

A photograph of a woman and a young girl standing in front of a bamboo structure. The woman is wearing a yellow lace top and a red and white patterned skirt. The girl is wearing an orange t-shirt with a cartoon character on it. They are both smiling. The background shows lush green vegetation and bamboo poles.

# BRAC LIBERIA ANNUAL REPORT 2018



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# LETTER FROM THE EXECUTIVE DIRECTOR



Gender inequity is a pervasive problem locally, nationally and globally. Not only does it affect the individual lives of both women and men, but it stunts economic growth and hinders sustainable development.

Gender gaps persist in social, economic, cultural and political spheres. Women, until today, do not have equal access to education, healthcare, decent work or representation in political and economic decision-making processes, and are often paid less than men for the same work. Out of the total number of people in the world who are illiterate, women make up 66%.

Human rights allow people to live with dignity, freedom, equality and justice. Gender equity is a fundamental human right, and an essential prerequisite to eradicating poverty and building a peaceful and sustainable world. It is why the United Nations set Sustainable Development Goal 5 as a call to achieve gender equality and empower women and girls everywhere. As an organisation working towards a more equitable future for all, we are committed to advancing our efforts in meeting this goal.

Our empowerment and livelihood for adolescents (ELA) programme socially and financially empowers teenage girls in Liberia, Nepal, Sierra Leone, Tanzania, and Uganda. 20,649 girls accessed life skills and financial literacy training in 2018. We work in countries with the highest rates of child marriage and teenage pregnancy, with a holistic combination of social awareness, life skills and mentoring giving girls a second chance at education and increasing their confidence.

When girls are socially aware of their rights, they find the confidence to assert themselves and resolve conflict.

Through our education programmes in Afghanistan, Liberia, Philippines, Tanzania, and Uganda, we helped 25,016 girls in 2018 understand that education is a necessity to avoid early marriage, poverty, and inequity.

Approximately 1.7 billion adults in the world do not have access to formal financial services, and over half of them are women, according to the World Bank. We provide households living in poverty with financial access, create self-employment opportunities, and harness the entrepreneurial skills of women. We reached around 600,000 women in six countries in Africa and Asia through our microfinance programme in 2018.

We focus on women and young people by supporting them to increase their income and improve food security and wellbeing through our agriculture, food security and livelihood programme across Africa and Asia.

We look forward to continuing on the journey to strengthen our efforts for a gender-equal world. We will reach an additional 192,000 girls by 2020 with robust livelihood training programmes that will ensure sustainable economic independence. We want to see a future where women all over the world have the opportunity to reach their full potential.

**Faruque Ahmed**  
Executive Director  
BRAC International

# MESSAGE FROM THE COUNTRY REPRESENTATIVE



BRAC Liberia has been operating in the country for more than 10 years. Over the years, various humanitarian, social development, and social enterprise approaches have been applied. In the year 2018, we implemented 6 programmes: Microfinance (MF), Agriculture Food Security and Livelihood (AFSL), Education, Empowerment and Livelihood for Adolescents (ELA), Health, and Ultra-Poor Graduation (UPG).

The various interventions were implemented in 9 counties through 36 branches. Our programmes emphasizes sensitization, access to social services and reducing vulnerability, which aligns well with 2/4 of the priority pillars of Pro-Poor Agenda for Prosperity and Development.

In order to reach the more vulnerable people, we expanded our MF operations to 2 new branch locations, and introduced Job Holder loans. Additionally, to reach out to the ultra-poor, we started implementing the UPG programme. The MF programme provided access to financial services to 31,362 clients (4463 more clients compared to the year 2017), with 1.17% portfolio at risk thus achieving 140.5% operational sufficiency by September 2018. Reflecting over a third (34.8%) increase from 2017.

Increasing access to services is our priority, but our commitment is measured through impacts, adoption and scale ups.

Through our Education programme, we provided Second Chance education to prepare school dropouts

and children for mainstream education. In 2018, the Ministry of Education adopted the ECD model of the 30 schools which were formerly operated by BRAC Liberia.

With funding from the EU, our AFSL programme beneficiaries were 23.9% less likely to suffer from food insecurity, and their average monthly income increased by 36.8% after 2 years.

Due to our enormous contribution towards the socio-economic development in Liberia, we were awarded the Certificate of Appreciation for “Outstanding International NGO of the Year 2017” by the Society for the Promotion of Peace, National Reconciliation and Reunification, INC.

My utmost gratitude to all of our stakeholders, development partners, government, BRAC Liberia Advisory Council, BRAC International Headquarters, and our affiliates in the UK, and the US.

Sincerely,

**Nansamba Aisha**  
Acting Country Representative  
BRAC Liberia



# BUILDING A WORLD WE WANT

The idea behind Stichting BRAC International is to change systems of inequity. We act as a catalyst, creating platforms for people to realise their potential. 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.



## 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-poorurban development, investing in the next generation.



## HUMANITARIAN RESPONSE

Ensuring that the most vulnerable, marginalised populations can mitigate risks, save lives, protect livelihoods, and build back better from disasters and crises. We provided nearly 60,000 people with life-saving assistance in Myanmar, following the devastating flood in July 2018, in close collaboration with the government and other stakeholders.



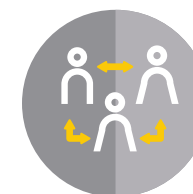
## SOCIAL ENTERPRISES

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



## BRAC BANGLADESH

We were born in Bangladesh and now we operate in 11 countries across Asia and Africa. BRAC is a global leader in developing cost-effective, evidence-based programmes, and has been ranked the #1 NGO in the world for the last four years consecutively by NGO Advisor.



## 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 FOR ALL

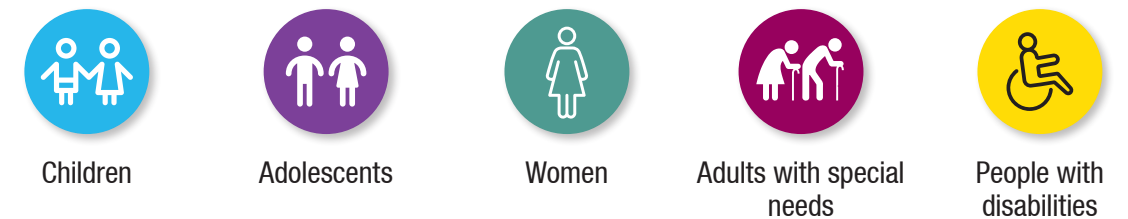
### WHAT IS SAFEGUARDING?

'Safeguarding' refers to the ways of protecting individuals from any kind of misconduct or harassment including - sexual harassment, oppression, intimidation, humiliation, violence, discrimination, neglect and exploitation.

### BRAC'S SAFEGUARDING POLICY IS MEANT FOR:



### WHO ARE MOST PRONE TO SAFEGUARDING RISKS?



### SAFEGUARDING RESPONSIBILITIES OF BRAC'S EMPLOYEES AND VOLUNTEERS

- Ensure safeguarding for everyone involved, starting from the programme design to its implementation.
- Ensure employees of all parties involved are aware of safeguarding-related issues before signing a contract with a donor and/or partner organisation.
- Verify the moral values of all applicants during recruitment.
- Develop a clear understanding of what constitutes as harassment, and share that information with others.
- Inform relevant authorities immediately upon witnessing an incident of harassment.

## SAFEGUARDING IS EVERYONE'S RESPONSIBILITY





## ABOUT US

### STICHTING BRAC INTERNATIONAL

Set up in 2009 as a non-profit foundation in the Netherlands to govern and manage all BRAC entities outside Bangladesh, except for our affiliates. In each of these countries, the entities are legally registered with relevant authorities in compliance with all applicable legal and regulatory requirements.

### BRAC INTERNATIONAL HOLDINGS B.V.

Set up in 2010 as a private limited liability company under the laws of the Netherlands and is a wholly-owned subsidiary of Stichting BRAC International. It is a socially responsible for profit organisation, engaging people in economic activities, and creating sustainable income generating activities for themselves. It provides funding for the social development programmes under Stichting BRAC International. The core focus is to provide microfinance services to people who are financially constrained and marginalised, and people who do not have access to the financing facilities offered by banks and other non-bank financial institutions.

### OUR AFFILIATES

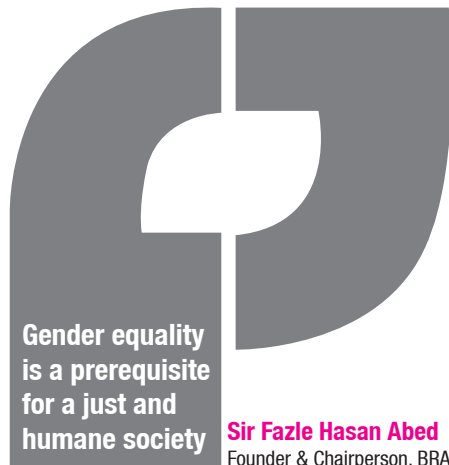
Founded in 2006 to raise our profile globally. They play a critical role building awareness, developing new business plans, mobilizing resources, and maintaining effective partnership with institutional donors, foundations, NGOs, research organisations as well as the media. They collaborate with international counterparts to design and implement cost-effective and evidence-based poverty innovations worldwide.

### BRAC USA

The North American affiliate, 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, 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.



## STICHTING BRAC INTERNATIONAL MANAGEMENT AS OF 31 JULY, 2018

### MANAGEMENT BOARD



**FARUQUE AHMED**  
EXECUTIVE DIRECTOR  
BRAC International



**SHAMERAN ABED**  
SENIOR DIRECTOR  
Microfinance, Ultra Poor Graduation  
BRAC and BRAC International



**LAMIA RASHID**  
DIRECTOR  
Africa Region  
BRAC International



**M ANOWAR HOSSAIN**  
DIRECTOR  
Asia Region  
BRAC International

### OTHER DIRECTORS



**HANS ESKES**  
DIRECTOR  
BRAC International Holding B.V.



**DIRK BROER BOOY**  
SENIOR DIRECTOR  
Programme Development,  
Resource Mobilisation and Learning,  
BRAC and BRAC International



**MUNMUN CHOWDHURY**  
CHIEF PEOPLE OFFICER  
BRAC International



**MOUTUSHI KABIR**  
DIRECTOR  
Communications and Outreach  
BRAC and BRAC International



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



**KENNETH CAROL VAN TOLL**  
DIRECTOR  
Fundraising  
BRAC International





# STICHTING BRAC INTERNATIONAL SUPERVISORY BOARD



**Sir Fazle Hasan Abed KCMG**  
Founder and Chairperson

## Stichting BRAC International Supervisory Board BRAC International Holdings B.V. Supervisory Board

Sir Fazle was born in 1936 in Bangladesh. He studied Accountancy in London, qualifying as a Cost Management Accountant in 1962. While he was working as a senior corporate executive at Pakistan Shell, the 1970 cyclone and 1971 Liberation War in Bangladesh dramatically changed the direction of his life. He left his job and moved to London, where he helped initiate Action Bangladesh and HELP Bangladesh in support of the Liberation War.

Early in 1972, after the war was over, he returned to the newly-independent Bangladesh, finding the economy in ruins. The return of 10 million refugees, who had sought shelter in India during the war, called for urgent relief and rehabilitation efforts. Sir Fazle established BRAC to address the needs of refugees in a remote area of north-eastern Bangladesh, guided by a desire to help the poor develop their own capacity to better manage their lives.

Today BRAC is one of the largest NGOs in the world, operating across eleven countries in Africa and Asia. Its primary objectives are to alleviate poverty and empower the poor. In 2019, for the fourth consecutive year, BRAC was ranked first among the world's top 500 NGOs by Geneva-based 'NGO Advisor' in terms of impact, innovation and sustainability.

Sir Fazle has been honoured with numerous national and international awards for his achievements in leading BRAC, including the LEGO Prize (2018), Laudato Si' Award (2017), Jose Edgardo Campos Collaborative Leadership Award, South Asia Region (2016), Thomas Francis, Jr. Medal in Global Public Health (2016), World Food Prize (2015), Trust Women Hero Award (2014), Spanish Order of Civil Merit (2014), Leo Tolstoy International Gold Medal (2014), CEU Open Society Prize (2013), Inaugural WISE Prize for Education (2011), Entrepreneur for the World Award (2009), David Rockefeller Bridging Leadership Award (2008), Inaugural Clinton Global Citizen Award (2007), Henry R. Kravis Prize in Leadership (2007), Palli Karma Shahayak Foundation (PKSF) Award for lifetime achievement in social development and poverty alleviation (2007), UNDP Mahbubul Haq Award for Outstanding Contribution to Human Development (2004), Gates Award for Global Health (2004), Gleitsman Foundation International Activist Award (2003), Schwab Foundation's Social Entrepreneurship Award (2003), Olof Palme Prize (2001), InterAction Humanitarian Award (1998) and Ramon Magsaysay Award for Community Leadership (1980).

He is also recognised by Ashoka as one of the 'global greats' and is a founding member of its prestigious Global Academy for Social Entrepreneurship. He was a member of the Commission on Health Research for Development (1987-90), the Independent South Asian Commission on Poverty Alleviation (1991-92) and the High-level Commission on Legal Empowerment of the Poor (2005-2008). In 2009, he was appointed Knight Commander of the Most Distinguished Order of St. Michael and St. George by the British Crown in recognition of his services to reducing poverty in Bangladesh and internationally. Sir Fazle was a member of the Group of Eminent Persons appointed by the UN Secretary-General in 2010 to advise on support for the Least Developed Countries. In 2014 and 2017, he was named in Fortune Magazine's List of the World's 50 Greatest Leaders.

The many honorary degrees received by Sir Fazle Hasan Abed include those from Princeton University (2014), the University of Oxford (2009), Columbia University (2008) and Yale University (2007). He was a visiting scholar at Harvard University in 1981.



**Sylvia Borren**  
Vice Chair

## Stichting BRAC International Supervisory Board BRAC International Holdings B.V. 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 (the Institute on gender equality and women's history). Ms Borren was part of the anti-poverty movement (director of Oxfam Novib 1994-2008, co-chair of the Global Call to Action against Poverty and EEN) and is now the Vice Chair of the Stichting BRAC International Supervisory Board.

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 now a freelance consultant at 'Working for Justice' and a senior adviser 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 the Ambassador and Permanent Representative of Bangladesh 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 (SDGs). 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); team leader of the study Quest for Inclusive Transformation of Bangladesh: Who Not to be Left Behind (2017).



**Shabana Azmi**  
Member

## Stichting BRAC International Supervisory Board

**Shabana Azmi** is an internationally celebrated film and theatre actress. She has won five national and five international awards for best actress.

She is a highly respected social activist and tireless campaigner for the rights of women, slum dwellers, and the underprivileged. She heads the Mijwan Welfare Society (MWS), an NGO that works for empowerment of the girl child in rural India. MWS works on education, primary health and sanitation, skill development, and employment generation.

Ms Azmi was nominated to The Rajya Sabha by the President of India in 1997. She is a recipient of the Padmashri and Padma Bhushan. She was awarded the Gandhi International Peace Prize in 2006. At the bicentennial celebrations of international human rights in Paris in 1989, she was honoured along with Mother Theresa by President Mitterand of France. She also won the Crystal Award at the World Economic Forum 2006. She has been conferred five Doctorates by renowned universities, both national and international. She has received the prestigious Martin Luther King, Rosa Park, and Chavez Awards and is a visiting professor at the University of Michigan. A former UN Goodwill Ambassador for Population and Development, she continues to work on issues of public health. She has recently been nominated as Global Leadership Ambassador for Women in Public Service Project initiated by Hillary Clinton.



**Shafiqul Hassan**  
Member

## Stichting BRAC International Supervisory Board

**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 slum children in Dhaka.

He obtained his undergraduate degree from City University, London and postgraduate degrees from Aston University, Birmingham, UK.



**Irene Khan**  
Member

## Stichting BRAC International Supervisory Board

**Irene Zubaida Khan** is director general of the International Development Law Organization (IDLO). The first woman to hold this office, she took up her position on January 1, 2012.

An international thought leader on human rights, gender, and social justice issues, Ms Khan was secretary general of Amnesty International from 2001 to 2009. Prior to that, she worked for the UN High Commissioner for Refugees for 21 years at headquarters and in various field operations. She was visiting professor at the State University of New York Law School (Buffalo) in 2011.



Irene sits on the boards of several international human rights and development organisations. She is the recipient of numerous honorary degrees and prestigious awards, including the City of 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.



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

**Parveen Mahmud**, in her varied professional career has worked with social innovations, entrepreneurship, and sustainable development. Ms Mahmud started her career with BRAC, and has worked with international NGOs and development agencies. She was the deputy managing director of PKSF, Bangladesh’s apex funding organisation for Microfinance Institutes. She is 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), as well as 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.

Ms Mahmud sits on numerous boards, including Stichting BRAC International, Apex Footwear Ltd, Grameenphone Ltd, Linde Bangladesh

Ltd, Manusher Jonnyo Foundation, Transparency International Bangladesh, and Centre for Policy Dialogue. She is the chairperson of UCEP Bangladesh, Shasha Foundation, and was chairperson of MIDAS, Shasha Denims Ltd, and Acid Survivors’ Foundation. Ms Mahmud is also a member of the International Chamber of Commerce, Bangladesh. She was a member of the National Advisory Panel for SME Development of Bangladesh, founding board member of SME Foundation, and Convenor, SME Women’s Forum.

Ms Mahmud is the recipient of Ananyinna Top Ten Women - 2018 Award, Women at Work - 2017 Award from Bangladesh Association of Software and Information Services, and Women of Inspiration Awards 2017 from the Bangladesh Organisation for Learning & Development. She received the Begum Rokeya Shining Personality Award 2006 for women’s empowerment from Narikantha Foundation.



**Stichting BRAC International Supervisory Board**

**Dr Mushtaque Chowdhury** is a professor of population and family health at Columbia University’s Mailman School of Public Health, New York and has worked as a MacArthur/Bell Fellow at Harvard University.

Dr Chowdhury is one of the founding members of the Bangladesh Education Watch and Bangladesh Health Watch. He is on the board and committees of several organisations and initiatives, including the Advisory Boards of the London School of Economics’ South Asia Centre and the Lead Group for Scaling Up Nutrition Movement at the UN. He is a founding member of the Board of Trustees of the Humanitarian Leadership Academy in London and is the chair of the Asia-Pacific Action Alliance on Human Resources for Health (AAAH). Dr Chowdhury is also a member of the Technical Advisory Committee of Compact2025 at International Food Policy Research Institute (IFPRI), Expert Group on scaling up in Education at the Results for Development (R4D), and Leaders Group of Sanitation and Water for ALL (SWA) at Unicef Headquarters. He is also a senior adviser at the Bangladesh Institute of Development Studies (BIDS).

Dr Chowdhury was a coordinator of the UN Millennium Task Force on Child Health and Maternal Health, set up by former UN Secretary General Kofi Annan.

Dr Chowdhury has received a number of awards, including Humanitarian Award from the Distressed Children International at Yale University in 2013, the Medical Award of Excellence from Ronald McDonald House Charities in USA in 2017, and the Most Impactful Book Award from the University Press Limited in 2018.

Dr Chowdhury has published several books and over 200 articles in peer-reviewed international journals, including the The Lancet, Journal of International Development, and The Scientific American.

Dr Chowdhury holds a PhD from the London School of Hygiene and Tropical Medicine, an MSc from the London School of Economics, and a BA from the University of Dhaka.



**Stichting BRAC International Supervisory Board**

**Dr Fawzia Nazli Rasheed** is a programme and governance analyst. She has worked within 30 countries to evaluate and develop initiatives, national plans, and broker intergovernmental collaborations and public private partnerships. As Senior Policy Adviser at separate junctures to the World Health Organisation, UNAIDS, and The Global Fund, she undertook organisational reforms and developed strategic plans. She has also supported programme development in Asia and Africa for several INGOs, including CARE International, and Médecins Sans Frontières International.

She is currently Senior Advisor to the Aga Khan Development Network and a technical review panel member for AmplifyChange.

Her governance work includes conceptualising a performance-based funding system to strengthen country oversight for all programmes of The Global Fund; developing the Electoral Integrity Initiative (currently based within the Kofi Annan Foundation); and analysis of governance issues related to natural resource extraction for the Africa Progress Panel towards improved stewardship and banking reforms. As a board member/trustee of organisations, she has drafted constitutions and deployed anonymous, transparent tools for board elections and evaluations.

Dr Rasheed has a PhD in immunology/medicine from the London School of Hygiene and Tropical Medicine.



**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, Victoria founded the Uganda Community Cultural Center 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 attained a BSc in Agriculture majoring in Farm Management and Extension.

**GROUP FINANCE AND  
AUDIT COMMITTEE**

Composition of the present finance and audit committee is as follows:

- Ms. Parveen Mahmud, Chair  
Dr Muhammad Musa, Member  
Ms. Sylvia Borren, Member  
Mr. Faruque Ahmed, Member  
Mr. Hans Eskes, Member  
Mr. Abhijit Gupta, Acting Secretary of the Committee

The primary function of the finance and audit committee is to assist the governing board in fulfilling its responsibilities on the:

- 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
- Qualifications, independence, and performance of the internal auditfunction





## LIBERIA GOVERNANCE AND MANAGEMENT

### GOVERNANCE

#### BRAC LIBERIA

Faruque Ahmed  
Lamia Rashid

#### BRAC LIBERIA MICROFIANCE LTD

Dr. Muhammad Musa (Appointed on 1 May 2019)  
Faruque Ahmed (Retired on 30 April 2019)  
Hans Eskes  
Shameran Abed  
Ag. Ex Officio Aisha Nansamba

#### COUNTRY ADVISORY MEMBERS

Dr. Roland C. Massaquoi Chair  
Ruth Gibson Ceaser (Deceased)  
S. Tornorlah Varpilah  
Aisha Nansamba (Member Secretary)

### MANAGEMENT

Silent C. Gonondo, Managing Director, BRAC Microfinance, West Africa  
Aisha Nansamba, Acting Country Representative  
Dellnot Gardiner, Manager HR & Training  
Kamrul Hasan Imran, Head of Finance  
David Okot, Programme Manager Food Security and Livelihood  
M A Razzaque Khan, Programme Manager Health & WASH  
Dweh N. Nyenmoh, Programme Manager Education  
Adolphus Doe, Programme Manager Ultra Poor Graduation (UPG)  
Thelma Foley Nagbe, Project Manager – Empowerment and Livelihoods for Adolescents  
Isaac Sempungu, Manager Monitoring  
Rasel Mahmud, Manager IT



## DEVELOPMENT PARTNERS

NoVo Foundation  
create. change.



P I M C O



International Development Research Centre  
Centre de recherches pour le développement international

Canada







## EDUCATION

### SITUATION

The Liberian education system is emerging from a prolonged destructive period of civil unrest, the conflicts from the war, compounded by the 2015 school closure due to the Ebola Viral Disease (EVD) outbreak, continue to take a toll on the fragile education sector. The war also destroyed close to 60% of school buildings, including water and sanitation facilities which are important in keeping children in school. Liberia has one of the world's highest rates of out of school children with an estimated 20% of 6–14 year-olds out of school. The percentage of students attending primary grades is only 44% and an estimated 66% children are out of school.

### OUR INTERVENTION

Our Education programme in Liberia focuses on raising awareness on gender and child rights and developing child-friendly learning atmosphere. Our programme complements mainstream schooling system by supporting government primary schools with Early Childhood Development (ECD) centers to improve quality and strengthen capacity. We provide Alternative Learning opportunity as second chance to drop-outs, and we also provide training on pedagogy. Additionally, we developed a Teachers' Curriculum and Guide for the community based schools.

BRAC Liberia together with the Ministry of Education reviewed the Liberian national curriculum and designed a subject-based training for teachers. Teachers are trained on effective classroom context considering the diverse learning needs of every child.

Liberia Education Advancement Program (LEAP) is a public private partnership for education intended to improve learning outcomes for children. BRAC Liberia operations are in 3 counties; Lofa, Nimba, and Grand Gedeh, with 33 public primary schools. Additionally, we started implementing the Second Chance project among out of school and dropouts aged 8 – 14 years in 2 districts in Bomi County.

### MOVING FORWARD

We look forward to scaling up our interventions by supporting the government, community based school teachers, and community leaders. We want to increase community engagement with parents and school leadership to improve. We will formulate more partnerships, liaise with the Ministry of Education to ensure volunteer teachers are placed on government payroll. We will increase equitable access to Water and Sanitary Hygiene facilities in public primary schools, and we will continue to invest in teachers' professional development training. As well as interventions in ECE.



### DETERMINED TO MAKE A DIFFERENCE

Angeline Bai is a 15 year old grade 6 female student at the Philip T. Boduo primary school. She lives in Gonebo town, Grand Gedeh County, in Liberia. Angeline along with her 6 siblings live with their 55 year old grandmother. Farming is the primary source of income for her family.

Home study was challenging for Angeline because she had no access to textbooks. Her family had stopped dreaming that Angelina can one day attend school. Angeline was depressed but she hoped for a miracle so that she can get access to a learning environment.

They say that when you yearn for something with all honesty, God gives you exactly that. When BRAC Liberia started their Education intervention through the LEAP project in her community, she made a sigh of relief. Both her family and Angeline was very happy that good things started to happen. Many community children got access to a resourceful school and a pleasant learning environment.

BRAC Liberia staff went around town creating awareness on why children need to go to school. BRAC Liberia gave families textbooks, copy books, pens, pencils, and plenty of educational materials to help the children and parents. Children now have notebooks to do their homework and pencils to write them on with.

Now that BRAC is a part of the community school, teachers are regular in attendance and takes better care of the children. Teachers are provided training on pedagogy and basic behaviour, they are supported with teaching materials such as chalks, lesson plans, roll books, etc. BRAC Liberia schools also hosts annual sports and extracurricular activities, which children look forward to. Only after BRAC became a part of the community school quiz competitions, spelling bees, etc started taking place. Children are finally getting a comprehensive learning experience.

Angeline says that “I want to come to school everyday. I want BRAC to stay in our school and do more good things to make our learning better”.

### HIGHLIGHTS

MOE Bureau of ECE adapted **30** ECE centers which were successfully managed by BRAC Liberia.

**97%** Teachers in the 33 BRAC Liberia supported LEAP schools.

**94%** Teachers arrived on campus between 6:00–6:45AM.

Arranged **1,718** PTA meetings in the **33** LEAP schools, with **10,973** parents.

Provided **47,750** textbooks and **25,650** copy books to **8,550** students enrolled in the **33** LEAP schools.

Set up and managed **22** Alternative Learning Centers.

Enrolled **550** children for Alternative Learning in 22 centers.





# EMPOWERMENT AND LIVELIHOOD FOR ADOLESCENTS

## SITUATION

Liberia's population is young, 65% is less than 25 years old and around 32% is 10-24 years old. The youth of the country face alarming challenges, including very limited access to employment, education, sexual and reproductive health information and services. Early marriage and teenage pregnancy are common among girls; by the age of 15 years, approximately 11% of Liberian girls become pregnant, and by the age of 19 years, 62% are pregnant. In hard-to-reach and low resource communities, vulnerable adolescent girls are at high risk of gender-based violence, unintended pregnancy, early marriage, and HIV. We started our ELA programme in Liberia to enhance economic and social empowerment of adolescent girls to help them overcome their challenges and reduce early pregnancy.

## OUR INTERVENTION

Our Empowerment and Livelihood for Adolescents (ELA) programme focuses on empowering vulnerable adolescents aged 10 to 21. We enhance their economic and social empowerment, help them overcome challenges and reduce early pregnancy. We have operations in 4 counties; Monterrado, Margibi, Bong, and Grand Cape mount. Through 60 club houses in 60 communities, we provide "safe spaces" for adolescent girls to meet and discuss life challenges that affect them.

The club houses are established in communities that are within close vicinity of the girls. Our trained Mentors help ELA girls learn life-skills, literacy and financial modules, sexual and reproductive health, gender based violence, education, health, and confidence building. We also encourage adolescents to freely share their life experiences with everyone. Our programme offers livelihood trainings to enhance economic empowerment among youth of age 15-21. Additionally, we involve a limited number of boys in the clubs to propel female empowerment, and we also engage community members and parents through various meetings.

## MOVING FORWARD

The programme will broaden the scope of coverage to include more young people from hard-to-reach communities. We will constitute 2 additional components including education and advocacy (foster institutional capacity development and advocacy towards policies intended to enhance youth empowerment), alongside providing safe spaces, life skills training, and economic empowerment. In addition, we shall continue with minimal boys' engagement. We look forward to more partnerships, diversifying trainings, and integrating the use of ICT.



## DOING MORE THAN WHAT I THOUGHT I COULD DO

My name is Millicent Ford, I am 16 years old and live in central Kakata, Margibi County. My father passed away during the EBOLA outbreak, and I live with my mother and three siblings. My mother was overloaded with taking care of my little siblings and also earning a living. So I dropped out of school to help her with household chores and financials.

One afternoon, while I was seated in front of our home in the Buzzy Quarter community in Kakata, one of the ELA staff informed me about their programme. I decided to join the ELA programme when I was 11 years old and knew nothing about hygiene, livelihood, and life skills.

Me and other ELA members started by attending club meetings, and gradually we received training on different kinds of activities. We learned how to take care of ourselves as girls, personal hygiene, adolescent and sexual reproductive health, menstruation and menstruation disorders, forms of abuse, and preventing early marriage.

Under the livelihood and life skills component of the ELA programme, I joined the "pastry group" and we went under several months of training. After the completion of the course, BRAC gave us materials such as sugar, flour, rubber tubs, butter, baking powder, rubber buckets, rubber bowls, and sifters to support our startups.

I got the strength to start selling bakery items from home with the support from BRAC. I started by using a traditional oven at home for baking. I produced different kinds of breads and by selling them I made around 800 Liberian Dollars (USD 5) each day. I started saving 200 Liberian Dollars per day, and with my savings I now got a modern oven and a space to start my bakery. I hope to supply nutritious breads to the entire community and also train others who have an interest in baking. I want to help other women improve their livelihood, realize their full potential, and disrupt the cycle of poverty.

## HIGHLIGHTS

Enrolled **2,015** adolescent club members.

Conducted **360** mothers' forums in **60** ELA Clubs.

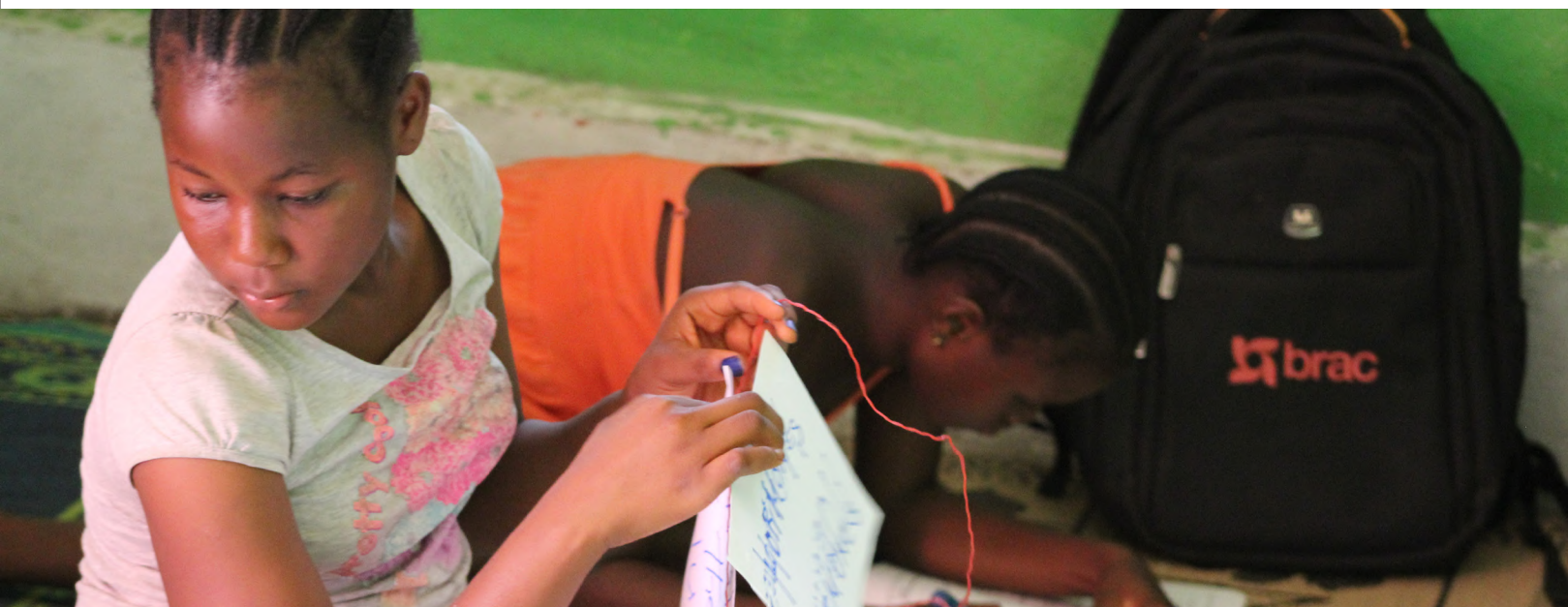
Provided access to **41** adolescent in **6** microcredit group.

Provided **1,958** adolescents with financial literacy training.

Provided **2,015** adolescents with life skills training.

Provided **198** young people with livelihood training.

Maintained **60** club management committee comprising of community elites and stakeholders.







# AGRICULTURE, FOOD SECURITY AND LIVELIHOOD

## SITUATION

Agriculture is the largest sector of the Liberian economy, making up over half of all economic activities and is the most important source of income. Liberia imports food commodities like rice, cattle, goats, and poultry from neighbouring countries since its agricultural productivity is low, resulting in importing more than 80% of its rice, making the country vulnerable to global food price volatility. The sector lacks basic infrastructure such as machines, farming equipment/tools, farm-to-market roads, quality inputs, such as seeds, feeds, medicines, and fertilizers and pesticides, and food storage capacity. Other factors include extreme weather conditions, high cost of farm inputs, high pre-and-post harvest losses, and the lack of incentives to produce food beyond subsistence level.

## OUR INTERVENTION

Through our Agriculture, Food Security and Livelihood programme we address the problem of poor crop productivity by improving efficiency and management of small to medium farm enterprises. We address the problem of poor livestock production and productivity through capacity development of farmers, ensuring supply of essential inputs, and creating market linkages. We empower mostly female farmers by increasing crop production and profitability of agricultural ventures. We train and deploy Community Agriculture Promoters (CAP) and Community Livestock and Poultry Promoters (CLPP) who earn money from the sale of quality inputs such as seeds, tools, fertilisers, day old chicks, feed, and animal vaccinations. These promoters receive a package consisting of intensive training on crop production practices, loans, and supplies which they utilise to assist other farmers. These promoters benefit from increased yields on their individual farms as well as gain from an additional income of selling services and inputs, such as high quality seeds, to their farming neighbours.

## MOVING FORWARD

We are constantly improving livestock rearing techniques and building emergency response capacity for smallholder farmers and communities. We are strengthening collaborations with the MOA, community leaders, and other key actors (CARI, Africa Rice Center). We will focus on high impact products and innovations, including increased use of technology in agriculture and financial services. We will work with governments, non-governmental organizations, community-based organisations, and the private sector through provision of technical assistance.



## HIGHLIGHTS

Reached around **12,340** households with different kinds of agriculture and livestock support.

Adoption of modern agriculture practices and techniques by **90%** of the target farmers.

HFIAS was reported significantly to be **6.7** among beneficiaries compared to **8.8** among non-beneficiaries.

**36.8%** increase in average monthly income among beneficiaries.

Project beneficiaries were **10.7%** more likely to have adequate food intake.

Trained **6,347** farmers and provided rice, corn, vegetables seeds, and cassava, along with chicken and fruit sapling.

Established **13** cash for work sites to produce crops and vegetables for **195** households.

Trained **40** community based organisation leaders on weather forecasting and nutrition.

Trained **2,588** households on poultry and livestock rearing.

Developed **23** Chick Rearing Unit to produce pullets to sell to community people.

## I TURNED MY CAN'TS INTO CANS

My name is Sonnie Malloe, I am a 42 year old mother. I live in Gbarnga, Liberia with my spouse and three children. I was involved in petty trading for many years, by selling a variety of greens bought from other local farmers. This was a subsistence way of life for me and my family with my husband having no source of income.

One day, I had gone to one of my suppliers to buy vegetables and other items, I came across a man who went to talk to the garden owner about a BRAC project. He shared that how you can own a farm, and earn more by selling your own production. I decided to get into the BRAC programme. During the first week, we were trained in basic modern agriculture techniques like, nursery preparation, field layout, transplanting, line sowing, mulching, fertilizer application, irrigation management, and disease and pest control methods. After the training, I was able to lease a land and started farming right away. Now, I am one of the owners of the biggest farms in my community through hard work and support from BRAC. I used the knowledge I acquired through training sessions in agriculture, nutrition, poultry and livestock under the BRAC Liberia, EU project.

I sell cucumber, cassava, watermelon, peppers, tomatoes, bitter bulbs, and lotus. I use the money to pay my children's school fees and hospital bills. I also make a daily susu (a local saving in Liberia) to support my farm and myself for the future. I am looking forward to adding pineapple and plantain to my farm, and I can proudly say that the soil has added value to my life.

I have become an ambassador of the project, every day I inform others from different communities to change their lives and improve their income through better agricultural practices.





## HEALTH

### SITUATION

Liberia is one of the poorest countries in the world, the civil war killed around 250,000 people and displaced many more. Ever since the war, sectors in health, education, and agriculture have all been badly damaged by the civil war. Life expectancy in Liberia is 62/64, which is much lower than the world average. Many children die with their mothers inside the womb, or are born without a mother, due to very high maternal mortality rate of 1,072 deaths for every 100,000 live births. Communicable diseases are widespread, including tuberculosis, diarrhea, malaria, HIV, and Dengue. 32% of the children under 5 suffer from chronic malnutrition and 69% children are anaemic. Despite recent progresses, Liberia still experiences poor child and maternal health indicators mainly due to inadequate resources, low awareness of preventive measures, and lack of access to health services.

### OUR INTERVENTION

Through our Health programme in Liberia, we train Community Health Promoters (CHP) to provide healthcare services at the doorsteps of hard to reach communities and raise awareness on health-related issues through household visits and health forums. Through mother clubs and village health meetings, the CHPs enhance knowledge about Maternal Neonatal and Child Health (MNCH) care seeking behaviours. For severe stage malaria, severe diarrhoea, acute respiratory infections (ARI), tuberculosis (TB), HIV testing, immunization, contraceptive methods, and pregnancy complications the promoters refer patients to the nearest clinic or hospitals.

We focus on the prevention and control of malaria, tuberculosis, HIV/AIDS, reproductive and maternal health of women and adolescents, as well as reducing infant and under-five mortality. Currently, we are implementing Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) project aiming to reduce morbidity and mortality of tuberculosis, through providing community mobilization and sensitization. The Global Fund project has been designed to be implemented in 120 communities across six districts in Montserrado county of Liberia with focus on high population density areas such as slums etc.

### MOVING FORWARD

BRAC Liberia will continue to be at the forefront of global efforts to end preventable child deaths, with a focus on maternal healthcare, newborn and child health, nutrition, alleviating hunger, and preventing and treating HIV and AIDS. We want to provide more technical support to the CHPs, formulate more partnerships, expand program operation areas from six counties to ten counties, strengthen our monitoring and reporting systems, increase our workforce, and engage in advocacy.



## I WILL HELP MYSELF TO SURVIVE

My name is Uptom Yates, I am 37 years old and I live in Kuwait Duala, in Boshord district. I began the habits of smoking and taking drugs around three years ago. Because of my bad habits my parents no longer allowed me to live with them.

I moved in with some of my friends in Caldwell. I was involved in heavy smoking and taking drugs for pleasure. Within some time my health was deteriorating. I still kept abusing drugs. One of my friends noticed my habit, and decided to drive me back to where I originally stayed in Kuwait Duala. I started working as a car loader, but faced many difficulties. I could barely load goods to a car due to my bad health.

On 8th October 2018, I saw a group of people talking about TB awareness, discussing the signs and symptoms of the disease. I instantly figured that all of those were happening to me. I felt scared and ashamed of myself and could not get the courage to go talk to any of them for help.

Fortunately they returned the next day with the same awareness campaign. This time I took the courage to speak to one of the group members. I explained my health condition to them, and I was advised by Mrs. Grey, a Community Health Provider, to do a TB test. After my sputum was tested my results came out positive. I was prescribed with two different kinds of tablets to take on a daily basis. My condition is getting better slowly with the treatment.

I want to thank Mrs. Gray who had suggested I get a TB test done and BRAC family for saving my life.

## HIGHLIGHTS

**72,645** household visit by the CHPs.

**128** CHPs & gCHVs Trained & Developed.

**1450** of Sputum samples collected & transported to Gene Xpert.

**1427** of cases tested, and 685 of cases were positive.

**223** of cases provided with DOTs by supporter.

**685** of cases tested for HIV.

**12** TB awareness campaigns with School Students conducted.





## MICROFINANCE

### SITUATION

Access to credit in Liberia is very low, only 36% of the country's adult population is formally banked, and around 24% of women save semi-formally. Most financial institutions are not present in hard-to-reach areas.

Liberia ranks 172 among 193 countries as a place to do business, local banks are reluctant to lend and require collateral, for which small businesses lack access to credit. With 49% of the Liberian population living within the rural area, the government has started to take initiatives to integrate them into the formal economy.

### OUR INTERVENTION

BRAC Liberia Microfinance programme started in 2008 to provide financial services to people at the bottom of the pyramid, particularly to women living in rural and hard to reach areas. We are the largest microfinance provider by the number of clients in Liberia, operating with 26 branches in 6 counties.

Our Microfinance programme provides micro and small enterprise loans in areas not covered by banks. Microloans are targeted to meet the needs of women while enterprise loans target both female and male small enterprise owners. In 2017, we introduced mobile money to make transactions even more convenient. We work through a Village Organisation Model in which the women form themselves into self-selected groups based in their villages. Through women groups, they support each other in learning and knowledge sharing on personal and community development, as well as accessing and repaying their loans.

### MOVING FORWARD

We are introducing Social Performance Management from the beginning of 2019 to shed light on the overall social mission and emphasize on Client Protection. We are looking into bright prospects for expanding to the South Eastern counties, which the government has categorized as priority development areas. We will also expand product offerings to include agriculture loans.



### HARD WORK AND HONESTY BRINGS SUCCESS

I am Siah Paye. A 48 year old hawker. I sell cosmetics, baby dresses, lappa (wrap skirt), bags, and used clothes in Compound #3 Market, in Grand Bassa.

Before joining BRAC Liberia Microfinance programme, I was a petty trader, selling fish, bitter ball, peppers and other small items for my family's survival. My life was full of struggles and at times I felt helpless. I lived in a single rented room with five of my children. I went door to door with a small basket on my head to make some money. I barely made any profit and could only manage one meal a day. While hunger, sorrow, illness were all around me, but the hope of better days was in my heart.

My life changed when BRAC Liberia staff came to my community and organised groups to provide small loans. The loans were given to women without any collateral. The process to join the BRAC Microfinance programme was fairly easy with just a few formalities.

I saw a glimpse of light in my dark life. I instantly opted to take a loan of LRD 8000 (USD 40) for a year. I invested in my existing business and was able to pay back the loan in weekly installments. I decided to take my second another loan for LRD 15000 (USD 76) in 2011.

Day by day my business expanded. I was able to send my children to school and we had sufficient food for the family. Recently, I bought a small space for my business in the market. I also plan on buying a plot of land very soon to build the house of my dreams.

I now have an outstanding loan of LRD 75,000 (USD 382) from BRAC Liberia Microfinance, which I am repaying successfully. I am grateful to BRAC for helping me rise.

### HIGHLIGHTS

**98%** of the clients we serve are women.

**26** branches with **34,297** Borrowers, an increase of **27%** from 2017.

**32,060** Microfinance borrowers, **1,693** SEP borrowers, **417** MSME borrowers and **124** ELA borrowers.

Total disbursement of **USD 11.49 million**, an increase of **62%** from 2017.

**USD 8.08 million** was disbursed in microfinance loans, and **USD 2.89 million** was disbursed in SEP loan.







# ULTRA-POOR GRADUATION

## SITUATION

People in extreme poverty often live in fragile countries and remote areas. For them, access to education, health care, sanitation, and other basic services remain elusive. Among the people who live on less than USD 1.90 a day, the ultra-poor are the least served and the most vulnerable subset of this population globally. Liberia is one of the poorest countries in the world, the devastating aftermath of Ebola and the 23 years of conflict have severely damaged the economic and social development of the country. Poor in human capital, infrastructure, and stability, an estimated 64% of Liberians live below the poverty line, of whom 1.3 million live in extreme poverty. The country is vulnerable to economic shocks and depends on food imports. Agricultural markets are poorly integrated, especially in rural areas, exacerbating food insecurity and poverty. Food insecurity affects 41% of the population and chronic malnutrition is high.

## OUR INTERVENTION

BRAC Liberia's Ultra-Poor Graduation (UPG) approach is a comprehensive, targeted, time-bound, and sequenced intervention that combines livelihoods asset transfer, access to financial services, consumption support, training, and social integration. With support from the National Postcode Lottery (NPL), we began BRAC Liberia's Graduation pilot in 2018. Our programme places ultra-poor households onto a ladder of economic self-reliance for a sustainable future. The first year's inception phase consisted of a thorough assessment and planning to adapt the Graduation approach to the Liberian context. The objective of the programme is to uplift 750 women-headed households living in ultra-poverty to climb out for a sustainable future over a period of 3 years. The programme is being implemented in Bong and Margibi counties to help the ultra-poor.

## MOVING FORWARD

BRAC Liberia will be working to strengthen the programme in the following year with a focus on generating global evidence for the effectiveness of the Graduation approach. We are looking to formulate more partnerships and scale up the intervention. Our aim is to graduate ultra-poor households out of extreme poverty to a more stable state.



## SWIM AGAINST THE TIDE

Mary Abioye is one of the selected participants of BRAC Liberia UPG programme. At first she seemed a bit skeptical about the UPG process when BRAC staff approached her. She looked worried but still was respectful. Mary shared that she was previously approached from different organisations and their discussions amounted to nothing fruitful, so she felt that this was also a waste of time.

Mary had a fairly large family, so raising them was difficult. Now all of them have families of their own, so the pressure is a little low in providing a constant stream of food. None of her children were sent to school and life was tough. Mary shared her long lived struggles after the war in Liberia, the hardships of farming and the lack of access to lands. She was only able to feed her family and barely made any savings.

Mary is all set to explore how BRAC Liberia will help her climb out of ultra-poverty and improve the quality of life.

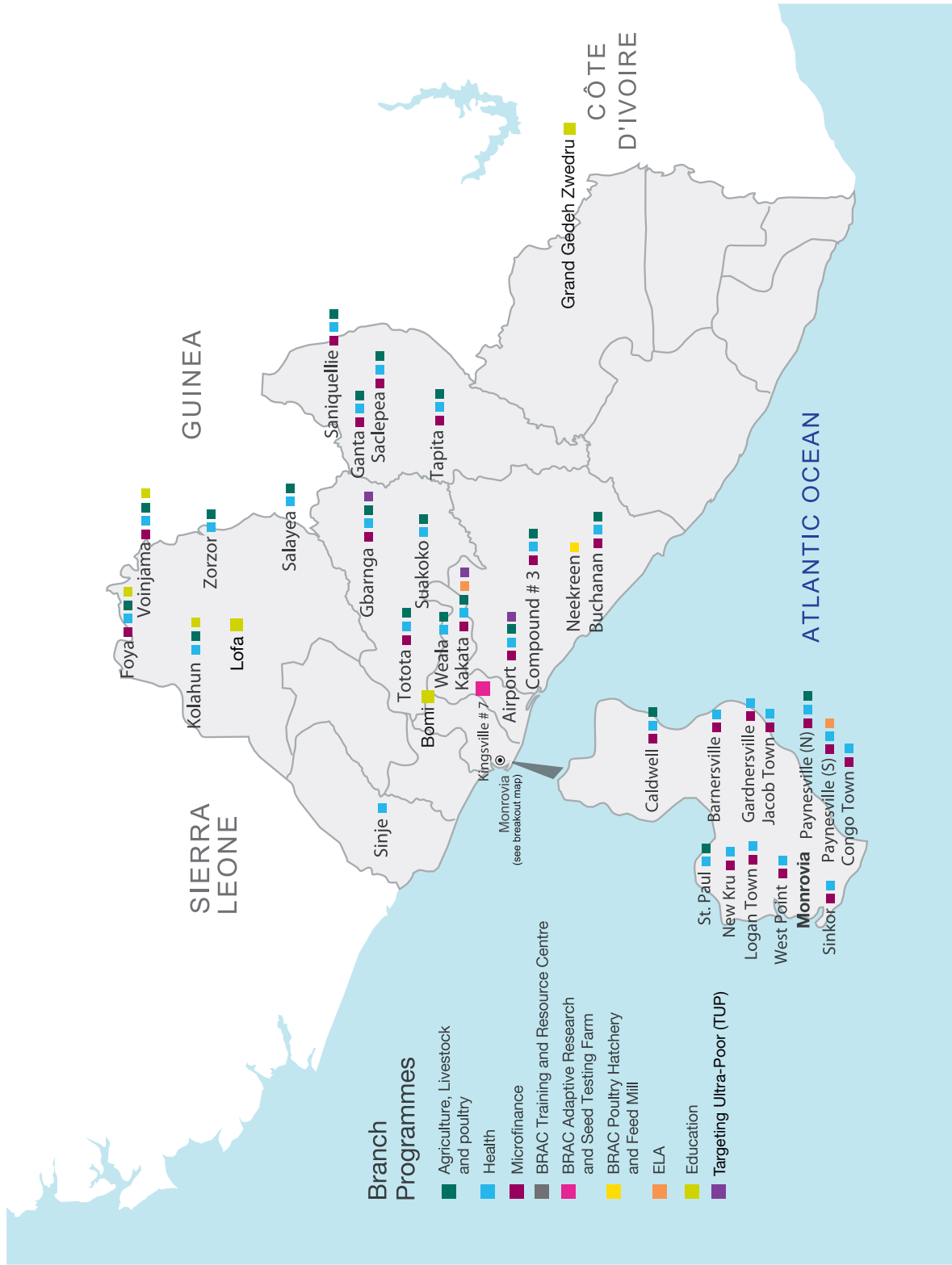
## HIGHLIGHTS

Staff recruitment and training were performed.

**750** participants were selected through **100** participatory rural appraisals as of May 2019 in Liberia.







FINANCIALS



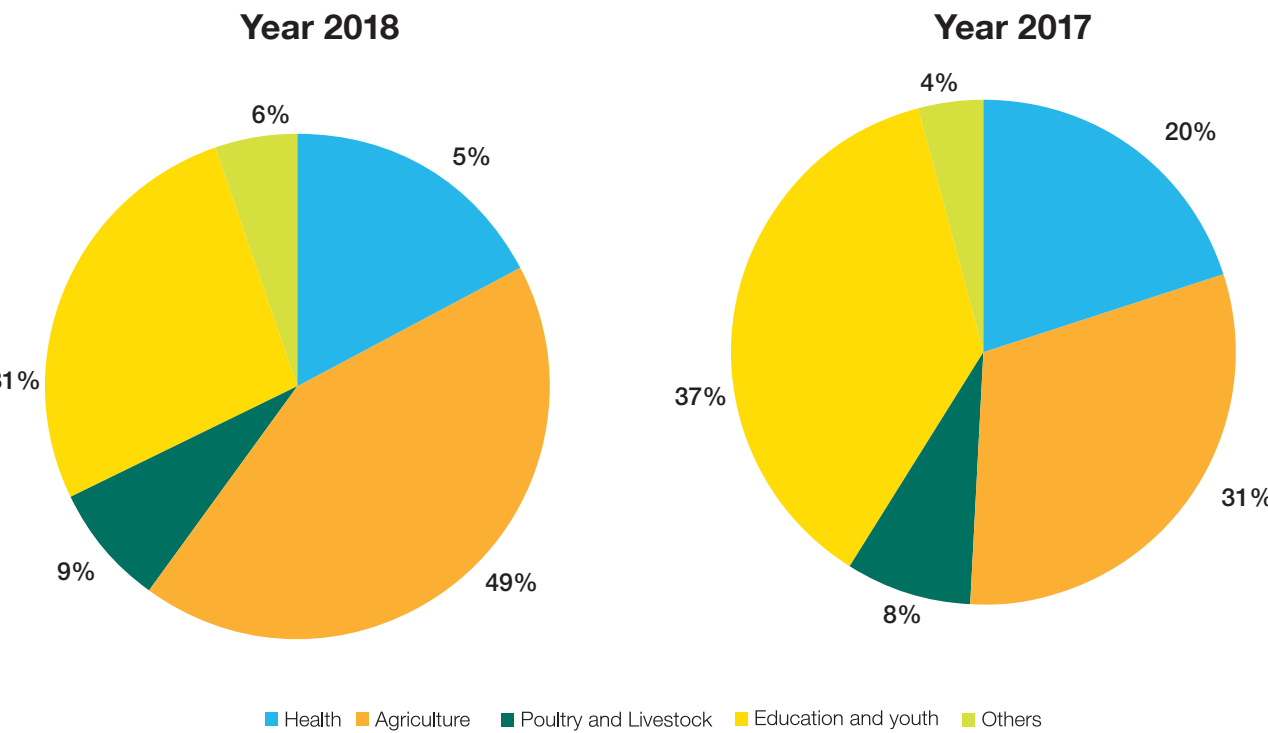
# OPERATIONAL AND FINANCIAL HIGHLIGHTS OF BRAC LIBERIA

BRAC Liberia received USD 2,726,508 as grants compared to USD 1,459,274 in 2017. Total Project expenses for the year were increased by 14% to USD 2,643,139. Out of the total expenses, Health supported by Novo foundation, EU and Unicef funded projects hold the majority of the portion. About 95% of the total expenditure has been used for program services.

Total Equity as at 31 December 2018 stands at USD 607,243 compared to USD 39,317 in 2017.

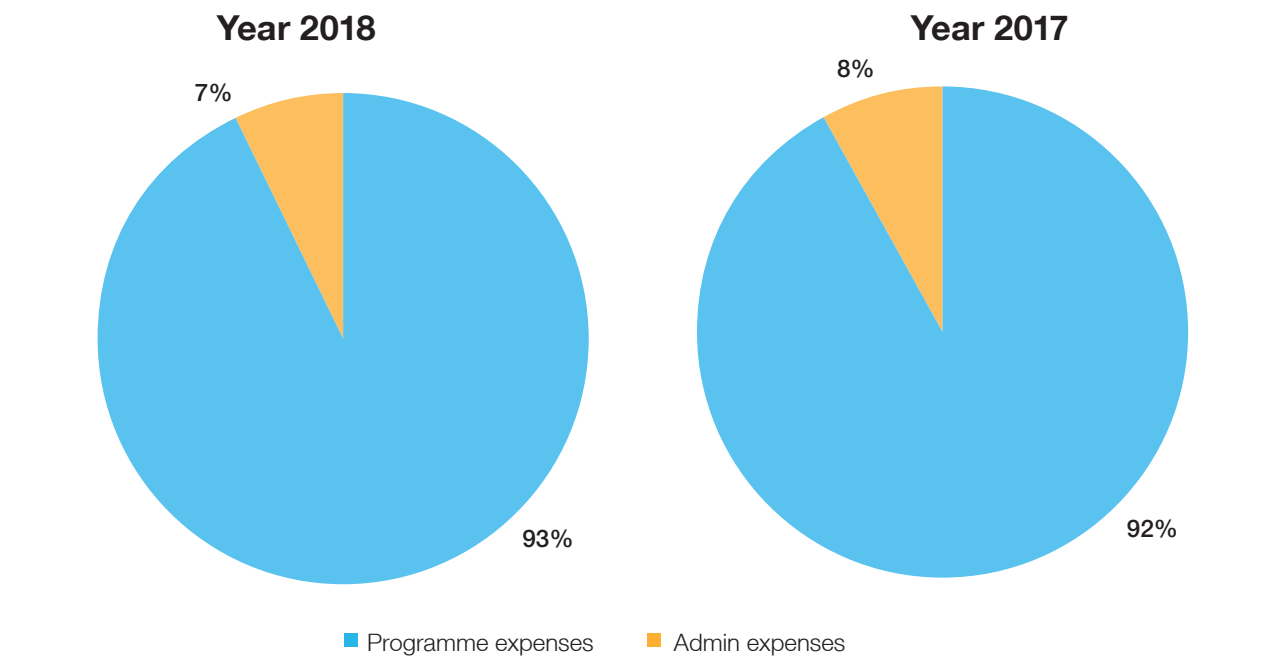
## PROGRAM COST BY NATURE OF PROGRAMME (IN USD)

PROGRAMME	2018	%	2017	%
Health	141,481	5%	463,869	20%
Agriculture	1,290,918	49%	735,967	31%
Poultry and livestock	230,152	9%	182,848	8%
Education and Youth	831,833	31%	863,040	37%
Others	148,755	6%	93,637	4%
<b>Total</b>	<b>2,643,139</b>	<b>100%</b>	<b>2,339,362</b>	<b>100%</b>



## PROGRAM COST BY NATURE OF EXPENSES (IN USD)

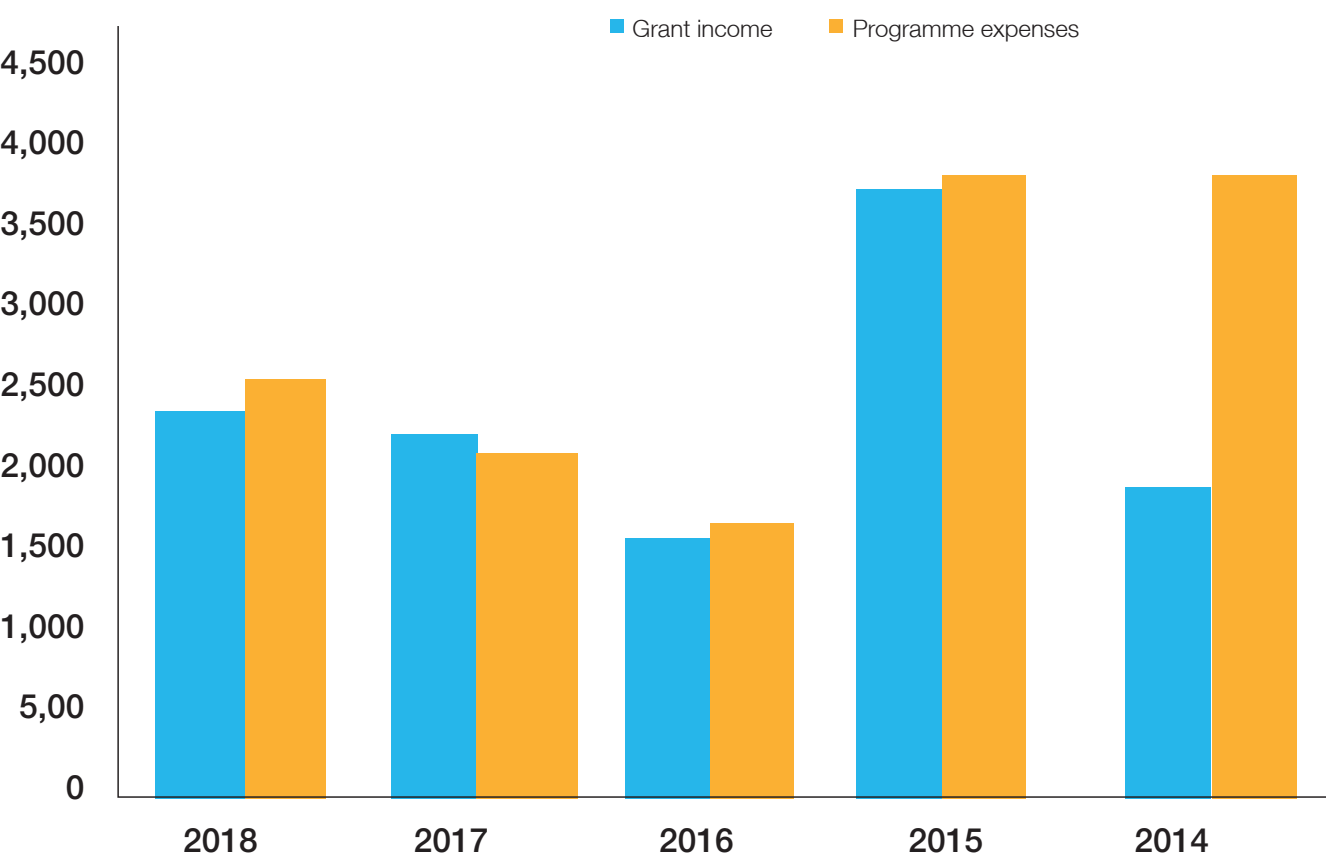
EXPENSES	2018	%	2017	%
Programme Expenses	2,466,679	93%	2,141,488	92%
Admin expenses	176,459	7%	197,874	8%
<b>Total</b>	<b>2,643,139</b>	<b>100%</b>	<b>2,339,362</b>	<b>100%</b>



## PERFORMANCE REVIEW (IN USD)

INCOME STATEMENT	2018	2017	2016	2015	2014
Grant Income	2,360,003	2,231,574	1,594,109	3,802,382	1,868,008
Other Income	278,465	137,949	384,996	451,859	475,106
Program Expenses	2,466,679	2,141,488	1,709,405	4,051,693	4,051,693
Admin expenses	176,459	197,874	396,157	478,335	478,335
FINANCIAL POSITION					
Net Equity	607,243	39,317	666,908	162,666	526,133
Cash at Bank	414,168	301,600	1,214,119	290,186	924,729
OPERATIONAL STATISTICS					
Number of Projects	8	9	12	16	12

GRANT INCOME AND EXPENSES IN THOUSAND USD



(Last five years Grant used as income vs. Program expenses (in‘000 USD

CONTRIBUTION TO GOVERNMENT EXCHEQUER	2018	2017
Withholding tax	96,909	160,439
Social Security and pension	30,513	39,576
Total	127,422	200,015

OPERATIONAL AND FINANCIAL HIGHLIGHTS OF BRAC LIBERIA MICROFINANCE COMPANY LIMITED

Net Income

BRAC Liberia Microfinance Company Limited maintained its profit trend in 2018 and posted Profit before tax of USD 965,624 (2017: USD 603,780 ). Interest income has increased significantly by 26% due to growth in loan disbursment by 29%.

Operating expenses

Total operating expenses for the year was USD 1,467,490 as compared to USD 1,393,163 in 2017 showing a small increase of 5%.

Provisions for Impairment losses

This year amount charged for impairment on loans was USD 5,751 as against USD 64,440 in 2017, showing a decrease of 91 %. This is due to increase in the quality of loan portfolio which resulted decrease in PAR 30. Portfolio at Risk (PAR>30) is 0.64% as to 0.81% in 2017. Total reserve for impairment was USD 50,154 compared to 110,602 in 2017, representing 1.03% of Gross portfolio.

Financial Position

In 2018, BRAC Liberia Microfinance company Limited’s total assets increased by 14.74% to USD 6,109,012. The increase is mainly due to growth of loan portfolio which has been increase by 22% to USD 4,802,023.

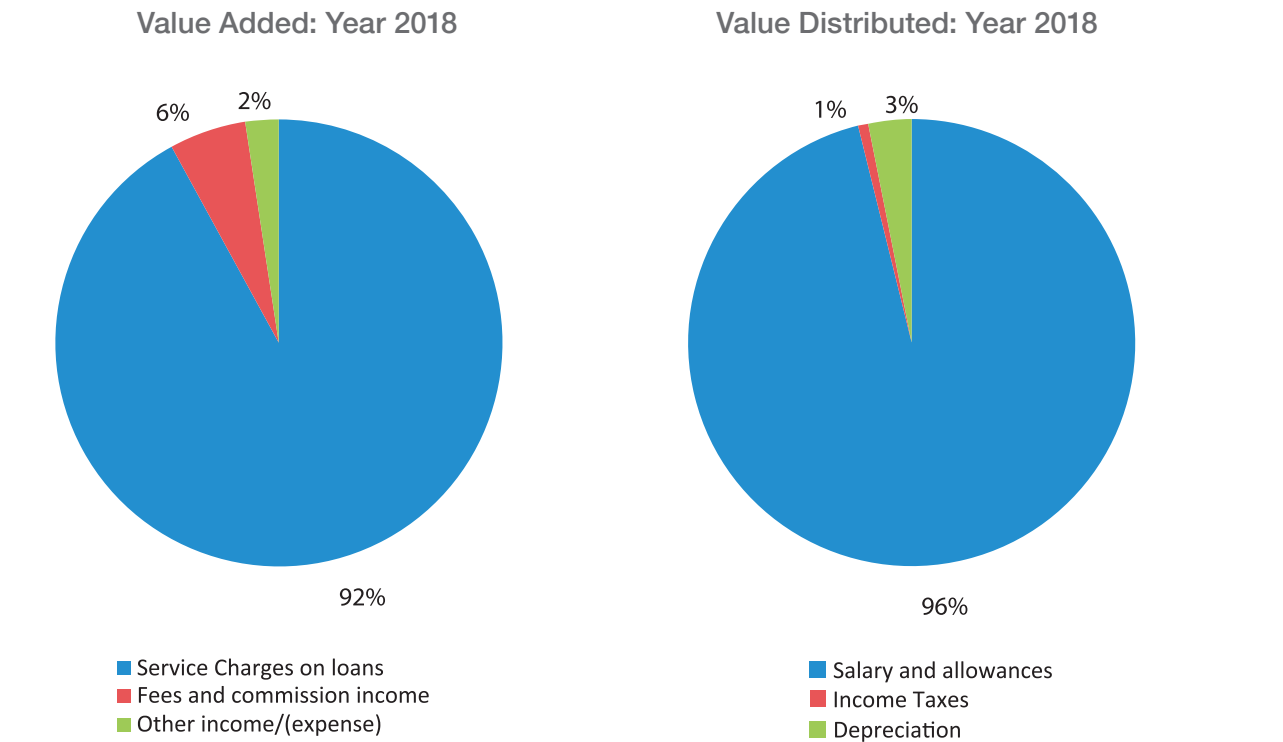
VALUE ADDED STATEMENTS

A value added statement provides a detail information of the total addition and distribution of value created by the organization. BRAC Liberia Microfinance Company Limited contributes positively to overall economic development by empowering the poor people (specially women) through micro-credit, employees through the payment of salaries and allowances and by assisting the local regulatory authorities through paying taxes and of course keeping in mind of organization’s growth.

Value Added Statements (USD)				
Value added	Year 2018	%	Year 2017	%
Service Charges on loans	2,298,567	121%	1,828,979	128%
Fees and commission income	138,934	7%	115,092	8%
Other income/(expense)	59,983	3%	(32,389)	-2%
Other operating exp.	(593,226)	-31%	(422,905)	-30%
Loan prov. (doubtful losses)	(5,751)	0%	(64,440)	-5%
Total	1,898,506	100%	1,424,337	100%



Value Distributed Statements (USD)				
Value Distributed:	Year 2018	%	Year 2017	%
<b>Employees</b>				
Salary and allowances	840,334	44%	770,234	54%
<b>Local Authorities</b>				
Income Taxes	6,450	0%	38,323	3%
Depreciation	27,479	1%	20,123	1%
<b>Growth</b>				
Retained Income	1,024,243	54%	595,658	42%
<b>Total</b>	<b>1,898,506</b>	<b>100%</b>	<b>1,424,337</b>	<b>100%</b>



### CONTRIBUTION TO GOVERNMENT EXCHEQUER

	Year 2018	Year 2017
	USD	USD
Income Tax	6,450	38,323
Withholding tax	81,716	78,181
Social Security and pension	44,688	59,201
<b>Total</b>	<b>132,855</b>	<b>175,705</b>

### PERFORMANCE REVIEW (IN USD)

Currency	2018	2017	2016	2015	2014	2013
	USD	USD	USD	USD	USD	USD
<b>Income Statement</b>						
Operating Income	2,438,865	2,003,318	1,597,120	1,096,757	789,678	1,175,807
Net profit/(loss) before tax	965,624	603,780	261,393	(229,407)	(451,835)	(430,416)
<b>Financial Position</b>						
Total assets	6,109,012	5,324,238	4,109,955	3,406,524	3,648,615	3,775,068
Net Equity	3,516,075	3,118,531	2,537,013	2,080,155	2,353,134	2,575,528
Yearly Loan disbursement	4,802,023	3,935,699	6,937,302	2,253,397	2,091,486	2,066,933
Cash at Bank	979,340	1,047,593	718,975	850,894	1,016,783	1,325,105
<b>Returns and ratio</b>						
Return on Asset	16%	11%	6%	-7%	-12%	-11%
Cost to income	60%	73%	78%	114%	204%	193%
<b>Operational Statistics</b>						
Total Borrowers	34,297	27,010	19,333	14,033	12,328	11,578
PAR>30	0.64%	0.81%	2.67%	5.72%	9.43%	5.85%

### ANNUAL INCOME AND PORTFOLIO IN THOUSAND USD





# BRAC LIBERIA MICROFINANCE COMPANY LIMITED

## FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS REPORT FOR THE YEAR ENDED DECEMBER 31, 2018

BRAC Liberia Microfinance Company Limited  
Financial Statements and Independent Auditor's Report  
For the year ended December 31, 2018



### CORPORATE INFORMATION

Board of Directors	:	Mr. Faruque Ahmed - Chair Mr. Hans Eskes - Director Mr. Shameran Abed - Director
MANAGING DIRECTOR	:	Mrs. Aisha Nansamba (Acting Managing director)
REGISTERED OFFIC	:	Divine Town, Old Road Monrovia
BANKERS	:	Eco Bank Liberia Limited Randall and Ashman Street, Monrovia  International Bank (Liberia) Limited Broad Street, Monrovia  The Liberian Bank for Development and Investment 9 <sup>th</sup> Street Sinkor, Monrovia  Guaranty Trust Bank 13 <sup>th</sup> Street, Sinkor, Monrovia  Access Bank Liberia Limited 20 <sup>th</sup> Street, Sinkor; Monrovia  United bank of Africa Broad, Nelson St., Monrovia
AUDITORS	:	Baker Tilly Liberia. (Certified Public Accountants) King Plaza, 2 <sup>nd</sup> – 4 <sup>th</sup> Floor 80 Broad Street Monrovia
LEGAL COUNSEL	:	Henries Law Firm 31 Benson Street Monrovia, Liberia





Report of the Board of Directors

The Board of Directors present their report and audited financial statements for the year ended December 31, 2018.

The Board of Directors' Responsibility Statement

The Company's Board of Directors are responsible for the preparation and fair presentation of the financial statements, comprising the statement of financial position as at December 31, 2018, the statements of profit and loss and other comprehensive income, the statement of changes in equity and statements of cash flows for the year then ended, and the notes to the financial statements. The notes to the financial statements include a summary of significant accounting policies and other explanatory notes, and the report of the Board of Directors in accordance with International Financial Reporting Standards (IFRS), the Disclosure Guidelines for Financial Reporting by Microfinance Institution which guidelines are voluntary norms recommended by a consultative group in international donors including the Consultative Group to Assist the Poor (CGAP) and the members of the Small Enterprise Education and Promotion Network (SEP), the Prudential Regulations for Micro-finance Institutions issued by the Central Bank of Liberia and in the manner required by the provisions of the Articles of Incorporation.

The Directors' responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Directors' are also responsible for maintaining adequate accounting records and an effective system of risk management.

The Directors' have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not be a going concern in the foreseeable future.

Principal Activities

The principal activities of the Company continue to be provision of micro-finance to low income and economically active members of the Liberian communities who manage small and micro businesses and interested in credit financing to expand and improve on their activities.

Results

The results for the years and the state of the Company's affairs are shown in the attached financial statements.

Approval of the financial statements

The financial statements were approved by the Board of Directors on 2019



Report of the Board of Directors (continued)

Going concern

The financial statements have been prepared on the going concern basis of accounting which assumes that the Company will and can continue to exist as a going concern and that the assets will be realized in the normal course of the Company's business for at least the values contained in the financial statements. The Company will continue to meet its obligations in the normal conduct of its business.

The Board members

The following members served during the year:

Mr. Faruque Ahmed (Chair)

Mr. Shameran Abed

Mr. Hans Eskes (Appointed on 22nd June 2018)

Ms. Lamia Rashid (Resigned on 22nd June 2018)

Mr. Saif Md. Imran Siddique (Resigned on 12 September 2018)

Managing Director

Mr. Mainudding Ahmed Resigned from his position on 31August

Mrs. Aisha Nansamba is serving in the capacity of Acting Managing Director of the company.

Auditors

Baker Tilly Liberia, the auditors, has expressed their desire to continue as auditors of the Company

by order of the Board of Directors.

Managing Director

Director

Chair





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BRAC Liberia Microfinance Company Limited  
Financial Statements and Independent Auditor's Report  
For the year ended December 31, 2018



INDEPENDENT AUDITORS' REPORT

To: The members of BRAC Liberia Microfinance Company Limited

Opinion

We have audited the financial statements of BRAC Liberia Microfinance Company Limited (“BRAC” or “the Company”), which comprise the statement of financial position as at December 31, 2018, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of BRAC Liberia Microfinance Company Limited as at December 31, 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, the Disclosure Guidelines for financial reporting by Microfinance Institutions which guidelines are voluntary norms recommended by a consultative group in international donors including the Consultative Group to Assist the Poor(CGAP) and the member of the Small Enterprise Education and Promotion Network (SEP), the Prudential Regulations for Microfinance issued by the Central Bank of Liberia and in the manner required by the Association’s Law Title 5 of the Liberian Code of Laws Revised.

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 Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Liberia, 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.

Responsibilities of Management of the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standard (IFRSs) the Disclosure Guidelines for financial reporting by Microfinance Institutions which guidelines are voluntary norms recommended by a consultative group in international donors including the Consultative Group to Assist the Poor (CGAP) and the member of the Small Enterprise Education and Promotion Network (SEP), the Prudential

ASSURANCE TAX ADVISORY

Baker Tilly Liberia Limited trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

Regulations for Microfinance issued by the Central Bank of Liberia and in the manner required by the Association’s Law Title 5 of the Liberian Code of Laws Revised and for such controls as management determines 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 Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s 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 Company’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 Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s 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 auditor’s report. However, future events or conditions may cause the Company 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.
- 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.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in





extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirement

In accordance with the provisions of Association's Law Title 5 of the Liberian Code of Laws Revised, we also report that:

- I. We have obtained all the information and explanations we have required, and
- II. Books of accounts have been maintained by BRAC Liberia Microfinance Company Limited as required by section 8 of Association's Law Title 5 of the Liberian Code of Laws Revised.

*Baker Tilly Liberia*

(Certified Public Accountants)  
March 7, 2019  
Monrovia



Statement of Financial Position  
As at 31 December

	Notes	2018	2017	2018	2017
ASSETS		LRD	LRD	USD	USD
<b>Non-Current Assets</b>					
Property and equipment	16	6,049,081	6,951,777	38,485	55,503
Intangibles	17	5,760,164	7,664,736	36,647	61,195
<b>Current Assets</b>					
Cash and bank	13	153,932,665	131,211,023	979,340	1,047,593
Loans and advances to customers	14	754,782,008	492,946,256	4,802,023	3,935,699
Other assets	15	11,141,803	10,323,886	70,886	82,426
Deferred tax asset	12(b)	2,270,753	2,270,753	14,447	18,130
Advance tax payment	12(c)	26,278,030	15,492,319	167,184	123,691
<b>Total Assets</b>		<b>960,214,504</b>	<b>666,860,750</b>	<b>6,109,012</b>	<b>5,324,237</b>
		=====	=====	=====	=====
<b>Liabilities and Capital Fund</b>					
<b>Liabilities</b>					
Loan security fund	18	162,889,718	107,006,633	1,036,326	854,344
Related party payables	19	93,686,130	75,601,639	596,044	603,606
Borrowings	20	125,247,289	72,522,842	796,840	579,025
Other liabilities	21	25,734,718	21,133,567	163,728	168,731
<b>Total Liabilities</b>		<b>407,557,855</b>	<b>276,264,681</b>	<b>2,592,938</b>	<b>2,205,706</b>
<b>Capital Fund</b>					
Donor Funds	22	-	2,620,230	-	20,920
Donated equity	23	155,670,132	153,049,902	990,394	1,221,955
Retained earnings		53,072,725	(99,774,221)	337,655	(796,601)
Share premium	25	59,529,493	59,529,493	500,000	500,000
Share capital	24	339,339,071	339,339,071	4,076,145	4,076,145
Translation difference		(54,954,772)	(64,168,406)	(2,388,120)	(1,903,888)
<b>Total capital fund</b>		<b>552,656,649</b>	<b>390,596,069</b>	<b>3,516,074</b>	<b>3,118,531</b>
		=====	=====	=====	=====
		<b>960,214,504</b>	<b>666,860,750</b>	<b>6,109,012</b>	<b>5,324,237</b>
		=====	=====	=====	=====

These financial statements on pages 43 – 47 were approved by the Board of Directors on ..... 2019

Head of Finance

Managing Director

Director

Director

The notes on pages 48-63 are an integral part of these financial statements





Statement of Profit and Loss and other comprehensive income  
For the year ended 31 December

Income	Notes	2018 LRD	2017 LRD	2018 USD	2017 USD
Service charge on loans	5	361,288,725	229,079,614	2,298,567	1,828,979
Membership fees and other charges	6	21,837,610	14,415,305	138,933	115,093
Other income	7	214,462	3,215,965	1,365	25,676
Grant Income	8	-	11,477,460	-	91,636
		<u>22,052,072</u>	<u>29,108,730</u>	<u>140,298</u>	<u>232,405</u>
<b>Total operating income</b>		<b>383,340,797</b>	<b>258,188,344</b>	<b>2,438,865</b>	<b>2,061,384</b>
<b>Expenditures:</b>					
Impairment losses on loan and advances to customers	9	(903,929)	(8,071,153)	(5,751)	(64,440)
<b>Operating income after impairment charges</b>		<b>382,436,868</b>	<b>250,117,191</b>	<b>2,433,114</b>	<b>1,996,944</b>
Staff costs	10	(132,083,698)	(96,471,811)	(840,334)	(770,234)
Other operating expenses	11	(94,257,151)	(75,501,553)	(599,676)	(602,807)
Depreciation and amortization expense	16 &17	(4,319,208)	(2,520,351)	(27,479)	(20,123)
<b>Total operating expenses</b>		<b>(230,660,057)</b>	<b>(174,493,715)</b>	<b>(1,467,490)</b>	<b>(1,393,164)</b>
<b>Profit/(Loss) before tax</b>		<b>151,776,811</b>	<b>75,623,475</b>	<b>965,624</b>	<b>603,780</b>
Income tax (expense)/ Credit	12(a)	-	6,255,337	-	49,943
<b>Net Profit for the year</b>		<b>151,776,811</b>	<b>81,878,812</b>	<b>965,624</b>	<b>653,723</b>
<b>Other comprehensive income</b>					
Unrealized exchange gains/(loss)		9,213,634	(7,272,706)	58,618	(58,066)
<b>Total comprehensive income</b>		<b>160,990,445</b>	<b>74,606,106</b>	<b>1,024,243</b>	<b>595,658</b>

The notes on pages 48-63 are an integral part of these financial statements

Statement of changes in equity  
For the year ended 31 December

	Share Capital	Share premium	Donor Funds	Retained Earnings	Donated Equity	Translation reserve	Total Capital Fund	Total Capital Fund
	LRD	LRD	LRD	LRD	LRD	LRD	LRD	USD
<b>At 1 January 2017</b>	339,339,071	-	21,095,943	(181,653,033)	137,523,299	(56,895,700)	259,409,580	2,537,012
Donations received during the year	-	59,529,493	8,528,350	-	-	-	8,528,350	68,091
Share premium	-	-	-	-	-	-	59,529,493	500,000
Transferred to statement of income and expenses	-	-	(11,477,460)	-	-	-	(11,477,460)	(91,636)
Profit for the year	-	-	-	81,878,812	-	-	81,878,812	653,723
Transferred to donated Equity	-	-	(15,526,603)	-	15,526,603	-	-	-
Translation difference	-	-	-	-	-	(7,272,706)	(7,272,706)	(548,659)
<b>As at 31 December 2017</b>	<b>339,339,071</b>	<b>59,529,493</b>	<b>2,620,230</b>	<b>(99,774,221)</b>	<b>153,049,902</b>	<b>(64,168,406)</b>	<b>390,596,069</b>	<b>3,118,531</b>
<b>At 1 January 2018</b>	339,339,071	59,529,493	2,620,230	(99,774,221)	153,049,902	(64,168,406)	390,596,069	3,118,531
Recognition of additional impairment on loans & Advances to customers as at 31 Dec 2017 under IFRS 9	-	-	-	1,070,134	-	-	1,070,134	6,808
Donations received during the year	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	151,776,811	-	-	151,776,811	965,624
Transferred to Donated equity	-	-	(2,620,230)	-	2,620,230	-	-	-
Translation difference	-	-	-	-	-	9,213,634	9,213,634	(574,889)
<b>As at 31 December 2018</b>	<b>339,339,071</b>	<b>59,529,493</b>	<b>-</b>	<b>53,072,724</b>	<b>155,670,132</b>	<b>(54,954,772)</b>	<b>552,656,648</b>	<b>3,516,075</b>

The notes on pages 48 - 63 are an integral part of these financial statements



Statement of Cash flows  
For the year ended 31 December

	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	LRD	LRD	USD	USD
<b>Cash flows from operating activities</b>				
Excess of income over expenditure	160,990,445	74,606,106	1,024,243	595,658
Depreciation	4,319,208	2,520,351	27,479	20,123
Loan loss provision	<u>903,929</u>	<u>8,071,153</u>	<u>5,751</u>	<u>64,440</u>
<b>Cash flows before changes in working capital</b>	<b>166,213,582</b>	<b>85,197,611</b>	<b>1,057,473</b>	<b>680,220</b>
Increase/(decrease) in provision for taxation	(3,949,481)	(8,603,467)	(25,127)	(68,690)
<b>Changes in working capital</b>				
(Increase) in receivables and other current assets	(817,917)	16,110,799	(5,204)	128,629
(Increase) in interest receivables	(785,985)	(2,655,497)	(5,001)	(21,202)
Increase in current liabilities	4,601,152	3,372,758	29,273	26,928
Increase/(decrease) in related party payables	18,084,492	26,775,668	115,056	213,778
Advance taxes paid	(6,836,230)	(4,799,956)	(43,493)	(38,323)
<b>Net cash from operations</b>	<b><u>176,509,612</u></b>	<b><u>115,397,916</u></b>	<b><u>1,122,978</u></b>	<b><u>921,341</u></b>
Loan disbursements	(1,805,340,000)	(1,116,437,000)	(11,485,812)	(8,913,669)
Loan collection	1,545,203,139	928,339,497	9,830,787	7,411,892
Interest receivable written off	<u>(746,701)</u>	<u>(760,075)</u>	<u>(4,751)</u>	<u>(6,068)</u>
<b>Net cash flow from Operating Activities</b>	<b><u>(84,373,950)</u></b>	<b><u>(73,459,662)</u></b>	<b><u>(536,798)</u></b>	<b><u>(586,504)</u></b>

Cash flow from Investing Activities

(Acquisition)/disposal of fixed assets	(1,256,450)	(2,346,243)	(7,994)	(18,732)
(Acquisition)/disposal of intangible assets	(255,490)	(8,361,530)	(1,625)	(66,759)
<b>Net cash flow from Investing Activities</b>	<b><u>(1,511,940)</u></b>	<b><u>(10,707,773)</u></b>	<b><u>(9,619)</u></b>	<b><u>(85,491)</u></b>

Cash flow from Financing Activates

Term loans increase/(decrease)	52,724,447	49,370,009	335,440	394,172
Loan security fund increase/(decrease)	55,883,085	35,912,882	355,536	286,730
Donor fund increase/(decrease)	(2,620,230)	(18,475,713)	(16,670)	(147,511)
Donated equity increase/(decrease)	2,620,230	15,526,603	16,670	123,965
Share capital increase/(decrease)	-	59,529,493	-	500,000
<b>Net cash flow from financing activities</b>	<b><u>108,607,532</u></b>	<b><u>141,863,274</u></b>	<b><u>690,976</u></b>	<b><u>1,157,356</u></b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b><u>22,721,642</u></b>	<b><u>57,695,839</u></b>	<b><u>144,558</u></b>	<b><u>485,360</u></b>
<b>Cash and cash equivalents at beginning of the year</b>	131,211,023	73,515,184	1,047,593	718,975
Convenience translation reserve	-	-	(212,811)	(156,742)
<b>Cash and cash equivalents at end of the year</b>	<b><u>153,932,665</u></b>	<b><u>131,211,023</u></b>	<b><u>979,340</u></b>	<b><u>1,047,593</u></b>

The notes on pages 48 - 63 are an integral part of these financial statements





Notes to the Financial Statement

1. Reporting Company

BRAC Liberia Microfinance Company Limited was established in February of 2009. It is a microfinance institution incorporated and domiciled in Liberia. Its main objective is to contribute to the economic rebuilding of Liberia by providing financial services to low-income entrepreneurs, mostly women, while serving as a means to improve the agriculture sector and micro businesses. The Company began operations with five (5) branches in Monrovia - Sinkor, Paynesville, Barnesville, Caldwell and New Kru Town - in April 2009. Currently it has twenty six branches in six counties in Liberia.

2. Basis of preparation

(a) Basis of presentation of the financial statement

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the Disclosure Guidelines for Financial Reporting by Microfinance Institutions which guidelines are voluntary norms recommended by a consultative group in international donors including the Consultative Group to Assist the Poor (CGAP) and the member of the Small Enterprise Education and Promotion Network (SEEP).

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except otherwise stated.

(c) Functional and reporting currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (United States Dollars). Major activities were measured in Liberian dollars and translated to United States dollars. The exchange rates used in the financial statements are as follows: 2018(1USD: 157.18 LRD) and 2017 (1USD: 125.25 LRD);

(d) Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the applications of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in the following notes:

Notes 3(d)	Depreciation
Notes 3(h)	Provisions and other liabilities

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

(a) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the presentation currency at the exchange rate at statement of financial position date.



Note to the Financial Statement (Continued)  
Basis of Preparation (Continued)

(b) Revenue recognition

Service charge on loan

Service charge on loan is recognized in the income statement on all operational loans on an accrual basis. The recognition of interest ceases when a loan is transferred to Non-Interest Bearing Loan (NIBL). Service charge on loan is recognized thereafter, only when it is received.

(c) Loan administration fees

These are fees paid by each respective group/client on approval of their loan applications. It charged by Company to cover loan processing costs. The amounts are usually paid before the loans are disbursed.

(d) Fixed assets (operating assets)

Recognition and measurement

Items of operating assets are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the assets. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for its intended use, and the cost of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of fixed assets have different useful lives, they are accounted for as separate items (major components) of fixed assets.

Subsequent costs

The cost of replacing part of an item of fixed assets is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The cost of the day-to-day servicing of fixed assets is recognized in profit or loss as incurred.

Depreciation

Depreciation is recognized in profit or loss on a straight line basis over the estimated useful lives of each part of an item of fixed assets. Leasehold improvements are amortized over the life of the improvement or the life of the lease, whichever is shorter. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

• Vehicles/Cycles	5 years
• Furniture	10 years
• Equipment	6.67 years
• Generator	5 years

Assets residual value and useful lives are reviewed and adjusted, if appropriate at each balance sheet date.

Disposals

Gains or losses on the disposal or scrapping of fixed assets are determined as the difference between the sales price less the cost of dismantling selling and re-establishing the assets and the carrying amount. Any gains or losses are recognized in the income statement as other operating income or expenses respectively.

(e) Intangible (operating assets)

Accounting software

Accounting Software is shown at historic cost. Software has a finite useful life and is carried at cost less accumulated amortization. Amortization is calculated using the straight line method to allocate the cost of the licenses over their useful lives. The expected useful life of the Software is four years or 25%



Note to the Financial Statement (Continued)  
Significant accounting policies (Continued)

(f) Changes in significant accounting policies

1. IFRS 9 Financial Instruments

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

Changes in accounting policies resulting from adoption of IFRS9 have been applied retrospectively.

The following table summarizes the impact, net of tax, of transition to IFRS 9 on the opening balance of reserves and retained earnings.

Retained earnings		Liberian Dollar
Recognition of expected credit losses under IFRS 9	(ii)	(1,070,134)
Impact as at 1 January 2018		(1,070,134)

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

(i) Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

The adoption of IFRS 9 has not had a significant effect on the Company's accounting policies related to financial assets and financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI-debt investment; FVOCI-equity investment; or FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets.

Note to the Financial Statement (Continued)  
Significant accounting policies (Continued)

Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses (see (ii) below). Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on .de-recognition is recognized in profit or loss
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any .interest or dividend income, are recognized in profit or loss
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On de-recognition, gains and .losses accumulated in OCI are reclassified to profit or loss

The effect of adopting IFRS 9 on the carrying amounts of financial assets at 1 January 2018 relates solely to the new impairment requirements, as described further below.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Company's financial assets as at 1 January 2018.

Financial assets	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Cash and Bank	Loans and receivables	Amortized cost	131,211,023	131,211,023
Loans and advance to customers	Loans and receivables	Amortized cost	492,946,256	494,016,390
Other assets	Loans and receivables	Amortized cost	10,323,886	10,323,886
Total financial assets			634,481,165	635,551,299

Loans and advances to customers that were classified as loans and receivables under IAS 39 are now classified at amortized cost. A decrease of Iberian dollar of 1,070,134 in the allowance for impairment over these loans and advances to customers was recognized in opening retained earnings at 1 January 2018 on transition to IFRS 9.

(ii) Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognized earlier than under IAS 39.

The financial assets at amortized cost consist of Loans and advances to customers, cash and cash equivalents, short term deposits and trade receivables.

Under IFRS 9, loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured as 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.



**Note to the Financial Statement (Continued)**  
**Significant accounting policies (Continued)**

When determining whether the credit risk of financial assets have increased significantly since initial recognition and when estimating ECLs,

the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing loan fund security; or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

**Measurement of ECLs**

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

**Credit-impaired financial assets**

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. Financial assets are 'credit-impaired' when one or more events that have detrimental impacts on the estimated future cash flows of the financial assets have occurred.

**Presentation of impairment**

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Impairment losses related to loans and advances to customers are presented in the statement of profit or loss under "Net movement in impairment losses on loans and advances"

**Impact of the new impairment model**

For assets in the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile. The Company has determined that the application of IFRS 9's impairment requirements at 1 January 2018 results in an additional impairment allowance as follows;

	Liberian Dollar
Loss allowance at 31 December 2017 under IAS 39	13,852,959
Additional impairment recognized at 1 January 2018 on: Loans and advances to customers	(1,070,134)
Additional trade receivables recognized on adoption of IFRS 15	-
Contract assets recognized on adoption of IFRS 15	-
Debt securities	-
Cash and cash equivalents	-
<b>Loss allowance at 1 January 2018 under IFRS 9</b>	<b>12,782,826</b>



**Notes to the Financial Statements (continued)**  
**Significant accounting policies (continued)**

**2. IFRS 15 Revenue from contracts with Customers**

IFRS 15, revenue from contracts with customers, which replaced IAS 18, revenue and IAS 11, construction contracts, has been applied effective from 1 January 2018. It applies to all contracts with customers except leases, financial instruments and insurance contracts. The standard establishes a more systematic approach for revenue measurement and recognition by introducing a five-step model governing revenue recognition. the five-step model requires the Company to (i) identify the contract with the customer, (ii) identify each of the performance obligations included in the contract, (iii) determine the amount of consideration in the contract, (iv) allocate the consideration to each of the identified performance obligations and (v) recognize revenue as each performance obligation is satisfied.

There are no significant impacts from the adoption of IFRS 15 in relation to the timing of when the Company recognizes revenues or when revenue should be recognized gross as a principal or net as an agent. Therefore, BRAC will continue to recognize fee and commission income charged for services provided by the Company as the services are provided (for example on completion of the underlying transaction). Revenue recognition for interest income on loans and advances is recognized based on requirements of IFRS 9.

**(i) Provisions and other liabilities**

Provisions for legal claims are recognized when the Company has a present legal or constructive obligation as a result of past events; and it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Other liabilities include self-insurance fund. BRAC started to sets aside a monthly amounts equivalent to 1% of the basic salary of local employees from November 2012 to constitute this fund. This fund is to cover liabilities arising out of death and other permanent injuries suffered by all the local employees. Payments in the event of death or permanent injuries ranges from twelve months' equivalent of basic salary in the first year of employment, up to fifty months' equivalent of basic salary for ten years of employment onwards.

**(j) Employee benefits**

**Pension obligations**

The Company operates a defined contribution scheme. A defined contribution plan is a pension plan under which BRAC pays fixed contributions into a separate entity. The scheme is generally funded through payments to the National Social Security and Welfare Corporation (NASSCORP) on a mandatory basis.

The Company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees, the benefits relating to employees services in the current and prior periods. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

**End of service benefit**

The Company provides end of service benefits to their retirees. The entitlement to these benefits is usually conditional on the completion of a minimum service period.

**Medical benefit**

The company started providing medical cost reimbursement to all its staff. The maximum benefit availed by staff is USD 1,200/per annum.

**(k) Inventory**

Inventory items are stated at the lower of cost and net realizable value.





Notes to the Financial Statements (continued)  
Significant accounting policies (continued)

(l) Finance income and expenses

Finance income comprises interest received on deposit and exchange gains.

Finance expenses comprise foreign currency losses. All foreign exchange losses and gains are recognized in profit or loss.

(m) Administrative expenses

Administrative expenses comprise expenses relating to administrative staff and management, including office expenses, salaries and depreciation as well as other indirect costs.

(n) Borrowings

Borrowings are recognized initially at fair value, being the proceeds net of transaction costs incurred. If the amount borrowed is denominated in Liberian Dollars which is the Company's functional and reporting currency, it is maintained at the initial amount recorded, less any repayments made as at the reporting date. If the amount is denominated in a currency other than the reporting currency of the Company, it is revaluated and adjusted through the income statement at each reporting date. Borrowings are classified as current liabilities unless when the Company has an unconditional right to defer settlement of the liability for at least twelve months after the statement of financial position date.

4. Financial risk factors

The Company's activities expose it to varieties of financial risks, including:

(a) Credit risk

The Company takes on exposures to credit risk which is the risk that clients will be unable to pay amounts in full when due. Credit risk is managed by obtaining collateral in the form of mortgage, personal guarantees, shareholder guarantees, lien on inventories and/or receivables, and assignment of contracts and/or insurance. Impairment provisions are provided for expected losses during the duration of the loans.

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding facilities to adequately meet committed obligations. The Company manages this risk by maintaining sufficient cash and investing any excess cash over its anticipated requirements.

(c) Currency risk

BRAC's foreign exchange risks comprise transactions risks 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.

Foreign exchange exposures in transactional currencies other than the local currencies are monitored via periodic cash flow and budget forecasts and are kept to an acceptable level



Notes to the Financial Statements (continued)

	2018 LRD	2017 LRD	2018 USD	2017 USD
<b>5. SERVICE CHARGE ON LOANS</b>				
Group Loans (Microfinance)	268,903,759	193,458,781	1,710,801	1,544,581
Small Enterprise Program	92,384,966	35,620,833	587,765	284,398
	<b>361,288,725</b>	<b>229,079,614</b>	<b>2,298,567</b>	<b>1,828,979</b>
<b>6. MEMBERSHIP FEES AND OTHER CHARGES</b>				
Membership fees	3,475,010	3,042,360	22,108	24,291
Loan appraisal fees	18,053,400	11,163,370	114,858	89,129
Loan application fees	309,200	209,575	1,967	1,673
	<b>21,837,610</b>	<b>14,415,305</b>	<b>138,933</b>	<b>115,093</b>
<b>7. OTHER INCOME</b>				
Other Income	156,829	8,310	998	66
Gain due to early repayment	57,633	3,207,655	367	25,610
	<b>214,462</b>	<b>3,215,965</b>	<b>1,365</b>	<b>25,676</b>
<b>8. GRANT INCOME</b>				
Transfer from grant received in advance (Rockefeller Foundation)	-	11,368,797	-	90,768
Amortisation of fixed assets (Rockefeller Foundation)	-	108,663	-	868
	<b>-</b>	<b>11,477,460</b>	<b>-</b>	<b>91,636</b>
<b>9. IMPAIRMENT LOSSES ON LOANS AND ADVANCES</b>				
General provision	903,929	8,071,153	5,751	64,440
	<b>903,929</b>	<b>8,071,153</b>	<b>5,751</b>	<b>64,440</b>
<b>10. STAFF COSTS</b>				
Salary & benefits	102,789,673	84,840,598	653,962	677,370
Bonus	20,312,757	3,786,031	129,232	30,228
Nasscorp	8,573,652	7,414,985	54,547	59,201
Staff insurance	407,616	430,197	2,593	3,435
	<b>132,083,698</b>	<b>96,471,811</b>	<b>940,334</b>	<b>770,234</b>

Notes to the Financial Statements (continued)

	2018 LRD	2017 LRD	2018 USD	2017 USD
<b>11. OTHER OPERATING COSTS</b>				
Occupancy cost (Note 10.1)	26,662,105	18,263,712	169,628	145,818
Staff training and development costs	1,590,389	1,049,772	10,118	8,381
Travels and transportation	25,984,487	20,672,325	165,317	165,049
Maintenance and general expenses	5,792,481	17,269,484	36,853	137,880
ERP Maintenace cost	4,643,918	-	29,545	-
Printing and office stationeries	3,951,959	1,711,286	25,143	13,663
Legal and other professional fees	2,182,498	941,838	13,885	7,520
Audit fees	1,102,717	944,501	7,016	7,541
Insurance claim	896,000	623,000	5,700	4,974
Programme supplies	-	143,142	-	1,143
Research and evaluation	1,237,058	1,746,296	7,870	13,942
Internet expenses	743,549	556,748	4,731	4,445
Bank charges	1,820,596	639,656	11,583	5,107
Fuel and Vehicle expense	1,148,240	303,792	7,305	2,425
Interest on bank loan	1,107,364	132,351	7,045	1,057
Current account in trasit balance write off	4,876,041	-	31,022	-
Cash and Bank write off	854,115	-	5,434	-
HO logistic and management expense	9,663,635	10,503,649	61,481	83,861
	<u>94,257,151</u>	<u>75,501,553</u>	<u>599,676</u>	<u>602,807</u>
	=====	=====	=====	=====
<b>11.1 OCCUPANCY COST</b>				
Rent	12,926,560	10,224,950	82,240	81,636
Utilities	13,735,545	8,038,762	87,387	64,182
	<u>26,662,105</u>	<u>18,263,712</u>	<u>169,628</u>	<u>145,818</u>
	=====	=====	=====	=====
<b>12. TAXATION</b>				
<b>a) Income tax expenses</b>				
Corporation tax – Charged/(Reversed) during the year	-	(6,255,337)	-	(49,943)
Deferred tax	-	-	-	-
	<u>-</u>	<u>(6,255,337)</u>	<u>-</u>	<u>(49,943)</u>
	=====	=====	=====	=====
<b>b) Deferred Tax Expense/ Asset</b>				
The Company is subject to income taxes in its jurisdiction. The Company recognizes liabilities for anticipated tax issues based on estimate of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the year in which such determinations are made.				
Deferred tax asset	2,270,753	2,270,753	14,447	18,130
	=====	=====	=====	=====

Notes to the Financial Statement (continued)

	2018 LRD	2017 LRD	2018 USD	2017 USD
<b>c) Advance Tax</b>				
Balance b/f	15,492,319	2,088,896	123,691	20,429
(Charge)/Credit for the year	-	6,255,337	-	49,943
Paid during the year	6,836,230	4,799,956	43,493	38,323
Translation difference	3,949,481	2,348,130	-	14,996
	<u>26,278,030</u>	<u>15,492,319</u>	<u>167,184</u>	<u>123,691</u>
	=====	=====	=====	=====
<b>13. CASH AND BANK</b>				
Cash at hand	14,403,884	5,422,312	91,639	43,292
Cash at Bank:				
Access Bank	17,908,150	430,560	113,934	3,438
Eco Bank	76,753,463	82,626,985	488,316	659,696
Guranty Trust Bank	8,470,583	19,088,575	53,891	152,404
International Bank	24,958,490	23,610,596	158,789	188,508
Liberia Bank for Development & Investment	3,775,205	31,995	24,018	255
Community Bank	2,518	-	16,020	-
GN Bank	526,440	-	3,349	-
UBA Bank	4,618,391	-	29,383	-
	<u>139,528,781</u>	<u>125,788,711</u>	<u>887,701</u>	<u>1,004,301</u>
	=====	=====	=====	=====
	<u>153,932,665</u>	<u>131,211,023</u>	<u>979,340</u>	<u>1,047,593</u>
	=====	=====	=====	=====
<b>14. LOAN AND ADVANCES TO CUSTOMERS</b>				
Group loan (Microfinance)	626,790,910	373,430,378	3,987,727	2,981,479
Small enterprise program	134,501,543	134,501,543	855,717	1,073,865
Loan written off	(5,056,875)	(6,776,329)	(32,173)	(54,102)
Interest receivable	7,176,309	6,403,698	45,657	51,127
Interest receivable written off	(746,701)	(760,075)	(4,751)	(6,068)
Impairment loss on loans advances	(7,883,178)	(13,852,959)	(50,154)	(110,602)
	<u>754,782,008</u>	<u>492,946,256</u>	<u>4,802,023</u>	<u>3,935,699</u>
	=====	=====	=====	=====

Advances to customers are carried at amortized cost. It is estimated that the fair values of advances to customers are approximately the same as the carrying values.

Interest receivable is the amount of interest outstanding on loans that have passed due.

Loan write off: All loans in the category of Non-Interest Bearing Loans (NIBL) are referred to the Board for approval to write off. Other Loans can also be written off subject to the Board's approval where the Board is convinced that the loans are not realizable due to death, dislocation of the borrowers or any other natural or humanitarian disasters that affect the livelihood of the borrowers.



Notes to the Financial Statement (continued)

14.1 THE MOVEMENT ON LOAN ACCOUNT IS ANALYZED AS SHOWN BELOW

	2018 LRD	2017 LRD	2018 USD	2017 USD
At 1 January	501,155,592	319,834,418	4,001,242	3,127,965
Loan disbursed	1,805,340,000	1,116,437,000	11,485,812	8,913,669
Less: Loan repayment	(1,545,203,139)	(928,339,497)	(9,830,787)	(7,411,892)
Translation difference	-	-	(812,824)	(574,397)
Gross advances to customer	761,292,453	507,931,921	4,843,444	4,055,345
Less: Loans written off	(5,056,875)	(6,776,329)	(32,173)	(54,102)
Interest receivable	756,235,578	501,155,592	4,811,271	4,001,243
Interest receivable written off	7,176,309	6,403,698	45,657	51,127
Impairment loss on loan advance (Note14. 3)	(746,701)	(760,075)	(4,751)	(6,068)
	(7,883,178)	(13,852,959)	(50,154)	(110,603)
Net advance to customer	754,782,008	492,946,256	4,802,023	3,935,699

14.2 The movement on the impairment on loans account is shown below:

At 1 January	13,852,959	13,318,210	110,602	130,251
Charges in opening balance due to IFRS 9 adoption	(1,070,134)	-	(6,808)	-
(Adjustment)/Charge for the year	903,929	8,071,153	5,751	64,440
Loan written off	(5,056,875)	(6,776,329)	(32,173)	(54,102)
Interest receivable written off	(746,701)	(760,075)	(4,751)	(6,068)
Translation difference	-	-	(22,468)	(23,918)
At 31 December	7,883,178	13,852,959	50,154	110,603

Credit risk analysis:

Portfolio at risk (PAR) 30 days	2018	2017
Total loans in arrear of 30 days	4,864,144	4,083,037
Total loans outstanding	756,235,578	501,155,592
Portfolio at risk (PAR) 30 days	0.64%	0.81%

The PAR 30 figure denotes the amount of loans outstanding greater than 30 days and may not be fully recoverable. Provisions have been taken against these loans in the financial statements based on Company policy. The Management of BRAC Liberia Microfinance Company is constantly reviewing the PAR>30 numbers and trying to reduce it.

15. OTHER ASSETS

Advance to 3rd party	9,932,103	4,211,345	63,189	33,624
Current account in transit	-	4,876,041	-	38.930
Account receivable from NMF	-	-	110,150	-
Inventory – passbook	1,209,700	1,236,500	7,696	9,872
	11,141,803	10,323,886	70,886	82,426

Notes to the Financial Statement (continued)

16. PROPERTY, PLANT AND EQUIPMENT

	Furniture LRD	Equipment LRD	Motor Vehicles LRD	Total LRD	Total USD
Costs					
At 1 January 2017	3,344,742	6,947,847	5,341,650	15,634,239	152,902
Additions	-	2,346,243	-	2,345,243	18,732
Translation difference	-	-	-	-	(28,078)
At 31 December 2017	3,344,742	9,294,090	5,341,650	17,980,482	143,556
Additions	475,599	780,851	-	1,256,450	7,994
Translation difference	-	-	-	-	(29,163)
At 31 December 2018	3,820,341	10,074,941	5,341,650	19,236,932	122,388
Accumulated depreciation					
At 1 January 2017	2,456,342	5,149,644	1,599,162	9,205,148	90,026
Charge for the year	287,951	702,795	832,811	1,823,557	14,559
Translation difference	-	-	-	-	(16,532)
At 31 December 2017	2,744,293	5,852,439	2,431,973	11,028,705	88,053
Charge for the year	342,984	983,350	832,812	2,159,146	13,737
Translation difference	-	-	-	-	(17,887)
At 31 December 2018	3,087,277	6,835,789	3,264,785	13,187,851	83,903
Net book value:					
At 31 December 2017	600,449	3,441,651	2,909,677	6,951,777	55,503
At 31 December 2018	733,064	3,239,152	2,076,865	6,049,081	38,485

Notes to the Financial Statement (continued)

	2018 LRD	2017 LRD	2018 USD	2017 USD
<b>17. Intangible Assets:</b>				
Opening balance	7,664,736	-	61,195	-
Additions during the year	255,490	8,361,530	1,625	66,759
Translation differences	-	-	(12,431)	-
Amortised for the year @ 25%	(2,160,062)	(696,794)	(13,743)	(5,564)
	<b>5,760,164</b>	<b>7,664,736</b>	<b>36,647</b>	<b>61,195</b>

The Company have procured an Enterprise Resource System (ERP) from BRAC IT Service Limited. The initial costs of implementation and set up have been capitalized.

**18. LOAN SECURITY FUND**

Opening balance	107,006,633	71,093,751	854,344	695,293
Received during the year	80,763,720	53,194,443	513,829	424,706
Paid off/adjustment	(24,880,635)	(17,281,561)	(158,294)	(137,977)
Translation difference	-	-	-	(127,678)
<b>Closing balance</b>	<b>162,889,718</b>	<b>107,006,633</b>	<b>1,036,326</b>	<b>854,344</b>

The Loan security fund acts as collateral for the customers' loan obligations to BRAC. This is computed as 10% of the customers' approved loans. In the event of defaults, the clients forfeit all or part of the loan security fund to the extent of the amount at risk.

**19. RELATED PARTY PAYABLES**

Payable to BRAC Bangladesh	55,701,683	41,532,652	354,381	331,598
Payable to Stichting BRAC international	-	10,702,771	-	85,451
BRAC International Holding B.V	23,145,914	13,849,946	147,257	110,578
Payable to BRAC IT Services Ltd (bits)	-	6,928,110	-	55,314
Payable to BRAC Liberia	14,838,533	2,588,160	94,405	20,664
	<b>93,686,130</b>	<b>75,601,639</b>	<b>596,044</b>	<b>603,606</b>

The related party payables are against expenses incurred by BRAC Bangladesh in favour of the company and against overheads payable to Stichting BRAC International for management support up to 31 December 2015.

Since January 1 2016 all charges relating to management support fees are payable to BRAC International Holding B.V the parent company of BRAC Liberia Microfinance Company Limited.

Payable to BRAC IT Services is in relation to the annual maintenance charge of the company's core accounting software.

Notes to the Financial Statement (continued)

	2018 LRD	2017 LRD	2018 USD	2017 USD
<b>20. BORROWINGS</b>				
KIVA (20.01)	47,609,775	31,684,273	302,900	252,968
Central bank of Liberia (20.02)	63,939,136	40,838,569	406,789	326,057
Whole planet foundation	13,698,378	-	87,151	-
	<b>125,247,289</b>	<b>72,522,842</b>	<b>796,840,42</b>	<b>579,025</b>

**20.01 Loan from KIVA @ 0%**

Opening balance	31,684,274	23,152,834	252,968	184,853
Received during the year	13,060,011	6,212,074	96,107	49,597
Paid during the year	(7,103,235)	(4,615,267)	(46,176)	(36,848)
Exchange loss	9,968,725	6,934,633	(46,176)	55,366
	<b>47,609,775</b>	<b>31,684,274</b>	<b>302,900</b>	<b>252,968</b>

The Company received loans from KIVA at 0% interest rate. These loans were received from individual lenders through KIVA website only for group lending facilities. These short term loans are to be repaid as per the collection status from borrowers which is normally within one year.

**20.02 Loan form Central Bank of Liberia @ 2%**

Opening balance	40,838,569	-	326,056	-
Received during the year	32,082,662	38,161,500	228,712	304,683
Interest payable	957,836	132,351	6,094	1,057
Paid during the year	(977,733)	-	(5,584)	-
Exchange(gain)	(11,062,198)	2,544,718	(148,489)	20,317
	<b>63,939,136</b>	<b>40,838,569</b>	<b>406,789</b>	<b>326,056</b>

The Company received US\$ 325,000 on October 19, 2017 and US\$ 228,712 on May 3, 2018 at 2% interest rate which is to be paid on quarterly basis. The Principle to be repaid to Central bank as one installment payment after 3 years including 3 months grace period on January 18, 2021 and 31 August 2021 respectively in equivalent local currency.

**20.03 Loan form Whole Planet Foundation @ 0%**

Received during the year	13,698,378	-	87,151	-
	<b>13,698,378</b>	<b>-</b>	<b>87,151</b>	<b>-</b>

The Company received received loan from Whole Planet foundation on 25 June'18 @ 0% interest rate. The loan is repayable after 3 years.

**20.04 Loan Classification**

Loans repayable in one year	47,609,775	31,684,273	302,900	252,968
Loans repayable in more than one year	77,637,514	40,838,569	493,940	326,057
	<b>125,247,289</b>	<b>72,522,842</b>	<b>796,840</b>	<b>579,025</b>



Notes to the Financial Statement (continued)

	2018 LRD	2017 LRD	2018 USD	2017 USD
<b>21 OTHER LIABILITIES</b>				
Provision for audit fees	1,100,260	613,725	7,000	4,900
Self-insurance fund	754,054	1,037,646	4,797	8,285
Bonus provision	192,202	1,201,685	1,223	9,594
NASSCORP provision	5,125,877	3,384,876	32,612	27,025
Gratuity payable	12,098,935	9,594,459	76,975	76,602
Tax withholdings	1,691,440	874,107	10,761	6,979
Salary provision	182,172	1,427,491	1,159	11,397
Other provision	4,589,779	2,999,579	29,201	23,949
	<u>25,734,718</u>	<u>21,133,567</u>	<u>163,728</u>	<u>168,731</u>
<b>22. DONOR FUNDS</b>				
Donor funds investment in loans to group members(ELA)	2,620,230	2,620,230	16,670	20,920
Donor funds investment in loans to group members(Rockefeller)	-	14,323,000	-	-
Transfer to donated equity	(2,620,230)	(14,323,000)	(16,670)	(114,355)
	<u>-</u>	<u>2,620,230</u>	<u>-</u>	<u>20,920</u>
<b>22.1 Donor funds received in advance</b>				
Opening balance	-	11,292,370	-	110,439
Donation received during the year (Note -22.1.1)	-	8,528,350	-	68,091
Transferred to deferred income- investment in fixed asset(Rockefeller)	-	(808,193)	-	(6,453)
Transferred to Donor Funds investment in loans to group members (ELA)	-	(1,701,730)	-	(13,587)
Transferred to Donor Funds investment in loans to group members (Rockefeller)	-	(5,942,000)	-	(47,441)
Foreign exchange adjustment	-	-	-	(20,280)
Transferred to statement of income and expenses	-	(11,368,797)	-	(90,769)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>2.1.1 Donations received during the year</b>				
BRAC USA (Rockefeller Foundation)	-	7,306,870	-	58,338
BRAC USA (ELA)	-	1,221,480	-	9,752
	<u>-</u>	<u>8,528,350</u>	<u>-</u>	<u>68,091</u>

	2018 LRD	2017 LRD	2018 USD	2017 USD
<b>22.2 DEFERRED INCOME –FIXED ASSETS</b>				
Opening balance	-	504,073	-	4,025
Transferred from donor funds received in advance	-	808,193	-	6,453
Depreciation charge during the year	-	(108,663)	-	(868)
Transfer to donated equity	-	(1,203,603)	-	(9,610)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>23. DONATED EQUITY</b>				
Opening balance	153,049,902	137,523,299	1,221,995	1,097,990
Received during the year	2,620,230	15,526,603	16,670	123,965
Transfer from Rockefeller	-	-	(248,232)	-
<b>Total</b>	<u>155,670,132</u>	<u>153,049,902</u>	<u>990,394</u>	<u>1,221,955</u>
<b>24. SHARE CAPITAL</b>				
<b>Name</b>	<b>% of holding</b>			
BRAC International Holdings	100%	339,339,071	339,339,071	4,076,145
		<u>339,339,071</u>	<u>4,076,145</u>	<u>339,339,071</u>
<b>25. SHARE PREMIUM</b>				
BRAC International Holdings BV	59,529,493	59,529,493	500,000	500,000
	<u>59,529,493</u>	<u>59,529,493</u>	<u>500,000</u>	<u>500,000</u>

**26. Contingent Liabilities**

There were no contingent liabilities as at year end (2017: Nil).

**27. Capital expenditure commitments**

There were no material capital expenditure commitments either authorized or contracted as at December 31, 2018 (2017 Nil).

**28. Subsequent Events**

Events subsequent to the statement of financial position date are reflected only to the extent that they are material. No such events came to our attention as at the date these financial statements were signed.

BRAC LIBERIA

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR’S REPORT  
FOR THE YEAR ENDED DECEMBER 31,2018

GENERAL INFORMATION

Board of Directors	:	Mr. Faruque Ahmed - Chair Ms. Lamia Rashid - Member
Country Representative	:	Mrs. Aisha Nansamba - Acting Country Representative
Registered office:		Divine Town, Old Road Monrovia
Bankers:		Eco Bank Limited Liberia Randall and Ashman Street  International Bank (Liberia) Limited Broad Street United bank of Africa Broad, Nelson St.  Guaranty Trust bank 13th Street, Sinkor. Tubman Boulevard
Auditor:		Baker Tilly Liberia. (Certified Public Accountants) King Plaza, Second to Fourth Floor 80 Broad Street Monrovia
Legal Counsel:		Henries Law Firm 31 Benson Street Monrovia, Liberia



**Management Report**

The Organisation's management presents their reports and the audited financial statements of BRAC Liberia for the year ended 31 December 2018.

**Management's Responsibility Statement**

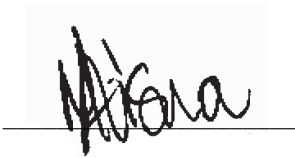
Management is responsible for the preparation and fair presentation of the financial statements comprising, the Statement of financial position as at 31 December, 2018, the statements of income and expenditure, the statement of cash flows for the year then ended, and the notes to the financial statements. The notes to the financial statements include a summary of significant accounting policies and other explanatory notes, in accordance with International Public Sector Accounting Standards (IPSAS) and in the manner required by the provisions of the grant agreements.

The Management's responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Management are also responsible for maintaining adequate accounting records and an effective system of risk management.

**Approval of the financial statements**

The financial statements, as indicated above, were approved by management and signed on its behalf by:



Country Representative



Director



Director

**INDEPENDENT AUDITORS' REPORT**

To: The Members of BRAC Liberia

**Opinion**

We have audited the financial statements of BRAC Liberia, ("BRAC" or "the Organization") which comprise the statement of financial position as at December 31, 2018, and the statement of income and expenditure, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of BRAC Liberia as at December 31, 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS)

**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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Liberia, 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.

**Responsibilities of Management of the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (IPSAS) and for such control as management determines 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

ASSURANCE • TAX • ADVISORY

Baker Tilly Liberia Limited trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 Company'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 organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Company 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.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

  
(Certified Public Accountants)  
March 7, 2019

Statement of Financial Position  
As at 31 December

	Notes	2018 LRD	2017 LRD	2018 USD	2017 USD
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property and equipment	10	42,692,144	38,440,957	271,613	306,914
<b>Current assets</b>					
Cash and Bank	11	65,098,991	37,775,400	414,168	301,600
Receivable from Donors	13	67,816,335	26,077,797	431,456	208,206
Other receivables	12	24,887,838	8,272,520	158,339	66,048
		<u>157,803,164</u>	<u>72,125,717</u>	<u>1,003,965</u>	<u>575,854</u>
<b>Total assets</b>		<u><b>200,495,308</b></u>	<u><b>110,566,674</b></u>	<u><b>1,275,576</b></u>	<u><b>882,768</b></u>
<b>LIABILITIES AND CAPITAL FUND</b>					
<b>Liabilities</b>					
Other payables	14	28,449,944	48,958,357	181,002	390,885
Due to related parties	15	76,598,862	56,683,911	487,332	452,566
<b>Total liabilities</b>		<u><b>105,048,806</b></u>	<u><b>105,642,268</b></u>	<u><b>668,334</b></u>	<u><b>843,451</b></u>
<b>Capital fund</b>					
Donor funds	16	113,986,733	54,030,397	725,199	431,380
Donated Equity	17	30,434,887	-	193,631	-
Retained surplus		<u>(48,975,118)</u>	<u>(49,105,991)</u>	<u>(311,588)</u>	<u>(392,063)</u>
<b>Total capital fund</b>		<u><b>95,446,502</b></u>	<u><b>4,924,406</b></u>	<u><b>607,242</b></u>	<u><b>39,317</b></u>
<b>Total liabilities and capital fund</b>		<u><b>200,495,308</b></u>	<u><b>110,566,675</b></u>	<u><b>1,275,576</b></u>	<u><b>882,768</b></u>

The notes on the financial statements from page 69-90 are an integral part of these financial statements



Statement of Income and Expenditure  
For the year ended 31 December

	Note	2018	2017	2018	2017
		LRD	LRD	USD	USD
Income					
Grant income	4	370,945,318	279,504,643	2,360,003	2,231,574
Other income	5	43,769,166	17,278,106	278,465	137,949
<b>Total Income</b>		<b>414,714,484</b>	<b>296,782,749</b>	<b>2,638,469</b>	<b>2,369,523</b>
Expenditures					
Staff costs and other benefits	6	113,093,124	81,447,058	719,513	650,276
Training, workshops & seminars	7	52,132,595	51,343,550	331,674	409,929
Occupancy expenses	8	10,930,354	8,953,608	69,540	71,486
Other general & administrative expenses	9	230,152,654	142,766,002	1,464,262	1,139,848
Depreciation	10	9,139,835	8,494,863	58,149	67,823
<b>Total Expenditures</b>		<b>415,448,562</b>	<b>293,005,081</b>	<b>2,643,139</b>	<b>2,339,362</b>
<b>Operating (Deficit) / Surplus</b>		<b>(734,078)</b>	<b>3,777,669</b>	<b>(4,670)</b>	<b>30,161</b>
Other comprehensive income		864,950	(1,987,032)	5,503	(15,865)
<b>(Deficit) / Surplus</b>		<b>130,872</b>	<b>1,790,636</b>	<b>833</b>	<b>14,296</b>

  
.....  
Head of Finance

  
.....  
Director

  
.....  
Country Representative

  
.....  
Director

The notes on the financial statements from page 69-90 are an integral part of these financial statements

BRAC Liberia  
CASH FLOW STATEMENT  
For the period ended 31 December 2018

Notes	2018	2017	2018	2017
	Jan - Dec	Jan - Dec	Jan - Dec	Jan - Dec
	LRD	LRD	USD	USD
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>				
Excess of income over expenditure	130,872	1,790,636	833	14,296
Depreciation	9,139,835	8,494,863	58,149	67,823
<b>Cash flow before changes in working capital</b>	<b>9,270,707</b>	<b>10,285,499</b>	<b>58,981</b>	<b>82,120</b>
Changes in working capital				
Changes in other receivables	(58,353,856)	(20,974,666)	(371,255)	(167,462)
Changes in related party payables	19,914,951	2,779,408	126,702	22,191
Changes in other payables	(20,508,413)	(8,781,629)	(130,477)	(70,113)
<b>Net cash from operations</b>	<b>(49,676,611)</b>	<b>(16,691,388)</b>	<b>(316,049)</b>	<b>(133,265)</b>
Cash flow from Investing Activities				
Acquisition of fixed assets	(13,391,022)	(4,619,364)	(85,195)	(36,881)
<b>Net cash provided by/(used in) Investing Activities</b>	<b>(13,391,022)</b>	<b>(4,619,364)</b>	<b>(85,195)</b>	<b>(36,881)</b>
Cash flow from Financing Activities				
Changes in deferred income	9,229,309	1,937,227	58,718	15,467
Changes in grants received in advance	50,727,027	(66,994,790)	322,732	(534,889)
Changes in donated Equity	30,434,887		193,631	
<b>Net cash provided by/(used in) Financing Activities</b>	<b>90,391,223</b>	<b>(65,057,563)</b>	<b>575,081</b>	<b>(519,422)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>27,323,590</b>	<b>(86,368,315)</b>	<b>173,836</b>	<b>(689,567)</b>
Cash in hand and at banks at beginning of the year	37,775,400	124,143,715	301,600	991,167
Translation difference	-	-	(61,267.90)	
<b>Cash and cash equivalents at end of the year</b>	<b>65,098,990</b>	<b>37,775,400</b>	<b>414,168</b>	<b>301,600</b>

The notes on the financial statements from page 69-90 are an integral part of these financial statements

Notes to the financial statements

1. Reporting entity

BRAC Liberia, which was incorporated in March of 2008, is a not-for-profit development organization. It is the Liberia arm of international NGO Stichting BRAC International. At present, BRAC Liberia has a number of development programs that cover the areas of health, agriculture, poultry & livestock, ultra poor program and trainings for the people of Liberia.

2. Basis of preparation

(a) Basis of presentation of the financial statements

BRAC Liberia prepares its financial statements on a going concern basis, under the historical cost convention. BRAC Liberia generally follows the accrual basis of accounting, thereof for key income and expenditure items, as disclosed in the summary of Significant accounting policies. The financial statements are expressed in Liberian Dollars with equivalent United States Dollars translation.

(b) Functional and reporting currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (Liberian Dollars). Major activities were measured in Liberian dollars and translated in USD. BRAC Liberia uses an exchange rate of **USD 1 : LRD 157.18** for 2018 and exchange rate of **USD 1 : LRD 125.25** for 2017 .

(c) Uses of estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the applications of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in the following notes:

Notes to the financial statements

3. Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency of the entity at exchange rates at the dates of the transactions; BRAC Liberia used an exchange rate of USD 1: LRD 157.18 for the year 2018 and exchange rate of USD 1: LRD 125.25 for the year 2017. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

(b) Donor grant

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

All donor grants received are initially recorded at fair value as liabilities in Grants Received in Advance Account. For grants utilized to purchase fixed assets, the donor grants are transferred to deferred income accounts whilst for grants utilized to reimburse program-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 Liberia 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 program-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 programs, any unutilized amounts are dealt with in accordance with consequent donor and management agreements. For ongoing projects and programs, any expenditure yet to be funded but for which funding has been agreed at the end of the reporting period is recognized as grant receivable.



Notes to the financial statements

Significant accounting policies (continued)

(c) **Expenses**

Program related expenses arise from goods and services being distributed to beneficiaries in accordance with the program objectives and activities. BRAC's Head Office overhead expenses are allocated to various projects and programs at a range of 5% to 10% of their costs, based on agreement with donors or management's judgment.

(d) **Property, plant & equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Depreciation is provided for on a straight-line basis over the estimated useful lives at the following annual rates:

**Depreciation**

Depreciation is recognized in profit or loss on a straight line basis over the estimated useful lives of each part of an item of fixed assets. Leasehold improvements are amortized over the life of the improvement or the life of the lease, whichever is shorter. Leasehold land is not depreciated but amortized over the period of the lease.

The estimated useful lives for the current and comparative periods are as follows:

	Rates	Useful lives
Motor Vehicles/Cycles	20%	Years 5
Computers	20%	Years 5
Furniture and fittings	10%	Years 10
Equipment	15%	Years 6.67

(e) **Employee Benefits**

**Pension obligations**

The entity operates a defined contribution scheme. A defined contribution plan is a pension plan under which the entity pays fixed contributions into a separate entity. The scheme is generally funded through payments to the National Social Security and Welfare Corporation (NASSCORP) on a mandatory basis.

Notes to the financial statements

Significant accounting policies (continued)

The Organization has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

**End of service benefit**

The entity provides end of service benefits to their retirees. The entitlement to these benefits is usually conditional on the completion of a minimum service period.

**Self-Insurance Fund**

BRAC Liberia sets aside a monthly amounts equivalent to 1% of the basic salary of local employees to constitute a self-insurance fund. This fund is to cover liabilities arising out of death and other permanent injuries suffered by all local employees .Payments in the event of death or permanent injury ranging from twelve months' equivalent of basic salary in the first year of employment, up to fifty months equivalent of basic salary for ten year of employment onwards.



Notes to the financial statements (continued)

4. GRANT INCOME	2018 LRD	2017 LRD	2018 USD	2017 USD
Income from grant received in - advance account	369,851,532	258,764,910	2,353,044	2,065,987
Transfer from Deferred income	1,093,786	587,360	6,959	4,690
Contribution from Stichting BRAC international	-	20,152,373	-	160,897
	<u>370,945,318</u>	<u>279,504,643</u>	<u>2,360,003</u>	<u>2,231,574</u>
	=====	=====	=====	=====

Grant income relates to the operating expenses incurred by the different projects that are transferred from grand received in advance to the statement of income and expenditure. Project wise details are provided in Note-17.

5. OTHER INCOME

Income from laboratory (reg. fees)	-	43,270	-	345
Income from diagnosis test	-	175,970	-	1,405
Income from sale of medicine	-	289,505	-	2,311
Income from sale of seed	239,401	4,596,722	1,523	36,700
Income from sale of by-product	826,945	74,302	5,261	593
Income from Sale of DOC	1,650,1847	2,441,268	104,987	19,491
Income from sale of Feed	17,174,047	2,367,552	109,264	18,903
Income from sale of Cull Egg	1,716,336	130,704	10,920	1,044
Other income-(Training Centre)	1,732,466	2,082,841	11,022	16,629
Income from sale of vaccine(poultry farm)	-	2,586,739	-	20,654
Other income-Research	5,578,124	1,505,373	35,488	12,019
Other income (feed Mill)	-	983,860	-	7,855
	<u>43,769,166</u>	<u>17,278,106</u>	<u>278,465</u>	<u>137,949</u>
	=====	=====	=====	=====

6. STAFF COSTS AND OTHER BENEFITS

Salary and benefits	95,821,003	74,643,633	609,626	595,957
Bonus	4,686,445	6,735	29,816	54
NASSCORP	6,012,052	4,956,935	38,249	39,576
Medical Expense	6,396,345	992,673	40,694	7,926
Staff Insurance	177,279	847,082	1,128	6,763
	<u>113,093,124</u>	<u>81,447,058</u>	<u>719,513</u>	<u>650,276</u>
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Notes to the financial statements (continued)

7. TRAINING, WORKSHOP AND SEMINARS

	2018 LRD	2017 LRD	2018 USD	2017 USD
External member trainings	48,291,708	50,876,312	307,238	406,198
Staff training	3,840,887	467,238	24,436	3,731
	<u>52,132,595</u>	<u>51,343,550</u>	<u>331,674</u>	<u>409,929</u>
	=====	=====	=====	=====

8. OCCUPANCY EXPENSES

Rent and utilities	10,930,354	8,953,608	69,540	71,486
	<u>10,930,354</u>	<u>8,953,608</u>	<u>69,540</u>	<u>71,485</u>
	=====	=====	=====	=====

9. OTHER GENERAL & ADMINISTRATIVE EXPENSES

Audit & other legal fees	1,968,350	1,252,500	12,523	10,000
Stationery and supplies	3,885,613	2,406,678	24,721	19,215
Maintenance and general expenses	41,980,971	14,468,969	267,088	115,521
Program supplies	115,122,192	86,337,009	732,423	689,317
Travel and transportation	40,690,967	26,065,013	258,881	208,103
Monitoring and evaluation	16,926,020	3,728,653	107,686	29,770
ERP Maintenance cost	210,936	-	1,342	-
Bank Charge	1,042,875	-	6,635	-
HO logistic expenses	8,324,730	8,507,180	52,963	67,922
	<u>230,152,654</u>	<u>142,766,002</u>	<u>1,464,262</u>	<u>1,139,848</u>
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Notes to the financial statements (continued)

PROPERTY & EQUIPMENT

10. Cost

	Furniture LRD	Building LRD	Land LRD	Equipment LRD	Motor Vehicle LRD	Total LRD	Total USD
At 1 January 2017	5,290,917	24,659,352	1,772,092	21,785,617	17,884,858	71,392,836	698,218
Additions during the year	733,069	-	-	3,886,295	-	4,619,364	36,881
Translation difference	-	-	-	-	-	-	(128,216)
<b>At 31 December 2017</b>	<b>6,023,986</b>	<b>24,659,352</b>	<b>1,772,092</b>	<b>25,671,912</b>	<b>17,884,858</b>	<b>76,012,200</b>	<b>606,884</b>
Addition during the year	1,514,936	2,825,429	-	2,844,009	6,206,648	13,391,022	85,195
Translation difference	-	-	-	-	-	-	(123,284)
<b>At 31 December 2018</b>	<b>7,538,922</b>	<b>27,484,781</b>	<b>1,772,092</b>	<b>28,515,921</b>	<b>24,091,506</b>	<b>89,403,222</b>	<b>568,795</b>
<b>Accumulated depreciation</b>							
At 1 January 2017	2,269,118	3,798,266	236,400	10,883,492	11,889,104	29,076,380	284,366
Charge for the year	594,762	986,374	43,091	3,500,203	3,370,433	8,494,863	67,823
Translation difference	-	-	-	-	-	-	(52,218)
<b>At 31 December 2017</b>	<b>2,863,880</b>	<b>4,784,640</b>	<b>279,490</b>	<b>14,383,695</b>	<b>15,259,537</b>	<b>37,571,243</b>	<b>299,970</b>
Charge for the year	671,788	1,013,427	43,104	5,699,920	1,711,596	9,139,835	58,149
Translation difference	-	-	-	-	-	-	(60,937)
<b>At 31 December 2018</b>	<b>3,535,668</b>	<b>5,798,067</b>	<b>322,594</b>	<b>20,083,615</b>	<b>16,971,133</b>	<b>46,711,078</b>	<b>297,182</b>
<b>Written down value</b>							
At 31 December 2017	3,160,106	19,874,712	1,492,602	11,288,217	2,625,321	38,440,957	306,914
At 31 December 2018	4,003,253	21,686,713	1,449,497	8,432,306	7,120,373	42,692,144	271,613

Notes to the financial statements

	2018 LRD	2017 LRD	2018 USD	2017 USD
<b>11. CASH AND BANK</b>				
Cash in hand	6,040,363	2,294,583	38,430	18,320
Cash at Bank:				
Eco Bank	46,081,468			
UBA Bank	873,704			
GT Bank	2,747,249			
IB Bank	9,356,206			
	<u>59,058,627</u>	<u>35,480,817</u>	<u>375,739</u>	<u>283,280</u>
	<b>65,098,991</b>	<b>37,775,400</b>	<b>414,168</b>	<b>301,600</b>
<b>12. OTHER ASSETS</b>				
OTHER PARTIES:				
Prepaid Rent	10,049,305	5,684,367	63,935	45,384
RELATED PARTY:				
Receivable from BRAC Liberia Microfinance Company Limited	14,838,533	2,588,153	94,404	20,664
	<u>24,887,838</u>	<u>8,272,520</u>	<u>158,340</u>	<u>66,048</u>
<b>13. Receivable from Donors:</b>				
European Union	38,808,016	15,716,076	246,902	125,478
UNICEF	-	8,510,064	-	67,945
Social Finance	27,156,662		172,774	-
Global fund	<u>1,851,657</u>	<u>1,851,657</u>	<u>11,780</u>	<u>14,784</u>
	<b>67,816,335</b>	<b>26,077,797</b>	<b>431,456</b>	<b>208,206</b>
<b>14. OTHER PAYABLES</b>				
Bonus provision	58,157	1,240,984	370	9,908
Gratuity Provision	2,308,397	813,207	14,686	6,493
Self-Insurance fund	3,683,962	3,508,587	23,438	28,013
Provision for NASSCORP	5,736,866	4,697,190	36,499	37,503
Withholding tax payable	2,269,037	1,813,228	14,436	14,477
Provision for audit fees	1,964,750	876,660	12,500	6,999
Salary provision	209,049	3,532,977	1,330	28,207
Provision for Medical expense	7,489,062	1,696,781	47,646	13,547
Other Accruals	4,730,664	343,856	30,097	2,745
Current account in transit	-	30,434,887	-	242,993
	<u>28,449,944</u>	<u>48,958,357</u>	<u>181,002</u>	<u>390,885</u>

Notes to the financial statements

15. RELATED PARTY PAYABLES	2018 LRD	2017 LRD	2018 USD	2017 USD
Stichting BRAC International	13,555,100	9,441,604	86,239	75,382
BRAC Bangladesh	<u>63,043,761</u>	<u>47,242,307</u>	<u>401,093</u>	<u>377,184</u>
<b>Total</b>	<b><u>76,598,862</u></b>	<b><u>56,68,3911</u></b>	<b><u>487,332</u></b>	<b><u>452,566</u></b>
16. DONOR FUNDS				
Donor funds received in advance ( Note -15.1)	92,593,841	41,866,814	589,094	334,266
Donor funds investment in fixed assets ( Note - 15.2)	21,392,892	12,163,583	136,104	97,114
<b>Total</b>	<b><u>113,986,733</u></b>	<b><u>54,030,397</u></b>	<b><u>725,199</u></b>	<b><u>431,380</u></b>
16.1 Donor fund received in advance				
Opening balance	41,866,814	108,861,604	334,266	1,064,661
Donation received during the year 15.1a	363,799,756	182,774,039	2,726,508	1,459,274
Adjustment of receivable from donor	(26,077,797)	(5,725,955)	(165,910)	(45,716)
Adjustment of deferred grant for fixed assets	(10,323,095)	(2,524,587)	(65,677)	(20,156)
Transferred to Statement of income and expenditure	(369,851,532)	(278,917,283)	(2,353,044)	(2,226,884)
Receivable adjusted with Stichting BRAC International	-	9,730,200	-	77,686
Foreign Exchange Loss/(Gain)	<u>25,363,360</u>	<u>1,590,999</u>	<u>(318,505)</u>	<u>(182,804)</u>
	<b>24,777,506</b>	<b>15,789,017</b>	<b>157,638</b>	<b>126,060</b>
Donor fund receivable	<u>67,816,335</u>	<u>26,077,797</u>	<u>431,457</u>	<u>208,206</u>
Closing balance	<b><u>92,593,841</u></b>	<b><u>41,866,814</u></b>	<b><u>589,094</u></b>	<b><u>334,266</u></b>

Notes to the financial statements

	2018 LRD	2017 LRD	2018 USD	2017 LRD
16.1a Donations received during the year				
Stichting BRAC International (Country Office)	-	19,213,319	-	153,400
Stichting BRAC International (Partnership School for Liberia)	-	8,340,000	-	66,587
ARC Foundation (Partnership School for Liberia)	-	14,487,202	-	115,666
Social Finance (Partnership School for Liberia)	17,477,967	27,872,545	136,852	222,535
DFID (GPAF-RMNCH)	-	4,967,979	-	39,665
BRAC USA (Empowerment and Livelihood of Adolescent)	63,124,114	26,439,569	452,502	211,094
European Union (Pro-Resilience Action – PRO-ACT 2015)	86,913,426	-	693,920	-
World Food Programme	-	10,353,516	-	82,663
Unicef (ECD)	26,341,956	17,423,486	158,213	139,110
Global Fund - (Strengthening TB/HIV collaboration)	22,319,766	15,471,594	144,243	123,526
UNFPA (Health)	(204,709)	32,354,588	(1,634)	258,320
Partnership for Economic Policy (Research)	7,684,296	5,850,241	49,638	46,709
London School of Economics (Research)	2,710,358	-	21,133	-
King Philanthropies (Breaking the Cycle of Poverty and Malnutrition)	112,272,472	-	896,387	-
National Postcode Loterij (Ultra Poor Graduation)	15,334,166	-	111,214	-
Luminos Fund (Second chance School)	9,440,156	-	61,242	-
L. Inc. (Procuring and Distribution of Condoms)	385,788	-	2,798	-
<b>Total</b>	<b><u>363,799,756</u></b>	<b><u>182,774,039</u></b>	<b><u>2,726,508</u></b>	<b><u>1,459,274</u></b>





**19. Capital expenditure commitments**

There were no material capital expenditure commitments either authorized or contracted as at December 31, 2018 (2017 Nil).

Events subsequent to the statement of financial position date are reflected only to the extent that they are material. No such events came to our attention as at the date these financial statements were signed.

**Note-17 Project wise income and expense (In LRD)**

[illegible]

Note -17 Project wise income and expense (In LRD):

	ECD	Global fund - TB	MNHSD - UNFPA	King Philanthropies	TUP - NPL	TB -GFATM	Luminos fund	Total
	LRD	LRD	LRD	LRD	LRD	LRD	LRD	LRD
INCOME								
Grant Income (Grant received in advance)	17,831,892	-	-	89,148,897	10,082,730	12,105,212	7,712,048	369,851,532
Grant income (Deferred grant for fixed assets)	-	-	-	433,156	50,048	-	-	1,093,786
Other income	-	-	-	-	-	-	-	43,769,166
TOTAL INCOME	17,831,892	-	-	89,582,053	10,132,778	12,105,212	7,712,048	414,714,484
EXPENDITURE								
Staff costs and other benefits	2,247,360	-	-	36,027,617	4,368,627	2,903,647	2,233,352	113,093,124
Training, workshops and seminars	5,139,278	-	-	6,683,716	64,381	1,252,668	6,154	52,132,595
Occupancy expenses	706,512	-	-	1,254,419	737,930	-	232,787	10,930,354
Travel and transportation	1,452,375	-	-	8,390,815	983,922	409,783	988,099	40,690,967
Audit fees	-	-	-	472,920	-	-	-	1,968,350
Stationery & Supplies	7,610	-	-	580,057	167,812	529,223	33,602	3,885,613
Maintenance and general expenses	133,226	-	-	1,346,596	49,625	-	-	41,980,971
Program supplies	6,987,978	-	-	31,604,507	34,396	6,428,609	3,516,958	115,122,192
Monitoring & evaluation	-	-	-	2,058,478	3,676,037	-	-	16,926,020
ERP Maintenance cost	-	-	-	-	-	-	-	210,936
Bank Charge	-	-	-	729,772	-	-	-	1,042,875
HO logistic expenses	1,157,553	-	-	-	-	581,282	701,096	8,324,730
Depreciation	-	-	-	433,156	50,048	-	-	9,139,835
TOTAL EXPENSES	17,831,892	-	-	89,582,053	10,132,778	12,105,212	7,712,048	415,448,562
Surplus/ Reserve	-	-	-	-	-	-	-	(734,078)
Exchange (loss)/gain - unrealized	-	-	-	-	-	109,300	(27,382)	864,950
NET SURPLUS FOR THE YEAR	-	-	-	-	-	109,300	(27,382)	130,872

Note -17 Project wise income and expense (In USD):

	Laboratory	Seed Testing Farm	Country office	Total	Poultry farm	Feed mill	Research	RMNCH	ELA-BRAC	PSL/LEAP	EU
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
INCOME											
Grant Income (Grant received in advance)	-	16,097	2,752	18,849	32,194	-	60,549	-	252,704	416,007	-
Grant income (Deferred grant for fixed assets)	-	-	-	-	-	-	-	-	37	571	-
Other income	-	2,104	11,022	13,126	120,640	109,210	35,489	-	-	-	-
TOTAL INCOME	-	18,201	13,774	31,975	152,834	109,210	96,037	-	252,741	416,578	-
EXPENDITURE											
Staff costs and other benefits	-	2,273	16,256	18,529	5,808	4,485	35,619	-	54,303	102,462	-
Training, workshops and seminars	-	-	-	-	-	-	-	-	59,072	101,110	-
Occupancy expenses	-	-	4,449	4,449	-	-	-	-	4,204	23,177	-
Travelling and transportation	-	350	29,535	29,886	1,188	1,095	2,745	-	20,780	64,479	-
Audit fees	-	-	3,433	3,433	-	-	-	-	-	959	-
Stationery & Supplies	-	-	726	726	-	-	583	-	1,176	8,792	-
Other general & administrative expenses	-	10,434	3,958	14,392	104,658	87,602	3,079	-	1,840	33,234	-
Program supplies	-	40	2,752	2,792	-	-	-	-	67,736	81,793	-
Monitoring & evaluation	-	-	-	-	-	-	50,583	-	20,619	-	-
ERP Maintenance cost	-	-	1,342	1,342	-	-	-	-	-	-	-
Bank Charge	-	-	1,992	1,992	-	-	-	-	-	-	-
HO logistic expenses	-	-	(33,688)	(33,688)	1,896	341	-	-	22,973	-	-
Depreciation	-	2,723	25,363	28,086	17,394	5,684	26	-	37	571	-
TOTAL EXPENSES	-	15,820	56,120	71,940	130,945	99,207	92,635	-	252,741	416,578	-
Surplus/ Reserve	-	2,381	(42,346)	(39,965)	21,888	10,003	3,403	-	-	-	-
Exchange (loss)/gain - unrealized	-	-	(1,829)	(1,829)	6,811	-	-	-	-	-	-
NET SURPLUS FOR THE YEAR	-	2,381	(44,175)	(41,794)	28,700	10,003	3,403	-	-	-	-





Note -17 Project wise income and expense (In USD):

ECD	Global fund - TB	MNHSD - UNFPA	King Philanthropies	TUP - NPL	TB -GFATM	Luminos fund	Total
INCOME							
USD		USD	USD	USD	USD	USD	USD
Grant Income (Grant received in advance)	113,449	-	567,177	64,148	77,015	49,065	2,353,044
Grant income (Deferred grant for fixed assets)	-	-	2,756	318	-	-	6,959
Other income	-	-	-	-	-	-	278,465
<b>TOTAL INCOME</b>	<b>113,449</b>	<b>-</b>	<b>569,933</b>	<b>64,466</b>	<b>77,015</b>	<b>49,065</b>	<b>2,638,469</b>
EXPENDITURE							
Staff costs and other benefits	14,298	-	229,212	27,794	18,473	14,209	719,513
Training, workshops and seminars	32,697	-	42,523	410	7,970	39	331,674
Occupancy expenses	4,495	-	7,981	4,695	-	1,481	69,540
Travelling and transportation	9,240	-	53,383	6,260	2,607	6,286	258,881
Audit fees	-	-	3,009	-	-	-	12,523
Stationery & Supplies	48	-	3,690	1,068	3,367	214	24,721
Other general & administrative expenses	848	-	8,567	316	-	-	267,089
Program supplies	44,458	-	201,072	219	40,900	22,375	732,423
Monitoring & evaluation	-	-	13,096	23,387	-	-	107,686
ERP Maintenance cost	-	-	-	-	-	-	1,342
Bank Charge	-	-	4,643	-	-	-	6,635
HO logistic expenses	7,365	-	-	-	3,698	4,460	52,963
Depreciation	-	-	-	-	-	-	58,149
<b>TOTAL EXPENSES</b>	<b>113,449</b>	<b>-</b>	<b>569,933</b>	<b>64,466</b>	<b>77,015</b>	<b>49,065</b>	<b>2,643,139</b>
Surplus/ Reserve	-	-	-	-	-	-	(4,670)
Exchange (loss)/gain - unrealized	-	-	-	-	695	(174)	5,503
<b>NET SURPLUS FOR THE YEAR</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>695</b>	<b>(174)</b>	<b>833</b>



Note -17 Project wise Statement of Financial position (In LRD):

Laboratory	Seed Testing Farm	Country office	Total	Poultry farm	Feed mill	Research	RMNCH	ELA-BRAC	PSL/LEAP	EU (Food)
ASSETS										
Non-current assets		LRD	LRD	LRD	LRD	LRD	LRD	LRD	LRD	LRD
Property and equipment	73,687	4,341,923	14,235,414	18,651,024	9,954,893	2,015,493	238,458	-	47,544	238,399
1,758,260										
Current assets		LRD	LRD	LRD	LRD	LRD	LRD	LRD	LRD	LRD
Cash and Bank	-	-	42,619,965	42,619,965	2,087,580	-	-	0	-	-
Receivable from Donors	(964,872)	(13,009,952)	39,408,974	25,434,150	(10,188,852)	4,159,126	3,238,202	(7,279,428)	32,519,616	38,808,015
Other receivables	(964,872)	(13,009,952)	82,028,939	68,054,115	(8,101,272)	4,159,126	3,238,202	(7,279,428)	32,519,616	(27,499,657)
<b>Total assets</b>	<b>(891,185)</b>	<b>(8,668,029)</b>	<b>96,264,353</b>	<b>86,705,139</b>	<b>1,853,621</b>	<b>6,174,619</b>	<b>3,476,660</b>	<b>(7,279,428)</b>	<b>32,567,160</b>	<b>13,086,618</b>
LIABILITIES AND CAPITAL FUND										
Liabilities		LRD	LRD	LRD	LRD	LRD	LRD	LRD	LRD	LRD
Other payables	207,756	267,774	8,194,880	8,670,410	504,482	445,316	269,250	-	2,688,992	1,708,805
Related party payables	435,180	1,718,677	72,532,259	74,686,116	839,157	373,964	-	(7,279,428)	4,527,043	309,750
<b>Total liabilities</b>	<b>642,936</b>	<b>1,986,451</b>	<b>80,727,139</b>	<b>83,356,526</b>	<b>1,343,639</b>	<b>819,280</b>	<b>269,250</b>	<b>(7,279,428)</b>	<b>7,216,035</b>	<b>2,018,555</b>
Capital fund		LRD	LRD	LRD	LRD	LRD	LRD	LRD	LRD	LRD
Donor funds received in advance	-	-	7,225	7,225	15,764,000	-	6,727,850	-	25,303,581	-
Donor funds investment in fixed assets	-	9,560,615	-	9,560,615	-	-	-	-	47,544	238,399
BRAC Contribution received in advance	-	-	-	-	-	-	-	-	-	-
Donated Equity	(1,534,121)	(10,654,480)	30,434,887	30,434,887	(15,254,018)	5,355,339	(3,520,440)	0	-	-
Retained surplus	(1,534,121)	(10,654,480)	(24,465,515)	(36,654,116)	(15,254,018)	5,355,339	(3,520,440)	0	-	-
<b>Total capital fund</b>	<b>(891,185)</b>	<b>(8,668,029)</b>	<b>96,264,351</b>	<b>86,705,137</b>	<b>1,853,621</b>	<b>6,174,619</b>	<b>3,476,660</b>	<b>(7,279,428)</b>	<b>32,567,160</b>	<b>13,086,618</b>
Total liabilities and capital fund		LRD	LRD	LRD	LRD	LRD	LRD	LRD	LRD	LRD



**Note -17 Project wise Statement of Financial position (In LRD):**

ECD	Global fund - TB	MNHSD - UNFPA	King Philanthropies	TUP - NPL	TB -GFATM	Luminos fund	Total
LRD	LRD	LRD	LRD	LRD	LRD	LRD	LRD
-	182,995	-	7,952,780	1,652,299	-	-	42,692,144
-	1,851,657	-	-	-	11,035,239	9,356,206	65,098,990
(2,572,944)	704,558	9,998,993	22,672,223	5,937,018	(174,483)	(6,922,576)	67,816,335
(2,572,944)	2,556,215	9,998,993	22,672,223	5,937,018	10,860,756	2,433,630	24,887,838
<b>(2,572,944)</b>	<b>2,739,210</b>	<b>9,998,993</b>	<b>30,625,003</b>	<b>7,589,317</b>	<b>10,860,756</b>	<b>2,433,630</b>	<b>157,803,163</b>
							<b>200,495,307</b>
<b>LIABILITIES AND CAPITAL FUND</b>							
<b>Liabilities</b>							
Other payables	1,259,809	3,064,879	2,734,807	306,124	92,090	104,638	28,449,944
Related party payables	280,208	376,431	-	-	-	350,548	76,598,862
<b>Total liabilities</b>	<b>1,540,017</b>	<b>3,441,310</b>	<b>2,734,807</b>	<b>306,124</b>	<b>92,090</b>	<b>455,186</b>	<b>105,048,806</b>
<b>Capital fund</b>							
Donor funds received in advance	-	6,557,683	19,937,416	5,630,894	10,659,366	2,005,826	92,593,841
Donor funds investment in fixed assets	182,995	-	7,952,780	1,652,299	-	-	21,392,892
BRAC Contribution received in advance	-	-	-	-	-	-	-
Donated Equity	-	-	-	-	-	-	30,434,887
Retained surplus	1,016,198	-	-	-	109,300	(27,382)	(48,975,119)
<b>Total capital fund</b>	<b>1,199,193</b>	<b>6,557,683</b>	<b>27,890,196</b>	<b>7,283,193</b>	<b>10,768,666</b>	<b>1,978,444</b>	<b>95,446,500</b>
<b>Total liabilities and capital fund</b>	<b>(2,572,944)</b>	<b>2,739,210</b>	<b>9,998,993</b>	<b>7,589,317</b>	<b>10,860,756</b>	<b>2,433,630</b>	<b>200,495,306</b>

**Note -17 Project wise Statement of Financial position (In USD):**

	Laboratory	Seed Testing Farm	Country office	Total	Poultry farm	Feed mill	Research	RMNCH	ELA-BRAC	PSL/LEAP	EU (Food)
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
<b>ASSETS</b>											
Non-current assets											
Property and equipment	469	27,624	90,568	118,660	63,334	12,823	1,517	-	302	1,517	11,186
<b>Current assets</b>											
Cash and Bank	-	-	271,154	271,154	13,281	-	-	0	-	-	-
Receivable from Donors	-	-	-	-	-	-	-	-	-	172,774	246,902
Other receivables	(6,139)	(82,771)	250,725	161,815	(64,823)	26,461	20,602	(46,313)	206,894	(159,932)	(174,956)
	(6,139)	(82,771)	521,879	432,969	(51,541)	26,461	20,602	(46,313)	206,894	12,842	71,945
<b>Total assets</b>	<b>(5,670)</b>	<b>(55,147)</b>	<b>612,447</b>	<b>551,630</b>	<b>11,793</b>	<b>39,284</b>	<b>22,119</b>	<b>(46,313)</b>	<b>207,197</b>	<b>14,359</b>	<b>83,132</b>
<b>LIABILITIES AND CAPITAL FUND</b>											
Liabilities											
Other payables	1,322	1,704	52,137	55,162	3,210	2,833	1,713	-	17,108	10,872	36,149
Due to related parties	2,769	10,934	461,460	475,163	5,339	2,379	-	(46,313)	28,802	1,971	35,796
<b>Total liabilities</b>	<b>4,090</b>	<b>12,638</b>	<b>513,597</b>	<b>530,325</b>	<b>8,548</b>	<b>5,212</b>	<b>1,713</b>	<b>(46,313)</b>	<b>45,909</b>	<b>12,842</b>	<b>71,945</b>
<b>Capital fund</b>											
Donor funds received in advance	-	-	46	46	100,293	-	42,803	-	160,985	-	-
Deferred Grant for Fixed asset	-	-	60,826	60,826	-	-	-	-	302	1,517	11,186
BRAC Contribution received in advance	-	-	-	-	-	-	-	-	-	-	-
Donated Equity	-	-	193,631	193,631	-	-	-	-	-	-	-
Retained surplus	(9,760)	(67,785)	(155,653)	(233,198)	(97,048)	34,071	(22,398)	0	-	-	-
<b>Total capital fund</b>	<b>(9,760)</b>	<b>(67,785)</b>	<b>98,850</b>	<b>21,304</b>	<b>3,245</b>	<b>34,071</b>	<b>20,406</b>	<b>0</b>	<b>161,287</b>	<b>1,517</b>	<b>11,186</b>
<b>Total liabilities and capital fund</b>	<b>(5,670)</b>	<b>(55,147)</b>	<b>612,447</b>	<b>551,630</b>	<b>11,793</b>	<b>39,284</b>	<b>22,119</b>	<b>(46,313)</b>	<b>207,197</b>	<b>14,359</b>	<b>83,132</b>



Note -17 Project wise Statement of Financial position (In USD):

ECD	Global fund - TB	MNHSD - UNFPA	King Philanthropies	TUP - NPL	TB -GFATM	Luminos fund	Total
USD	USD	USD	USD	USD	USD	USD	USD
-	1,164	-	50,597	10,512	-	-	271,613
<b>ASSETS</b>							
<b>Non-current assets</b>							
<b>Property and equipment</b>							
-	-	-	-	-	70,208	59,525	414,168
-	11,780	-	-	-	-	-	431,457
(16,369)	4,482	63,615	144,244	37,772	(1,110)	(44,042)	158,340
(16,369)	16,263	63,615	144,244	37,772	69,098	15,483	1,003,965
<b>(16,369)</b>	<b>17,427</b>	<b>63,615</b>	<b>194,840</b>	<b>48,284</b>	<b>69,098</b>	<b>15,483</b>	<b>1,275,578</b>
<b>LIABILITIES AND CAPITAL FUND</b>							
<b>Liabilities</b>							
<b>Other payables</b>							
<b>Due to related parties</b>							
5,843	8,015	19,499	17,399	1,948	586	666	181,002
(22,213)	1,783	2,395	-	-	-	2,230	487,332
<b>(16,369)</b>	<b>9,798</b>	<b>21,894</b>	<b>17,399</b>	<b>1,948</b>	<b>586</b>	<b>2,896</b>	<b>668,334</b>
<b>Capital fund</b>							
<b>Donor funds received in advance</b>							
-	-	41,721	126,844	35,824	67,816	12,761	589,094
-	1,164	-	50,597	10,512	-	-	136,104
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	193,631
-	6,465	-	-	-	695	(174)	(311,586)
-	7,629	41,721	177,441	46,337	68,512	12,587	607,243
<b>(16,369)</b>	<b>17,427</b>	<b>63,615</b>	<b>194,840</b>	<b>48,284</b>	<b>69,098</b>	<b>15,483</b>	<b>1,275,578</b>

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