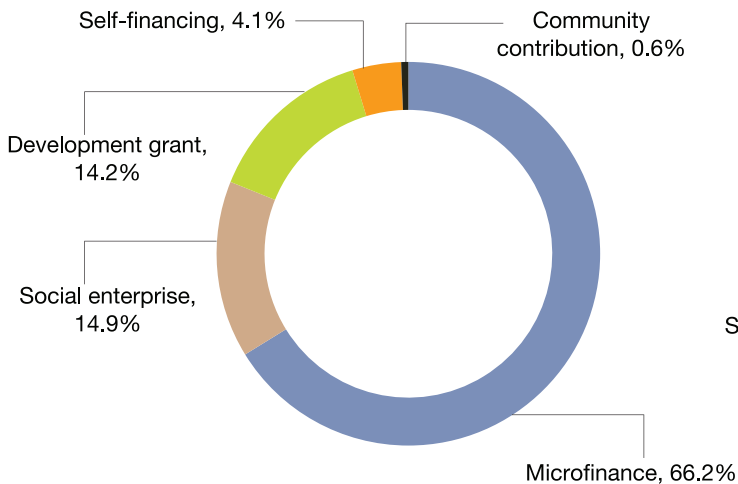
Exchange rate: 1 USD = BDT 83.95 as on June 30, 2021

## Donation Composition 2021 vs 2020

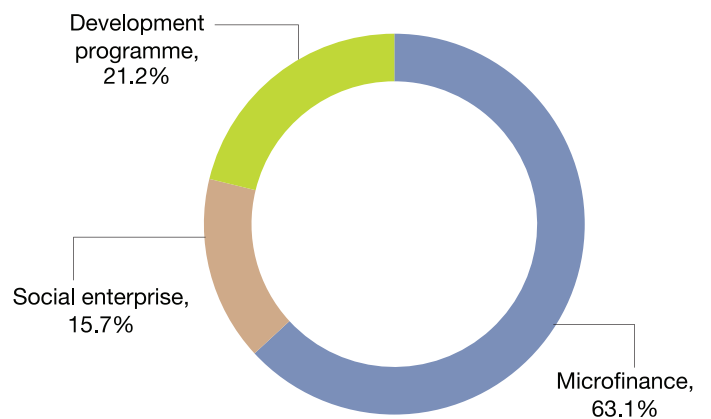
■ Grants Composition 2020-21 ■ Grants Composition 2019-20



### Total Income Contribution % for FY 2021



### Total Expenditure Allocation % for FY 2021



**BRAC**  
**Statement of Financial Position**  
**As at 30 June 2021**  
**(Not part of audited financial statements)**

Particulars	30 June 2021		30 June 2020	
	BDT	USD	BDT	USD
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	20,308,604,602	241,913,098	19,323,619,348	230,180,099
Intangible assets	172,551,016	2,055,402	150,645,525	1,794,467
Investments in related undertakings	34,410,629,577	409,894,337	32,057,891,313	381,868,866
Investments in securities and others-non-current portion	808,600,000	9,631,924	1,008,600,000	12,014,294
<b>Total non-current assets</b>	<b>55,700,385,195</b>	<b>663,494,761</b>	<b>52,540,756,186</b>	<b>625,857,727</b>
<b>Current assets</b>				
Inventories	7,068,823,893	84,202,786	7,213,337,291	85,924,208
Grants and accounts receivable	4,046,786,812	48,204,727	3,755,310,123	44,732,699
Microfinance loans	271,869,452,253	3,238,468,758	274,651,069,982	3,271,602,978
Advance, deposits and prepayments	13,478,943,089	160,559,179	11,899,342,981	141,743,216
Investments in securities and others-current portion	30,636,037,664	364,931,955	18,043,701,516	214,933,907
Cash and bank balances	17,359,428,467	206,782,948	16,469,683,663	196,184,439
<b>Total current assets</b>	<b>344,459,472,178</b>	<b>4,103,150,354</b>	<b>332,032,445,555</b>	<b>3,955,121,448</b>
<b>TOTAL ASSETS</b>	<b>400,159,857,373</b>	<b>4,766,645,115</b>	<b>384,573,201,742</b>	<b>4,580,979,175</b>
<b>CAPITAL FUND AND LIABILITIES</b>				
<b>Capital fund</b>				
Unrestricted	152,979,433,674	1,822,268,418	138,518,114,284	1,650,007,317
Temporarily restricted	481,581,742	5,736,531	481,581,742	5,736,531
<b>Total capital fund</b>	<b>153,461,015,417</b>	<b>1,828,004,948</b>	<b>138,999,696,026</b>	<b>1,655,743,848</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Liabilities for expenses and materials	22,234,247,207	264,851,069	19,006,169,758	226,398,687
Bank overdrafts	168,877,058	2,011,639	31,171,194,721	371,306,667
Term loans-current portion	36,009,174,074	428,935,963	51,350,860,149	611,683,861
Members' savings deposits-current portion	71,612,997,041	853,043,443	59,052,509,530	703,424,771
Grants received in advance	2,359,189,047	28,102,311	2,859,176,014	34,058,082
Loan loss provision	21,032,842,277	250,540,111	11,079,110,781	131,972,731
Provision for taxation	6,433,358,847	76,633,220	4,582,206,820	54,582,571
<b>Total current liabilities</b>	<b>159,850,685,551</b>	<b>1,904,117,755</b>	<b>179,101,227,773</b>	<b>2,133,427,371</b>
<b>Non-current liabilities</b>				
Term loans-non-current portion	4,038,055,556	48,100,721	162,340,910	1,933,781
Members' savings deposits-non-current portion	63,897,000,426	761,131,631	47,983,286,625	571,569,823
Deferred income	1,259,278,266	15,000,337	730,551,715	8,702,224
Other long term liabilities	17,653,822,158	210,289,722	17,596,098,692	209,602,129
<b>Total non-current liabilities</b>	<b>86,848,156,405</b>	<b>1,034,522,411</b>	<b>66,472,277,942</b>	<b>791,807,956</b>
<b>Total liabilities</b>	<b>246,698,841,956</b>	<b>2,938,640,166</b>	<b>245,573,505,716</b>	<b>2,925,235,327</b>
<b>TOTAL CAPITAL FUND AND LIABILITIES</b>	<b>400,159,857,373</b>	<b>4,766,645,115</b>	<b>384,573,201,742</b>	<b>4,580,979,175</b>



**BRAC**  
**Statement of Income and Expenditure**  
**For the year ended 30 June 2021**  
**(Not part of audited financial statements)**

Particulars	30 June 2021		30 June 2020	
	BDT	USD	BDT	USD
<b>Income</b>				
Donor grants	14,491,503,774	172,620,652	13,930,887,623	165,942,676
Social enterprises	15,242,448,976	181,565,801	12,449,205,310	148,293,095
Microfinance programme	67,679,519,581	806,188,441	53,662,698,127	639,222,134
Self-financing social development programme	1,662,909,443	19,808,332	870,250,089	10,366,291
Investment income	2,436,176,626	29,019,376	178,011,092	2,120,442
Community contribution	610,771,035	7,275,414	790,079,960	9,411,316
House property	110,538,956	1,316,724	77,994,837	929,063
<b>Total income</b>	<b>102,233,868,391</b>	<b>1,217,794,740</b>	<b>81,959,127,038</b>	<b>976,285,015</b>
<b>Expenditure</b>				
Social enterprises	13,626,572,340	162,317,717	11,729,682,827	139,722,249
Microfinance programme	54,794,547,966	652,704,562	39,828,807,322	474,434,870
House property	48,911,989	582,632	46,562,115	554,641
Agriculture and food security	1,461,027	17,404	8,994,303	107,139
Community empowerment programme	259,805,200	3,094,761	280,477,273	3,341,004
Education programme	1,901,214,677	22,646,988	2,330,836,604	27,764,581
Gender, justice and diversity	112,061,410	1,334,859	75,348,846	897,544
Health programme	5,045,846,141	60,105,374	4,789,803,273	57,055,429
Human rights and legal aids services	292,547,972	3,484,788	312,717,989	3,725,050
Policy advocacy	46,278,156	551,259	55,957,117	666,553
Water, sanitation and hygiene programme	353,273,845	4,208,146	231,754,545	2,760,626
Ultra poor programme	1,798,150,145	21,419,299	1,562,787,457	18,615,693
Forcibly-displaced Myanmar Nationals	4,462,200,099	53,153,068	4,414,923,435	52,589,916
Disaster management and climate change	627,987,074	7,480,489	277,816,629	3,309,311
Skills development programme	623,380,695	7,425,619	697,060,773	8,303,285
Migration programme	397,693,494	4,737,266	326,905,992	3,894,056
Social development programme	659,271,606	7,853,146	201,457,915	2,399,737
Other development projects	1,563,446,551	18,623,544	1,332,239,994	15,869,446
Grants	193,012,379	2,299,135	135,383,950	1,612,674
<b>Total expenditure</b>	<b>86,807,662,768</b>	<b>1,034,040,057</b>	<b>68,639,518,360</b>	<b>817,623,804</b>
<b>Surplus/(deficit) of income over expenditure</b>	<b>15,426,205,623</b>	<b>183,754,683</b>	<b>13,319,608,678</b>	<b>158,661,211</b>
Surplus of income over expenditure before taxation	15,426,205,623	183,754,683	13,319,608,678	158,661,211
Income tax expense	(1,851,152,028)	(22,050,650)	(493,047,456)	(5,873,108)
<b>Net surplus for the year</b>	<b>13,575,053,595</b>	<b>161,704,033</b>	<b>12,826,561,222</b>	<b>152,788,103</b>

Exchange rate: 1 USD = BDT 83.95 as on June 30, 2021



**Auditor's Report  
and  
Audited Financial Statements  
of BRAC**

**For The Year Ended 30 June 2021**

**Nurul Faruk Hasan & Co**  
Chartered Accountants

## Independent Auditors' Report To the Governing Body of BRAC

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of BRAC ("the Entity") which comprise the statement of financial position as at 30 June 2021, the statement of comprehensive income and expenditure, statement of changes in capital fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of BRAC as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with the accounting policies as summarized in Note 2 to the financial statements.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note- 2 to the financial statements, which describes the basis of accounting and the significant accounting policies. The financial statements are prepared to assist to meet the requirement of Clause 37 of the Rules and Regulation of BRAC. The financial statements may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

#### Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.



Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls**

Management is responsible for the preparation and fair presentation of the financial statements of the entity in accordance with the basis of accounting and accounting policies as summarized in Note-2 to the financial statements and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity'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 management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Dhaka, Bangladesh  
Dated: 30 December 2021

**For Nurul Faruk Hasan & Co**  
Chartered Accountants  
Registration Ref. No. 1/1/ICAB-2008(1)



Shamsur Rahman, FCA  
Partner  
Enrollment No. 941  
DVC: 2112300941AS170748

**BRAC**  
(Registered in Bangladesh under the Societies Registration Act, 1860)  
**Statement of financial position**  
As at 30 June 2021

	Notes	30 June 2021	30 June 2020
		Taka	Taka
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	20,308,604,602	19,323,619,348
Intangible assets	4	172,551,016	150,645,525
Investments in related undertakings	5	34,410,629,577	32,057,891,313
Investments in securities and others-non-current portion	6	808,600,000	1,008,600,000
<b>Total non-current assets</b>		<b>55,700,385,195</b>	<b>52,540,756,186</b>
<b>Current assets</b>			
Inventories	7	7,068,823,893	7,213,337,291
Grants and accounts receivable	8	4,046,786,812	3,755,310,123
Microfinance loans	9	271,869,452,253	274,651,069,982
Advance, deposits and prepayments	10	13,478,943,089	11,899,342,981
Investments in securities and others-current portion	6	30,636,037,664	18,043,701,516
Cash and bank balances	11	17,359,428,467	16,469,683,663
<b>Total current assets</b>		<b>344,459,472,178</b>	<b>332,032,445,555</b>
<b>TOTAL ASSETS</b>		<b>400,159,857,373</b>	<b>384,573,201,742</b>
<b>CAPITAL FUND AND LIABILITIES</b>			
<b>Capital fund</b>			
Unrestricted		152,979,433,674	138,518,114,284
Temporarily restricted		481,581,742	481,581,742
<b>Total capital fund</b>		<b>153,461,015,417</b>	<b>138,999,696,026</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Liabilities for expenses and materials	12	22,234,247,207	19,006,169,758
Bank overdrafts	13	168,877,058	31,171,194,721
Term loans-current portion	14	36,009,174,074	51,350,860,149
Members' savings deposits-current portion	15	71,612,997,041	59,052,509,530
Grants received in advance	16	2,359,189,047	2,859,176,014
Loan loss provision	9	21,032,842,277	11,079,110,781
Provision for taxation	17	6,433,358,847	4,582,206,820
<b>Total current liabilities</b>		<b>159,850,685,551</b>	<b>179,101,227,773</b>
<b>Non-current liabilities</b>			
Term loans-non-current portion	14	4,038,055,556	162,340,910
Members' savings deposits-non-current portion	15	63,897,000,426	47,983,286,625
Deferred income	18	1,259,278,266	730,551,715
Other long term liabilities	19	17,653,822,158	17,596,098,692
<b>Total non-current liabilities</b>		<b>86,848,156,405</b>	<b>66,472,277,942</b>
<b>Total liabilities</b>		<b>246,698,841,956</b>	<b>245,573,505,716</b>
<b>TOTAL CAPITAL FUND AND LIABILITIES</b>		<b>400,159,857,373</b>	<b>384,573,201,742</b>

The annexed notes 01 to 34 form an integral part of these financial statements



Chief Financial Officer  
BRAC



Executive Director  
BRAC



Chairperson, Governing Body  
BRAC

Per our annexed report of same date

Dhaka, Bangladesh  
Dated: 30 December 2021

For Nurul Faruk Hasan & Co  
Chartered Accountants




Shamsur Rahman, FCA  
Partner  
Enrollment No. 941  
DVC: 2112300941AS170748

BRAC  
(Registered in Bangladesh under the Societies Registration Act, 1860)  
Statement of comprehensive income and expenditure  
For the year ended 30 June 2021

Notes	Unrestricted	Restricted	30 June 2021	30 June 2020	
	Taka	Taka	Taka	Taka	
<b>Income</b>					
Donor grants	20	37,954,388	14,453,549,385	14,491,503,774	13,930,887,623
Social enterprises	21	15,242,448,976	-	15,242,448,976	12,449,205,310
Microfinance programme	22	67,679,519,581	-	67,679,519,581	53,662,698,127
Self-financing social development programme	23	1,662,909,443	-	1,662,909,443	870,250,089
Investment income	24	2,436,176,626	-	2,436,176,626	178,011,092
Community contribution	25	158,065,894	452,705,141	610,771,035	790,079,960
House property		110,538,956	-	110,538,956	77,994,837
<b>Total income</b>		<b>87,327,613,865</b>	<b>14,906,254,526</b>	<b>102,233,868,391</b>	<b>81,959,127,038</b>
<b>Expenditure</b>					
Social enterprises		13,626,572,340	-	13,626,572,340	11,729,682,827
Microfinance programme		54,794,547,966	-	54,794,547,966	39,828,807,322
House property		48,911,989	-	48,911,989	46,562,115
Agriculture and food security		-	1,461,027	1,461,027	8,994,303
Community empowerment programme		7,893,368	251,911,832	259,805,200	280,477,273
Education programme		317,976,258	1,583,238,419	1,901,214,677	2,330,836,604
Gender, justice and diversity		-	112,061,410	112,061,410	75,348,846
Health programme		153,542,974	4,892,303,167	5,045,846,141	4,789,803,273
Human rights and legal aids services		2,974,417	289,573,555	292,547,972	312,717,989
Policy advocacy		-	46,278,156	46,278,156	55,957,117
Water, sanitation and hygiene programme		-	353,273,845	353,273,845	231,754,545
Ultra poor programme		-	1,798,150,145	1,798,150,145	1,562,787,457
Forcibly-displaced Myanmar Nationals		-	4,462,200,099	4,462,200,099	4,414,923,435
Disaster management and climate change		-	627,987,074	627,987,074	277,816,629
Skills development programme		3,946,232	619,434,463	623,380,695	697,060,773
Migration programme		-	397,693,494	397,693,494	326,905,992
Social development programme		659,271,606	-	659,271,606	201,457,915
Other development projects		230,295,929	1,333,150,622	1,563,446,551	1,332,239,994
Grants		193,012,379	-	193,012,379	135,383,950
<b>Total expenditure</b>		<b>70,038,945,459</b>	<b>16,768,717,309</b>	<b>86,807,662,768</b>	<b>68,639,518,360</b>
Surplus/(deficit) of income over expenditure		17,288,668,406	(1,862,462,783)	15,426,205,623	13,319,608,678
BRAC contribution to support Donor funded programme	27	(1,862,462,783)	1,862,462,783	-	-
Surplus of income over expenditure before taxation		15,426,205,623	-	15,426,205,623	13,319,608,678
Income tax expense	28	(1,851,152,028)	-	(1,851,152,028)	(493,047,456)
<b>Net surplus for the year</b>		<b>13,575,053,595</b>	<b>-</b>	<b>13,575,053,595</b>	<b>12,826,561,222</b>

The annexed notes 01 to 34 form an integral part of these financial statements

  
Chief Financial Officer  
BRAC


  
Executive Director  
BRAC

  
Chairperson, Governing Body  
BRAC

Per our annexed report of same date

Dhaka, Bangladesh  
Dated: 30 December 2021

For Nurul Faruk Hasan & Co  
Chartered Accountants

  
Shamsur Rahman, FCA  
Partner  
Enrollment No. 941  
DVC: 2112300941AS170748

**BRAC**  
**(Registered in Bangladesh under the Societies Registration Act, 1860)**  
**Statement of cash flows**  
**For the year ended 30 June 2021**

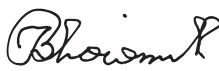
	Notes	30 June 2021	30 June 2020
		Taka	Taka
<b>Cash flows from operating activities:</b>			
Surplus of income over expenditure before taxation		15,426,205,623	13,319,608,678
Adjustments to reconcile changes in net assets to net cash provided by operating activities:			
Loan loss provision	9	15,075,810,946	3,145,332,509
Depreciation and amortization	3 & 4	1,256,200,696	1,256,304,196
(Gain)/loss on disposal of property, plant and equipment	23	179,682,701	(21,859,886)
Cash dividend received	24	(2,387,875,499)	(88,355,126)
Donor grants - amortization of investment in property, plant and equipment and motorcycle replacement fund	20	(221,659,611)	(263,532,644)
Interest on fixed deposits and bank accounts	26	(1,879,000,684)	(1,688,075,942)
Adjustments for other accounts:			
(Increase)/ decrease in service charge outstanding on microfinance loans		2,161,634,690	(5,979,958,336)
(Increase)/ decrease in inventories		144,513,398	(1,464,071,961)
(Increase)/ decrease in advances, deposits and prepayments		(1,579,600,108)	(1,884,146,644)
(Increase)/ decrease in accounts receivable		619,478,741	4,717,026,420
Increase/ (decrease) in liabilities for expenses and materials		3,228,077,449	4,055,840,740
Increase/ (decrease) in deferred income		750,386,161	197,328,247
Adjustment of advance tax		-	(4,997,401,577)
<b>Net cash provided by operating activities</b>		<b>32,773,854,503</b>	<b>10,304,038,674</b>
<b>Cash flows from investing activities:</b>			
(Increase)/ decrease in microfinance loans		(4,502,096,411)	(36,372,433,567)
(Increase)/ decrease in fixed deposits and short term deposits		(12,718,336,148)	(1,570,049,223)
(Increase)/ decrease in investments in related undertakings		(1,234,524,961)	(354,576,021)
Interest received on fixed deposits and bank accounts	26	1,879,000,684	1,688,075,942
Purchase of property, plant and equipment & intangible assets	3 & 4	(2,552,240,391)	(1,469,855,142)
Proceeds from disposal of property, plant and equipment		149,420,777	30,710,545
Dividends received from related undertakings	24	2,387,875,499	88,355,126
(Investments in)/realization of investment in securities and others		326,000,000	327,000,000
<b>Net cash used in investing activities</b>		<b>(16,264,900,951)</b>	<b>(37,632,772,340)</b>



**BRAC**  
(Registered in Bangladesh under the Societies Registration Act, 1860)  
**Statement of cash flows**  
For the year ended 30 June 2021

	Notes	30 June 2021	30 June 2020
		Taka	Taka
<b>Cash flows from financing activities:</b>			
Grants received during the year	31	13,304,186,379	15,732,079,587
Grants utilized during the year for:			
-operational expenditure	16	(14,236,644,651)	(13,654,675,350)
-investment in property, plant and equipment	16	(750,386,161)	(192,211,811)
-motorcycle replacement funds	16	-	(5,116,436)
Increase/ (decrease) in term loans		(11,465,971,430)	2,029,310,363
Increase/ (decrease) in members savings deposits		28,474,201,312	36,014,622,611
Increase/ (decrease) in other long term liabilities		57,723,466	2,653,632,316
<b>Net cash provided by financing activities</b>		<b>15,383,108,915</b>	<b>42,577,641,280</b>
Net Increase/ (decrease) in cash and cash equivalents		31,892,062,467	15,248,907,614
Cash and cash equivalents at the beginning of the year		(14,701,511,058)	(29,950,418,672)
<b>Cash and cash equivalents at the end of the year</b>	11.1	<b>17,190,551,409</b>	<b>(14,701,511,058)</b>

The annexed notes 01 to 34 form an integral part of these financial statements



Chief Financial Officer  
BRAC



Executive Director  
BRAC



Chairperson, Governing Body  
BRAC

Dated: 30 December 2021

**BRAC**  
(Registered in Bangladesh under the Societies Registration Act, 1860)  
**Statement of changes in capital fund**  
For the year ended 30 June 2021

	Capital fund		
	Unrestricted Taka	Temporarily restricted Taka	Total Taka
As at 1 July 2019	122,675,707,857	1,158,868,343	123,834,576,200
Net surplus for the year	12,826,561,222	-	12,826,561,222
Share of non operating changes in net assets in related undertakings	1,468,486,356	-	1,468,486,356
Investment reserve fund	791,351,934	-	791,351,934
Transferred from closed projects	756,006,915	(677,286,601)	78,720,314
<b>As at 30 June 2020</b>	<b>138,518,114,284</b>	<b>481,581,742</b>	<b>138,999,696,026</b>
As at 1 July 2020	138,518,114,284	481,581,742	138,999,696,026
Net surplus for the year	13,575,053,595	-	13,575,053,595
Share of non operating changes in net assets in related undertakings	226,793,043	-	226,793,043
Investment reserve fund	659,472,753	-	659,472,753
Transferred to closed projects	-	-	-
<b>As at 30 June 2021</b>	<b>152,979,433,674</b>	<b>481,581,742</b>	<b>153,461,015,416</b>

The annexed notes form an integral part of these financial statements



Chief Financial Officer  
BRAC



Executive Director  
BRAC



Chairperson, Governing Body  
BRAC

Dated: 30 December 2021

**BRAC**  
**(Registered in Bangladesh under the Societies Registration Act, 1860)**  
**Notes to the financial statements**  
**For the year ended 30 June 2021**

**1 General information:**

BRAC was formed as a development organization in 1972 under the Societies Registration Act 1860. Although BRAC was initially set up to resettle refugees in post-war Bangladesh, later it redesigned its strategies in accordance with its philosophy of poverty alleviation and empowerment of the poor. At present, BRAC has a large number of development programs that cover the areas of health, education, credit, employment and training for the poor people of Bangladesh. BRAC also earns from various income generating projects such as Aarong Rural Craft Centre, BRAC Printing Pack, BRAC Dairy and Food project and various programme support enterprises such as Seed and Agro Enterprises, Fisheries.

**Corporate information of BRAC:**

1	Year of establishment	: 1972
2	Legal Entity (MRA Registration No.)	: 00488-00186-00065
3	Nature of operations (Program)	: Microfinance, Development Program and Social Enterprises
4	Statutory Audit Conducted up to	: June 30, 2021
5	Name of Statutory auditor for last year	: Nurul Faruk Hasan & Co.
6	Name of Statutory auditor for the current year	: Nurul Faruk Hasan & Co.
7	No. Executive Committee meeting held in 2020-2021	: 11
8	Date of Last AGM held	: 28th June 2021

**9 List of BRAC Governing Body Members:**

SL No.	Name	Qualification	Profession	Present Address
1	Dr. Hossain Zillur Rahman	Ph D	Economist	"Kotha", House 33, Flat 0/B, Road 15 (New), Dhanmondi R/A, Dhaka 1209.
2	Mr. Adeeb Hossain Khan	Chartered Accountant	Chartered Accountant	House 59, Road 28, Flat A2 (2nd Floor), Gulshan-1, Dhaka 1212.
3	Advocate Syeda Rizwana Hasan	Masters in Law	Chief Executive BELA	House No.57/2, Central Road Dhanmondi, Dhaka.
4	Mr. Shafiqul Hassan	MSc	Business	The Old Coach House, 25 Dunster Gardens, London NW7 7NG, UK.
5	Ms. Melissa Dawn Parke	LLM	Lawyer	10/1 Roydhouse St., Subiaco, WA 6008, Australia.
6	Ms. Fathima Dada	BA	Business	7 Kenmore Road, Tamboerskloo, Cape Town 8001, South Africa.
7	Dr. Fahmida Khatun	Ph D	Executive Director, CPD	Apt# A1, House# 38, Road# 63, Gulshan 2, Dhaka 1212.
8	Mr. Tapan Chowdhury	BSc. Dhaka University, Diploma in Marketing & Management (U.K.)-1977	Industrialist	3 United Nations Road, Baridhara Diplomatic Enclave, Dhaka-1212.
9	Dr. M. A. Sattar Mandal	Ph D	Teacher, Researcher	House # B-6, Arambagh Housing Society (Main Road), Rupnagar, Mirpur-7, Dhaka-1216, Bangladesh.

## 2 Summary of significant accounting policies:

BRAC prepares its financial statements on a going concern basis, under the historical cost convention, except for investments in shares in listed companies (classified within investment in securities and others) and loans & borrowings which are stated at fair value and amortized cost respectively. BRAC generally follows the accrual basis of accounting or a modified form thereof for key income and expenditure items.

Given the nature and diversity in activities, BRAC has not been in a position to fully comply with the International Financial Reporting Standards (IFRSs). However, as leading NGO in both local and international perspective, BRAC has always been in persuasion to present the best possible Financial Statements adhering to the applicable reporting norms including IFRSs as found suitable. Also, there was no specific set of guiding rules or regulations including accounting and financial reporting standards strictly applicable for organization like BRAC. BRAC had to apply policies that are most appropriate and practicable in this circumstances. Over time, all these policies have been acceptable by the stakeholders and users of BRAC's financial statements.

However, according to the circulated gazette (Public Gazette by Financial Reporting Council on dated 16 March 2020), requiring Public Interest Entities (PIE) to comply with IFRS in presenting financial statements, BRAC is contemplating to undertake an initiative to critically workout the gap between existing reporting policies to the applicable IFRSs. Based on the results of this initiative, BRAC would take necessary steps to bridge the gap by implementing additional policies including modification into the existing, in coming years, if found appropriate.

The significant accounting policies, which have been materially consistent over the years, as applied and followed in the preparation and presentation of these financial statements are summarized below:

### 2.1 Basis of preparation of financial statements

BRAC maintains its books of account and records on project-wise basis under different programmes. The head office maintains records of all treasury, investment and management functions. All cash balances, including those held for programmes, are held by the head office and transferred to programmes as required. Balances between projects are eliminated upon combination for the purposes of presentation of the financial statements.

These financial statements include the financial statements of BRAC and, the related undertakings set out in Note 5 in which BRAC has equity interests through which it exercises control or significant influence.

In contrast to the ownership of equity interest in related undertakings, BRAC also extends gratuitous grants or provides donor liaison assistance to certain organizations that, in some instances may bear names with resemblance to BRAC, viz BRAC University, Stitching BRAC International, BRAC International Holdings B.V, BRAC Afghanistan, BRAC Myanmar, BRAC Tanzania, BRAC Uganda, BRAC South Sudan, BRAC Liberia, BRAC Sierra Leone, BRAC Philippines, BRAC Nepal and BRAC Rwanda. However, no equity is held in these entities, and BRAC's financial statements therefore do not include the financial information of these entities.

BRAC's accounting records and financial statements are maintained and presented in accordance with the principles of fund accounting. This is the procedure by which resources are classified for accounting and internal reporting into funds established according to their nature and purposes based on the existence or absence of donor-imposed restrictions.

In the combined financial statements capital funds have been classified within either of two categories- temporarily restricted and unrestricted. Accordingly, the capital funds of BRAC and changes therein are classified and reported as follows:

- Temporarily restricted funds - the segment of the funds are subject to donor-imposed restriction that permit BRAC to use or expand the assets as specified. The restrictions are satisfied either by the passage of time and/or by actions of BRAC when donor restrictions expire, that is when restrictions end or a purpose restriction is fulfilled, any balances of temporarily restricted funds are either returned to donors in accordance with donor agreements or utilized consequent to donor and management agreements on a temporarily restricted or unrestricted basis.

In case where restrictions expire, it is BRAC's policy to effect the reclassification of assets from temporarily restricted net assets to unrestricted net assets via transfers within the balance sheet.

- Unrestricted funds - the segment of the funds are not subject to any donor-imposed restrictions or which arise from internally funded activities. This category of funds include amongst others, amounts designated by BRAC for income generating activities, programme support enterprises, micro-financing activities and self-financing social development activities.

## 2.2 Reporting period

These financial statements have been prepared for the period from 1 July 2020 to 30 June 2021.

## 2.3 Authorization for issue

These financial statements have been authorized for issue by the Finance and Audit Committee (Representing BRAC's Governing Body) of BRAC on 01 December 2021.

## 2.4 Comparatives and reclassification

Comparative information have been disclosed in respect of the year ended on 30 June 2021 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period's financial statements.

## 2.5 Functional and presentation currency

These financial statements are presented in Bangladesh Taka, which is BRAC's functional currency. Except as indicated the figures have been rounded off to the nearest Taka.

## 2.6 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Management uses judgment, estimates and assumptions in the areas including depreciation & amortization, loan loss provision, gratuity provision, impairment of assets, taxation etc, as applicable.

## 2.7 Going concern

During the pandemic situation from COVID-19 outbreak, BRAC responded to support the community with awareness campaign activity, offering food and cash support to the financially affected group in addition to coordinating with Govt. to support medical response with BRAC doctors & volunteers.

During the lockdown situation, BRAC has taken several safety measures for its employees and beneficiaries to maintaining social distancing. The upfront financial planning through scenario based forecast, alternate source of finance, implementing digital financial tool at field offices, shifting to virtual online platform for regular official communication etc. helped to continue the stability of the regular operations while maintaining social restriction. The pandemic situation does not have any impact on going concern of the organization.

The management along with Board personnel assessed that COVID-19 will not have any material impact on BRAC's financial strength and future stability. BRAC has adequate resources to continue in operation for foreseeable future and hence, the financial statements have been prepared on going concern basis.

## 2.8 Consolidation

BRAC, being a society registered under the Societies Registration Act, 1860 was not subject to any requirement on the preparation of consolidated financial statements. However, being a PIE as defined by FRC, BRAC is required to prepare its financial statement in compliance with all applicable International Financial Reporting Standards (IFRS), BRAC, being the parent entity of a number of subsidiaries, it is required to present consolidated financial statements. BRAC is contemplating to prepare consolidated financial statements in the coming years.

Accordingly, BRAC's investments in related undertakings wherein the effective equity interests are more than 50% are accounted for as explained in Note 2.18, together with related undertakings in which BRAC has significant influence where effective equity interests are below 50%.

## 2.9 Donor grants

Income from donor grants is recognized when conditions on which they depend on have been met. Substantially, BRAC's donor grants are for the funding of projects and programmes, and for these grants, income is recognized to equate to expenditure incurred on projects and programmes. For donor grants which involve funding for property, plant and equipment, grant income is recognized as the amount equivalent to depreciation expenses charged on the fixed assets concerned. For donor grants provided to purchase motorcycles for specific projects, income is recognized over the estimated useful life of the motorcycles.

All donor grants received are initially recorded as liabilities in grants received in advance account. For grants utilized to purchase fixed assets and motorcycles, the donor grants are transferred to deferred income accounts whilst for grants utilized to reimburse programme-related expenditure, the amounts are recognized as income. Donor grants received in-kind, through the provision of gifts and/or services, are recorded at fair value (excluding situations when BRAC may receive emergency supplies for onward distribution in the event of a disaster which are not recorded as grants). Income recognition of such grants follows that of cash-based donor grants and would thus depend on whether the grants are to be utilized for the purchase of fixed assets or expended as programme-related expenditure.

Grant income is classified as temporarily restricted or unrestricted depending upon the existence of donor-imposed restrictions. For completed or phased out projects and programmes, any unutilized amounts are dealt with in accordance with subsequent donor and management agreements.

## 2.10 Revenue recognition

BRAC recognises as revenue the amount that reflects the consideration to which the entity expects to be entitled in exchange for goods and services when it transfers control to the customer and excludes amounts collected on behalf of third parties. The entity recognises revenue when it satisfies a performance obligation by transferring control over goods or services to a customer.

BRAC recognises revenue from the following major sources:

- a) service charge on microfinance loan
- b) sale of goods of social enterprises
- c) donor grants
- d) investment income
- e) rental income from house property

### *Social enterprises projects*

Social enterprises comprise Aarong Rural Craft Centre, BRAC Printing Pack, BRAC Dairy and Food Project, Seed and Agro Enterprises, Fisheries, Artificial Insemination Center, Horticulture Nurseries, Chilling Centres, Recycled Hand Made Paper Production and Health Product related activities.

### *Revenue from sale of goods*

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, discount and VAT. Revenue is recognized at the time, when significant risks and rewards of ownership have been transferred to the buyer and recovery of consideration is probable. Transfer of risks and rewards occur, when the goods are delivered to the distributor/customers along with dispatch documents and invoices.

### *Service charge on microfinance loans*

Service charges on microfinance loans are recognized on an accrual basis as income. The recognition of service charge ceases when a loan is transferred to non-interest bearing loan. Service charge is included in income thereafter only when it is realized. Loans are returned to the accrual basis only when the full amount of the outstanding arrears of loans received and future collectability is reasonably assured.

### *Interest on bank accounts, fixed deposits, bonds*

Interest income is recognized on an accrual basis.

### *House property income*

House property income is recognized on an accrual basis whether cash is received or not.

### *Other income*

Other income is recognized when BRAC's right to receive such income has been reasonably determined.

### *Community contributions*

Community contributions represent fees charged to participants of selected programmes and activities run by BRAC and is recognized when BRAC's right to receive such income has been reasonably determined.

## 2.11 Expenses

Programme related expenses arise from goods and services being distributed to beneficiaries in accordance with the programme objectives and activities. BRAC's head office overhead expenses are allocated to various projects and programmes at a range of 7% to 10% of their costs, based on agreement with donors or management's judgment.

## 2.12 Property, plant and equipment

### (a) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if all the following conditions are met:

- i) the asset is available for use
- ii) it is probable that future economic benefits will flow to BRAC
- iii) the cost of the item can be measured reliably and exceeds Tk. 2,000
- iv) it is expected to be used for more than 1 year

### (b) Subsequent costs

Subsequent to recognition, plant and equipment and furniture and fixtures are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, BRAC recognizes such parts as individual assets with specific useful lives and depreciation respectively.

### (c) Depreciation

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation is provided for on a straight-line basis over the estimated useful lives of the assets at the following annual rates which are consistent with the prior year:

<u>Item</u>	<u>Annual Depreciation Rate (%)</u>
Buildings	4-10
Furniture & Fixtures	10-20
Equipment	15-33.33
Computer and IT Equipment	20-33.33
Vehicles	20
Bicycles	20
Machineries	20
Deep tube wells and tanks	20
Hatcheries	20
Motorcycles	20
Camp/Poultry/Livestock sheds	20
Crates/Mannequins/Samples	33.33

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

### (d) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

### (e) Capital work in progress

Properties in the course of construction represents construction of items of property, plant and equipment that are not ready for use which are carried at cost, less any recognised impairment loss. Assets under construction included in property, plant and equipment are not depreciated as these assets are not ready for use. Depreciation of these assets, determined on the same basis as other property assets, commences when the assets are ready for their intended use.

### (f) Capitalisation of borrowing costs

As per the requirements of IAS 23 Borrowing Costs, directly attributable borrowing costs are capitalised during construction period for all qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

## 2.13 Intangible assets

### (a) Recognition and measurement

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment loss, if any. The cost of an intangible asset comprises its purchase price, non-refundable taxes and any directly attributable cost of preparing the asset for its intended use. The cost of an item of intangible assets is recognized as an asset if, and only if all the following conditions are met:

- i) the asset is available for use
- ii) it is probable that future economic benefits will flow to BRAC
- iii) the cost of the item can be measured reliably
- iv) it is expected to be used for more than 1 year

### (b) Subsequent costs

Subsequent costs are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. All other costs are recognised in profit or loss as incurred.

### (c) Amortisation

Amortisation is recognised in profit or loss on a straight line basis over the estimated useful lives of intangible assets. The estimated useful lives are as follows:

<u>Item</u>	<u>Annual Amortization Rate (%)</u>
Software	20

### (d) Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in profit or loss.

## 2.14 Microfinance loans

BRAC micro-finance operations provide loans to members without collateral, on a service charge basis under various projects. Loans encompasses both the principle and service charge outstanding in fair value. Loan loss provision has shown separately under current liabilities.

## 2.15 Provision for loan losses

Management regularly assesses the adequacy of the loan loss provision based on the age of the loan portfolio and calculates the required provision for loan losses based on the loan classification and following the provisioning methodology which is shown below:

<u>Loan classification</u>	<u>Days in arrears</u>	<u>Provision required</u>
Standard	Current (no arrears)	1%
Watchlist	1 - 30	5%
Substandard	31 - 180	25%
Doubtful	181 - 365	75%
Loss	Over 365	100%

MRA issued a directive on 22 June 2021 to halt the loan classification in a regular manner and keep balance of Loan Loss Reserve (LLR) as of 31 December 2020 and provide additional 1% LLR for the incremental principal outstanding loan. In this respect, BRAC followed the MRA guidelines. In addition, BRAC Management has taken a conservative approach and provided an additional amount of BDT 694 crores in LLR for the period from 01 July 2020 to 30 June 2021.

## 2.16 Loans written off

Loans within their maturity period are classified as "Current Loans". Loans which remain outstanding after one year of their maturity period are considered as "Late Loans". Late Loans which remain unpaid for a year are classified as "Non-Interest Bearing Loans" (NIBL). The total amount of NIBL, which are considered bad and have no possibility of recovery, is referred to the Governing Body of BRAC for approval to write off, generally within one year from the date when a loan is transferred to NIBL. Generally loans are written off twice a year i.e. July and December. Any collections realized from loans previously written off are credited to the statement of comprehensive income and expenditure.



#### 2.17 Accruals and provisions

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees.

Provisions are recognized when BRAC has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

#### 2.18 Investments in related undertakings

Related undertakings refer to separately-established undertakings in which BRAC has significant influence and/or effective equity interests. Details of these undertakings are disclosed in Note 5.

BRAC's investments in these undertakings are initially recorded at cost and subsequently adjusted to reflect BRAC's share of results for each period added to or deducted from the respective investment costs, from the dates of their acquisition and to the dates of their disposal. Distribution received from the undertakings is recognized in the statement of comprehensive income and expenditure. Unrealized share of profit from undertakings as well as any changes in net assets in the related undertakings other than by the effect of operating results are recognized directly in the statement of changes in capital fund. On disposal, gains or losses representing the difference between the proceeds on disposal and the carrying value of the undertakings at the date of disposal are recognized in the statement of comprehensive income and expenditure. Gain or losses on dilution of interest in related undertakings, representing the difference in BRAC's share of net assets before and after the dilution concerned is also recognized in the statement of comprehensive income and expenditure. Provision is also made for any impairment if the carrying amount of an investment exceeds its recoverable amount. In case the share of losses from related undertakings is equal or more than the cost of investment then those losses were not recognized.

#### 2.19 Investment in securities and others

All investments other than investment in related undertakings are initially recognized at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

Other long-term investments which are intended to be held to maturity, such as debentures and private debt securities, are subsequently measured at amortized cost. Amortized cost is calculated by taking into account any discount or premium on acquisition, over the period to maturity. For investments carried at amortized cost, apart from the amortization process which is dealt with through the statement of comprehensive income and expenditure, any gain or loss is recognized in the statement of income and expenditure when the investment is disposed of or suffers a permanent diminution in value.

#### 2.20 Accounts receivable

Accounts receivable arise principally from BRAC's income generating activities and programme support enterprises, and are stated net of provision for doubtful debts. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date. Bad debts are written off when identified.

#### 2.21 Inventories

Retail inventories are stated at cost based on selling price less average mark-up, and other inventories are stated at cost. Cost is determined using the weighted average basis. The cost of inventories includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Provision is made for obsolete or slow moving items, to reduce their carrying amounts to net realizable value.

#### 2.22 Motorcycle replacement fund

Applicable donor funds are utilized for providing motorcycles to project or programme staffs, and these funds are held in a replacement fund. The cost of providing motorcycles to staff is recovered through monthly salary deductions. Donor funds received and utilized for the purchase of motorcycles are amortized to the statement of comprehensive income and expenditure over a period of five years, being the average estimated useful life of the motorcycles.

#### 2.23 Self - insurance fund

BRAC created a self-insurance fund in order to provide coverage for a variety of risks including that of hazard/natural calamity (i.e. cyclone, flood, fire among others) to selected properties. Additionally, risk coverage related to cash loss arising out of regular operation is also under the scope of this fund along with miscellaneous risk coverage not insured by other funds. This self-insurance fund is based on estimates by the Governing Body and, as from 2001, by reference to the best judgment made by management.

#### 2.24 Employee gratuity and redundancy fund

BRAC maintains a Gratuity Scheme which is considered as a defined benefit plan. BRAC makes provisions for an Employee Gratuity and Redundancy fund, on the basis of two months' basic salary for each completed year's service for each permanent employee (based on the basic salary of the last month) and provision for earned leave for an employee maximum up to 60 days. In this respect, Gratuity fund valuation of the retirement benefit liabilities are calculated periodically and with reference to a number of actuarial assumptions and inputs including discount rate, rate of inflation and mortality rates.

The extent of future liabilities requiring current provisions, and the rate of provisions required in the immediate following financial periods have been determined based on actuarial valuation carried out for 2020.

In addition, the process of formation of a funded gratuity has been taken and administrative formalities have been completed. An actuarial valuation of the gratuity amount has been conducted in this regard. An amount of Taka 100 Crores is transferred to this separate gratuity fund.

#### 2.25 Employee provident fund

BRAC makes contribution to a recognized contributory provident fund for its eligible employees which is operated by a Board of Trustees. The contribution by BRAC is 10% of the basic salary of each confirmed employees and this is equivalent to the contribution by each eligible employee. Contributions to this fund are recognized as an expenses in the period in which the employee services are performed.

#### 2.26 Employee group insurance

BRAC is maintaining a group insurance policy with Guardian Life Insurance Ltd. for covering the risk of life of the employee and family health, on a monthly fixed premium basis. This policy is to cover liabilities arising out of death and other permanent injuries suffered by the employees. The terms of employment provide for payment in the event of death or permanent injury, of amounts ranging from 50 months for natural death, permanent injuries and 100 months for accidental death equivalent of last month basic salary. In case of health coverage, it covers a range of medical facilities in all over the Bangladesh as well as in abroad.

#### 2.27 Foreign currencies

Foreign currency transactions are converted into equivalent Taka at the ruling exchange rates on the respective dates of such transactions.

The resulting exchange translation gains and losses are recognized in the statement of income and expenditure.

The principal exchange rates used for each respective unit of foreign currency ruling at the statement of financial position date are as follows:

	30 June 2021 Taka	30 June 2020 Taka
United States Dollar (USD)	83.95	83.95
Euro	99.65	94.03
Great Britain Pound (GBP)	116.02	102.98
Canadian Dollar (CAD)	66.76	60.45
Australian Dollar (AUD)	61.85	57.40

BRAC's foreign currency denominated assets and liabilities are disclosed in Note 29.

#### 2.28 Taxation

Income tax liabilities for the current period are measured at the amount expected to be paid to the taxation authorities in accordance with the Income Tax Ordinance, 1984 (Amended) for activities by which BRAC generates taxable income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### 2.29 Borrowing costs

Borrowing costs are interest and other costs that BRAC incurs in connection with the borrowing of fund.

Borrowing costs are recognized as an expense in the period in which they are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset as referred to note no. 2.12(f).

### 2.30 Impairment of assets

At each statement of financial position date, BRAC reviews the carrying amounts of its assets to determine whether there is any indication of impairment. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. Recoverable amount is the higher of net selling price and value in use.

An impairment loss is recognized as an expense in the statement of comprehensive income and expenditure immediately. Reversal of impairment losses recognized in prior years is recorded in the statement of comprehensive income and expenditure when the impairment losses recognized for the asset no longer exists or have decreased.

### 2.31 Financial instruments

Financial instruments are recognized in the statement of financial position when BRAC has become a party to the contractual provisions of the instrument.

#### a) Investments in related undertakings

Investments in related undertakings are stated at cost less impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.18.

#### b) Investments in securities and others

Investments in securities and others are stated at cost, subsequently adjusted for fair value or at amortized cost. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.19.

#### c) Receivables

Receivables are carried at anticipated realizable values. Bad debts are written off when identified and an estimate is made for doubtful debts based on a review of all outstanding amounts as at the statement of financial position date.

#### d) Payables

Payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

#### e) Interest-bearing borrowings

Interest-bearing bank loans, overdrafts and securitized financing are recorded at the amount of proceeds received, net of transactions costs. For borrowings made specifically for the purpose of acquiring a qualifying asset, the amount of borrowing costs eligible for capitalization is the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investments of funds drawn down from that borrowing facility.

All borrowing costs are recognized as an expense in the statement of comprehensive income and expenditure in the period in which they are incurred. The carrying values of these financial instruments approximate their fair values due to their short term maturities.

### 2.32 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances. Bank overdrafts are repayable on demand and form an integral part of BRAC's cash management.

Cash and cash equivalents for the purposes of the statement of cash flows comprises of cash and bank balances net of bank overdrafts, if any. Cash and bank balances include donations which are received through donor grants. By virtue of donor agreements, the manner in which such donations are to be applied may be restricted to specific projects and/or assets.

### 2.33 Contingent liabilities

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of BRAC; or any present obligation that arises from past events but is not recognized because:

- \* it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- \* the amount of the obligation cannot be measured with sufficient reliability

Contingent liabilities are not recognized but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote .

In respect of a number of earlier years, BRAC has received demands for additional tax from the taxation authority. These are at different stages of appeal. Provisions have been made where considered appropriate.

Contingent assets are not recognized in the financial statements as this may result in the recognition of income which may never be realized.

#### 2.34 Events after the balance sheet date

Events after the statement of financial position date that provide additional information about the organization's position at the statement of financial position date are reflected in the financial statements.

The COVID-19 outbreak continues and a significant number of infections observed from March 2021. To mitigate the risk of infections, several measures have been taken at a country level to respond against COVID 19 pandemic. In this regard, we have taken a number of initiatives to monitor and prevent the effects of the COVID-19 virus such as safety and health measures for our people including encouraging for vaccination, maintaining social distancing, introducing work from home and securing the supply of materials that are essential for the safety of our staffs.

BRAC has considered the possible impacts that may result from COVID-19 in the preparation of these financial results including the recoverability of carrying amount of financial and non- financial assets. The assumptions relating to the possible future uncertainties in the economic conditions because of COVID-19, BRAC has, at the date of approval of these financial results, used both internal and external sources of information and assessed that the carrying amount of the assets will be recovered.

Since the end of reporting period there has been no material changes affecting the financial position of BRAC.

#### 2.35 Segmental reporting

BRAC is organized into operating segments based on projects and programmes which are independently managed by the respective program managers responsible for the performance within the operating segments.

The programme managers report directly to the management of BRAC who regularly review the segment results in order to assess segment performance. Additional disclosures on each of these segments are shown in notes 32 and 33 respectively.

#### 2.36 Utilization of contribution from MF surplus

MRA approved BDT 308 crores to spend for its development programme activities which include education, health, human rights & legal aids services, water, sanitation, hygiene (WASH) and ultra poor graduation (UPG) programmes for this period.

As a whole, BRAC spent BDT 1,834 crores for its development activities which were funded by local and foreign aid, contribution from MF surplus and other different sources.

3. Property, plant and equipment

Particulars	Cost				Depreciation				Amount in Taka		
	Opening balance 01-07-2020	Additions during the period	Transferred during the period	Disposals during the period	Closing balance 30-06-2021	Opening balance 01-07-2020	Charged during the period	Adjustment/ disposals during the period	Closing Balance 30-06-2021	Written down value 30-06-2021	Written down value 30-06-2020
Freehold land	10,621,556,679	114,567,367	(427,563)	-	10,735,696,483	-	-	-	-	10,735,696,483	10,621,556,679
Buildings	7,745,930,689	458,848,543	81,360,980	(23,207,562)	8,262,932,650	2,746,483,147	12,636,299	12,636,299	2,989,591,958	5,273,340,692	4,999,447,542
Furniture and fixtures	2,223,727,116	96,955,410	(21,520,558)	(169,869,913)	2,129,292,055	1,302,525,239	(80,143,891)	(80,143,891)	1,400,953,396	728,338,659	921,201,877
Equipment	2,946,537,453	708,342,219	(92,657,900)	(323,481,227)	3,238,740,545	1,954,622,559	(175,476,827)	(175,476,827)	2,090,471,172	1,148,269,373	991,914,893
Computer	1,189,049,664	208,315,492	(5,632,077)	(19,409,849)	1,372,323,230	913,353,787	(17,725,569)	(17,725,569)	1,062,609,076	309,714,154	275,695,877
Vehicles	1,540,769,702	83,159,007	(6,522,418)	(19,563,528)	1,597,842,763	1,105,399,391	(16,314,864)	(16,314,864)	1,222,877,968	374,964,795	435,370,311
Bicycles	12,795,436	2,238,135	(101,437)	(3,784,688)	11,147,446	10,092,449	(3,801,143)	(3,801,143)	8,028,815	3,118,631	2,702,987
Machineries	1,638,740,373	325,925,627	86,104,324	(43,433,043)	2,007,337,281	1,078,220,261	(15,579,591)	(15,579,591)	1,163,386,786	843,950,495	560,520,112
Deep tubewell and tanks	62,513,798	1,546,528	(17,014,610)	-	47,045,716	57,595,228	(16,636,015)	(16,636,015)	43,483,902	3,561,814	4,918,570
Hatcheries	18,179,110	298,560	-	-	18,477,670	15,431,347	77,694	-	15,509,041	2,968,629	2,747,763
Motor cycles	29,636,667	1,003,450	(2,885,214)	(1,964,113)	25,790,790	8,085,597	(2,548,687)	(2,548,687)	9,119,194	16,671,596	21,551,070
Construction Work in progress	354,416,451	348,089,127	(205,179,947)	(25,315)	497,300,316	-	-	-	-	497,300,316	354,416,451
Crates/Mannequins/Samples/Antiques	745,612,203	179,457,098	184,476,420	-	1,109,545,721	614,036,986	124,799,771	-	738,836,757	370,708,964	131,575,217
<b>Total 30 June 2021</b>	<b>29,129,465,340</b>	<b>2,528,746,563</b>	<b>-</b>	<b>(604,739,238)</b>	<b>31,053,472,665</b>	<b>9,805,845,992</b>	<b>1,254,612,369</b>	<b>(315,590,287)</b>	<b>10,744,866,063</b>	<b>20,308,604,602</b>	<b>19,323,619,346</b>
<b>Total 30 June 2020</b>	<b>27,887,935,952</b>	<b>1,465,456,949</b>	<b>-</b>	<b>(223,927,561)</b>	<b>29,129,465,340</b>	<b>8,774,298,538</b>	<b>1,254,235,570</b>	<b>(222,668,116)</b>	<b>9,805,845,992</b>	<b>19,323,619,346</b>	

Allocation of depreciation.

- i) included in cost of sales of income generating projects
- ii) depreciation and amortization-property, plant and equipment
- iii) depreciation and amortization-intangible assets

	30 June 2021 Taka	30 June 2020 Taka
	210,716,078	201,862,994
	1,043,896,281	1,052,372,576
	1,588,337	2,088,626
	<u>1,256,200,696</u>	<u>1,256,304,196</u>

An amount of Tk. 221,659,611 (30 June 2020: 263,532,641) has been transferred to the statement of income and expenditure from Deferred income - investment in fixed assets to cover the depreciation charge for donor funded fixed assets as disclosed in Note 18.

An amount of Tk. 152,714,151 (30 June 2020: Tk. 148,315,958) has been reclassified from computer under Property, plant and equipment to Software and Intangible assets in progress under Intangible assets.

4. Intangible assets

Group of intangible assets	Cost						Depreciation			Amount in Taka	
	Opening balance 01-07-2020	Additions during the period	Transferred during the period	Disposals during the period	Closing balance 30-06-2021	Opening balance 01-07-2020	Charged during the period	Adjustment/ disposals during the period	Closing Balance 30-06-2021	Written down value 30-06-2021	Written down value 30-06-2020
	Software	4,398,193	21,326,472	-	-	25,724,665	2,068,626	1,588,337	-	3,656,963	22,067,702
Intangible assets in progress	148,315,958	2,167,356	-	-	150,483,314	-	-	-	-	150,483,314	148,315,958
Total 30 June 2021	152,714,151	23,493,828	-	-	176,207,979	2,068,626	1,588,337	-	3,656,963	172,551,016	150,645,525
Total 30 June 2020	148,315,958	4,398,193	-	-	152,714,151	-	2,068,626	-	2,068,626	150,645,525	

An amount of Tk. 152,714,151 (30 June 2020: 148,315,958) has been reclassified to Software and Intangible assets in progress under Intangible assets from computer under Property, plant and equipment.

5 Investments in related undertakings

Related undertakings	30 June 2021			
	Cost of investment Taka	Share of reserves Taka	Loans Taka	Total Taka
BRAC Bank Ltd.	5,911,149,577	14,584,898,187	-	20,496,047,764
BRAC Industries Ltd.	24,999,900	12,182,084	-	37,181,984
BRACNet Ltd.	185,915,300	(38,185,605)	-	147,729,695
BRAC IT Services Ltd.	207,839,000	(99,269,514)	-	108,569,486
BRAC Services Ltd.	10,000,000	(363,986,047)	406,410,774	52,424,727
Delta BRAC Housing Finance Corporation Ltd.	40,000,000	1,128,929,248	-	1,168,929,248
BRAC Karmatuli Tea Company Ltd	243,908,025	(102,528,307)	1,403,907,285	1,545,287,003
BRAC Kaiyachara Tea Company Ltd	63,300,695	260,614,681	236,569,456	560,484,832
BRAC Kodala Tea Company Ltd	81,680,954	(121,170,790)	516,100,132	476,610,296
Bangladesh Netting Factory	17,071,429	33,531,299	32,374,571	82,977,299
IPDC Finance Ltd.	1,112,443,508	471,960,164	-	1,584,403,672
Mayalogy Ltd.	18,155,513	(12,049,516)	-	6,105,997
BRAC EPL Investment Ltd.	1,300	-	-	1,300
BRAC Kumon Ltd.	49,980,000	(24,924,213)	51,745,225	76,801,012
edotco Bangladesh Co. Ltd.	7,228,750,000	734,469,495	-	7,963,219,495
BRAC OSIRIS Impact Ventures Ltd.	100,000,000	(5,696,646)	-	94,303,354
Bhumijo Ltd.	3,000,000	4,552,413	-	7,552,413
BD Assistant	2,000,000	-	-	2,000,000
	<b>15,300,195,201</b>	<b>16,463,326,933</b>	<b>2,647,107,443</b>	<b>34,410,629,577</b>

Related undertakings	30 June 2020			
	Cost of investment Taka	Share of reserves Taka	Loans Taka	Total Taka
BRAC Bank Ltd.	4,760,329,616	13,183,741,416	-	17,944,071,032
BRAC Industries Ltd.	24,999,900	11,151,405	-	36,151,305
BRACNet Ltd.	185,915,300	(53,337,041)	-	132,578,259
BRAC IT Services Ltd.	36,134,000	(36,134,000)	-	-
BRAC Services Ltd.	10,000,000	(296,114,440)	367,714,620	81,600,180
Delta BRAC Housing Finance Corporation Ltd.	40,000,000	1,015,419,442	-	1,055,419,442
BRAC Karnatjuli Tea Company Ltd	243,908,025	(41,540,904)	1,251,499,061	1,453,866,182
BRAC Kaiyachara Tea Company Ltd	63,300,695	243,970,163	196,526,465	503,797,323
BRAC Kodala Tea Company Ltd	81,680,954	(86,062,879)	481,293,557	476,911,632
Bangladesh Netting Factory	17,071,429	33,151,202	35,355,598	85,578,229
BRAC Environmental Enterprises Ltd.	90,000,000	(71,014,811)	124,890,003	143,875,192
IPDC Finance Ltd.	1,112,443,508	471,762,968	-	1,584,206,476
Mayalogy Ltd.	18,155,513	(9,033,955)	-	9,121,558
BRAC EPL Investment Ltd.	1,300	-	-	1,300
BRAC Kumon Ltd.	49,980,000	(12,646,481)	28,895,443	66,228,962
edotco Bangladesh Co. Ltd.	7,228,750,000	1,156,039,867	-	8,384,789,867
BRAC OSIRIS Impact Ventures Ltd.	100,000,000	(2,603,829)	-	97,396,171
Bhumijo Ltd.	3,000,000	(701,796)	-	2,298,204
	<b>14,065,670,240</b>	<b>15,506,046,327</b>	<b>2,486,174,746</b>	<b>32,057,891,313</b>

30 June 2021 Taka	30 June 2020 Taka
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Transfer to change in net assets/capital fund

886,265,795	2,259,838,290
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Share of non-operating changes in net assets/capital fund in related undertakings

226,793,043	1,468,486,356
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Investment in reserve fund (Statutory reserve)

659,472,753	791,351,934
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Related undertakings (All incorporated in Bangladesh)	30 June 2021 %	30 June 2020 %	Principal activities
BRAC Bank Ltd.	46.17	44.28	Banking business, listed on the Dhaka and Chittagong Stock Exchanges
BRAC Industries Ltd.	99.99	99.99	Cold storage
BRACNet Ltd.	19.99	19.99	Internet service provider
BRAC IT Services Ltd.	87.00	51.00	Software Development
BRAC Services Ltd.	100.00	100.00	Hospitality
Delta BRAC Housing Finance Corporation Ltd.	18.39	18.39	Housing finance, listed on the Dhaka and Chittagong Stock Exchanges
BRAC Karnafuli Tea Company Ltd.	99.94	99.94	Tea Plantation
BRAC Kaiyachara Tea Company Ltd.	99.85	99.85	Tea Plantation
BRAC Kodala Tea Company Ltd.	99.12	99.12	Tea Plantation
Bangladesh Netting Factory	93.94	93.94	Poultry Processing
IPDC Finance Ltd.	25.00	25.00	Finance services, listed on the Dhaka and Chittagong Stock Exchanges
Mayalogy Ltd.	10.28	15.70	Women Empowerment through online in Bangladesh.
BRAC Kuron Ltd.	99.96	99.96	Establish and operate Educational Institutes.
edotco Bangladesh Co. Ltd.	26.00	26.00	Telecommunications Service Provider.
BRAC OSIRIS Impact Ventures Ltd.	99.99	99.99	Invest in profitable and impact business ventures.
Bhumijo Ltd.	30.00	30.00	To ensure healthy and hygiene Public Toilets in Public places by designing, renovating, maintaining.
BD Assistant Ltd.	-	-	BD Assistant Ltd. is an online marketplace and logistics company which operates mainly in Rangpur Division. Share allotment not yet completed.

BRAC's investments in the related undertakings are represented by its share in the respective net tangible assets, goodwill and loans extended.

Loans represent finance provided for working capital and earn 7%-8% (30 June 2020: 7%-8%) interest per annum. These loans have no fixed repayment terms.

The market value of BRAC Bank Ltd shares at 30 June 2021 was Tk. 49.50 per share (30 June 2020: Tk. 31.90) and Tk. 49.20 per share (30 June 2020: Tk.32.00) on the Dhaka Stock Exchange(DSE) and Chittagong Stock Exchange (CSE) respectively.

The market value of Delta BRAC Housing Finance Corporation Ltd. shares at 30 June 2021 was Tk. 75.00 per share (30 June 2020: Tk.92.60) and Tk. 75.00 per share (30 June 2020: Tk.98.70) on the DSE and CSE respectively.

The market value of IPDC Finance Ltd. shares at 30 June 2021 was Tk. 27.90 per share (30 June 2020: Tk. 22.60) and Tk. 27.80 per share(30 June 2020: Tk. 22.50) on the DSE and CSE respectively.

Significant transactions with related undertakings are as follows:

		30 June 2021 Taka	30 June 2020 Taka
<b>Related Undertakings</b>	<b>Nature</b>		
<b>Dividend:</b>			
BRAC Bank Ltd.	Investment	(1,021,691,524)	-
Delta BRAC Housing Finance Corporation Ltd.	Investment	(91,811,087)	-
IPDC Finance Ltd.	Investment	(111,327,460)	(88,355,126)
edotco Bangladesh Co. Ltd.	Investment	(1,163,045,000)	-
		<b>(2,387,875,071)</b>	<b>(88,355,126)</b>
<b>Transactions:</b>			
BRAC Bank Ltd.	Investment	(170,104,311)	(170,532,224)
BRAC Services Ltd.	Investment	38,696,154	29,526,926
BRAC IT Services Ltd.	Investment	219,995,826	291,775,325
BRACNet Ltd.	Investment	203,843,085	213,516,525
BRAC Karnafuli Tea Company Ltd	Investment	-	-
BRAC Kaiyachara Tea Company Ltd	Investment	-	-
BRAC Kodala Tea Company Ltd	Investment	-	-
Bangladesh Netting Factory	Investment	-	-
Delta BRAC Housing Finance Corporation Ltd	Investment	-	(4,800,000)
Delta BRAC Housing Finance Corporation Ltd	Investment	-	(76,973)
IPDC Finance Ltd.	Investment	(73,215,733)	(36,360,656)
		<b>219,215,021</b>	<b>323,048,923</b>
<b>Receivable/(payables) with related parties:</b>			
BRAC Bank Ltd.	Investment	972,117,691	2,995,853,699
BRAC Bank Ltd.	Investment	6,517,925,666	13,727,912,249
BRAC Industries Ltd.	Investment	-	-
BRAC Bank Ltd.	Investment	(3,800,000,000)	(3,800,000,000)
BRAC Services Ltd.	Investment	406,410,774	367,714,620
BRAC Karnafuli Tea Company Ltd	Investment	1,403,907,285	1,251,499,061
BRAC Kaiyachara Tea Company Ltd	Investment	236,569,456	196,526,465
BRAC Kodala Tea Company Ltd	Investment	516,100,132	481,293,557
Bangladesh Netting Factory	Investment	32,374,571	35,355,598
BRAC Environmental Enterprises Ltd.	Investment	-	124,890,003
BRAC Kumon Ltd.	Investment	51,745,225	28,895,443
		<b>6,337,150,800</b>	<b>15,409,940,695</b>

The BRAC management has assessed the impact of COVID-19 pandemic on BRAC's investments in related undertakings by reviewing their financial statement disclosures and directors' report and holding discussion with the management of the companies. BRAC management have also observed performance of the related undertakings in the 3rd quarter of 2021. No significant uncertainty was found on the recoverability of the investment in related undertakings.

	30 June 2021 Taka	30 June 2020 Taka
DBH 1st Mutual Fund	47,400,000	47,400,000
AB Bank Subordinated Bond	200,000,000	400,000,000
MTB Subordinated Bond	100,000,000	150,000,000
Bangladesh Sanchaypatra (BSP)	-	76,000,000
Fixed deposits	27,470,977,477	14,863,275,525
Short term deposits	3,626,260,187	3,515,625,991
	<b>31,444,637,664</b>	<b>19,052,301,516</b>

6. Investment in securities and others

DBH 1st Mutual Fund	47,400,000	47,400,000
AB Bank Subordinated Bond	200,000,000	400,000,000
MTB Subordinated Bond	100,000,000	150,000,000
Bangladesh Sanchaypatra (BSP)	-	76,000,000
Fixed deposits	27,470,977,477	14,863,275,525
Short term deposits	3,626,260,187	3,515,625,991
	<b>31,444,637,664</b>	<b>19,052,301,516</b>
Current portion	30,636,037,664	18,043,701,516
Non-current portion	808,600,000	1,008,600,000

As of 30 June 2021, number of share holding of DBH 1st Mutual Fund is 6,000,000. Market value of DBH 1st Mutual Fund at 30 June 2021 was Tk. 8.00 per unit (30 June 2020: Tk. 6.90) on the Dhaka Stock Exchange (DSE). The maturity date of the AB Bank Ltd. Subordinated Bond will be on 25 August 2021 with effective interest rate 11% per annum. The maturity date of the Mutual Trust Bank Subordinated Bond will be on 19 October 2022 with effective interest rate 10.5% per annum.

7.

Inventories		
Seeds and feed	852,898,233	853,590,217
Medical supplies and consumables	79,656,203	73,498,937
Printing and stationery	199,843,650	102,834,630
Handicraft goods	5,251,045,581	5,333,867,975
Dairy products	446,571,625	449,804,825
Programmed materials	238,808,601	399,740,707
	<b>7,068,823,893</b>	<b>7,213,337,291</b>

8.

Grants and accounts receivable		
Grants receivable	2,611,513,506	1,628,273,959
Interest receivable on fixed deposits and bank accounts	1,244,900,647	1,399,679,064
Other accounts receivable	190,372,659	727,357,100
	<b>4,046,786,812</b>	<b>3,755,310,122</b>

## Microfinance loans

	Principal outstanding		Service charge receivable		Loan loss provision		Total	
	Taka		Taka		Taka		Taka	
As at 1 July 2020	265,798,665,693		8,852,404,289		(11,079,110,781)		263,571,959,201	
Additions	431,626,044,313		66,015,971,930		(15,075,810,946)		482,566,205,297	
Realization	(427,123,947,902)		(68,177,606,620)		-		(495,301,554,522)	
Write-off	(4,150,447,294)		(971,632,156)		5,122,079,450		-	
As at 30 June 2021	<b>266,150,314,810</b>		<b>5,719,137,443</b>		<b>(21,032,842,277)</b>		<b>250,836,609,976</b>	
As at 1 July 2019	230,431,832,162		3,071,423,749		(9,138,356,104)		224,364,899,807	
Additions	360,988,461,863		51,873,040,135		(3,145,332,509)		409,716,169,489	
Realization	(324,616,028,296)		(45,893,081,799)				(370,509,110,095)	
Write-off	(1,005,600,036)		(198,977,796)		1,204,577,832		-	
As at 30 June 2020	<b>265,798,665,693</b>		<b>8,852,404,289</b>		<b>(11,079,110,781)</b>		<b>263,571,959,201</b>	

Loans to members bear annual service charges 20% to 24% on a declining balance method. Repayments are made in weekly/monthly instalments.

The loan principal outstanding and loan loss provision are analyzed as follows:

Loan Classification	Days in Arrears	Principal Outstanding 30 June 2021		Loan loss Provision 30 June 2021		Principal Outstanding 30 June 2020		Loan loss Provision 30 June 2020	
		Taka		Taka		Taka		Taka	
Standard	Current (no arrears)	193,410,180,702		1,181,668,441		241,166,087,237		2,411,660,872	
Watchlist	1 - 30	13,592,673,918		415,232,377		14,359,782,407		717,989,120	
Substandard	31 - 180	33,093,321,190		5,054,714,947		2,691,605,064		672,901,266	
Doubtful	181 - 365	10,062,374,585		4,610,818,744		1,218,525,853		913,894,391	
Loss	Over 365	15,991,764,415		9,770,407,769		6,362,665,132		6,362,665,132	
		<b>266,150,314,810</b>		<b>21,032,842,277</b>		<b>265,798,665,693</b>		<b>11,079,110,781</b>	

Loan Loss Reserve (LLR) for the year reached at 7.90% on total outstanding balance as at 30 June 2021. MRA issued a directive on 22 June 2021 to halt the loan classification in a regular manner and keep balance of 31 December 2020 then provide additional 1% LLR for the incremental principal outstanding loan. In this respect, BRAC followed the MRA guidelines. In addition, BRAC Management has taken a conservative approach by following MRA directive and provided an additional amount of BDT 270 crores in LLR for the period from 01 January to 30 June, 2021 and approximately BDT 424 crores in LLR for the period from 01 July 2020 to 31 December 2020. The total excess of LLR for the period from 01 July 2020 to 30 June 2021 is approximately BDT 694 crores.

	30 June 2021 Taka	30 June 2020 Taka
<b>10. Advances, deposits and prepayments</b>		
Advances:		
Employees	4,238,631,300	5,197,394,673
Suppliers	4,944,858,044	4,133,182,407
Advance for income tax	3,829,750,087	2,433,180,336
Advance VAT	20,862,561	40,501,908
Motor cycle loans (Note 10.1)	27,305,231	69,253,193
	13,061,407,223	11,873,512,517
Deposits:		
Deposits for facilities and utilities	417,535,866	25,830,464
	<b>13,478,943,089</b>	<b>11,899,342,981</b>
<b>10.1 Motor cycle loans</b>		
Opening balance as at 1 July 2020	69,253,193	150,552,912
Additions during the year	-	10,140,175
Loan realization during the year	(41,947,962)	(91,439,894)
Closing balance as at 30 June 2021	<b>27,305,231</b>	<b>69,253,193</b>
<b>11. Cash and bank balances</b>		
Cash in hand	70,576,031	346,346,155
Cash at banks	17,288,852,436	16,123,337,508
	<b>17,359,428,467</b>	<b>16,469,683,663</b>
<b>11.1 Cash and cash equivalents</b>		
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following as at June 30, 2021:		
Cash in hand and at banks	17,359,428,467	16,469,683,663
Bank overdrafts (Note 13)	(168,877,058)	(31,171,194,721)
	<b>17,190,551,409</b>	<b>(14,701,511,058)</b>
<b>12. Liabilities for expenses and materials</b>		
Liabilities for expenses	9,372,954,148	9,691,911,419
Liabilities for goods	619,316,472	860,826,840
Interest payable on members' savings deposits	10,792,150,254	7,021,733,799
Advances received for training, publications, supplies etc.	1,449,826,333	1,431,697,700
	<b>22,234,247,207</b>	<b>19,006,169,758</b>

30 June 2021	30 June 2020
Taka	Taka

	30 June 2021	30 June 2020
	Taka	Taka
<b>13. Bank overdraft</b>		
Agrani Bank Ltd.	22,198,501	2,090,936,177
Bank Alfalah Ltd.	1,569,543	174,083,350
Bank Asia Ltd.	661,783	1,908,711,128
BRAC Bank Ltd.	430,455	223,489,825
Community Bank of Bangladesh	215,498	-
Dhaka Bank Ltd.	733,346	253,429
Dutch Bangla Bank Ltd.	1,556,056	36,419,765
Eastern Bank Ltd.	1,072,575	46,796,142
Habib Bank Ltd.	4,395,474	171,961,430
HSBC	5,833	702,218
IFIC Bank Ltd.	144,189	3,156,225
Jamuna Bank Ltd.	11,162,490	3,229,923,478
Janata Bank Ltd.	1,171,075	1,144,380,571
Mutual Trust Bank Ltd.	402,204	1,317,098,553
Prime Bank Ltd	4,206,914	2,002,570,317
Pubali Bank Ltd.	110,551,827	7,443,060,255
Rupali Bank Ltd.	404,133	150,043,691
Sonali Bank Ltd.	5,265,059	5,326,678,825
Southeast Bank Ltd.	207,694	57,091,570
Standard Bank Ltd.	-	281,127,861
The City Bank Ltd.	29,407	234,894,410
The Trust Bank Ltd.	326,127	2,446,869,955
United Commercial Bank Ltd.	322,618	100,060,746
Uttara Bank Ltd.	1,844,256	2,780,884,798
	<b>168,877,058</b>	<b>31,171,194,721</b>

The bank overdrafts were obtained for BRAC's micro-finance programme and to finance working capital requirements. The bank overdrafts bear interest at 4% to 9% (30 June 2020: 6.5% to 11%) per annum and are repayable within 12 months.

	30 June 2021	30 June 2020
	Taka	Taka
<b>14. Term loans</b>		
Local loans (14.1)	35,799,729,629	51,513,201,059
Foreign loans (14.2)	4,247,500,000	-
	<b>40,047,229,629</b>	<b>51,513,201,059</b>

	30 June 2021 Taka	30 June 2020 Taka
<b>14.1 Local loans</b>		
AB Bank Ltd.	-	249,998,781
Bank Alfalah Ltd	200,000,000	200,000,000
Bank Asia Ltd.	-	1,999,989,250
BASIC Bank Ltd.	31,110,325	247,659,279
BRAC Bank Ltd.	3,800,000,000	3,800,000,000
Citibank N.A.	-	1,420,000,000
Commercial Bank of Ceylon PLC.	1,500,000,000	1,450,000,000
Dutch Bangla Bank Ltd.	750,000,000	3,558,482,325
Eastern Bank Ltd.	3,337,720,586	3,391,744,288
EXIM Bank Ltd.	-	367,013,875
Habib Bank Ltd.	-	200,000,000
HSBC	4,070,000,000	3,160,000,000
IDLC Finance Ltd.	1,500,000,000	-
IFIC Bank Ltd.	-	3,439,984,916
Jamuna Bank Ltd.	-	199,998,975
Meghna Bank Ltd.	-	749,999,440
Midland Bank Limited	-	299,999,194
Modhumoti Bank Ltd.	-	199,949,546
Mutual Trust Bank Ltd.	1,499,994,691	-
NCC Bank Ltd.	999,997,033	3,484,635,813
Prime Bank Ltd	1,000,000,000	1,000,000,000
Pubali Bank Ltd	-	876,591,877
Rupali Bank Ltd.	-	3,000,000,000
SABINCO	-	92,017,015
Shahjalal Islami Bank Ltd.	1,900,000,000	4,300,000,000
Southeast Bank Ltd.	-	951,245,129
Standard Chartered Bank (SCB)	9,253,407,000	7,106,000,000
State Bank of India	1,200,000,000	1,100,000,000
The City Bank Ltd.	4,200,000,000	4,200,000,000
UAE Bangladesh Investment Company Ltd.	-	102,224,694
Woori Bank	557,499,994	365,666,662
	<b>35,799,729,629</b>	<b>51,513,201,059</b>

All repayment obligations in respect of the local term loans were met and no amounts were in arrears as at 30 June 2021. The local term loan were obtained to support various microfinance and development projects undertaken by BRAC and for working capital purposes. The loans are repayable at various intervals, i.e., monthly, quarterly, half-yearly and annually and bear 3.50% to 7.75% (30 June 2020: 6.50% to 9%) interest rates.

	30 June 2021 Taka	30 June 2020 Taka
Foreign loans		
Loan from FMO	4,239,500,000	-
Foreign exchange loss/(gain)	8,000,000	-
	<u>4,247,500,000</u>	<u>-</u>

#### 14.2

##### Foreign loans

Loan from FMO  
Foreign exchange loss/(gain)

FMO is a Dutch development bank structured as a bilateral private-sector international financial institution based in the Hague, the Netherlands. BRAC has borrowed USD 50,000,000 on April 06, 2021 from FMO equivalent to BDT 4,239,500,000 with a tenure of 5 years including 1 year grace period where annual interest rate is 3.72%. As on June 30, 2021, exchange loss/(gain) BDT 8,000,000 has been recognized at the exchange rate 1 USD = 84.95 Taka.

Term Loans are analyzed as follows:

Amount repayable within 12 months  
Amount repayable after 12 months:  
Repayable after 12 months but less than 24 months  
Repayable after 24 months but less than 36 months  
Repayable after 36 months but less than 48 months

	36,009,174,073	51,350,860,149
	1,048,888,889	126,627,592
	1,048,888,889	35,713,318
	1,940,277,778	-
	4,038,055,556	162,340,910
	<u>40,047,229,629</u>	<u>51,513,201,059</u>

#### 15.

##### Members' savings deposits

Opening balance as at 1 July 2020  
Deposits during the year  
Withdrawals during the year  
Closing balance as at 30 June 2021

	107,035,796,155	71,021,173,544
	79,175,373,358	68,648,175,400
	(50,701,172,046 )	(32,633,552,789 )
	<u>135,509,997,467</u>	<u>107,035,796,155</u>

Compulsory savings  
Voluntary savings  
Term deposits  
Closing balance as at 30 June 2021

	66,318,467,641	66,272,149,337
	15,807,905,031	13,331,872,445
	53,383,624,795	27,431,774,373
	<u>135,509,997,467</u>	<u>107,035,796,155</u>

Current portion  
Non-current portion

	63,897,000,426	-
	71,612,997,041	59,052,509,530
	63,897,000,426	47,983,286,625
	<u>135,509,997,467</u>	<u>107,035,796,155</u>

The rate of interest paid in respect of savings deposits by members was 6%-10.41% (30 June 2020: 6%-10%) per annum.



BRAC has three types of savings deposits initiatives, namely (a) Compulsory savings (b) Voluntary savings and (c) Term deposits, with a view to facilitating and encouraging savings by members.

(a) **Compulsory savings**

- (i) Each member deposits a minimum amount of Tk. 10 in a weekly/monthly meeting. The amount to be deposited weekly/monthly is fixed by the member at the inaugural meeting of the year. The interest rate is 6% per annum.
- (ii) A member can withdraw the entire amount of savings after the loan outstanding balance including service charges thereon has been fully repaid.
- (iii) BRAC is allowed to offset the amount of loan balance with the equivalent savings balance of the loaned in the event of default.

(b) **Voluntary savings**

- (i) Each member can save for periods ranging from 3 years to 10 years on a monthly basis. The voluntary savings range from Tk. 100 to Tk. 10,000. The interest rate ranges from 7% for a 3 years period to 10% for a 10 year period.

- (ii) Any member can withdraw his/her savings by giving a seven (7) days written notice.

(c) **Term deposits:**

Each member can save for a period of 1 to 7 years for a fixed time period. The amount of deposit can range from Tk. 10,000 to 1,000,000. Interest rate for the maturity period range from 7% in the first year to 10.41% for 7 years. At the beginning of February 2021, the product tenure was revised to maximum 8 years. However, it has been discontinued from June 10, 2021 .

**16.**

**Grants received in advance account**

	30 June 2021 Taka	30 June 2020 Taka
Opening balance as at 1 July 2020	2,859,176,014	3,156,525,935
Grants receivables	<u>(1,628,273,959)</u>	<u>(3,726,979,555)</u>
	1,230,902,055	(570,453,620)
Donations received during the period	13,482,720,433	15,754,704,129
Transferred to deferred income:		
- Investment in fixed assets	(750,386,161)	(192,211,811)
- Motorcycle replacement fund	-	(5,116,436)
Transfer to statement of comprehensive income and expenditure	<u>(14,236,644,651)</u>	<u>(13,654,675,350)</u>
	(273,408,324)	1,332,246,911
Refund/transfer/adjustment for closed projects	21,083,865	(101,344,856)
Grants receivables	<u>2,611,513,506</u>	<u>1,628,273,959</u>
Closing balance as at 30 June 2021	<u><u>2,359,189,047</u></u>	<u><u>2,859,176,014</u></u>

		30 June 2021 Taka	30 June 2020 Taka
<b>17.</b>	<b>Provision for taxation</b>		
	Opening balance as at 1 July 2020	4,582,206,820	4,699,937,024
	Provision made during the year	1,851,152,028	493,047,456
	Paid/adjustment during the year	-	(610,777,660)
	Closing balance as at 30 June 2021	<u>6,433,358,848</u>	<u>4,582,206,820</u>
<b>18.</b>	<b>Deferred income</b>		
	Opening balance as at 1 July 2020	719,417,698	730,551,715
	Transferred from Grants received in advance	750,386,161	750,386,161
	Amortization to Statement of Income and Expenditure	(217,165,039)	(221,659,611)
	Closing balance as at 30 June 2021	<u>1,252,638,820</u>	<u>1,259,278,265</u>
		<b>Investment in Fixed Assets Taka</b>	<b>Total Taka</b>
		<b>Investment in fixed assets Taka</b>	<b>Total Taka</b>
		<b>Motorcycle replacement fund Taka</b>	<b>Total Taka</b>
		<b>Motorcycle Replacement Fund Taka</b>	<b>Total Taka</b>
<b>19.</b>	<b>Other long term liabilities</b>		
	Opening balance as at 1 July 2019	786,244,437	796,756,109
	Transferred from Grants received in advance	192,211,811	5,116,436
	Amortization to Statement of Income and Expenditure	(259,038,551)	(263,532,641)
	Closing balance as at 30 June 2020	<u>719,417,698</u>	<u>730,551,715</u>
		<b>30 June 2021 Taka</b>	<b>30 June 2020 Taka</b>
	Employee gratuity and redundancy fund	14,269,802,315	14,479,653,761
	Self-insurance fund		
	- Employees	501,236,650	495,915,026
	- BRAC properties and motorcycles	956,047,478	956,047,478
		1,457,284,128	1,451,962,504
	<b>Other funds</b>		
	- Special fund for scholarship	6,677,760	6,514,591
	- Emergency fund	100,000,000	-
	- Relief and rehabilitation fund	1,785,632,038	1,617,747,441
	- Staff welfare fund	34,425,917	40,220,395
		<u>1,926,735,715</u>	<u>1,664,482,427</u>
		<u><b>17,653,822,158</b></u>	<u><b>17,596,098,692</b></u>

19.1 Employee gratuity and redundancy fund

It is BRAC's policy to carry out actuarial reviews at least every three years to assess the adequacy of the provisions in respect of the gratuity fund. Employee gratuity and redundancy fund consist of provision for gratuity of BDT 11,145,715,038 and provision for earned leave BDT 3,124,087,277 as at 30 June 2021.

19.2 Self-insurance fund

BRAC created a self-insurance fund in order to provide coverage for a variety of risks including that of hazard/natural calamity (i.e. cyclone, flood, fire among others) to selected properties. Additionally, risk coverage related to cash loss arising out of regular operation is also under the scope of this fund along with miscellaneous risk coverage not insured by other funds. This self-insurance fund is based on estimates by the Governing Body and, as from 2001, by reference to the best judgment made by management.

19.3 Other funds

The Special fund for scholarship represents the Catherine H. Lovel memorial fund which will subsequently be utilized for a scholarship programme for poor girls. It is represented by specific fixed deposits, from which interest is added to the fund.

BRAC created an emergency fund in response to the COVID 19 pandemic situation .

The Relief and Rehabilitation fund for disaster and climate change represents recoveries from prior disbursements of grants for rehabilitation, as well as additional amounts accreted by BRAC as deemed appropriate and is held as a liability. This fund is utilized to meet outgoing during natural disasters and climate change.

Staff insurance & welfare fund had been created for the welfare of the staff at BRAC which is not covered under the life/health insurance scheme. This is to be used at the discretion of the executive director's approval.

20.

Donor grants

Donor grants recognized in the statement of comprehensive income and expenditure:

Transferred from grants received in advance

Transferred from deferred income:

amortization of investment in fixed assets

- unrestricted

- temporarily restricted

amortization of motorcycle replacement fund

- unrestricted

- temporarily restricted

Total donor grants

Interest on bank accounts and fixed deposits from donor projects

Other income from donor projects

Notes	30 June 2021 Taka	30 June 2020 Taka
16	14,236,644,651	13,654,675,350
18	8,308,149	113,929,386
	208,856,890	145,109,165
	217,165,039	259,038,551
18	-	254,261
	4,494,572	4,239,832
	4,494,572	4,494,093
	14,458,304,262	13,918,207,995
	12,301,330	12,679,628
	20,898,182	-
	<u>14,491,503,774</u>	<u>13,930,887,623</u>

	30 June 2021 Taka	30 June 2020 Taka
<b>21. Social Enterprises</b>		
Revenue from Sales (Note-21.1)	15,211,805,393	12,446,529,023
Other income (Note-21.2)	30,643,584	2,676,287
	<b>15,242,448,976</b>	<b>12,449,205,310</b>
<b>21.1 Disaggregation of revenue from sales</b>		
Aarong Rural Craft Centre	8,200,682,701	5,834,882,844
BRAC Printing Pack	296,981,655	393,206,910
BRAC Dairy and Food Project	4,221,648,358	3,852,713,576
Agro-based program support enterprises	2,476,292,936	2,324,898,870
Non-agro-based program support enterprises	16,199,742	40,826,823
	<b>15,211,805,393</b>	<b>12,446,529,023</b>
<b>21.2 Other Income</b>		
Partial reimbursement on cost of donor funded programme supplies	30,643,584	2,676,287
	<b>30,643,584</b>	<b>2,676,287</b>
<b>22. Microfinance Programme</b>		
Service charge on microfinance loans (Note 22.1)	66,216,124,084	52,124,327,091
Bank interest against deposits (Note 26)	1,463,395,497	1,538,371,036
	<b>67,679,519,581</b>	<b>53,662,698,127</b>
<b>22.1 Service charge on microfinance loans</b>		
Service charge on microfinance loans	66,042,195,946	51,875,245,832
Membership fees	18,247,651	15,507,826
Others	155,680,487	233,573,433
	<b>66,216,124,084</b>	<b>52,124,327,091</b>
<b>23. Self-financing Social Development Projects</b>		
Interest on bank accounts and fixed deposits (Note 26)	403,303,857	137,025,278
Other income (23.1)	1,259,605,586	733,224,811
	<b>1,662,909,443</b>	<b>870,250,089</b>

	30 June 2021 Taka	30 June 2020 Taka
23.1 <u>Other income</u>		
(Loss)/gain on disposal of property, plant and equipment	(179,682,701)	21,859,886
Partial reimbursements on cost of programme supplies	906,463,521	140,427,456
Training income	532,824,766	505,081,779
Sale of wastage materials	-	65,855,690
	<b>1,259,605,586</b>	<b>733,224,811</b>
24. <u>Investment income</u>		
In respect of investments in related undertakings:		
- Cash dividend income	2,387,875,499	88,355,126
In respect of investments in securities and others:		
- Interest on Subordinated bond	38,415,397	66,890,109
- Interest on BSP	9,885,730	17,965,857
- Realized profit on DBH 1st Mutual Fund	-	4,800,000
	<b>2,436,176,626</b>	<b>178,011,092</b>
25. <u>Community contribution</u>		
Education Programme	83,476,875	285,351,501
Health Nutrition and Population Programme	440,152,862	430,117,757
Community Empowerment Programme	15,053,558	24,131,617
Skill Development Programme	41,796,492	42,307,312
BRAC WASH in hard to reach and urban areas	21,832,543	8,018,183
Migration Programme	8,310,766	-
Integrated Development Programme	147,939	153,590
	<b>610,771,035</b>	<b>790,079,960</b>
Community contribution represent fees charged by BRAC to participate of programmes or activities.		
26. <u>Interest on fixed deposits and bank accounts</u>		
Bank interest against deposits	1,463,395,497	1,538,371,036
Donor based development Projects	12,301,330	12,679,628
Self-financing social development programmes	403,303,857	137,025,278
	<b>1,879,000,684</b>	<b>1,688,075,942</b>
27. <u>BRAC Contribution to support Donor Funded Programmes</u>		

BRAC contributed funds to meet the funding shortfall in donor funded programmed expenditure during the year in order to ensure the continued implementation and execution of such programmed. The corresponding figure for the year ended 30 June 2020 was BDT 1,686,563,133.

	30 June 2021 Taka	30 June 2020 Taka
<b>Income tax expense</b>		
Income tax provision for the year	1,851,152,028	493,047,456
Income tax provision:		
Current year	1,660,000,000	493,047,456
Adjustment for previous year- IY 2015-16	191,152,028	-
	<b>1,851,152,028</b>	<b>493,047,456</b>

Under the Income Tax Ordinance, 1984 (Amended), in addition to its commercial activities, BRAC is also subject to taxation on income derived from other non-commercial activities unless they are tax exempt. Income from microfinance and social development activities are tax-exempted.

The tax charge is in respect of taxable income arising from BRAC's taxable activities in 2020-21, and is subject to agreement with the tax authorities.

**29. Foreign currency denominated monetary assets and liabilities**

Resident Foreign Currency Deposits (in USD)	933,591,792	792,464,911
Resident Foreign Currency Deposits (in Euro)	19,660,728	17,873,869
Resident Foreign Currency Deposits (in GBP)	18,865,171	17,853,061
Cash at bank (in USD)	954,878	1,983,479
Cash at bank (in Euro)	549,337	2,290,814
Cash at bank (in GBP)	478,662	1,257,529

Foreign exchange (loss)/gain on translation of foreign currency is Taka 1,301,073 (30 June 2020: Taka 7,810,333)

**30. Financial instruments**

**a) Financial risk management objectives and policies**

BRAC's financial risk management policy seeks to identify, appraise and monitor the risks facing BRAC whilst taking specific measures to manage its interest rate, foreign exchange, liquidity and credit risks. BRAC does not, however, engage in speculative transactions or take speculative positions, and where affected by adverse movements, BRAC has sought the assistance of donors.

**b) Interest rate risk**

Interest rate risk is the risk that arises due to changes in market interest rates. BRAC is not exposed to fluctuations in market interest rates as it has no floating interest rate bearing financial liability as at the reporting date. BRAC has not entered into any agreement involving derivative instrument at the reporting date.

**c) Foreign exchange risk**

BRAC's foreign exchange risks comprise transaction risk which arise from donor grants received in currencies other than the local currency and minimal foreign currency deposits and cash at bank placed with licensed financial institutions. In addition, there is translation risk associated with the loan in foreign currency. Primarily, BRAC is exposed to foreign currency fluctuations, mainly in respect of donor grants denominated in United States Dollars, Great Britain Pound and the Euro. Foreign exchange exposures in transactional/translational currencies other than the local currency are monitored via periodic project cash flow and budget forecasts and are kept to an acceptable level.

**d) Liquidity risk**

BRAC manages its debt maturity profile, operating cash flows and the availability of funding so as to meet all refinancing, repayment and funding needs. As part of its overall liquidity management, BRAC maintains sufficient levels of cash or fixed deposits to meet its working capital requirements.

**e) Credit risk**

The credit policy of BRAC requires all credit exposures to be measured, monitored and managed proactively. Exposure to credit risk is monitored on an ongoing basis by the commercial ventures' respective management teams. BRAC does not have any significant exposure to any individual customer or counterparty.

31. Schedule of donation received

Name of the projects	Donor	30 June 2021 Taka	30 June 2020 Taka
Strategic Partnership Arrangement (SPA)	DFID	1,450,240,000	5,087,170,000
	DFAT	1,238,465,000	1,164,400,000
	<b>Sub-total</b>	<b>2,688,705,000</b>	<b>6,251,570,000</b>
BRAC Vision Bangladesh Phase-II	BRAC USA	1,186,801	8,588,886
	Orbis International	2,863,034	5,274,241
	VISION SPRING	2,260,706	2,831,414
	<b>Sub-total</b>	<b>6,310,541</b>	<b>16,694,541</b>
IED BRACU	Kanton Zuerich	4,002,053	-
	Real Play City Challenge	1,099,281	-
	<b>Sub-total</b>	<b>5,101,334</b>	<b>-</b>
Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3	BRAC UK	449,704	-
	BRAC USA	7,406,262	-
	British Asian Trust	4,346,000	-
	DGHS - UNFPA	1,320,000	-
	UK Online Giving Foundation.	1,427,642	-
	Various Donor	3,607,523	-
	Edotco	-	2,054,871
	GP	-	150,000,000
	BRAC University	-	3,765,006
	BRAC Staff Contribution	-	38,684,110
	Local Contribution	-	40,683,313
	<b>Sub-total</b>	<b>18,557,131</b>	<b>235,187,300</b>
	Emergency Response to Typhoon/Cyclone Amphan in Bangladesh	BRAC UK	108,095
BRAC USA		24,950,136	21,709
Local Contribution		-	100,000
<b>Sub-total</b>	<b>25,058,231</b>	<b>121,709</b>	
Emergency Support for 2020 Flood Affected Households in Bangladesh	BRAC USA _BMGF	24,213,075	-
	Greta Thunberg Foundatio	2,547,119	-
	<b>Sub-total</b>	<b>26,760,194</b>	<b>-</b>



Name of the projects	Donor	30 June 2021 Taka	30 June 2020 Taka
Right Here Right Now (RH-RN)	Bondhu Social Welfare Society	1,143,896	2,959,415
	UNHCR	-	2,524
	Sub-total	1,143,896	2,961,939
BRAC Boat School	EAC-QATAR	-	1,478,464
Building Young Women's Leadership through Sports	Women Win	-	9,518,750
Bangladesh MYCN-Home Fortification Program	The Global Alliance for Improved Nutrition (GAIN)	-	414,494
Information Communication and Technology (ICT)	DFID	-	5,600,454
BRAC School Meal Piloting	WFP	-	4,722,668
Sustainable Clubfoot Care Bangladesh	The University of Columbia	2,666,079	-
IED BRACU	Zuerich University	-	6,101,280
Neuro Developmental Disability (NDD) Project	Apasen International	1,221,048	1,151,864
Building Blocks of Early Years Learning in Bangladesh	Porticus	-	32,979,345
Innovation for Improving Early Grad Reading Activity	USAID	-	26,960,556
Working with Children at Risk in the Slums of Dhaka	BRAC-UK	-	2,504,700
Ensuring Long Term Medical Services & Post Award Livelihood Support for the Victims of Rana Plaza	BRAC USA	-	33,460,479
Effect of BIO Fortified Leantiles on Iron and Selenium Status	University of Saskatchewan	-	9,495,918
English and Digital for Girls Education	British Council	2,243,400	11,408,306
MNCH-Urban Project (Phase-II)	WORLD RESOURCES INSTITUTE	178,108	403,867
Chitmojol Livelihood Development Programme Lalmonirhat	SCB	-	2,541,404
Financial Literacy for adolescents in Chittagong	Standard chartered bank	1,272,775	1,321,866
Improvement of the Real Situation of Over Crowding in Prisons	GIZ	5,710,337	15,928,361
Adolescent Sextual and Reproductive Health in Bangladesh	BRAC - USA	-	3,299,214
Unlocking the production Potential of "polder communities" in Coastal Bangladesh through improved Resource use efficiency and diversified cropping systems	IRRI	-	4,151,000
CFPR Phase IV	Pubali Bank Ltd.	5,475,053	-
CFPR Phase IV	Whole Planet Foundation	-	21,498,551
Targeting and Re-Aligning Agriculture to Improved Nutrition (TRAIN)	IFPRI-UK	4,464,470	20,526,447
Capacity Building to promote day-care services and women's employability in the RMG Sector"	MDF- Training & Consultancy (NUFFIC)	-	6,918,619
Support Socio economic development of 910 vulnerable families from bagerhat District(Bangladesh) through Innovative models of small scale aquaculture	AIDA	-	751,453
PRO-poor Growth of Rural Enterprises Through Sustainable Skills-development-PROGRESS	EC	-	116,973,327
Aarong model Urban Schools Program	Aarong	123,761	-
Shishu Niketan: Low cost Schools in Bangladesh	BRAC-UK	-	22,444,798
Bangladesh Districts Eye Care programme-vision Bangladesh	Sightsavers	2,875,591	3,089,430

Name of the projects	Donor	30 June 2021 Taka	30 June 2020 Taka
Improving Health and Nutrition Status of Urban Extreme poor in Bangladesh	Concern Worldwide	-	59,711,594
Strengthening and Cultivating Opportunities in Production for Empowerment (SCOPE)	Echotex Ltd	-	10,283,058
Construction of Lower Secondary School in Bangladesh	Dubai Cares	7,455,797	8,473,475
Empowering Women for Building Social Cohesion project	UN Women	-	1,923,567
Empowering the readymade garment workers living in slum of Dhaka	Stiftung Auxikiam	68,109,400	-
Income Support Programme for the poorest (ISPP) JAWTNO Project	World Bank	108,405,251	-
Sustainable reintegration and Improved Migration Governance in Bangladesh	IOM	-	233,293,354
Implementation of Comprehensive STH Control (Deworming)	BRAC USA	2,975,827	7,934,839
Emergency Response and Recovery for Flash Floods and Cyclone Mora to Support the Reduction of ongoing Suffering of the most Affected Communities and Assist	BRAC USA	-	32,165,298
Shujog	Google Asia Pacific Ltd.	-	6,622,755
Effects of play based early stimulation in children on self-regulation and executive functioning skills from rural low income households – a randomized control	Grand Challenge Canada	-	4,029,175
WASH in Make Shift Settlement in Balukhali, Ukhia	IOM	-	40,588,945
BRAC's humanitarian programme for forcibly-displaced Myanmar nationals	BRAC-USA	-	358,378,757
Community Mobilization Volunteers(CMV)Network for life Saving Message on health nutrition, Sanitation and Protection in humanitarian crisis in coxs Bazar	UNICEF	-	141,395,103
Phased Elimination of Malaria from Bangladesh-GFATM	THE GLOBAL FUND	208,208,630	427,892,867
TB care and prevention with a Focus on case Finding Activities in Bangladesh	THE GLOBAL FUND	2,284,634,970	1,990,873,807
Phase-1 Descriptive Framing Research	Porticus	-	935,014
Supporting Adolescent Empower for Changing Harmful Social Norms and Emergencies	UNICEF	-	30,568,209
Socio-economic reintegration of returnee migrant workers	Embassy of Denmark	-	17,278,077
Increasing Access to improved Water sanitation Hygiene service in School	Charity Water	-	167,508,389
Ensuring protective environment for children and adolescents of Rakhine state of Myanmar in Cox's Bazar District	UNICEF	-	57,532,648
Multi sectoral emergency assistance for Rohingya in Coxbazar Districts	UNHCR	-	1,928,781,033
Bridge School Programme	Education Above All (EAO)	111,458,124	154,197,368
Mobile Biometrics for MNCH Care in Bangladesh	Grand Challenge Canada	17,826,632	21,361,713
Improved Wash service for the Rohingya Refugee and Host Communities in Coxs Bazar	UNICEF	-	127,821,500
Alternative Learning Programme for Out of School Adolescent	UNICEF	45,762,495	63,819,683
Scale Up of Early learning and informal basic education for forcibly Displaced Myanmar Nations	UNICEF	-	186,263,914
Scale up of Early learning and informal basic education for FDMN	UNICEF	44,870,745	-
Scaling up Mother@Work programme at Ready-Made Garment Factories	UNICEF	7,251,766	18,270,322
The Effects of Community Based Psycho-social Intervention in Reducing Postpartum Depression and Improving Infant's Development in the Refugee Community from Rakhine State of Myanmar in Bangladesh	Grand Challenge Canada	2,423,254	3,815,922
Provision of Sustainable WASH Services for Rohingya and Host communities	EKN	-	80,000,000

Name of the projects	Donor	30 June 2021 Taka	30 June 2020 Taka
Reading Glasses for Improved livelihoods Project Phase-II	VISION SPRING	29,797,728	40,390,983
Enhancing Disaster Resilience (Access & Site Improvement)	WFP		68,273,142
Development, Production and Distribution of Teaching & Learning Materials for Learning Competency Framework and Approach (LCFA)	UNICEF	21,270,928	61,817,078
BRAC Humanitarian Programme for Forcibly-Displaced Myanmar Nationals: WASH Support	Big Heart Foundation	16,293,470	-
Sustainable WASH for Rohingya Crisis (Host Community)	EKN	19,999,029	25,861,751
WASH Support to The displaced Rohingya population in Ukhiya and Teknaf Upazilla, Cox's Bazar District	IOM	36,879,287	37,223,927
Sustainable Reintegration of Bangladesh Returnees	IRARA Service Ltd	24,393,573	21,259,556
Empowering Early Childhood in Emergency Setting-Rohingya refugees project	Sesame workshop, USA	-	321,850,843
Amplifying Early Childhood in Emergency Setting-Host community	Sesame Workshop	-	31,843,187
Increasing Access to Improved Water, Sanitation and Hygiene Services in School Project	Charity Water	47,114,653	-
Digitization Implementation Monitoring & public Procurement Project	BIGD BU	9,219,705	3,880,078
School Nutrition for Adolescent Project (SNAP)	Nutrition International	1,185,742	12,939,375
Integrated joint protection and education services for vulnerable Rohingya adolescent, children, women, men and communities including host community in Ukhiya and Teknaf of Cox's Bazar district	UNICEF	324,948,163	39,758,609
Research and Evaluation of BRAC's Holistics	BRAC USA	-	16,800,000
Promotion of Gender Justice Strengthening Engage Men and Boys Network for Reducing Violence Against Women and Children in Bangladesh	AMPLIFYCHANGE	4,404,781	23,926,901
Socio-Economic Reintegration of returnee Migrant worker's of Bangladesh Project (SDO)	Embassy of Switzerland	17,000,000	25,784,548
IYCF Focused Emergency Nutrition Response to Forcibly Displaces Rohingya Nationals on Cox's Bazar	UNICEF	1,783,605	15,700,318
SOK-Enhancing the resilience and well-being of Rohingya	Save the Children	-	11,171,344
Regarding the Implementation of a WFP Assistance Programme –Self Reliance	WFP	2,368,177	49,599,671
Deliver an integrated assistance package in Cox's Bazar -WFP-PA & TA to Scale-up School Feeding	WFP	-	127,373,996
Changing The Perception of Youth in Bangladesh about Skill Development	ROYAL DENISH EMBASSY	40,401,325	-
Positive social relationships created between Rohingya Refugees and host community women through economic and social support and networking	Un Women	-	25,330,849
Enhancing Disaster Resilience Project	WFP	16,832,692	
Implementation of Nutrition Intervention Under Integrated Assistance Package in Cox's bazar Comprehensive 5th Control Deworming	WFP	-	46,002,253
Humanitarian Leadership Academy-Bangladesh	HLA	4,225,802	-
Humanitarian Leadership Academy-Bangladesh	Save the Children	-	2,545,472
Women's Empowerment and Social Cohesion Building	Safer World	-	4,346,998
Integrated and Equitable SRH Services	UNFPA	22,216,548	5,403,053
Livelihood Support and Women's Empowerment in Cox's Bazar	GAC	215,443,526	
Improved WASH Service to the Rohingya Refugees Population in Ukhiya Cox's Bazar	UNICEF	41,126,138	
Responsible Recruitment of Bangladeshi worker Project	BRAC-USA	-	7,253,158
Integrated Comprehensive Essential Primary Health Care for Rohingya Refugees in Cox's Bazar	BRAC UK	1,692,881	6,792,347

Name of the projects	Donor	30 June 2021 Taka	30 June 2020 Taka
Comprehensive Integrated Health Services for the Displaced Rohingya in Cox's Bazar	DFATD GAC	-	62,904,958
BRAC Chevron Enterprise Development Project (JIBIKA) Phase -II	BRAC USA	38,294,737	-
Amplifying Early Childhood in Emergency Setting-Rohingya refugees Phase -II	Sesame Workshop	-	49,242,443
Participatory Implementation of IFC to improve Maternal and Newborn Health in Bangladesh	Enfants du Monde(EdM)	48,304,372	11,517,992
SEIP-BRAC	SEIP	43,573,628	26,805,372
Non-Formal Primary Education-AGFUND	Arab Gulf Programme for Developme	7,706,826	9,842,560
BRAC Humanitarian Program for Host community (Wash Support)	Big Heart Foundation	1,465,230	-
Achieving Peace and tolerance through CIVIC engagement in Rohingya refugee camps and host communities (CBLP)	MSI	-	18,946,079
Solid waste management in Host Communities and camps in teknaf Ukhia Upazila under Cox's Bazar district (Package-A-Teknaf and Package-B-Ukhia)	UNDP	41,602,872	25,872,318
Strengthening Inclusive Development in Chittagong Hill Tracts	UNDP	12,130,092	1,818,708
Better Business for Children	UNICEF	1,509,177	-
Better Business for Children	UNICEF	-	1,509,177
Collective Healing and Support for Rohingya Adolescents	BRAC UK	9,162,360	-
Emergency support for 2019 flood affected house holds in Bangladesh	BRAC USA	-	24,140,129
Learning Quality Improvement of forcibly displaced Myanmar Nation (FDMN) Children in Cox's Bazar	BRAC UK	6,336,963	11,301,412
Engaging communication through religious leaders network	UNICEF	6,061,950	16,520,650
Women's Empowerment by contributing in Aquaculture and Nutrition	World Fish	3,829,194	4,212,538
For Second Chance Education Pilot Program (CoChort)-Out Of Children (PEDP4)	BNFE	125,744,450	16,959,218
Advancing inclusive and resilient Urban development targeted at the Urban Poor-output 1: Country Studies Project	IIED	5,112,120	3,829,344
Regarding the Implementation of a WFP Food Assistance programme in Cox's Bazar	WFP	81,149,916	27,191,178
Decent Employment for Marginalised Youth in Retail	BRAC-UK	-	25,356,962
BRAC's Humanitarian Assistance for Myanmar Refugees in Bangladesh	BRAC USA	-	20,690,801
Humanitarian Support to cyclone Bulbul Affected people in satkhira Municipality	German Embassy	-	2,193,500
Livelihood Support to Host Communities in Teknaf Sub District	Deutsche Gesellschaft Fuer	22,594,767	15,408,214
Play and Learning Support to Pre-primary education for host community in cox's bazar districts of Bangladesh	Dubai Cares	-	82,873,509
Advocacy for Play & early Learning in Bangladesh	Stiftung Auxikiam	107,759,376	-
Promoting women and Girls empowerment through enhancing protection and economic resilience and access to market of Rohingya women and adolescent girls in camps	UN Women	35,317,479	22,881,664
Learning through Play: Creating Implementing sustaining a Model of playful pedagogy in Government Primary school in Bangladesh	Lego Foundation	-	89,941,277
Clean Water for all ( P 4 G) Project	WORLD RESOURCES INSTITUTE	4,848,771	933,176

Name of the projects	Donor	30 June 2021 Taka	30 June 2020 Taka
Development, Review, Adaption and compilation of teaching and learning Materials for learning competency Framework and Approach (LCFA) Level (i - iv)	UNICEF	32,787,137	-
Quality Education service for Rohingya Children in Cox's Bazar districts of Bangladesh	Nippon Foundation	63,060,495	59,889,750
Quality Education service for Host Community in Cox's Bazar districts of BD	Nippon Foundation	13,299,255	-
Early Learning and development through play in Emergency setting for Rohingya Community	Sesame Workshop	-	178,135,193
Early Learning and development through play in Emergency setting for Host Community	Sesame Workshop	12,984,802	-
Improving well-being of Vulnerable communities in Cox's Bazar through decent employment opportunities, Protection services and humanitarian Assistance	The Embassy of Denmark	90,000,000	-
Provision of life-Saving and Transitional WASH Services to affected Rohingya Population and Host Communities in Cox's Bazar	IOM	45,660,174	11,601,065
Disrupting cross Border Trafficking Networks in Jeshore, Bangladesh	BRAC UK	44,067,881	25,483,471
Increasing Access to Improved water, sanitation & Hygiene service in School Project.	Charity Global	100,625,414	13,813,505
GFA and Nutrition Implementation in Cox's Bazar Bangladesh	WFP	337,785,343	-
"Non-Communicable Disease (NCD) Prevention and Control Project in Bangladesh	BRAC USA	14,845,403	7,645,500
Reducing prevalence of forced Labour in informal RMG factories in Bangladesh by promoting sustainable livelihood opportunities to people through alternative learning pathways	End Modern Slavery Initiative Found	28,755,291	-
Socio-economic reintegration of returnee migrant workers of Bangladesh Phase-II	Royal Danish Embassy	-	133,231,823
Community-based Management of Acute Severe Malnutrition (CMAM) in Cox's Bazar Bangladesh	ACF	-	970,326
Reducing the Risk of Corona Virus (COVID-19) in Bangladesh	UNOPS	-	112,961,063
Multi-Sector Emergency assistance for Rohingya-SMS in Cox's Bazar Bangladesh	UNHCR	168,513,320	-
Multi-Sector Emergency assistance for Rohingya-CMS in Cox's Bazar Bangladesh	UNHCR	56,059,812	-
Multi-Sector Emergency assistance for Rohingya-MHPSS in Cox's Bazar Bangladesh	UNHCR	10,000,000	-
Multi-Sector Emergency assistance for Rohingya-HCSP in Cox's Bazar Bangladesh	UNHCR	10,000,000	-
Multi-Sector Emergency assistance for Rohingya-Wash sanitation in Cox's Bazar Bangladesh	UNHCR	238,171,053	-
Multi-Sector Emergency assistance for Rohingya-Shelter in Cox's Bazar Bangladesh	UNHCR	430,000,000	-
Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-2	DFAT	-	140,850,000
Gender Responsive Education and Skills programme in Chittagong Hill Tracts	GAC	124,551,577	-
Multi-sector emergency assistance for Rohingya -Community Health Workers (CHWs) in Cox Bazar Bangladesh	UNHCR	58,896,992	-
Provision of life saving WASH services to the Rohingya Refugees in camps (14, 15 & 8W)" in Cox's Bazar	UNICEF	95,122,698	-
Integrated Rehabilitation Program for Upliftment of Ultra-Poor slum dwellers in Mohammadpur and Mirpur in Dhaka City and Saidpur in Nilphamari district for Integrated WASH Services.	ISLAMIC DEVELOPMENT BANK	59,322,542	-
Integrated Rehabilitation Program for Upliftment of Ultra-Poor slum dwellers in Mohammadpur and Mirpur in Dhaka City and Saidpur in Nilphamari district for Integrated Health Services	ISLAMIC DEVELOPMENT BANK	84,748,475	-
LIVELIHOODS AND SOCIAL COHESION IN COX'S BAZAR	IOM	29,425,977	-
Livelihoods and Social Cohesion in Cox's Bazar	IOM	-	2,197,650

Name of the projects	Donor	30 June 2021 Taka	30 June 2020 Taka
Humanitarian Assistance for Rohingya and Host Communities Cox's Bazar in Bangladesh.	DFAT	184,100,000	287,500,000
Immediate Food Support to 3,700 Households to COVID-19 for 4 Weeks in Bangladesh	BRAC USA	-	12,727,500
Immediate Cash Support to the COVID-19 Affected in Bangladesh	BRAC USA	-	7,212,250
SDC BRAC Social Cohesion Fund for Cox's Bazar District (COVID-19 Response) : May 2020 - August 2020	Embassy of Switzerland	6,995,534	34,495,000
Provision of Critical WASH and Protection Services to Rohingyas and Affected Host Community, 2020	GAC	94,646,912	-
Scale-Up of Early Learning and in-formal basic education for Rohingya Refugee children 4-14 years from Myanmar in Bangladesh.	UNICEF	219,901,990	-
Justice and Prison Reform for Promoting Human Rights and Preventing Corruption in Bangladesh	GIZ	3,608,498	12,000,000
HBCC (Hygiene and Behaviour Change actions for reducing the risk of COVID-19 in Bangladesh)	Unilever Bangladesh	386,475,053	-
Play based ECD in Humanitarian Settings for Rohingya Refugees	Sesame Workshop	165,111,264	-
Play based ECD in Humanitarian Settings for Host Community	Sesame Workshop	55,037,116	-
Remote Learning through Play COVID19 Response Program	BRAC USA	42,573,993	-
Bangladesh Digital Ecosystem Activity for COVID-19 Rapid Response Project	USAID	32,782,270	-
Sustain and expand basic life-savings in WASH with Focus on COVID-19 for Forcibly Displaced Myanmar Nationals (FDMNs)	CERF	41,503,716	-
Population in Cox's Bazar District.	BRAC UK	6,138,760	-
Inclusive Covid-19 Response in Bangladesh (Disability Inclusive Development Task Order 35)	IDRC	10,376,613	-
Managing Impact of COVID-19 in Rohingya Refugee Camps and Host Communities with Culturally Appropriate Technological Solutions in Cox's Bazar district.	BRAC USA	4,237,500	-
BRAC-CDC community surveillance and response project	WFP	185,571,161	-
WFP Food security for households most affected by the COVID-19 crisis in low-income urban areas of Dhaka	UNDP	4,423,465	-
Enhancing adaptive capacities of coastal communities, especially women, to cope with climate change induced salinity, Bangladesh	BRAC USA	35,934,000	-
Medicare Support and Economic & Social Recovery for Vulnerable Survivors of Rana Plaza	UNOPS (DFID)	254,779,272	54,065,927
Humanitarian Response to restore Safety, Dignity and Resilience (HRSR) of flood-affected people in Bangladesh	GPGSPH- BU	358,629	-
ARISE	IOM	16,923,165	-
Provision of Comprehensive WASH services for the Rohingya refugees and the host communities living in Cox's Bazar, Bangladesh	JPGSPH BRAC University	159,600	-
Cool Roof Project	Bill & Melinda Gates Foundation	55,066,652	-
Community Support Team Model to Address COVID in Bangladesh	Climate Bridge Fund	5,387,375	-
Strengthening Resilience of Climate-Induced Migrants in Vulnerable Urban Communities in Khulna and Rajshahi Project	FCDO ( DFID)	452,000,000	-
COVID-19 response through community mobilization and strengthening of community clinic	SEIP	987,000	-
BRTC-SEIP TOT Project	Stiftung Auxilium	6,312,693	-
Pashe Achhi: A Telecommunication Model for Children and Caregivers-Rohingya Community	Stiftung Auxilium	4,484,584	-
Pashe Achhi: A Telecommunication Model for Children and Caregivers-Host Community			

Name of the projects	Donor	30 June 2021 Taka	30 June 2020 Taka
Boosting Agriculture Risk Mitigation Through Weather Index Insurance for Smallholder Farmers in Bangladesh project ( P-968)			
Nakshi-Skill Development on handicraft for covid-19 and flood recovery	HSBC TRUSTEE ( Hong Kong) Ltd.	2,821,426	-
Integrated Tuberculosis Care and Prevention for Enhancing Case Findings Health System Strengthening and Sustainability	THE GLOBAL FUND	6,780,000	-
Strengthening community resilience to climate induced vector borne diseases in City Corporations of Bangladesh	Climate Bridge Fund	657,794,279	-
Phased Elimination of Malaria from Bangladesh	THE GLOBAL FUND	4,141,508	-
Innovation Fund for Futureproofing the RMG Sector of Bangladesh	H & M Foundation	181,173,749	-
Universal Mask for the ultra-poor	BRAC USA	-	-
Enhancing Early Learning through Play in Humanitarian setting for Rohingya Community	Sesame Workshop	3,919,688	-
Enhancing Early Learning through Play in Humanitarian setting for Host Community	Sesame Workshop	69,940,870	-
Rehabilitation of Livelihood and Vulnerability Eradication (RELIVE) for flood affected population in Bangladesh	BRAC UK to Cartier Philanthropy	23,313,623	-
Delivering essential healthcare during COVID-19 in Cox's Bazar	BRAC USA-Hilton	7,611,122	-
Advocacy and communication campaign on Covid-19	International Labour Office	39,635,965	-
Pilot on Improving the Wellbeing of Waste-Workers in Dhaka city	COCA- COLA Foundation	11,477,297	-
Provision of Comprehensive WASH Services to the Rohingya Refugees Living in the Camps in Cox's Bazar, Bangladesh	IOM	12,708,771	-
Farmers Capacity Development Interventions Project	Bayer Crop Science Ltd.	33,723,076	-
Multi-sectoral emergency assistance for Rohingya refugees in Cox's Bazar, Bangladesh	UNHCR	31,567,507	-
Multi-sectoral emergency assistance for Rohingya -SMS in Cox Bazar Bangladesh	UNHCR	10,677,221	-
Multi-sectoral emergency assistance for Rohingya -SMS in Cox Bazar Bangladesh	UNHCR	100,000,000	-
Multi-sectoral emergency assistance for Rohingya -MHPSS in Cox Bazar Bangladesh	UNHCR	100,000,000	-
Multi-sectoral emergency assistance for Rohingya -Self Reliance in Cox Bazar Bangladesh	UNHCR	60,000,000	-
Multi-sectoral emergency assistance for Rohingya -UPG in Cox Bazar Bangladesh	UNHCR	40,000,000	-
Multi-sectoral emergency assistance for Rohingya -Community Health Workers (CHWs) in Cox Bazar Bangladesh	UNHCR	20,000,000	-
Multi-sectoral emergency assistance for Rohingya -Education in Cox Bazar Bangladesh	UNHCR	20,000,000	-
Multi-sectoral emergency assistance for Rohingya -Wash sanitation & Hygiene in Cox Bazar Bangladesh	UNHCR	50,000,000	-
Multi-sectoral emergency assistance for Rohingya -Wash Water in Cox Bazar Bangladesh	UNHCR	50,000,000	-
Multi-sectoral emergency assistance for Rohingya -SHELTER in Cox Bazar Bangladesh	UNHCR	50,000,000	-
Multi-sectoral emergency assistance for Rohingya -SGBV in Cox Bazar Bangladesh	UNHCR	50,000,000	-
ARISE Responsive Fund	JPGSPH BRAC University	2,265,914	-
General Food Assistance Programme in Cox Bazar Bangladesh	WFP	32,019,232	-
Self-Reliance for Rohingyas in Cox's Bazar	WFP	14,640,153	-
HNPP's SPA Supported Project (Rural, Urban & CMC)	JPGSPH BRAC University	231,876	-

Name of the projects	Donor	30 June 2021 Taka	30 June 2020 Taka
Aquaculture: increasing income, diversifying diets, and empowering women in Bangladesh and Nigeria*	WorldFish	4,364,592	-
Integrated primary healthcare and community-based health services for Rohingya refugees in Cox's Bazar, Bangladesh.	GAC	101,152,482	-
Initiative for Data-Driven COVID-19 Response	BRAC USA	7,261,253	-
Improving case management and enhanced social mobilisation at union level in frames of Health and Gender Support Project	UNFPA	586,500	-
<b>Total Donation Received</b>		<b>13,482,720,433</b>	<b>15,754,704,129</b>
<b>Refunded to Donors:</b>			
Unit for Body Rights Program (UBR-2)	UBR	(1,271,968)	-
Strengthening and Cultivating Opportunities in Production for Empowerment (SCOPE)	Ecotex Ltd	(924,308)	-
Multi sectoral Emergency Assistance for Myanmar - Wash Sanitation	UNCHR	(56,362,847)	(3,316,000)
Humanitarian Support to cyclone Bulbul Affected people in Satkhira Municipality	German Embassy	(222,840)	-
Humanitarian Response to restore Safety, Dignity and Resilience (HRSR) of flood-affected people in Bangladesh	UNOPS (DFID)	(2,383,616)	-
Improved WASH Service to the Rohingya Refugees Population in Ukhiya Cox's Bazar	UNICEF	(107,185)	-
Engaging communication through religious leaders network	UNICEF	(342,487)	-
Skills for Employment investment Programme (SEIP) Project- Tranch-1	Ministry of Finance (ADB)	(3,041,131)	-
Alternative Learning Programme for Out of School Adolescent	UNICEF	(7,343,896)	-
Scaling up Mother@Work programme at Ready-Made Garment Factories	UNICEF	(241,700)	-
Sustainable Reintegration of Bangladesh Returnees	IRARA Service Ltd	-	-
Community Mobilization Volunteers(CMV)Network for life Saving Message on health nutrition, Sanitation and Protection in humanitarian crisis in coxs Bazar	UNICEF	-	(1,633,176)
Integrated and Equitable SRH Services	UNFPA	-	(1,404,342)
SCK-Enhancing the resilience and well-being of Rohingya	Save the Children	-	(30,610)
Solid waste management in Host Communities and camps in teknat Ukhiya Upazila under Cox's Bazar district (Package-A-Teknaf and Package-B-Ukhiya)	UNDP	-	(15,248,738)
Shojag	Nari Pakkha	-	(3,254)
Effects of play based early stimulation in children on self-regulation and executive functioning skills from rural low income households – a randomized control	Grand Challenge Canada	-	(988,420)
<b>Sub-Total Refunded to Donors</b>		<b>(72,241,978)</b>	<b>(22,624,542)</b>
<b>Transfer/adjustment for closed projects:</b>			
Financial Literacy for Adolescent in Chittagong	SCB	(265,632)	-



Name of the projects	Donor	30 June 2021 Taka	30 June 2020 Taka
Development, Production and Distribution of Teaching & Learning Materials for Learning Competency Framework and Approach (LCFA) Levels I-IV	UNICEF	(970,761)	-
Provision of Sustainable WASH Service for Host Communities	EKN	(466,226)	-
WASH Support to The displaced Rohingya population in Ukhiya and Teknaf Upazilla, Cox's Bazar District	IOM	(1,751,168)	-
Integrated joint protection and education services for vulnerable Rohingya adolescent, children, women, men and communities including host community in Ukhiya and Teknaf of Cox's Bazar district	UNICEF	(8,534,148)	-
IYCF Focused Emergency Nutrition Response to Forcibly Displaces Rohingya Nationals on Cox's Bazar	UNICEF	(1,072,076)	-
Regarding the Implementation of a WFP Assistance Programme -Self Reliance	WFP	(188,832)	-
Provision of life-Saving and Transitional WASH Services to affected Rohingya Population and Host Communities in Cox's Bazar	IOM	(318,281)	-
Multi-Sector Emergency assistance for Rohingya-Shelter in Cox's Bazar Bangladesh	UNHCR	(8,653,523)	-
Multi-sector emergency assistance for Rohingya -Community Health Workers (CHWs) in Cox Bazar Bangladesh	UNHCR	(11,891,707)	-
SDC BRAC Social Cohesion Fund for Cox's Bazar District (COVID-19 Response) : May 2020 - August 2020	Embassy of Switzerland	(2,279)	-
Ensuring Long Term Medical Services & Post Award Livelihood Support for the Victims of Rana Plaza	BRAC-USA	(10,970,155)	-
Refugee Programme	Local Contbn/Other Donor/BRAC	318,281	-
Addressing childhood development Needs and Non formal Basic Education of Vulnerable	Hilton Foundation	(5,970,024)	-
Improved Wash service for the Rohingya Refugee and Host Communities in Cox's Bazar	Unicef	21,435,957	-
Provision of Sustainable WASH Services for Rohingya Communities	EKN	(2,189,991)	-
BRAC's humanitarian response in Cox's Bazar	BRAC-USA	(238,414)	-
BRAC Humanitarian Response in Cox Bazar (Host)	BRAC USA	(4,480,841)	-
Community Mobilization Volunteers(CMV)Network for life Saving Message on health hygiene ,nutrition, Sanitation and Protection in humanitarian crisis in Cox's Bazar	UNICEF	(14,013,893)	-
SCK-Enhancing the resilience and well-being of Rohingya	Save the Children	(340,680)	-
Deliver an integrated assistance package in Cox's Bazar -WFP-PA & TA to Scale-up School Feeding - 1	WFP	(13,108,322)	-
Deliver an integrated assistance package in Cox's Bazar -WFP-PA & TA to Scale-up School Feeding - 2	WFP	3,463,033	-
Positive social relationships created between Rohingya Refugees and host community women through economic and social support and networking	UN Women	(245,466)	-
Implementation of Nutrition Intervention Under Integrated Assistance Package in Cox's sbazar Comprehensive 5th Control Deworming	WFP	(6,178,725)	-
Addressing Non Formal Basic Education needs of vulnerable Displaced Children in Cox's Bazar Rohingya Communication	Hilton	(272,034)	-
Addressing Non Formal Basic Education needs of vulnerable Displaced Children (Host) in Cox's Bazar	Hilton	(1,111,436)	-
Comprehensive Integrated Health Services for the Displaced Rohingya in Cox's Bazar	DFATD GAC	(583,823)	-
Participatory Implementation of IFC to improve Maternal and Newborn Health in Bangladesh	Enfants Du Monde (EDN)	(8,475,000)	-
BRAC Humanitarian Program for Host community (Wash Support)	Big Heart	149,061	-

Name of the projects	Donor	30 June 2021 Taka	30 June 2020 Taka
Emergency support for 2019 flood affected house holds in Bangladesh	BRAC-USA	(635,471)	-
Brac's Humanitarian Assistance for Myanmar Refugees in Bangladesh	BRAC-USA	(35,023,471)	-
"Non-Communicable Disease (NCD) Prevention and Control Project in Bangladesh	BRAC USA (Medtronics Foundation)	8,475,000	-
Multi-Sector Emergency assistance for Rohingya-Legal in Cox's Bazar Bangladesh	UNHCR	(1,315,626)	-
Multi-Sector Emergency assistance for Rohingya-MHPSS in Cox's Bazar Bangladesh	UNHCR	(25,563,162)	-
Multi-Sector Emergency assistance for Rohingya-UPG in Cox's Bazar Bangladesh	UNHCR	7,637,205	-
Multi-Sector Emergency assistance for Rohingya-Self reliance in Cox's Bazar Bangladesh	UNHCR	6,453,282	-
Multi-Sector Emergency assistance for Rohingya-HCSP in Cox's Bazar Bangladesh	UNHCR	747,005	-
Multi-Sector Emergency assistance for Rohingya-Education in Cox's Bazar Bangladesh	UNHCR	(20,870,535)	-
Multi-Sector Emergency assistance for Rohingya-Protection Monitoring in Cox's Bazar Bangladesh	UNHCR	(3,881,141)	-
Multi-Sector Emergency assistance for Rohingya-SGBV in Cox's Bazar Bangladesh	UNHCR	(7,634,242)	-
Multi-Sector Emergency assistance for Rohingya-Wash Water in Cox's Bazar Bangladesh	UNHCR	(3,073,405)	-
Medicare Support and Economic & Social Recovery for Vulnerable Survivors of Rana Plaza	USA	10,970,155	-
Essential Primary Healthcare Support for Rohingya Communities & Disaster Risk Management in Cox's Bazar Host Communities in Bangladesh.	BRAC-USA	34,349,435	-
<b>Sub-Total Transfer/adjustment for closed projects</b>		<b>(106,292,076)</b>	<b>-</b>
<b>Grand Total</b>		<b>13,304,186,379</b>	<b>15,732,079,587</b>

## 32. Segmental financial information

	Unrestricted														Temporarily restricted		Total as at June 30, 2021		
	Unrestricted														Development Projects				
	Aarong Rural Craft Centre		BRAC Printing Pack		BRAC Dairy and Food Project		Agro based Support Enterprise		Non-agro based Support Enterprise		Micro Finance Programme		Self-financing Social Development Projects		House Property (Building)			Total Unrestricted	
Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Statement of financial position as at June 30, 2021																			
<b>ASSETS</b>																			
<b>Non-current assets</b>																			
Property, plant and equipment	2,674,263,998	43,725,470	1,357,405,980	544,281,128	6,110,597	4,994,913,392	9,513,628,094	58,470,843	19,192,689,501	1,115,905,101	20,308,604,602								
Intangible assets	-	-	19,944,774	2,122,928	-	-	34,410,629,577	-	22,067,702	150,483,314	172,551,016								
Investments in related undertakings	-	-	-	-	-	-	-	-	-	-	-								
Investments in securities and others-non-current portion	-	-	-	-	-	-	-	-	-	-	-								
<b>Total non-current assets</b>	<b>2,674,263,998</b>	<b>43,725,470</b>	<b>1,377,350,754</b>	<b>546,404,056</b>	<b>6,110,597</b>	<b>5,142,313,392</b>	<b>44,565,357,671</b>	<b>58,470,843</b>	<b>19,224,757,203</b>	<b>1,266,388,415</b>	<b>20,481,145,618</b>								
<b>Current assets</b>																			
Inventories	5,251,045,581	76,081,844	448,571,625	1,046,938,134	1,570,486	143,269,736	92,560,309	-	7,058,034,716	10,789,177	7,068,823,893								
Grants and accounts receivable	248,138,374	50,418,722	87,321,038	187,500,461	1,954,271	1,005,404,881	(155,522,266)	5,577	1,425,311,059	2,621,475,754	4,046,786,812								
Microfinance loans	-	-	-	-	-	271,869,452,253	-	-	271,869,452,253	-	271,869,452,253								
Advance, deposits and prepayments	383,349,200	259,474,474	555,897,976	114,938,526	465,234	5,126,604,649	4,642,977,905	28,184,286	11,121,893,250	2,357,049,839	13,478,943,089								
Inter-programme current account	588,455,202	(13,242,545)	233,450,359	(116,628,982)	(797,662)	22,845,018	(650,970,951)	-	43,110,438	(43,110,438)	-								
Investments in securities and others-current portion	-	-	-	-	-	27,773,149,347	2,862,888,317	-	30,636,037,664	-	30,636,037,664								
Cash and bank balances	77,421,239	2,938,445	20,956,287	1,634,437,648	10,344,922	9,075,859,842	4,935,489,740	2,450,927,127	18,208,375,250	(848,946,783)	17,359,428,467								
<b>Total current assets</b>	<b>6,538,409,596</b>	<b>375,670,940</b>	<b>1,344,137,286</b>	<b>2,867,273,787</b>	<b>13,537,251</b>	<b>31,516,585,726</b>	<b>11,727,423,055</b>	<b>2,479,116,900</b>	<b>340,362,214,630</b>	<b>4,087,257,548</b>	<b>344,459,472,178</b>								
<b>TOTAL ASSETS</b>	<b>9,212,673,594</b>	<b>419,396,410</b>	<b>2,721,548,040</b>	<b>3,413,677,843</b>	<b>19,647,848</b>	<b>320,158,899,118</b>	<b>56,312,780,725</b>	<b>2,537,987,833</b>	<b>394,796,211,409</b>	<b>5,383,645,963</b>	<b>400,159,857,379</b>								
<b>CAPITAL FUND AND LIABILITIES</b>																			
<b>Capital fund</b>																			
Liabilities	6,332,703,981	283,288,322	1,866,008,894	2,450,520,428	7,613,711	109,806,127,813	29,675,648,876	2,537,521,640	152,979,433,675	481,581,742	153,461,015,417								
Current liabilities	911,808,521	24,330,250	563,391,550	428,231,976	4,821,521	13,596,860,046	5,362,014,355	66,193	20,891,624,411	1,342,622,796	22,234,247,207								
Liabilities for expenses and materials	-	3,035,172	-	-	-	165,841,886	-	-	168,877,058	-	168,877,058								
Bank overdrafts	-	-	-	-	-	36,009,174,074	-	-	36,009,174,074	-	36,009,174,074								
Term loans-current portion	-	-	-	-	-	71,812,997,041	-	-	71,812,997,041	-	71,812,997,041								
Members' savings deposits-current portion	-	-	-	-	-	-	-	-	-	-	-								
Grants received in advance account	-	-	-	-	-	-	-	-	-	-	-								
Loan loss provision	-	-	-	-	-	-	-	-	-	-	-								
Provision for taxation	1,655,529,444	70,655,728	251,085,882	534,925,439	7,112,617	3,914,048,737	-	-	21,032,842,277	2,359,189,047	21,032,842,277								
<b>Total current liabilities</b>	<b>2,567,337,965</b>	<b>98,021,150</b>	<b>814,477,431</b>	<b>963,157,415</b>	<b>12,034,137</b>	<b>142,417,715,324</b>	<b>9,276,064,092</b>	<b>66,193</b>	<b>156,148,873,708</b>	<b>3,701,811,643</b>	<b>159,850,685,551</b>								
<b>Non-current liabilities</b>	-	-	-	-	-	4,038,055,556	-	-	4,038,055,556	-	4,038,055,556								
Term loans-non-current portion	-	-	-	-	-	63,897,000,426	-	-	63,897,000,426	-	63,897,000,426								
Members' savings deposits-non-current portion	-	-	21,061,714	-	-	-	57,964,173	-	79,025,887	1,180,252,379	1,259,278,266								
Deferred income	-	-	-	-	-	-	-	-	-	-	-								
Other long term liabilities	312,631,637	38,086,937	-	-	-	67,935,055,982	17,303,033,584	-	17,653,822,158	-	17,653,822,158								
Total non-current liabilities	312,631,637	38,086,937	21,061,714	-	-	67,935,055,982	17,303,033,584	-	85,667,904,027	1,180,252,379	86,848,156,405								
<b>Total liabilities</b>	<b>2,879,969,602</b>	<b>136,108,087</b>	<b>835,539,145</b>	<b>963,157,415</b>	<b>12,034,137</b>	<b>210,352,771,306</b>	<b>26,637,131,649</b>	<b>66,193</b>	<b>241,816,777,735</b>	<b>4,882,064,221</b>	<b>246,696,841,956</b>								
<b>TOTAL CAPITAL FUND AND LIABILITIES</b>	<b>9,212,673,594</b>	<b>419,396,410</b>	<b>2,721,548,040</b>	<b>3,413,677,843</b>	<b>19,647,848</b>	<b>320,158,899,118</b>	<b>56,312,780,725</b>	<b>2,537,987,833</b>	<b>394,796,211,409</b>	<b>5,383,645,963</b>	<b>400,159,857,379</b>								
Capital fund of microfinance includes statutory reserve fund of Tk. 11,960,730,471																			

32. Segmental financial information (cont'd)

	Unrestricted										Temporarily restricted		Total as at June 30, 2020
	Unrestricted										Temporarily restricted		
	Aarong Rural Craft Centre Taka	BRAC Printing Pack Taka	BRAC Dairy and Food Project Taka	Agro based Programme Support Enterprise Taka	Non-agro based Programme Support Enterprise Taka	Micro Finance Programme Taka	Self-financing Social Development Projects Taka	House Property (Building) Taka	Total Unrestricted Taka	Development Projects Taka	Taka		
2,371,736,141	47,872,348	1,254,428,339	554,573,696	7,295,790	4,593,564,238	9,710,176,181	120,418,513	18,650,067,246	673,552,102	19,323,619,348			
-	-	1,826,387	503,190	-	-	32,057,893,313	-	32,057,891,313	148,315,958	150,645,525			
-	-	-	-	-	661,200,000	347,400,000	-	1,008,600,000	-	32,057,891,313			
-	-	-	-	-	-	-	-	1,008,600,000	-	1,008,600,000			
<b>2,371,736,141</b>	<b>47,872,348</b>	<b>1,256,254,726</b>	<b>555,076,876</b>	<b>7,295,790</b>	<b>5,244,764,238</b>	<b>42,115,569,494</b>	<b>120,418,513</b>	<b>51,716,868,126</b>	<b>821,868,060</b>	<b>52,540,736,186</b>			
5,333,867,975	90,002,893	451,705,255	1,031,896,628	1,420,052	206,328,898	85,715,941	-	7,200,737,442	12,599,849	7,213,337,291			
167,641,827	70,607,123	128,640,849	242,655,919	1,540,737	863,452,230	611,884,771	-	2,086,423,456	1,688,896,667	3,755,310,123			
-	-	-	-	-	274,651,069,982	4,018,125,990	27,855,100	274,651,069,982	-	274,651,069,982			
520,000,219	251,660,463	813,794,773	103,065,875	709,006	4,446,845,986	275,841,837	-	10,182,057,412	1,717,285,569	11,899,342,981			
2,568,763	(98,793,335)	(45,582,036)	12,796,827	1,700,213	10,485,053	275,841,837	-	158,827,322	(158,827,322)	-			
206,022,600	7,519,319	36,304,088	978,818,466	3,076,902	15,507,621,893	2,536,079,623	-	18,043,701,516	932,859,320	18,043,701,516			
6,229,801,384	320,996,263	1,394,862,929	2,369,037,715	8,446,910	306,895,654,112	8,292,059,999	2,355,676,160	327,659,641,472	4,172,804,033	332,032,445,555			
<b>8,601,637,525</b>	<b>368,868,611</b>	<b>2,641,117,655</b>	<b>2,924,110,592</b>	<b>15,742,700</b>	<b>312,143,428,350</b>	<b>50,407,529,493</b>	<b>2,476,094,673</b>	<b>379,576,529,598</b>	<b>4,994,672,143</b>	<b>384,573,201,742</b>			
5,801,543,607	258,621,632	1,762,972,169	2,283,720,245	5,030,299	100,001,156,197	25,929,175,482	2,475,894,673	138,518,114,284	481,581,742	138,999,696,026			
1,025,189,377	25,796,608	640,557,234	230,243,750	3,826,532	11,170,728,805	4,890,704,244	200,000	17,987,246,549	1,018,923,208	19,006,169,758			
-	-	-	-	-	31,171,194,721	-	-	31,171,194,721	-	31,171,194,721			
-	-	-	-	-	51,350,860,149	-	-	51,350,860,149	-	51,350,860,149			
-	-	-	-	-	59,052,509,530	-	-	59,052,509,530	-	59,052,509,530			
-	-	-	-	-	-	53,119,415	-	53,119,415	2,806,056,599	2,859,176,014			
-	-	-	-	-	11,079,110,781	-	-	11,079,110,781	-	11,079,110,781			
1,466,865,937	49,681,850	206,880,910	410,146,597	6,865,869	-	2,439,725,657	-	4,582,206,820	-	4,582,206,820			
<b>2,492,075,314</b>	<b>75,478,458</b>	<b>849,438,144</b>	<b>640,390,347</b>	<b>10,712,401</b>	<b>163,824,403,896</b>	<b>7,383,549,316</b>	<b>200,000</b>	<b>175,276,247,965</b>	<b>3,824,979,808</b>	<b>179,101,227,773</b>			
-	-	-	-	-	162,340,910	-	-	162,340,910	-	162,340,910			
-	-	-	-	-	47,983,286,625	-	-	47,983,286,625	-	47,983,286,625			
-	-	28,707,342	-	-	508,011	13,225,769	-	42,441,122	688,110,593	730,551,715			
308,016,604	34,768,521	28,707,342	-	-	171,732,621	17,081,578,946	-	17,596,098,692	-	17,596,098,692			
2,800,093,918	110,246,979	878,145,486	640,390,347	10,712,401	212,142,272,153	24,478,354,031	200,000	241,060,415,314	4,513,090,401	245,573,505,716			
<b>8,601,637,525</b>	<b>368,868,611</b>	<b>2,641,117,655</b>	<b>2,924,110,592</b>	<b>15,742,700</b>	<b>312,143,428,350</b>	<b>50,407,529,493</b>	<b>2,476,094,673</b>	<b>379,576,529,598</b>	<b>4,994,672,143</b>	<b>384,573,201,742</b>			

Capital fund of microfinance includes statutory reserve fund of Tk. 10,672,233,310

32. Segmental financial information (Cont'd)

Statement of comprehensive income and expenditure

for the year ended June 30, 2021

	Unrestricted										Temporarily restricted		Total for the year ended June 30, 2021 Taka
	Aarong Rural Craft Centre Taka	BRAC Printing Pack Taka	BRAC Dairy and Food Project Taka	Agro based Programme Support Enterprise Taka	Non-agro based Programme Support Enterprise Taka	Micro Finance Programme Taka	Self-financing Social Development Projects Taka	House Property (Building) Taka	Total Unrestricted		Development Projects Taka		
									Taka				
<b>Income</b>	<b>8,200,682,701</b>	<b>296,981,655</b>	<b>4,229,293,986</b>	<b>2,506,936,520</b>	<b>16,199,742</b>	<b>67,679,519,581</b>	<b>4,287,460,723</b>	<b>110,538,956</b>	<b>87,327,613,865</b>	<b>14,906,254,526</b>	<b>102,233,868,391</b>		
Donor grants	-	-	7,645,628	-	-	-	30,308,760	-	37,954,388	14,420,349,873	14,458,304,262		
Social enterprises	8,200,682,701	296,981,655	4,221,648,358	2,476,292,936	16,199,742	66,216,124,084	-	-	15,211,805,393	-	15,211,805,393		
Microfinance programme	-	-	-	-	-	1,463,395,497	-	-	1,463,395,497	-	1,463,395,497		
Self-financing social development programme	-	-	-	-	-	-	403,303,857	-	403,303,857	12,301,330	12,301,330		
Investment income	-	-	-	-	-	-	2,436,176,626	-	2,436,176,626	-	2,436,176,626		
Other income - internal	-	-	-	-	-	-	1,259,005,586	-	1,259,005,586	20,898,182	1,311,147,352		
Other income	-	-	-	30,643,584	-	-	-	-	30,643,584	452,705,141	610,771,035		
Community contribution	-	-	-	-	-	-	158,065,894	-	158,065,894	-	158,065,894		
House property	-	-	-	-	-	-	-	110,538,956	110,538,956	-	110,538,956		
<b>Total income</b>	<b>8,200,682,701</b>	<b>296,981,655</b>	<b>4,229,293,986</b>	<b>2,506,936,520</b>	<b>16,199,742</b>	<b>67,679,519,581</b>	<b>4,287,460,723</b>	<b>110,538,956</b>	<b>87,327,613,865</b>	<b>14,906,254,526</b>	<b>102,233,868,391</b>		
<b>Expenditure</b>	<b>7,440,105,876</b>	<b>232,446,655</b>	<b>3,966,456,738</b>	<b>1,974,173,487</b>	<b>13,389,583</b>	<b>54,794,547,966</b>	<b>-</b>	<b>-</b>	<b>13,626,572,340</b>	<b>-</b>	<b>13,626,572,340</b>		
Social enterprises	-	-	-	-	-	-	-	-	-	-	-		
Microfinance programme	-	-	-	-	-	-	-	-	-	-	-		
House property	-	-	-	-	-	54,794,547,966	-	48,911,989	48,911,989	-	48,911,989		
Agriculture and food security	-	-	-	-	-	-	-	-	-	1,461,027	1,461,027		
Community empowerment programme	-	-	-	-	-	-	7,893,368	-	7,893,368	1,583,238,419	259,805,200		
Education programme	-	-	-	-	-	-	317,976,258	-	317,976,258	-	1,901,214,677		
Gender, justice and diversity	-	-	-	-	-	-	-	-	-	112,061,410	112,061,410		
Health programme	-	-	-	-	-	-	153,542,974	-	153,542,974	4,892,303,167	5,045,846,141		
Human rights and legal aids services	-	-	-	-	-	-	2,974,417	-	2,974,417	289,573,355	292,547,972		
Policy advocacy	-	-	-	-	-	-	-	-	-	46,278,156	46,278,156		
Water, sanitation and hygiene programme	-	-	-	-	-	-	-	-	-	353,273,845	353,273,845		
Ultra poor programme	-	-	-	-	-	-	-	-	-	1,796,150,145	1,796,150,145		
Forcibly-displaced Myanmar Nationals	-	-	-	-	-	-	-	-	-	4,462,200,099	4,462,200,099		
Disaster management and climate change	-	-	-	-	-	-	-	-	-	627,987,074	627,987,074		
Skills development programme	-	-	-	-	-	-	3,946,232	-	3,946,232	619,434,463	623,380,695		
Migration programme	-	-	-	-	-	-	-	-	-	397,693,494	397,693,494		
Social development programme	-	-	-	-	-	-	659,271,606	-	659,271,606	-	659,271,606		
Other development projects	-	-	-	-	-	-	230,295,929	-	230,295,929	1,333,150,622	1,563,446,551		
Grants	-	-	-	-	-	-	193,012,379	-	193,012,379	-	193,012,379		
<b>Total expenses</b>	<b>7,440,105,876</b>	<b>232,446,655</b>	<b>3,966,456,738</b>	<b>1,974,173,487</b>	<b>13,389,583</b>	<b>54,794,547,966</b>	<b>1,566,913,164</b>	<b>48,911,989</b>	<b>70,038,945,459</b>	<b>16,788,717,309</b>	<b>86,807,662,768</b>		
<b>Net surplus stated in statement of income &amp; expenditure before inter-program allocation</b>	<b>760,576,825</b>	<b>64,535,000</b>	<b>262,837,248</b>	<b>532,763,033</b>	<b>2,810,159</b>	<b>12,884,971,615</b>	<b>2,718,547,559</b>	<b>61,626,967</b>	<b>17,286,688,406</b>	<b>(1,862,462,783)</b>	<b>15,426,205,623</b>		
<b>Inter-program allocations</b>	<b>-</b>	<b>(18,894,433)</b>	<b>(97,595,550)</b>	<b>(236,637,571)</b>	<b>-</b>	<b>-</b>	<b>353,127,354</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Net surplus stated in statement of income &amp; expenditure after inter-program allocation</b>	<b>760,576,825</b>	<b>45,640,567</b>	<b>165,241,698</b>	<b>296,125,462</b>	<b>2,810,159</b>	<b>12,884,971,615</b>	<b>3,071,675,113</b>	<b>61,626,967</b>	<b>17,286,688,406</b>	<b>(1,862,462,783)</b>	<b>15,426,205,623</b>		
<b>Funded Programmes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,862,462,783)</b>	<b>-</b>	<b>(1,862,462,783)</b>	<b>1,862,462,783</b>	<b>-</b>		
<b>Surplus/(deficit) of income over expenditure before taxation</b>	<b>760,576,825</b>	<b>45,640,567</b>	<b>165,241,698</b>	<b>296,125,462</b>	<b>2,810,159</b>	<b>12,884,971,615</b>	<b>1,209,212,330</b>	<b>61,626,967</b>	<b>15,426,205,623</b>	<b>-</b>	<b>15,426,205,623</b>		
<b>Income tax expense</b>	<b>(229,416,440)</b>	<b>(20,973,677)</b>	<b>(42,204,573)</b>	<b>(129,325,279)</b>	<b>(226,747)</b>	<b>-</b>	<b>(1,429,004,712)</b>	<b>-</b>	<b>(1,651,132,029)</b>	<b>-</b>	<b>(1,651,132,029)</b>		
<b>Net surplus for the year</b>	<b>531,160,384</b>	<b>24,666,890</b>	<b>123,037,125</b>	<b>166,800,183</b>	<b>2,583,412</b>	<b>12,884,971,615</b>	<b>(219,792,382)</b>	<b>61,626,967</b>	<b>13,575,053,595</b>	<b>-</b>	<b>13,575,053,595</b>		

32. Segmental financial information (Cont'd)

	Unrestricted										Temporarily restricted		Total for the year ended June 30, 2020 Taka
	Unrestricted										Temporarily restricted		
	Aarong Rural Craft Centre	BRAC Printing Pack	BRAC Dairy and Food Project	Agro based Programme Support Enterprise	Non-agro based Programme Support Enterprise	Micro Finance Programme	Self-financing Social Development Projects	House Property (Building)	Total Unrestricted	Development Projects	Taka	Taka	
Income													
Donor grants	-	-	6,010,614	-	-	-	130,911,234	-	-	136,921,848	-	13,781,286,147	13,918,207,995
Social enterprises	5,834,882,844	383,206,910	3,852,713,576	2,324,898,870	40,826,823	52,124,327,091	-	-	12,446,529,023	-	-	-	12,446,529,023
Microfinance programme	-	-	-	-	-	1,538,371,036	137,025,278	-	-	1,675,396,314	-	12,679,628	52,124,327,091
Self-financing social development programme	-	-	-	-	-	-	178,011,092	-	-	178,011,092	-	-	1,688,075,942
Investment income	-	-	-	-	-	-	-	-	-	-	-	-	178,011,092
Other income -internal	-	-	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	2,676,287	-	-	733,224,811	-	-	735,901,098	-	-	735,901,098
Community contribution	-	-	-	-	-	-	328,302,016	-	-	328,302,016	-	461,777,944	790,079,960
House property	-	-	-	-	-	-	-	-	-	77,994,837	-	-	77,994,837
<b>Total income</b>	<b>5,834,882,844</b>	<b>383,206,910</b>	<b>3,858,724,190</b>	<b>2,327,575,157</b>	<b>40,826,823</b>	<b>53,662,698,127</b>	<b>1,507,474,431</b>	<b>77,994,837</b>	<b>67,703,383,319</b>	<b>14,255,743,719</b>	<b>81,959,127,038</b>	<b>11,729,682,827</b>	<b>93,688,814,865</b>
Expenditure													
Social enterprises	5,647,405,436	354,260,142	3,686,321,063	2,007,302,955	32,393,210	39,828,807,322	-	-	11,729,682,827	-	-	-	11,729,682,827
Microfinance programme	-	-	-	-	-	-	-	-	39,828,807,322	-	-	-	39,828,807,322
House property	-	-	-	-	-	-	-	-	46,562,115	-	-	-	46,562,115
Agriculture and food security	-	-	-	-	-	-	-	-	-	-	-	8,994,303	8,994,303
Community empowerment programme	-	-	-	-	-	-	5,513,049	-	-	5,513,049	-	-	274,964,224
Education programme	-	-	-	-	-	-	421,994,506	-	-	421,994,506	-	-	2,300,836,604
Gender, justice and diversity	-	-	-	-	-	-	-	-	-	-	-	-	75,348,846
Health programme	-	-	-	-	-	-	129,283,834	-	-	129,283,834	-	-	4,789,803,273
Human rights and legal aids services	-	-	-	-	-	-	6,122,567	-	-	6,122,567	-	-	312,717,989
Policy advocacy	-	-	-	-	-	-	-	-	-	-	-	-	55,957,117
Water, sanitation and hygiene programme	-	-	-	-	-	-	-	-	-	-	-	-	231,754,545
Ultra poor programme	-	-	-	-	-	-	2,632,257	-	-	2,632,257	-	-	1,562,787,457
Forcibly-displaced Myanmar Nationals	-	-	-	-	-	-	-	-	-	-	-	-	4,114,923,435
Disaster management and climate change	-	-	-	-	-	-	11,751,639	-	-	11,751,639	-	-	277,616,629
Skills development programme	-	-	-	-	-	-	1,395,395	-	-	1,395,395	-	-	697,060,773
Migration programme	-	-	-	-	-	-	1,040,385	-	-	1,040,385	-	-	326,905,992
Social development programme	-	-	-	-	-	-	201,457,915	-	-	201,457,915	-	-	201,457,915
Other development projects	-	-	-	-	-	-	31,335,510	-	-	31,335,510	-	-	1,332,239,994
Grants	-	-	-	-	-	-	135,383,950	-	-	135,383,950	-	-	135,383,950
<b>Total expenses</b>	<b>5,647,405,436</b>	<b>354,260,142</b>	<b>3,686,321,063</b>	<b>2,007,302,955</b>	<b>32,393,210</b>	<b>39,828,807,322</b>	<b>947,911,007</b>	<b>46,562,115</b>	<b>52,552,963,271</b>	<b>16,086,555,089</b>	<b>68,639,518,359</b>	<b>11,729,682,827</b>	<b>80,369,136,186</b>
Net surplus stated in statement of income & expenditure before inter-program allocation	187,477,408	38,946,768	170,403,107	320,272,202	8,433,613	13,833,890,805	559,563,424	31,432,722	15,150,420,048	(1,830,811,370)	13,319,608,678	-	13,319,608,678
Inter-program allocations	(621,672,986)	(8,126,532)	(67,469,443)	(141,652,081)	(632,933)	(729,553,975)	-	-	-	-	-	-	-
Net surplus stated in statement of income & expenditure after inter-program allocation	(434,195,578)	30,820,236	112,933,664	178,620,121	7,800,680	13,833,890,805	1,289,117,399	31,432,722	15,150,420,048	(1,830,811,370)	13,319,608,678	-	13,319,608,678
BRAC Contribution to support Donor Funded Programmes	-	-	-	-	-	-	(1,686,563,133)	-	(1,686,563,133)	-	-	-	-
Surplus of income over expenditure before taxation	(334,195,578)	30,820,236	112,933,664	178,620,121	7,800,680	13,833,890,805	(997,445,734)	31,432,722	13,463,856,915	(144,246,237)	13,319,608,678	-	13,319,608,678
Income tax expense	(60,930,157)	(12,657,700)	(27,298,017)	(68,588,720)	(2,339,049)	-	(821,293,813)	-	(493,047,456)	-	-	-	(493,047,456)
<b>Net surplus for the year</b>	<b>(395,125,735)</b>	<b>18,162,536</b>	<b>85,635,647</b>	<b>110,031,401</b>	<b>5,461,631</b>	<b>13,833,890,805</b>	<b>(718,739,547)</b>	<b>31,432,722</b>	<b>12,970,809,459</b>	<b>(144,246,237)</b>	<b>12,826,563,222</b>	<b>-</b>	<b>12,826,563,222</b>

33. Statement of functional expenses

	Unrestricted										Temporarily restricted		Total 2021						
	Aarong Rural Craft Centre		BRAC Printing Pack		BRAC Dairy and Food Project		Agro based Programme Support Enterprise		Non-agro based Programme Support Enterprise		Micro Finance Programme			Self-financing Social Development Projects		House Property (Building)		Total Unrestricted	
	Taka		Taka		Taka		Taka		Taka		Taka			Taka		Taka		Taka	
Expenditure statement for the year ended June 30, 2021	1,010,429,668	19,915,912	366,321,779	254,996,956	5,320,794	18,740,502,819	49,519,005	-	-	-	20,447,006,935	6,367,559,094	26,814,566,029	2,750,176,514	771,272,479	1,978,906,035	1,683,719,614	2,638,078,536	
Salaries and benefits	95,053,655	1,897,347	141,360,900	31,558,561	598,571	1,640,385,559	66,251,424	-	-	-	1,22,090,766	413,971,844	536,062,610	16,180,412	15,627,371	122,090,766	553,041	124,605,587	
Travelling and transportation	-	-	-	-	-	-	553,041	-	-	-	-	23,090,566	101,515,021	2,638,078,536	785,356,391	1,852,722,145	1,852,722,145	3,258,914,306	
Teachers' salaries	-	-	-	-	-	-	-	-	-	-	-	-	41,375,983	321,484,295	2,937,430,011	2,937,430,011	41,375,983	41,375,983	
Teachers' training	-	-	-	-	-	-	-	-	-	-	-	-	612,404,709	470,239,705	142,175,004	470,239,705	612,404,709		
School rent and maintenance	464,988,187	859,396	29,715,693	24,199,690	869,806	1,274,341,071	41,972,270	15,776,032	8,186,325	-	97,268,480	7,212,678,807	7,937,217,047	9,894,740,608	724,538,240	9,894,740,608	3,676,637,157		
Stationery, rent and utilities	266,160,219	7,580,154	53,133,178	74,604,449	690,979	2,249,491,911	277,582,797	-	-	-	215,794,422	9,894,740,608	9,894,740,608	3,676,637,157	3,676,637,157	3,676,637,157	1,683,719,614		
Maintenance and general expenses	1,608,275	-	2,751,439	8,272,825	-	32,273,985	508,743,818	-	-	-	9,894,740,608	-	9,894,740,608	3,676,637,157	3,676,637,157	3,676,637,157	1,683,719,614		
Members' training	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,015,197,400	
Staff training and development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,266,771	
Programme supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	503,438,062	
Interest on members' savings deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,075,810,946	
Interest on long term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,045,484,618	
Bank overdraft interest and charges	20,055,657	4,757,551	-	-	-	508,743,818	-	-	-	-	9,894,740,608	-	9,894,740,608	3,676,637,157	3,676,637,157	3,676,637,157	1,683,719,614		
Cost of goods sold of social enterprises	5,153,681,890	196,051,097	3,310,015,046	1,350,820,444	4,628,923	1,481,964,358	176,942,148	-	-	-	3,676,637,157	-	3,676,637,157	1,683,719,614	1,683,719,614	1,683,719,614	1,683,719,614		
Publicity, advertisement and sales commissions	195,110,499	-	52,152,247	168,910,770	-	1,350,820,444	46,977,775	-	-	-	1,481,964,358	-	1,481,964,358	10,015,197,400	10,015,197,400	10,015,197,400	10,015,197,400		
Loan loss provision for microfinance loans	229,014,771	1,585,199	8,342,374	24,109,103	1,240,054	15,075,810,946	46,977,775	-	-	-	15,075,810,946	40,266,771	503,438,062	10,015,197,400	10,015,197,400	10,015,197,400	10,015,197,400		
Depreciation and amortization	4,003,156	-	2,664,082	36,700,669	40,457	271,755,733	257,128,213	24,949,632	-	-	816,125,079	227,359,539	1,045,484,618	1,045,484,618	1,045,484,618	1,045,484,618	1,045,484,618		
Provision for bad and doubtful debts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43,439,314	
Allocation to self- insurance fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Allocation to relief and rehabilitation fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Foreign exchange loss/(gain)	7,440,105,876	232,446,655	3,966,456,738	1,974,173,487	13,389,583	54,794,547,966	1,568,913,164	48,911,989	-	-	6,698,927	16,768,717,309	86,807,662,768	86,807,662,768	16,768,717,309	16,768,717,309	16,768,717,309	16,768,717,309	

Included in cost of goods sold of BRAC Dairy and Printing Pack is depreciation of property, plant and equipment amounting to Tk. 210,716,078

33. Statement of functional expenses (Cont'd)

	Unrestricted										Temporarily restricted		Total for the year ended June 30, 2020 Taka						
	Aarong Rural Craft Centre		BRAC Printing Pack		BRAC Dairy and Food Project		Agro based Programme Support Enterprise		Non-agro based Programme Support Enterprise		Micro Finance Programme			Self-financing Social Development Projects		House Property (Building)		Total Unrestricted	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		Taka	Taka	Taka	Taka	Taka	Taka
Expenditure statement for the year ended June 30, 2020																			
Salaries and benefits	987,132,496	19,616,157	356,356,534	312,454,859	10,352,690	18,007,870,958	43,225,662	-	-	-	19,717,010,356	6,513,546,438	26,230,556,794						
Travelling and transportation	79,698,508	2,480,757	136,138,286	39,422,479	2,638,059	1,620,214,629	69,207,799	-	-	-	1,949,801,516	807,648,818	2,557,450,334						
Teachers' salaries	-	-	-	-	-	-	113,729,863	-	-	-	113,729,863	565,124,768	678,854,631						
Teachers' training	-	-	-	-	-	-	7,281,334	-	-	-	7,281,334	43,718,067	50,999,401						
School rent and maintenance	-	-	-	-	-	-	21,594,268	-	-	-	21,594,268	77,324,335	98,918,603						
Stationery, rent and utilities	424,425,476	1,153,275	29,580,185	27,506,697	1,580,800	1,219,187,761	30,882,788	-	-	-	1,749,488,550	657,586,405	2,407,074,956						
Maintenance and general expenses	270,395,682	5,787,933	46,425,313	67,117,288	1,347,223	722,133,711	54,274,513	-	-	-	1,174,036,612	396,718,192	1,570,754,804						
Members' training	-	-	-	-	-	39,357	-	-	-	-	39,357	156,338,324	156,377,681						
Staff training and development	5,024,358	19,536	10,566,720	11,451,686	7,667	173,108,730	18,161,850	-	-	-	218,340,547	438,555,951	656,896,498						
Programme supplies	-	-	-	-	-	173,075,605	74,368,593	-	-	-	247,444,199	6,952,180,393	6,999,624,592						
Interest on members' savings deposits	-	-	-	-	-	6,914,914,664	-	-	-	-	6,914,914,664	-	6,914,914,664						
Interest on long term loans	-	-	-	-	-	4,786,270,497	-	-	-	-	4,786,270,497	-	4,786,270,497						
Bank overdraft interest and charges	-	10,743,531	-	-	-	2,782,045,217	80,967,091	-	-	-	2,873,755,839	4,059,165	2,877,815,004						
Cost of goods sold of social enterprises	3,405,459,484	312,935,703	3,023,431,418	1,357,280,880	14,621,520	3,145,332,509	-	-	-	-	8,113,729,005	-	8,113,729,005						
Publicity, advertisement and sales commissions	254,215,439	-	65,906,861	133,821,321	12,210	-	79,976,471	-	-	-	538,824,302	22,801,203	558,625,505						
Loan loss provision for microfinance loans	-	-	-	-	-	-	-	-	-	-	3,145,332,509	-	3,145,332,509						
Depreciation and amortization	234,338,863	1,523,251	10,538,018	47,435,514	1,644,575	188,858,460	198,858,460	-	-	-	803,488,173	250,953,029	1,054,441,202						
Provision for bad and doubtful debts	6,714,920	-	10,187,749	10,712,231	187,465	-	-	-	-	-	27,802,365	-	27,802,365						
Allocation to self- insurance fund	-	-	-	-	-	-	27,805,698	-	-	-	27,805,698	-	27,805,698						
Allocation to relief and rehabilitation fund	-	-	-	-	-	-	-	-	-	-	-	-	-						
Grants	-	-	-	-	-	-	135,383,950	-	-	-	135,383,950	-	135,383,950						
Foreign exchange loss/(gain)	-	-	-	-	-	-	(7,810,333)	-	-	-	(7,810,333)	-	(7,810,333)						
	<b>5,647,405,436</b>	<b>354,280,142</b>	<b>3,688,321,083</b>	<b>2,007,302,955</b>	<b>32,893,210</b>	<b>39,828,807,322</b>	<b>947,911,007</b>	<b>46,562,115</b>	<b>52,552,963,270</b>	<b>16,086,555,089</b>	<b>68,639,518,359</b>								

Included in cost of goods sold of BRAC Dairy and Printing Pack is depreciation of property, plant and equipment amounting to Tk. 201,862,994

34. Events after the balance sheet date

BRAC has introduced ZCB (Zero Coupon Bond) as an alternate source of finance for its Microfinance operation as a part of long-term financing strategy. The subscription has been started on 9th November 2021.



Annexure-A/2

## Auditors' Compliance Certification on BRAC Microfinance Programme

We have audited the financial statements of BRAC for the year ended 30 June 2021. On the basis of our audit, we certify below the compliance of BRAC with the eligibility criteria as developed based on the requirement of the Governing Body of BRAC:

Eligibility criteria		Audited figures or compliance		
(a)	Minimum loan recovery rates, computed quarterly, based on the following:		2020-2021	2019-2020
(i)	Cumulative loan collection ratio on total dues:			
	$\frac{\text{Actual cumulative collections}}{\text{Cumulative collectibles}}$	$\frac{2,786,749,016,734}{2,791,321,491,634} =$	99.84%	99.89%
(ii)	Loan collection ratio on current dues (on running 12- months basis):			
	$\frac{\text{Actual collections during the past 12 months on current dues}}{\text{Collectible on current dues}}$	$\frac{427,123,947}{433,310,992} =$	98.57%	99.34%
(b)	Liquidity ratio		27.30%	25.58%
(c)	Current ratio		2.44:1	1.87:1
(d)	Capital adequacy ratio		35.30%	33.23%
(e)	Debt service cover ratio		1.86:1	1.95:1
(f)	Rate of return on capital		12.28%	14.48%
(G)	Debt capital ratio 9:1		0.37:1	0.83:1

Dhaka, Bangladesh  
Dated: 30 December 2021

For Nurul Faruk Hasan & Co.  
Chartered Accountants



Shamsur Rahman, FCA  
Partner  
Enrollment No. 941  
DVC: 2112300941AS170748

**BRAC**  
**Microfinance Programme**  
**Portfolio report for the year ended June 30, 2021**  
**Review of loan classification and provisions**

## (i) Classification of loan and loan loss provision

Actual provision made by BRAC:

Sl. No.	Particulars	No of days outstanding	Outstanding loan	Required provision
			Amount (Taka)	Amount (Taka)
1	Total loan outstanding		266,150,314,810	
2	Total overdue	<i>More than 1 installment missed</i>	59,147,460,190	
3	Regular	Loans with no overdue installments	193,410,180,702	1,181,668,441
4	Watchful	Loan default duration between 1 and 30 days	13,592,673,918	415,232,377
5	Sub-standard	Loan default duration between 31 and 180 days	33,093,321,190	5,054,714,947
6	Doubtful	Loan default duration between 181 and 365 days	10,062,374,585	4,610,818,744
7	Bad loan	Loan default duration above 365 days	15,991,764,415	9,770,407,769
	<b>Total</b>		<b>266,150,314,810</b>	<b>21,032,842,277</b>

Required provision as per MRA Policy:

Sl. No.	Particulars	No of days outstanding	Outstanding Loan	Required provision
			Amount (Taka)	Amount (Taka)
1	Total loan outstanding		266,150,314,810	
2	Total overdue	<i>More than 1 installment missed</i>	59,147,460,190	
3	Regular	Loans with no overdue installments	193,410,180,702	4,979,287,782
4	Watchful	Loan default duration between 1 and 30 days	13,592,673,918	813,217,770
5	Sub-standard	Loan default duration between 31 and 180 days	33,093,321,190	910,109,670
6	Doubtful	Loan default duration between 181 and 365 days	10,062,374,585	936,114,091
7	Bad loan	Loan default duration above 365 days	15,991,764,415	6,452,601,951
	<b>Total</b>		<b>266,150,314,810</b>	<b>14,091,331,264</b>

## (ii) Loan Loss Provision LLR status of the MFI

Particulars	Amount in (Taka)
Actual Provision made by BRAC:	21,032,842,277
Required provision as per MRA Policy:	14,091,331,264
Excess provision	<u>6,941,511,013</u>
<b>Disclosure on written off Loan:</b>	
Loan written off balance 01 July 2020	19,800,497,482
Loan written off during the year 2020-2021	5,122,079,450
Written off Loan recovered during the year 2020-2021	<u>(118,790,618)</u>
Loan written off balance 30 June 2021	<u><u>24,803,786,314</u></u>

## Portfolio report for the year ended June 30, 2021 (Contd.)

## (ii) Loan Loss Provision (LLP) status of the PO

Particulars	Taka
Actual provision made by BRAC	21,032,842,277
Required provision as per MRA Policy	14,091,331,264
Excess/shortfall of provision	6,941,511,013

## Disclosure on written off loan:

Loan written off balance 01 July 2020	19,800,497,482
Loan written off during the year 2020-2021	5,122,079,450
Written off loan recovered during the year 2020-2021	(118,790,618)
Loan written off balance 30 June 2021	24,803,786,314

## Portfolio report for the year ended June 30, 2021 (Contd.)

## (iii) Loan Operational Report

Sl No.	Particulars	2020-2021			2019-2020		
1	Financial service product:						
	Loan product:						
	PKSF funded loan						
	Loan from commercial bank		40,047,229,629			51,513,201,059	
	Other loan short term (Bank Overdraft)		165,841,886			31,171,194,721	
	Savings product:						
	Compulsory savings		66,318,467,641			66,272,149,337	
	Voluntary savings		15,807,905,031			13,331,872,445	
	Term deposit		53,383,624,795			27,431,774,373	
2	Number of branches		2,280			2,276	
			2020-2021			2019-2020	
		Male	Female	Total	Male	Female	Total
3	Number of samities	21,107	264,182	285,289	19,796	265,460	285,256
4	Number of members	1,370,240	7,103,215	8,473,455	1,158,529	6,282,010	7,440,539
5	Number of borrowers	647,673	6,005,795	6,653,468	898,655	5,390,581	6,289,236
6	Number of staff	15,603	8,461	24,064	15,860	8,264	24,124
7	Amount (Taka) of loan outstanding with samiti members			266,150,314,810			265,798,665,693
8	Member: borrower			1.27:1			1.18:1
9	Average loan size			75,551			71,485

Dhaka, Bangladesh  
Dated: 30 December 2021

For Nurul Faruk Hasan & Co  
Chartered Accountants



Shamsur Rahman, FCA  
Partner  
Enrollment No. 941  
DVC: 2112300941AS170748

**BRAC**  
**Microfinance Programme**  
**Budget Variance Report**

Financial year : 2020-2021

Name of Organization : BRAC

License No. 00488-00186-00065

Description	2020-2021		Variance
	Projected	Actual	%
1. New area coverage			
District	-	-	
Upazilla	-	-	
Union	-	-	
Village	-	-	
2. Branch opening	30	4	-87%
3. Group/Samity formation	200	33	-84%
4. Add new member	1,800,000	2,058,332	14%
5. Add new borrower	500,000	1,969,760	294%
6. Staff recruitment	2,500	942	-62%
7. Deposits collection	72,080,584,170	79,175,373,358	10%
8. Refund deposit	37,528,585,707	50,701,172,046	35%
9. Loan recovery	360,479,194,000	431,274,395,196	20%
10. Loan disbursement	437,398,407,001	431,626,044,313	-1%
11. Loan borrowing	52,675,558,458	48,030,907,005	-9%
12. Loan returns	36,597,938,534	90,502,231,270	147%
13. Total income	68,587,905,258	67,679,519,581	-1%
14. Total expenditure	49,460,922,541	54,794,547,966	11%

Description	Position as on 30th June 2021
1. Area coverage	
District	64
Upazilla	532
Union	5,215
Village	69,421
2. Number of branch	2,280
3. Number of group	285,289
4. Number of member	8,473,455
5. Number of borrower	6,653,468
6. Manpower	33,344
7. Deposit balance	135,509,997,467
8. Principal loan outstanding	266,150,314,810
9. Loan outstanding	271,869,452,253
10. Cumulative surplus	109,806,127,813

BRAC  
Microfinance Programme  
Budget Variance Report  
Financial Year : 2020-2021

Sl. No.	Particulars	2020-2021			Note
		Projected	Actual	Variance	
1	<b>Microfinance loan recovery</b>				1
	RMC	53,694,366,914	70,337,100,526	31%	
	UMC	16,677,603,656	18,356,475,398	10%	
	ME	128,274,089,753	189,352,970,461	48%	
	Seasonal	3,754,413,076	1,251,560,263	-67%	
	Livestock	32,784,519,073	78,170,701,334	138%	
	Agriculture	102,282,330,026	19,466,448,411	-81%	
	Others	23,011,871,502	54,339,138,803	136%	
<b>Total</b>	<b>360,479,194,000</b>	<b>431,274,395,196</b>	<b>20%</b>		
2	Fund collection				
	Savings collection				
	Force savings	65,054,473,669	38,469,159,662	-41%	2
	Voluntary savings	4,668,675,393	7,450,636,884	60%	
	Fixed deposit	2,357,435,108	33,255,576,812	1311%	
	<b>Total</b>	<b>72,080,584,170</b>	<b>79,175,373,358</b>	<b>10%</b>	
<b>Loan receive</b>					
2. Bank loan	52,675,558,458	48,030,907,005	-9%	3	
3	<b>Utilization of fund</b>				
	Loan disbursement				
	RMC disbursement	65,151,696,000	78,384,235,989	20%	4
	UMC disbursement	20,236,278,000	17,602,291,217	-13%	
	ME disbursement	155,645,272,000	173,044,897,702	11%	
	Seasonal disbursement	4,555,531,000	468,822,000	-90%	
	Livestock disbursement	39,780,095,000	48,101,751,232	21%	
	Agriculture disbursement	124,107,380,000	24,465,990,942	-80%	
	Others disbursement	27,922,155,000	89,558,055,231	221%	
	<b>Total:</b>	<b>437,398,407,001</b>	<b>431,626,044,313</b>	<b>-1%</b>	
	Savings returns				
	Force savings	30,278,940,252	38,433,381,424	27%	5
	Voluntary savings	4,128,458,429	4,973,684,297	20%	
	Fixed deposit	3,121,187,026	7,294,106,325	134%	
<b>Total:</b>	<b>37,528,585,707</b>	<b>50,701,172,046</b>	<b>35%</b>		
Loan repayment					
Bank loan	36,597,938,534	90,502,231,270	147%	6	
<b>Total</b>	<b>36,597,938,534</b>	<b>90,502,231,270</b>	<b>147%</b>		
4	<b>Fixed assets addition</b>				
	Land development	221,662,400	1,839,627	-99%	7
	Building construction	277,078,000	488,821,246	76%	
	Furniture and fixtures	498,740,400	33,780,699	-93%	
	Office equipment	55,415,600	167,949,987	203%	
	Computer and accessories	55,415,600	137,278,328	148%	
	Vehicles	-	-		
<b>Total</b>	<b>1,108,312,000</b>	<b>829,669,887</b>	<b>-25%</b>		

5	<b>Income</b>				
	1. Service charge	67,152,899,082	66,042,195,946	-2%	8
	2. Interest on investment	1,188,315,352	1,463,395,497	23%	
	3. Entry fees	15,511,715	18,247,651	18%	
	4. Recovery of right off loan	142,700,414	118,790,618	-17%	
	Other income	88,478,696	36,889,869	-58%	
<b>Total</b>	<b>68,587,905,258</b>	<b>67,679,519,581</b>	<b>-1%</b>		
6	<b>Expenditure :</b>				
	<b>Financial expenditure:</b>				
	5. Savings interest	6,806,577,996	9,834,740,608	44%	9
	6. Interest on bank loan	10,782,106,932	5,158,501,515	-52%	
	<b>Total financial expenditure</b>	<b>17,588,684,928</b>	<b>14,993,242,123</b>	<b>-15%</b>	
	<b>General and administrative expenses:</b>				
	<b>7. Salary and allowances</b>				
	Basic pay	9,336,470,516	9,370,251,410	0%	10
	House rent allowance	5,601,882,310	5,622,150,846	0%	
	Medical allowance	1,867,294,103	1,874,050,282	0%	
	Conveyance allowance	1,867,294,103	1,874,050,282	0%	
	<b>Total:</b>	<b>18,672,941,032</b>	<b>18,740,502,820</b>	<b>0%</b>	
	8. Office rent	507,771,222	465,407,007	-8%	
	9. Printing and stationeries	450,336,519	367,195,308	-18%	
	<b>10. Travel expenses</b>				
	Domestic	1,251,587,026	1,640,385,559	31%	
	<b>11. Repairs and maintenance</b>				
	Office building	914,719,984	1,026,404,861	12%	
	<b>12. Fuel expenses</b>				
	Gas, Electric and water bill	417,132,609	441,738,756	6%	
	13. Entertainment and general expenses	324,795,509	1,228,787,050	278%	
	<b>14. Training expense</b>				
	Local training	363,165,336	32,273,985	-91%	
	<b>Total</b>	<b>4,229,508,205</b>	<b>5,202,192,526</b>	<b>23%</b>	
	<b>15. Others operational expense</b>				
	Member death benefits	-	5,000		
	Data processing expenses	635,806,169	508,738,818	-20%	
16. Audit Fees	2,415,000	2,300,000	-5%		
17. Depreciation	342,020,973	271,755,733	-21%		
<b>Total operational expenses</b>		<b>23,882,691,379</b>	<b>24,725,494,897</b>	<b>4%</b>	
18. Loan loss provision	7,989,546,235	15,075,810,946	89%	11	
<b>19. Net surplus</b>	<b>19,126,982,716</b>	<b>12,884,971,615</b>	<b>-33%</b>		
20. Transfer to various fund	2,465,695,458	3,080,000,000	25%		
Reserve fund	1,912,698,272	1,288,497,162	-33%		
<b>Total</b>	<b>4,378,393,730</b>	<b>4,368,497,162</b>	<b>0%</b>		

- 1 Extensive supervision and collection through digital financial service resulted in higher loan recovery than the budget during this unrest pandemic period.
- 2 The high response on the savings campaign and introduction of alternate collection tool has driven the savings collection higher than the budget.
- 3 During the COVID-19 pandemic, slow disbursement resulted in limited bank loan utilization.
- 4 Due to the economic downturn, loan disbursement was slightly decreased than the budget.
- 5 Savings return was higher than the budget due to the COVID-19 pandemic.

- 6 Repayment of overdraft balance, the high response on savings campaign and lower loan disbursement made the bank loan dependency lower and bank loan repayment higher than the budget.
- 7 The economic downturn, limited expansion of branches resulted lower investment in fixed assets than the budget whereas replacement and new purchase of office equipment, computer and accessories surpass the budget in few segment.
- 8 Slow disbursement during the pandemic resulted in lower service charge/total income than the budget.
- 9 Financial expenditure decreased, mostly due to decreased Bank Loan /overdraft position and revised interest rate. On the other hand, interest on savings increased due to the increase of term deposit.
- 10 Total operational expenditure is slightly increased than the budgeted amount driven by the charge related to the initiation of digital financial service.
- 11 The upsurge COVID-19 made the Loan Loss Provision higher than the budget.





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