



Haiti

Freedom and hope in the Caribbean

When it declared independence from France in 1804, Haiti became the first free country in Latin America and the Caribbean. BRAC had already supported Fonkoze, a Haitian microfinance organisation, with a local adaptation of BRAC's Targeting the Ultra Poor programme for several years when, in 2009, Haitian groups persuaded it to launch BRAC Haiti. Four months later, in January 2010, as BRAC announced its newest country programme, after the country suffered a devastating earthquake. It set up a Limb and Brace Centre to deliver services to affected individuals with its experienced team from Bangladesh. The organisation is now building the island nation's road to recovery, improving the lives of Haiti's most vulnerable and disadvantaged by empowering women and girls and fostering bottom-up economic development through agricultural and enterprise development.

What started out in 1972 in a remote village of Bangladesh as a limited relief operation, turned into the largest development organisation in the world. Of major non-governmental organisations, BRAC is one of the few based in the global south.

Today, BRAC is a development success story, spreading solutions born in Bangladesh to 10 other countries around the world – a global leader in creating opportunity for the world's poor. Organising the poor using communities' own human and material resources, it catalyzes lasting change, creating an ecosystem in which the poor have the chance to seize control of their own lives. We do this with a holistic development approach geared toward inclusion, using tools like microfinance, education, healthcare, legal services, community empowerment and more.

Our work now touches the lives of an estimated 126 million people, with staff and BRAC-trained entrepreneurs numbering in the hundreds of thousands – a global movement bringing change to 10 countries in Asia, Africa and the Caribbean, with operations in our 11th country, Philippines, being launched in 2012.

Annual Report

2011

Haiti



Harnessing **the past**
Enriching **the future**

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Vision, Mission and Values

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

Innovation

For forty years, BRAC has been an innovator in the creation of opportunities for the poor to lift themselves out of poverty. We value creativity in programme design and strive to display global leadership in groundbreaking development initiatives.

Integrity

We value transparency and accountability in all our professional work, with clear policies and procedures, while displaying the utmost level of honesty in our financial dealings. We hold these to be the most essential elements of our work ethic.

Inclusiveness

We are committed to engaging, supporting and recognising the value of all members of society, regardless of race, religion, gender, nationality, ethnicity, age, physical or mental ability, socioeconomic status and geography.

Effectiveness

We value efficiency and excellence in all our work, constantly challenging ourselves to perform better, to meet and exceed programme targets, and to improve and deepen the impact of our interventions.

Chairperson's Statement



It gives me great pleasure to present the annual report and the audited financial statements for the year ended 31 December 2011.

While our work in Haiti started with disaster relief and rehabilitation following the devastating earthquake of 2010, our focus had turned to longer term efforts in revitalising the economy. We provide concrete support to youth through the education programme, empowering women and helping them rise out of poverty through the ultra-poor and agriculture and food security programme, and delivering services in healthcare. We also repair and rebuild houses near the epicentre of the earthquake through the housing project.

In 2011, BRAC was awarded a grant from UNDP to establish income generating activities for 150 women in earthquake-affected areas in Port-au-Prince, helping these women develop sustainable, profitable micro-enterprises through training, micro-grants, and mentoring. The programme supports the government of Haiti's 16/6 project, which reintegrates internally displaced persons into their pre-earthquake communities.

One of BRAC's new initiatives in 2011 for our agriculture programme is the establishment of three rice demonstration plots to engage the interest of local



farmers and to motivate them to increase their rice production with quality seeds and proper management.

With more than 500 learning hours logged in 2011 alone, it is evident that the Youth Enterprise School (YES) programme is having a significant impact on the participants. We have a total of 25 direct and 150 indirect beneficiaries, with HTG 302,388 (approximately USD 7,911) in revenue generated for the school and students. BRAC Haiti is exploring funding and partnerships to implement the programme in other rural communities, expanding it to include an additional five to 10 schools.

Seeing the long-term demand in Haiti for prosthetic, and especially orthotic services, BRAC is developing a plan for sustainability of the centre through partnerships with other rehabilitation organisations and hospitals. We are planning to launch a health care project to be made available to vulnerable households living in rural areas with a key focus on education in cholera prevention and treatment.

Since May 2010, BRAC has been involved in housing repair and reconstruction projects in Haiti, specifically in the Leogane Commune, one of the most severely earthquake-affected regions of Haiti, which includes Fondwa and

Palmisaven. BRAC's housing projects supported 360 rural households, including 242 houses constructed in 2011, providing approximately 1,800 people with a permanent housing solution.

With 1,100 new beneficiaries enrolled in the Chemen Lavi Miyò programme, BRAC's technical assistance in Fonkoze's scaling up of their poverty reduction initiatives is one of this year's major accomplishments. The pages that follow highlight BRAC's achievements in the year concluded, but we also tell stories of those who have lifted themselves out of poverty. Stories such as that of Dieulita, profiled on page 17, not only exemplify BRAC's achievement in assisting Fonkoze's support of the marginalised people, catalysing change and helping to reduce extreme poverty, but also individuals' own hard work and initiative that ultimately results in lasting change.

I take this opportunity to commend our team in Haiti who have worked with enduring commitment and loyalty to take advantage of every opportunity that has come our way. The quality of our performance is attributed to this remarkably competent team, their knowledge, skills and professionalism. I extend my sincere thanks to the members of the governing body, whose leadership and foresight has steered the organisation to success. I thank the Haitian government

and our development partners in Haiti for their continued support as we strive to create greater value in our services to contribute towards the progress and prosperity of Haiti.

A handwritten signature in black ink, appearing to read 'F. Hasan', with a stylized flourish at the end.

Sir Fazle Hasan Abed, KCMG
Founder and Chairperson

Agriculture and Food Security

Operating in eight countries, BRAC's agriculture programmes work with governments to ensure food security. We build systems of production, distribution and marketing of quality seeds at fair prices, conduct research to develop better varieties and practices for the agricultural sector, offer credit support to poor farmers, and promote the use of efficient farming techniques and proven technologies. Using environmentally sustainable practices, we are helping these countries become self-sufficient in food production. Agricultural programmes are currently operating in Bangladesh, Uganda, Tanzania, Sierra Leone, Liberia, South Sudan and Haiti.

Assisting Haiti's farmers

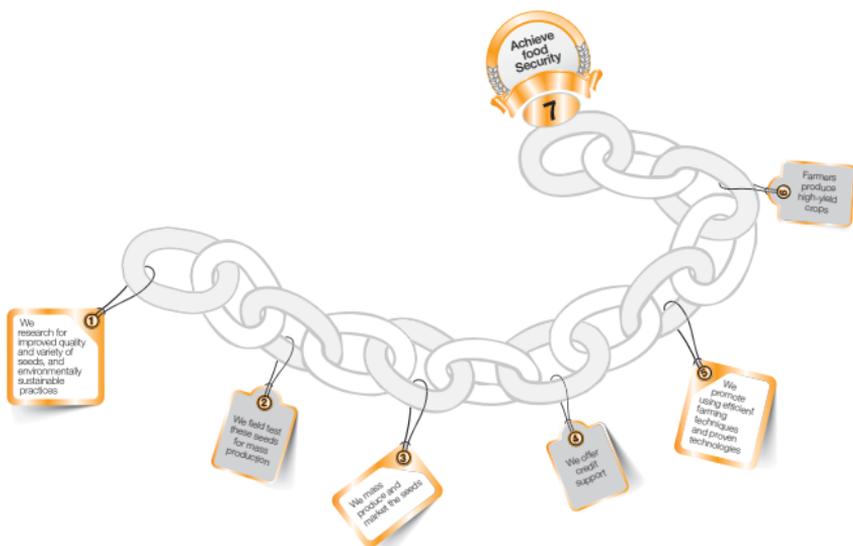
Two-thirds of all Haitians depend on agriculture, an industry that has been in steady decline over the past several decades, for their livelihoods. Dry and infertile land, lack of quality inputs and tools, antiquated farming techniques, poor market linkages, limited access to credit and frequent occurrences of natural disasters make it difficult for farmers to increase their crop yields and to develop sustainable livelihood patterns. Haiti produces less than 50 percent of its national food requirements, making it dependent on imports and food aid. Half of the country's population can be categorised as food insecure, and half of all Haitian children are stunted as a result of malnutrition.

The government of Haiti regards the agricultural sector as playing "a major role not only for food security of the population, but also for the economic recovery and the social stability of Haiti."



A local farmer from Leogane participates in a training programme to learn about vegetable cultivation

Our approach: Value chain interventions



The main objectives of BRAC's Agriculture, Poultry and Livestock programme in Haiti are to promote poverty alleviation by assisting the marginal, homestead-based, agricultural activities of the poor, and to increase local crop production to reduce dependency on imported food products. Activities mostly consist of small scale operations in cultivating fruits and vegetables, and rearing poultry and livestock. Such activities increase food security by providing households with home-grown food products, while ensuring environmental sustainability.

1. Identification and selection of farmers through a thorough needs assessment
2. Intensive technical training by relevant experts to enhance farmers' skills and knowledge
3. Input assistance to ensure start-up capital for purchasing tools, materials and supplies
4. Value chain and market development assistance
5. Strong technical follow-up and ongoing monitoring

BRAC's methodology is specifically designed to encourage participants to support one another and take ownership of their activities. In so doing, they will be able to move forward long-term without requiring BRAC support. BRAC merely acts as the catalyst that allows participants to bring about change in their own lives and community.

A gender policy is built into all BRAC agriculture programmes, and a minimum of 60 percent female participants are selected.

In addition, livelihood training programmes are being implemented in six localities, targeting nearly 1,000 households for poultry and goat rearing, fruit, vegetable and rice cultivation. The primary goal of these activities is to educate farmers on innovative techniques that will increase production and incomes.

BRAC provides its programme participants with classroom and field training, which covers topics such as cultivation and production techniques, proper usage of compost and fertiliser, soil management, basic human nutrition, livestock care and management, and value chain marketing. Each participant receives improved input supplies, particularly high quality seeds, poultry or goats.

BRAC field staff provides personal attention to each of its project participants, visiting them at the minimum once per week to ensure that their activities are being properly managed, and to provide ongoing technical expertise and advice.

Highlights from 2011

Rice adaptation trial: In the Artibonite Department, BRAC has established three rice demonstration plots to engage the interest of local farmers and to motivate them to increase their rice production with quality seeds and proper management.

Cash and food for work: With the support of the World Food Programme and the endorsement of the government committee for South-East Department, BRAC completed essential watershed management activities, while providing employment to Jacmel's rural population. Although the project itself ended in June, area farmers continue to benefit from the project.

Replenishing Haiti's depleted natural resources: Haiti's depleted natural environment adds an additional layer to the vulnerability of rural farmers. Recent natural disasters have led to soil erosion and environmental degradation, further affected by families engaging in harmful environmental practices such as illegal tree felling to meet their immediate economic needs. Watershed management is a priority of the government and United Nations agencies.

For environmental sustainability, a country should aim to have at least 25 percent of its land under forest coverage. In 1950, 25% of Haiti was indeed forested, but currently only 2 percent of the country is covered with forests. An estimated 50 million trees are cut annually, a clear indication that natural resource management is necessary for Haiti's agriculture industry to strengthen and grow. Environmental activities also play a key role in long-term disaster risk reduction, which will help build stability in a country that is susceptible to hurricanes, tropical storms, earthquakes and other natural disasters.

To increase awareness of deforestation and the importance of environmental conservation, BRAC distributes fruit and timber tree seedlings to communities and schools as part of its agriculture programmes. Planting trees will enhance the livelihood of individuals and therefore the community at large. Overtime, the trees will help prevent soil erosion and landslides due to hurricanes and flooding. The trees will also alter the environment by moderating climate, improving air quality, conserving water and harbouring wildlife.

Economic empowerment for vulnerable women: Haiti has the second highest proportion of economically active women in the world, many of whom lack education and access to financial services, and are often the victims of sexual violence and gender discrimination. The earthquake, which disproportionately affected Haitian women, forced many to reside in makeshift camps, increasing their vulnerability.

To ensure women are actively involved in the rebuilding of Haiti and to help decrease their vulnerability, in 2011 BRAC was awarded a grant from the United Nations Development Program to establish income generating activities for 150 women in earthquake affected areas in Port-au-Prince. BRAC will help these women develop sustainable, profitable micro-enterprises by providing training in either poultry rearing or tailoring, along with micro-grants (in the form of input supplies) and mentoring. The programme supports the government of Haiti's 16/6 project, which reintegrates internally displaced persons from selected camps into their pre-earthquake communities and rehabilitates 16 neighbourhoods.

BRAC has extensive experience implementing broiler rearing and tailoring programmes in Bangladesh, Tanzania, Sierra Leone and Uganda. More than 1.5 million women have participated in BRAC's poultry programme and 5,000 in its tailoring programme. By providing an integrated package of technical training, input support and market linkages, BRAC has successfully demonstrated that these income generating activities can lead to sustainable, profitable micro-enterprise for women.

BRAC selected broiler rearing and tailoring for the economic empowerment for vulnerable women programme in Haiti not only due to previous experience and success, but also due to the following:

- The activities are appropriate for urban environments in that they do not require a significant amount of land nor space
- Current local market needs and future export potential
- Once profitable, the micro-enterprise can be scaled up based on the participants' long-term business goals and aspirations.

Helping women build broiler rearing and tailoring micro-enterprises will not only help rebuild and strengthen the local market, but could also serve as a model for other economic development initiatives throughout Haiti.

CASE STUDY



Meresse, a poultry farmer in Pont-Sonde, received hands-on training on poultry rearing from BRAC. She is now taking great care of the chickens and is anxiously awaiting the first eggs.

Meresse Meriva: waiting for the first eggs

"I am so grateful to BRAC, and especially my family for helping me to overcome the financial burdens, and achieving my dream of becoming a financially independent woman."

Meet Meresse, a 60 year old woman who lives in Patrie, Pont-Sonde with her two daughters and two sons. Prior to entering BRAC Haiti's programme as a poultry rearer under the livestock extension project, Meresse and her husband went their separate ways and her husband stopped providing support for their children. It has since been a difficult journey for Meresse as she became the sole provider of the family of five.

In August 2011 Meressa attended a day-long training session facilitated by BRAC Haiti's team of agronomists in Pont-Sonde. Shortly thereafter, she received 30 seven-week-old Rhode Island Mix layer variety chickens, along with ten bags of poultry feed. Her family helped her build a poultry shade at a cost of approximately USD 50. Meresse has since been regularly attending the bi-monthly community meetings. BRAC's agronomist team also provides her with technical advice during their weekly home visits.

Meresse taking great care of the chickens, and is anxiously awaiting her first eggs. She and her family will consume some of the eggs, but she will sell most of them in the market so that she can use the generated income to buy food for her family.

Education

With education programmes in six countries, BRAC has built the largest secular private education system in the world, with over 700,000 students worldwide currently enrolled in BRAC primary schools. These schools are designed to give a second chance at learning to the disadvantaged students left out from the formal education systems. Complementing mainstream school systems with innovative teaching methods and materials, BRAC's education programmes open primary schools in communities unreached by formal education systems, bringing learning to millions of children, particularly those affected by extreme poverty, violence, displacement or discrimination. We are giving increasing attention to adolescents and youth as a special group and are offering life skills, livelihood and skills development training, as well as saving and financial services such as savings accounts.

Reaching out to youth

Haiti is one of the youngest countries in the world in terms of population; the median age is 20 and 43 percent of the population is under the age of 15. On average, parents pay USD 85 for their children's annual school fees with very little guarantee of achievement or success. As many as 40 percent to 60 percent of youth at the primary level drop out of school because families lack the means to pay and need children to support family income generating activities. Due to political instability and limited access to employment opportunities, education and financial services, many Haitian youths are ill-equipped to make a meaningful contribution to the long-term development, stability and economic growth of the country. Girls in Haiti are particularly vulnerable to poverty and social risks like sexual assault, domestic violence, early or unwanted pregnancy and sexually transmitted diseases.

The Youth Enterprise School (YES) programme is an innovative intervention developed by BRAC to address the social and economic challenges faced by 4.5 million youths. The programme is a collaboration of BRAC's accelerated learning community-based schools and Empowerment and Livelihood for Adolescents (ELA) programme. The overall aim of the YES programme is to empower youth while making communities and schools more sustainable. By designing schools as a space not just for practical learning, but where social and emotional

issues can be addressed and critical life, financial and business skills taught, the youth can lift themselves out of poverty and secure a better future for themselves.

To support Haitian youths' creative and entrepreneurial spirit, BRAC Haiti is piloting the Youth Enterprise School programme in Fondwa, a rural community located west of the capital, Port-au-Prince. Along with basic education, life skills and financial literacy training, the pilot's 30 participants, aged 14 to 21, are receiving technical training in one of four income generating activities: goat rearing, poultry rearing, vegetable cultivation and seedling nursery. BRAC is also providing the students with input supplies and facilitating access to markets.

Upon completion of the programme, students will have the knowledge and skills needed to effectively participate in Haiti's agriculture market. They will also launch well-planned micro-enterprises, thus sustainably generating income for themselves and the school.



Sir Fazle Hasan Abed's life and career embody the values of WISE. He recognized that education is a passport to social inclusion and opportunity. He discovered a successful formula, and he adapted and expanded it – first in Bangladesh and then in other countries. As a direct consequence, millions of people around the world lead healthier, happier and more productive lives. His vision, resourcefulness and determination are vital ingredients of the innovation process and he stands as an example to all of us who believe that education, more than anything else, determines the destiny of individuals and societies.

**H.E. Dr. Abdulla bin Ali
Al-Thani**
WISE Chairman



The inaugural WISE prize for education was awarded to BRAC founder Sir Fazle Hasan Abed in recognition of his 40-year career dedicated to alleviating poverty through education.

Achievements of 2011

- More than 500 YES learning hours logged.
- 25 direct and 150 indirect beneficiaries.
- 9,058 fruit, timber seedlings produced.
- More than 2,733 vegetable seedlings produced and planted.
- More than 3,000 eggs produced.
- HTG 302,388 in revenue generated for the school and students.

Multiplying impact

Based on the achievements and progress achieved to date, it is clear that the Youth Enterprise School programme is having a significant short- and medium-term impact on the participants. Students who may not otherwise have been able to continue their education are able to do so as a direct result of the programme. In addition, by learning valuable technical and business skills, the students are empowered and motivated to sustain, and hopefully grow, their income generating activities in the long run.

Furthermore, the Fondwa community is greatly benefiting from the YES programme as the students' activities are contributing to the local market, providing buyers and sellers with more diverse products.

As a result, BRAC Haiti is exploring funding and partnerships to implement the programme in other rural communities, expanding it to include an additional five to ten schools.

In so doing, BRAC has the opportunity to contribute to the development of a critical group traditionally neglected by economic institutions and family caretakers. Investing in the potential of youth in rural areas – especially those who often enter the market at an early age because of limited access to education and job skills – will improve their effectiveness as members of their communities. Most importantly, it will also equip youth with the tools and resources needed to help lift themselves out of poverty, and therefore positively contribute to the economic development and stability of Haiti.

Girl Power

As an active member of the Haiti Adolescent Girls Network, the Clinton Global Initiative's Action Network in Haiti, and the largest implementer of the Girl Effect movement to educate and invest in adolescent girls, BRAC recognises the potential of girls and young women in Haiti to make a significant contribution to the country's development. BRAC has nearly two decades of experience developing and implementing programmes to empower adolescents, especially girls, with more than 268,000 adolescent club members in Bangladesh, South Sudan, Uganda and Tanzania.

BRAC's ELA programme is designed to socially and financially empower youths aged 15 to 25. Targeted exclusively at vulnerable teenage girls, the programme combines innovative livelihood and life skills training with a customised microfinance programme. Clubs provide safe spaces for girls to meet with their peers and receive life skills training on topics including leadership, health, and reproductive rights.

In the long-term, BRAC's experience shows that ELA clubs:

- Significantly improve girls' self-esteem
- Increase girls' physical mobility
- Improve self-confidence
- Increase bonding between girls in the community
- Increase employment and income
- Delay pregnancy among participating girls

BRAC Haiti, in partnership with local and international organisations, will establish five youth clubs for 200 girls in Haiti's South-East Department in 2012. The clubs will be run and managed by the adolescent girls themselves in collaboration with the adolescent programme organiser, a diploma agronomist and mentors.

BRAC will directly support the clubs for approximately two years with the ambition that the adolescent girls and young women will use their new skills and confidence to continue to support each other for the rest of the project duration and even beyond, and maintain a long-term network. For at least the first two years after the project, BRAC will keep in contact with the girls and young women to monitor their progress and provide support.

BRAC and its partner organisation Fonkoze will develop and pilot microfinance and savings products specifically for youth. The goals are to increase youth's access to financial institutions, break down cultural and psychological barriers preventing them from developing and using financial knowledge, and encourage them to build personal wealth.



Cheelove received support from the Youth Enterprise School programme, which allowed her to continue her education.

Testimonial: Cheelove Deus: future nurse has a green thumb

Cheelove Deus, age 17, is in her ninth year of secondary school at Ecole Communautaire de Fond d'Oie. She lives in Ba Tonel with her godmother, who makes and sells pate as a small merchant. Cheelove was raised by her grandmother, a farmer, who died in December 2010. After the death of her grandmother, Cheelove stopped going to school. Her grandmother had been the one paying her school fees since she was a little girl, and upon her death, no one was able to assume the responsibility. Cheelove's mother, who lives nearby with her six other children, subsists by selling bread. Without the support of the Youth Enterprise School programme, Cheelove is not sure whether she would have been able to attend school this year.

Cheelove's favourite subjects are the social sciences because she loves learning about history. The YES programme provided her with all the supplies she needed to attend school (books, notebooks, pens and a backpack). The supplies, along with tutoring provided through the programme, helped her perform well in school. According to the

school director, Cheelove is one of the school's top students.

As part of her participation in the Youth Enterprise School programme, Cheelove takes part in the nursery activity. In her nursery, she's growing grapefruit, quenepa and avocado seedlings. She will generate income for herself and the school by selling the seedlings within her community. Cheelove often talks to her mother about the programme, providing her with details about her activities and what she has learned.

With the income she generates from the nursery, Cheelove hopes to attend nursing school. Ten years from now, she sees herself as a single woman with no children, working in Leogane at a hospital and living in a small house – a future she could not imagine before the Youth Enterprise School programme.

"After my grandmother passed away, I thought I would never be able to attend school again. Now, because of BRAC and their ongoing support, I can complete my education and acquire skills which will benefit me later in life."

Health

Working in eight countries, BRAC's health programmes promote sustainable and accessible healthcare for the poor in collaboration with both the state and private healthcare sectors. Working in their own slums and villages, BRAC's 'army' of self-employed community health promoters helps whole communities stay healthy, with a groundbreaking door-to-door approach. These workers create a cost-effective bridge between underserved poor communities and formal healthcare systems. BRAC also organises health meetings to encourage an exchange of knowledge, thus empowering people to take care of themselves, their families and neighbours.



The Limb and Brace Center in Port au Prince, Haiti.

Our approach:

Limb and brace centre provides hope

In terms of healthcare spending, Haiti ranks last in the Western Hemisphere; per capita, Haiti spends about USD 77 annually on healthcare. There are 25 physicians and 11 nurses per 100,000 people. Approximately 1,200 amputations were conducted as a result of the earthquake. Most rural areas have no access to healthcare, making residents susceptible to treatable diseases.

BRAC established its Limb and Brace centre in Haiti to provide prosthetic limbs to hundreds of people who required amputations. The centre in Haiti makes and fits permanent artificial limbs and braces using low-cost International Committee of the Red Cross (ICRC) Polypropylene Technology suitable for local conditions. The centre also provides physical therapy and rehabilitation services.

By providing artificial limbs and braces to the poor, BRAC is helping to reduce the burden on the families of physically disabled individuals by increasing their ability to participate in daily life and other social and economic activities, thereby allowing Haitian citizens to contribute to ongoing, post-earthquake recovery and rebuilding efforts.

Growing demand for service

Since its inception in September 2010, the BRAC Limb and Brace centre (BLBC) has provided services to 1,228 patients. Many non-governmental organisations provided services similar to the Limb and Brace centre immediately following the earthquake, however, most of them are no longer in operation.

While the centre continues to see patients injured as a result of the earthquake, it is increasingly serving patients injured by accidents, and children born with limb deformities and disabilities. Approximately 74 percent of patients treated at the centre are under the age of 15.

There is long-term demand in Haiti for the prosthetic and especially the orthotic services provided by the centre. Thus, BRAC is developing a plan for sustainability of the centre through partnerships with other rehabilitation organisations and hospitals, as well as a tiered payment plan that will enable the centre to cover its costs.

An expanding referral network

Awareness of the centre and the benefits of orthotics and prosthetics have increased among medical professionals throughout Port-au-Prince. Doctors continue to refer patients to the centre due to the quality of services provided.

Over the last year, patient to patient referrals have significantly increased. In fact, the majority (69 percent) of patients are referred via word-of-mouth. 23 percent are referred from hospitals and other organisations.

The limb and brace centre currently employs two Bangladeshi staff from BRAC's Limb and Brace centre in Bangladesh and nine technical Haitian staff, including a senior medical officer who is being trained to take over management of the centre. All Haitian staff members are receiving ongoing quality training on prosthetic and orthotic treatment, as well as in counselling and physical therapy.

Handicap International and Healing Hands for Haiti have worked with the University of El Salvador to develop a course to certify prosthetic and orthotic technicians in Haiti. Two of BRAC Haiti's Limb and

Brace centre technicians have enrolled for the certification programme, which is scheduled to begin in early 2012.

A grassroots approach to essential health care

From its founding days, healthcare interventions have been an integral aspect of BRAC's holistic and rights-based approach to development. The two major objectives of the BRAC health programme are to improve maternal, neonatal and child health, and to reduce vulnerability to communicable diseases and common ailments. BRAC's health programme is a combination of preventive, curative, rehabilitative and promotional health services.

Since establishing a strong presence in Haiti in 2010, BRAC has recognised the significant gaps in access to healthcare. As accessibility to hospitals is limited, especially in rural areas, the need for a grassroots approach to health service delivery is essential. Local knowledge and capacity, with regards to basic health care, nutrition and hygiene and sanitation, needs to be nurtured at the village level. To address this issue, BRAC plans to launch a healthcare project to make essential healthcare services available to vulnerable households living in rural Haiti.

BRAC Haiti's healthcare programme will have seven components: health and nutrition education, water and sanitation, family planning, immunisation, prenatal care, basic curative services, and tuberculosis control.

Due to Haiti's cholera epidemic which has affected over 500,000 people, killing more than 7,000, cholera education, prevention and treatment will be a major focus of the programme.



Within our generation we have seen a worldwide sharp reduction from deaths related to treatable diseases. We owe a lot of this to BRAC.

Jeffrey Sachs

Director, Earth Institute, Columbia University

Achievements of 2011

99 patients received artificial limbs
801 patients received orthotic services
139 patients received rehabilitation and physiotherapy



Wilkenson received a high-tech knee replacement courtesy of BRAC Limb and Brace Centre and O.K. Prosthetics.

Testimonial:
Wilkenson, injured teen:
"BRAC understood me"

"I came here and was very well received," he said. "They spoke and served as people who understand me. They gave me a prosthesis that allows me to move and pursue my dreams of one day becoming a tour guide and architect."

Wilkenson is the fourth child in a family of six children. His mother died during the birth of her seventh child in 2007. On 19 August 2011, Wilkenson was only a few days away from starting the ninth grade, living with his father and siblings at his aunt's house in Port-au-Prince. The afternoon was very hot, so he decided to cool off with a shower. He turned on the tap and noticed that the water was not coming out. Wilkenson and his cousin climbed over the wall of the house to investigate the waterline. After removing an object that was obstructing the duct, he returned to the shower. The wall then collapsed, causing Wilkenson to fall ten meters. The wall landed directly on top of his right leg, crushing it below the knee. He was immediately rushed to a nearby health centre run by Doctors Without Borders, was administered first aid, then sent to a surgery centre. Wilkenson's family was reluctant to take him to the

surgery centre as there were increased levels of violence in the area and random gunfire. It took many hours for him to be transported to a proper and safe surgery centre, and be moved to the operating table.

With a predicted success rate of 40 percent, the future did not look promising for Wilkenson. After surgery, his leg began to darken in colour, causing the surgeons to recommend immediate amputation. His family refused to comply with the doctor's recommendations. They considered transferring him to a private hospital but this would cost upwards of 12,000 which was something they could not afford. His leg was amputated on 23 August 2011, four days after the accident.

After failing to receive help from another NGO, Wilkenson learned of the BRAC limb and brace centre from a friend. Wilkenson decided to visit the centre. He recently received a high-tech knee replacement from O.K. Prosthetics, an Iceland-based nonprofit and a BRAC partner.

Housing

Responding to the needs of those whose homes were damaged or destroyed in the January 2010 earthquake, BRAC partnered with other organisations to repair and rebuild houses near the epicentre of the earthquake in Fondwa, Jacmel and Leogane. The BRAC housing programme uses local building materials and trains local workers to create employment opportunities while rebuilding Haiti.



Left with the decision of where to allocate [...] funds, Eyes on Africa turned to BRAC in Haiti. As we are both familiar with and inspired by BRAC's work in Bangladesh, we believe BRAC in Haiti will deliver the same kind of sustainable change. BRAC in Haiti will be able to offer educational and housing opportunities to those who need it the most. We are deeply happy to contribute to BRAC in Haiti and the many lives the organization touches.

Eyes on Africa Foundation

Building houses that last

Haiti's devastating earthquake left nearly one million Haitians homeless and displaced. Hundreds of thousands of Haitians have continued to reside in makeshift camps. Since May 2010, BRAC has been involved in housing repair and reconstruction projects in Haiti, specifically in the Leogane Commune, one of the most severely earthquake-affected regions of Haiti, which includes Fondwa and Palmisaven. BRAC is using local materials to build permanent homes, and training local staff in earthquake- and hurricane-resistant building techniques, creating employment opportunities for local construction workers, masons, carpenters and unskilled labourers.

Each home is 28 square meters, and includes two rooms, a gallery, a latrine, a rainwater harvesting system and a solar lighting system. BRAC's permanent house models were designed to reflect the local housing typology. The

community provided input on the designs. BRAC's two permanent housing repair and reconstruction projects have now concluded.

BRAC's housing projects supported 360 rural households, providing approximately 1,800 people with a permanent housing solution.

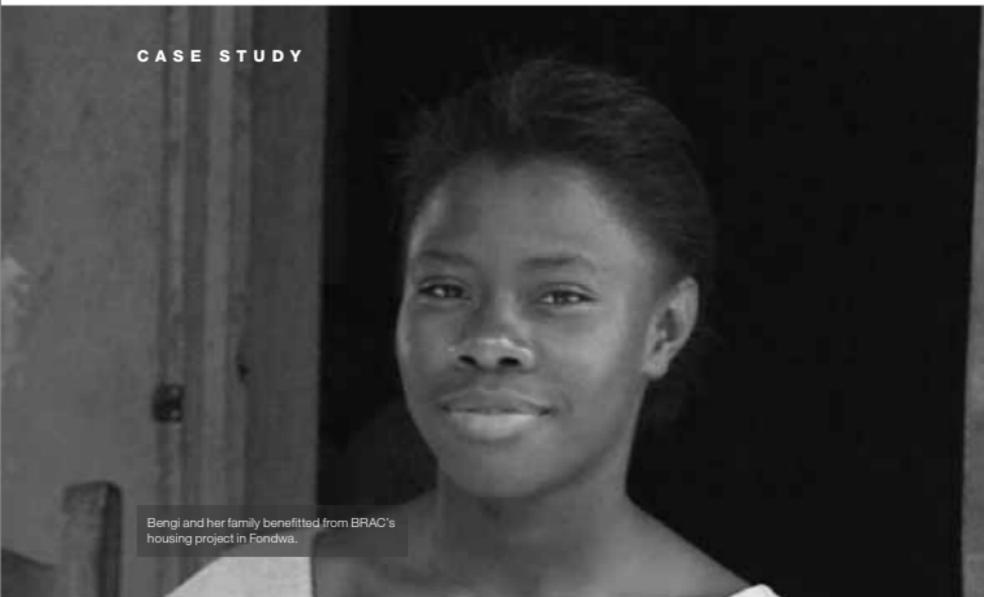
Achievements of 2011

328 beneficiaries
242 houses newly constructed
86 houses repaired
68 masons and carpenters trained



A beneficiary of BRAC's housing project in front of her newly built home.

CASE STUDY



Bengi and her family benefitted from BRAC's housing project in Fondwa.

Bengi: from a tent into a brand new house

"My family and I are so grateful to BRAC and the locals in the community for building us a house. This new earthquake and hurricane resistant house will mean that we will never lose our home again."

On 12 January 2010, the house that Bengi lived in with her three sisters, mother and stepfather collapsed because of the earthquake. For four months, Bengi's family lived with her grandmother and other family members – a total of nine people living in a house the size of two sofas.

In April, Bengi's older sister was finally able to acquire a tent, where her family huddled together. They hoped that the heavy rains and hurricanes would not wash away their temporary home.

Fondwa, where Bengi and her family resided, was one of the areas severely affected by the earthquake. Many people had their homes damaged or destroyed completely. Dangerous landslides washed away houses and livelihoods.

In July, BRAC began a housing project in Fondwa. They worked with the local community members and provided training on how to build houses which are earthquake- and hurricane-resistant.

BRAC hired and trained local staff, and procured local materials, thus providing an important boost to the local economy and teaching community members much-needed skills in carpentry and construction.

Now, Bengi and her family have a brand new house. As she sits out on the porch doing her homework, she has confidence that it will stand through any hurricane or earthquake.

Targeting the Ultra Poor

BRAC's groundbreaking ultra-poor programme focuses on improving the economic and social situation of those at the base of the economic pyramid. Living in extreme poverty, this group struggles to meet its minimal dietary requirements, and has proven difficult to reach with more mainstream antipoverty programmes like microfinance. To help this population reach the bottom rung of the economic ladder, our process includes a deliberate sequencing of interventions including asset grants, skills development and personalised healthcare support. According to the latest impact assessment study (Addressing Extreme Poverty in a Sustainable Manner: Evidence from CFPR Programme. Working paper no. 19), about 95 percent of those in the programme "graduate" from extreme poverty – and have stayed out, six years after the programme ends. Most go on to take advantage of more mainstream opportunities like microfinance. The programme is now being adapted by other organisations in countries around the world.

Ending the cycle of extreme poverty

The Republic of Haiti is one of the poorest countries in the world and the poorest in the Western Hemisphere, with 80 percent of the population living below the poverty line and 54 percent living in abject poverty, struggling to live on less than USD 1 per day. In the 2011 UNDP Human Development Index, Haiti ranks 158th out of 187 countries, placing it in the low development category in terms of life expectancy, access to knowledge and a decent standard of living.

BRAC has made the commitment to use its pioneering experience in alleviating poverty across Asia and Africa to provide Haiti's most vulnerable, particularly women, with the skills needed to curb the cycle of poverty.

For the past six years, BRAC has provided technical assistance to Fonkoze, the largest microfinancing organisation in Haiti, in the Chemin Lavi Miyò programme. Chemin Lavi Miyò, or the road to a better life in English, is Fonkoze's programme for the ultra-poor and is an adaptation of BRAC's ultra-poor programme in Bangladesh for Haiti's rural communities. The programme targets the poorest 10 percent of the population, who are too poor to benefit from microfinance loans and other livelihood programmes.

Throughout the 18-month programme, case managers support clients as they learn to run a small business, repair their homes, and access healthcare and education services. Participants develop both their capacity and their confidence until they have small, functioning micro-enterprises.



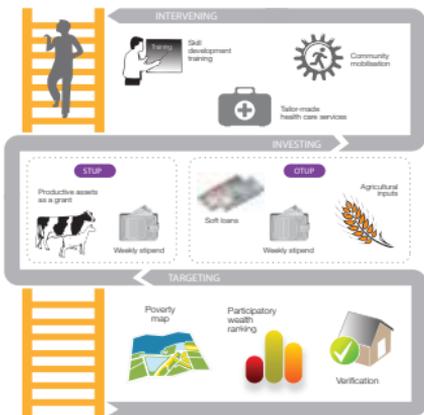
BRAC has served as an important model for microfinance institutions in other countries who are hoping to reach the bottom of the pyramid. Programmes including SKS and Bandhan in India and Fonkoze in Haiti have launched replications of TUP (Targeting the Ultra Poor)...[that] share the fundamental approach of targeting and subsidising the poorest of the poor.... For \$135 per participant, BRAC aimed to forever remove the need for participants to require future handouts. The evolution of the Targeting the Ultra Poor programmes signals the challenge of reaching that goal, but the overall vision behind the programme remains compelling.

The Economics of Microfinance
Beatriz Armendáriz,
 Lecturer in Economics, Department of
 Economics, Harvard University

Jonathan Morduch,
 Professor in Public Policy and Economics,
 Wagner Graduate School of Public Service,
 New York University

Our approach:

A ladder out of extreme poverty



Scaling up Fonkoze's ultra-poor programme

Fonkoze piloted the Chemen Lavi Miyo (CLM) programme in 2007-2008, with the support of BRAC and other partners. BRAC provided Fonkoze with a consultant for a nine-month period in 2007 to offer technical assistance for the replication of BRAC's ultra-poor programme, with 150 families participating in the pilot programme.

In May 2009, Fonkoze began the process of scaling up, starting with 120 new CLM families, with a goal of eventually extending the programme to 5,000 ultra-poor families. BRAC provided technical assistance to Fonkoze on site from July 2010 to May 2011 to assist with the management, training and capacity building of CLM staff for the expansion of the programme to include 1,100 new beneficiaries.

BRAC provided training to CLM staff on overall programme delivery and management, including establishment and management of village assistance committees, beneficiary training, asset purchase and transfer, follow up, proper monitoring and supervision, reporting and documentation systems, and design of programme materials. The CLM team received a mix of classroom and hands-on training, and was involved in each stage of the scale up process.

Achievements of 2011

1,100 new beneficiaries enrolled in CLM programme

CASE STUDY



Before starting CLM, Dieulita had no assets. She was given three goats through the programme, but now, just eight months later, she has six goats.

Dieulita: Making big plans for life

Eight months ago, Dieulita Fleuri became a member of Fonkoze's Chemen Lavi Miyo project in the Central Plateau. Previously, she lived a life of subsistence, and her only focus was to find food for her five children. Carving out a daily existence consumed Dieulita, yet rarely did her children eat on consecutive days.

Most days, she would boil leaves, hoping the next day would be better and she would be able to provide proper food for her children. The family's economic situation became so difficult that Dieulita was forced to send her two eldest daughters, 16 and 18 years old at that time, to live with a cousin in Port-au-Prince. Her sons, 12 and 14 years old, ran away to live with their dad in the Artibonite Department 15 miles away. She also has a three-year-old with the man she has been living with for the past six years.

Although she has just begun, Dieulita is building a successful business. Since becoming a CLM member, she has been training to become a micro-entrepreneur. With the support from the programme, she started selling food products such as rice, oil, beans and sugar. Since there was hefty competition, she decided to switch to selling chickens and ducks with the help of her case manager, and her business flourished. On a good day, she can buy 10 to 20 chickens and ducks and resell them that same day at a good profit in the market place. Dieulita goes to work at the open market three times a week, and spends the rest of the week tending to her goats and chickens and her small farm plot at home.

Before starting CLM, Dieulita had virtually no assets, and certainly no assets that would produce income. She was given three goats through the programme, but now, just eight months later, she has six goats. She also has many chickens and a small garden of corn and beans.

Today, Dieulita is busy making big plans, confident in her future. She plans to send for her boys, now that she believes she will be able to put food on the table for them regularly. She hopes one day her daughters will also return and work with her.

"For the first time in my life, I look forward to waking up and starting my day."

BRAC across the world

USA 

Initiated:
2007

An independent charity to raise profile and funds for BRAC globally

UK 

Initiated:
2006

An independent charity to raise profile and funds for BRAC globally

Netherlands 

Initiated:
2009

BRAC International registered as a charity (Stichting)

Key
Programme Countries
Affiliate Countries

Pakistan 

Initiated:
2007

Programme focus:
Microfinance, Education, Targeting the Ultra Poor (TUP), Health

Population reached
1,032,706

Sierra Leone 

Initiated:
2008

Programme focus:
Microfinance, Small Enterprise Programme (SEP), Agriculture, Poultry and Livestock, Health, Human Rights and Legal Empowerment

Population reached
780,120

Liberia 

Initiated:
2008

Programme focus:
Microfinance, Small Enterprise Programme (SEP), Agriculture, Poultry and Livestock, Health

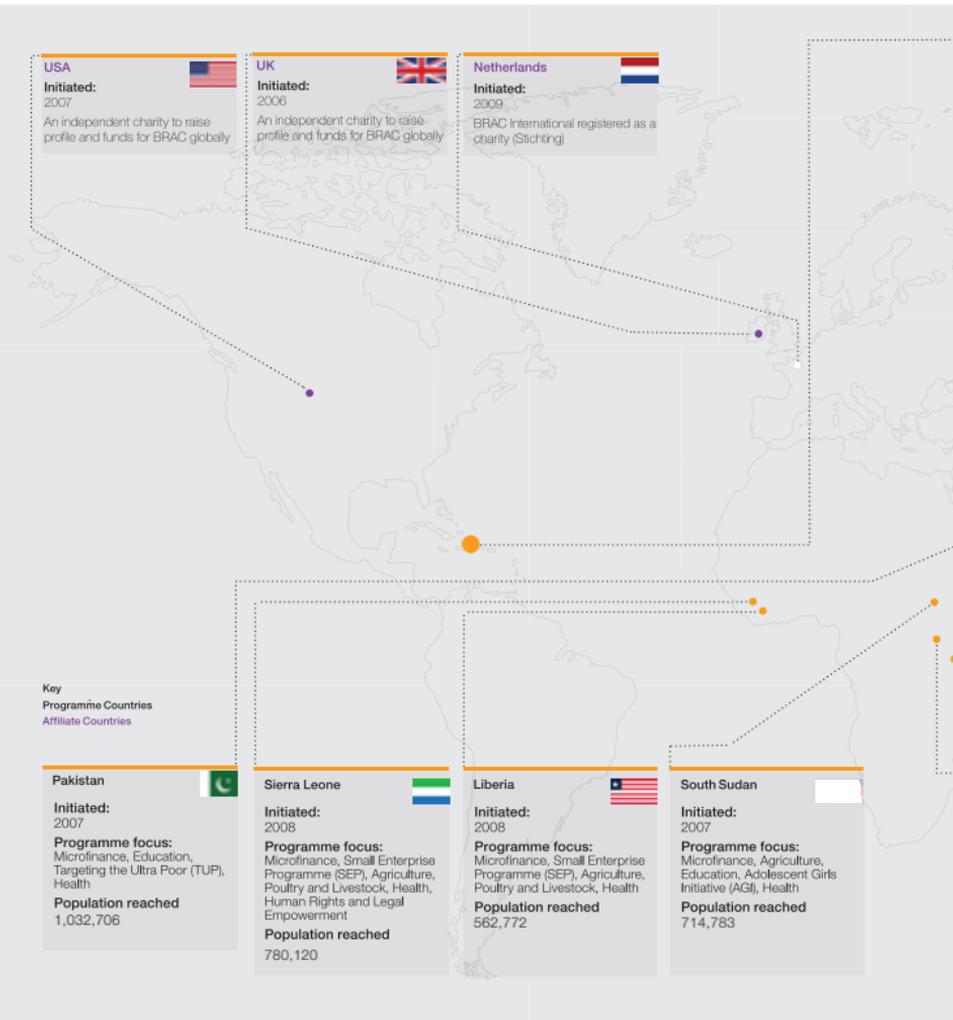
Population reached
562,772

South Sudan 

Initiated:
2007

Programme focus:
Microfinance, Agriculture, Education, Adolescent Girls Initiative (AGI), Health

Population reached
714,783



Afghanistan**Initiated:**
2002**Programme focus:**
Microfinance, Small Enterprise Programme (SEP), Education, Adolescent Reading Centers (ARCs), Health, National Solidarity Programmes**Population reached**
4,739,877**Bangladesh****Initiated:**
1972**Programme focus:**
Microfinance, Education, Health, Ultra Poor, Community Empowerment, Human Rights, Advocacy, Agriculture, Disaster Management, WASH, Gender Equality
Population reached
Over 113 million**Sri Lanka****Initiated:**
2005**Programme focus:**
Microfinance
Population reached
527,946**Uganda****Initiated:**
2006**Programme focus:**
Microfinance, Small Enterprise Programme (SEP), Agriculture, Poultry and Livestock, Education, Empowerment and Livelihood for Adolescents (ELA), Health, Karamoja Initiative**Population reached**
2,827,392**Tanzania****Initiated:**
2006**Programme focus:**
Microfinance, Small Enterprise Programme (SEP), Agriculture, Poultry and Livestock, Empowerment and Livelihood for Adolescents (ELA)**Population reached**
1,332,187**Philippines****Initiated:**
2012**Programme focus:**
Education**Haiti****Initiated:**
2010**Programme focus:**
Agriculture and Livelihood, Education, Targeting the Ultra Poor (TUP), BRAC Limb and Brace Centre (BLBC), Housing**Population reached:**
31,000**Over 30,000** people are served**1,640** people served with BRAC's housing project**242** houses constructed**9,000** people served with BRAC's ultra-poor programme**12,400** people served with BRAC's agricultural programme**150** nurseries in five villages**213,968** fruit tree and timber tree seedlings planted**3** rice demonstration plots**3,000** kg seeds distributed**412,000** kg fertilizer distributed**2,480** farmers received seeds and fertilizer**1,415** people served with BRAC's livestock programme**6,445** people served with BRAC's health programme (BLBC)**99** patients received artificial limbs**801** patients received orthotic services**139** patients received rehabilitation and physiotherapy**150** students are enrolled in BRAC's youth enterprise school

Harnessing the Past:

Our innovations in the last four decades

1970s

Functional education



Life skills development education for adults that helps to build solidarity, create a savings mentality and prepare people for new income generation

Village organisations (VOs)



The most effective medium for catalysing change in disadvantaged communities

Para-professionals



Pioneering models for vaccinators, community health workers and 'barefoot lawyers' that provide incentive based jobs for those ready to serve their own communities

1980s

Homemade oral rehydration solution campaign



A groundbreaking campaign in which 13 million households in Bangladesh learned how to make oral saline at home – a lesson that continues to save millions of lives from diarrhoea

Incentive salary system



A result oriented incentive package that measures effectiveness of and compensates our community workers and volunteers accordingly

Education for dropouts and non entrants



Our own primary schools that help disadvantaged children make successful transitions to formal schools

Enterprises for value chain support



An integrated network of our development programmes, enterprises and investments that result in a unique synergy that supports our holistic approach for alleviating poverty

Directly observed treatment (DOT) for TB control



An effective treatment method for tuberculosis, a result of our incentive based salary system for community health workers, ensuring patients' daily intake of medicine for six months or more

Credit ++ approach



An integrated set of services for the landless poor, marginal farmers and small entrepreneurs working together to strengthen the supply chain of the enterprises in which our microfinance borrowers invest

1990s

Empowerment and livelihood for adolescents



A range of initiatives to empower adolescents including skills training, social development and micro-loans for their future businesses.

Adolescent clubs



Safe spaces where peer driven intervention for adolescents enhance their personal growth and social skills

Pre primary schools



Our own pre primary schools where we prepare underprivileged children to enter mainstream primary schools

Hybrid maize



A pioneer venture to commercialise corn harvesting, which plays a key role in making farmers shift from traditional single cropping to multiple cropping to maximise land usage during idle seasons

Popular theatre



A traditional platform became an effective communication medium to advocate for social changes in rural communities, particularly to the illiterate

Artificial inseminators



We transformed over 2,000 rural poor into entrepreneurs with an innovative livelihood opportunity: providing fee based 'door to door' artificial insemination and education services for livestock farmers

2000s

Sharecroppers scheme



A phenomenal initiative to offer soft loans for tenant farmers (sharecroppers) with a specially tailored recovery plan

Challenging the frontiers of poverty reduction



A unique model focusing on extremely deprived women to improve their economic and social situations, allowing ultra poor households to graduate from extreme poverty and enter mainstream development programmes

Birthing huts



Safe and culturally accepted childbirth places with appropriate services for mothers in urban slums

M-health services



A mobile based platform that community health workers use to collect data and provide a range of real time automated services such as storing patient records, categorising and assessing medical risks, prioritising medical responses and monitoring referrals

Unique management model



A unique management model that focuses on internal control without sacrificing creativity, runs our large scale interventions cost effectively, and enables us to constantly learn from the communities we serve across the world

Governance



Sir Fazle Hasan Abed
Founder and Chairperson,
BRAC

Sir Fazle is recognised by Ashoka as one of the "global greats" and is a founding member of its prestigious Global Academy for Social Entrepreneurship. He was also appointed Knight Commander of the Most Distinguished Order of St. Michael and St. George (KCMG) by the British crown in 2010 in recognition of his services to reducing poverty in Bangladesh and internationally. He has received numerous national and international awards for his achievements in leading BRAC, including WSE Prize – the world's first major international prize for education by Qatar Foundation (2011), the David Rockefeller Bridging Leadership Award (2008), the Conrad N. Hilton Humanitarian Prize (2008) – the world's largest humanitarian prize, the Inaugural Clinton Global Citizen Award (2007), the Henry R. Kravis Prize in Leadership (2007)



Dr. Mahabub Hossain
Executive Director, BRAC
and BRAC International
(Ex-officio)

A renowned agricultural economist, Dr. Hossain is former head of Social Sciences Division of the International Rice Research Institute (IRRI), Philippines and former director General of the Bangladesh Institute of Development Studies (BIDS). He was awarded the first Gold Medal from the Bangladesh Agricultural Economist Association in 1985, in recognition of outstanding contribution to understanding the operation of rural economy in Bangladesh.



S.N. Kairy
CFO, BRAC Group

Mr. Kairy joined the Accounts Section of BRAC in April 1982. He is responsible for ensuring the effective Procurement and Asset Management of BRAC Group. Currently, Mr. Kairy is serving on the board of BRAC Bank Limited as a Director nominated by BRAC. He is also the Chair of the Board Audit Committee of BRAC Bank Limited.



Muhammad A. (Rume) Ali
Managing Director, BRAC
(Ex-officio)

Mr. Rume is the vice chairman of Bangladesh Association of Banks and a member of the Global Steering Committee of the 'Performance Based Grants Initiative' of the International Finance Corporation and the Technical Advisory Committee of Bangladesh Investment Bank, and country head and general manager of Grindlays Bangladesh. He was appointed the CEO of the Standard Chartered Group in Bangladesh, heading both Standard Chartered Bank and Standard Chartered Grindlays Bank. He also served as a member of the Governing Body of PKSF.



Faruque Ahmed
Senior Director
BRAC International

Prior to joining BRAC, Mr. Ahmed worked for the World Bank. He is a member of the working group of Bangladesh Health Watch, a civil society initiative, vice chair of Bangladesh Country Coordination Mechanism for Global Funds for AID Tuberculosis and Malaria (GFATM) and a member of World Bank Civil Society Consultative Group on Health, Nutrition and Population. He also represented civil society on the GAVI Alliance Board.



Tanwir Rahman
Director, Finance,
BRAC and BRAC
International

Previously, Mr. Rahman was the Divisional Controller for HBG (Hollandsche Beton Groep) Royal BAM, Assistant Controller for Mitchell engineering, Senior Project Accounting Manager for Bovis Lend Lease. Before joining BRAC he worked as Controller for Allied Container System.



Guy Noel
Board Member, BRAC
Haiti

Dr. Noel has worked as a medical professional in the health field for nearly 50 years, providing general surgical and emergency care, and serving patients at numerous facilities in Canada and Haiti. During his illustrious career, he has served as a trauma specialist for the Olympic Games and also participated in the Medical Corps of the Haitian National Palace for 13 years. Dr. Noel has served as a special advisor to the Haitian government for many years and has played roles in various international gatherings, including discussions on Peace and Reconciliation in Haiti at the Norwegian Peace Building Centre, and as a Haitian delegation representative at the Seminar on Disarmament, Demobilisation and Reintegration held in Columbia.

Management



Rakibul Bari Khan
Country Representative,
BRAC in Haiti

Rakibul Bari Khan joined BRAC in 1990. Over the last 22 years, Mr. Khan has gained extensive experience implementing development initiatives aimed at poverty alleviation and empowerment of the poor. He has worked on a variety of pilot, extension and research projects in Bangladesh, Afghanistan and Haiti, with an emphasis on small and medium enterprise development. He started serving as Country Representative of BRAC Haiti since 2010. Under his leadership, BRAC has established health, livelihood, agriculture, poultry, livestock, nursery, youth and housing projects in partnership with various international donors and organizations. Mr. Khan received a B.sc (Hons) in Forestry degree from the Institute of Forestry and Environmental Science and a Masters in Business Administration.

Pankaj Kr. Paul	Sr. Sector Specialist (P/L), Livelihood
Paul Enel Pierre	Project Manager, Livelihood
Petit-Homme Berthony	Market Linkage Officer, Livelihood and Enterprise
Shafiqul Islam	Agriculture Coordinator, Agriculture
Dr. Shahinul Hoque	Senior Manager (BRAC Limb and Brace centre), Health
Dr. Mazair St. Fleur	Medical Officer (BRAC Limb and Brace centre), Health
Doris Valcin	Sr. Education Officer, Education
Abdul Khaleque	Construction Engineer, Housing & Shelter
Abul Kalam Azad	Country Accountant, Finance
Mijanur Rahman Mallik	Country Head of Audit, Internal

Development Partners





INDEPENDENT AUDITOR'S REPORT

Board of Directors
BRAC HAITI

Report on the Financial Statements

We have audited the financial statements of BRAC HAITI which comprise the Statement of financial position as at 31 December 2011, the statements of comprehensive income, changes in capital fund, and of cash flows for the year then ended and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of BRAC HAITI as at 31 December 2011, of its financial performance, changes in capital fund, and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Kapts Conseils Associés

Chartered Accountants
March 26, 2012

BRAC HAITI
Statement Of Financial Position As At 31 December 2011

	Notes	2011	2010
		USD	USD
ASSETS			
Non-Current Assets			
Property and Equipment	10	184,166	167,772
Current Assets			
Cash in hand and at Bank	11	672,947	1,125,967
Other Receivables	12	69,612	73,939
Related Party Receivables		742,559	1,199,906
Total assets		<u>926,725</u>	<u>1,367,678</u>
LIABILITIES AND CAPITAL FUND			
Liabilities			
Other Payables	13	35,945	59,647
Related party payable	14	359,164	343,676
Total liabilities		<u>395,109</u>	<u>403,323</u>
Capital fund			
Donor funds	15	531,616	964,355
Total capital fund		<u>531,616</u>	<u>964,355</u>
Total liabilities and Capital fund		<u>926,725</u>	<u>1,367,678</u>

The financial statements were approved by the board of directors on March 26, 2012 and were signed on its behalf by:



Director



Director

The accompanying notes are an integral part of these financial statements

BRAC HAITI
Statement Of Comprehensive Income
For The Period Ended 31 December 2011

	Notes	2011	2010
		USD	USD
Grant Income	4	2,311,127	882,439
Other Income	5	7,204	993
Total Income		<u>2,318,331</u>	<u>883,432</u>
Staff costs and other benefits	6	526,182	264,684
Training, Workshops & Seminars	7	66,851	42,872
Occupancy expenses	8	129,880	86,421
Other general & administrative expenses	9	1,557,213	478,696
Depreciation		39,205	10,759
Operating Surplus		<u>2,318,331</u>	<u>883,432</u>
Taxation			
Surplus Reserve		<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes are an integral part of these financial statements

BRAC HAITI
Statement Of Changes In Capital Fund
For The Year Ended 31 December 2011

	Donor Funds	Retained Surplus	Total Capital Fund
	USD	USD	USD
At 1 January 2010	-	-	-
Donations received during the year	1,846,794	-	1,846,794
Transferred to statement of comprehensive income	(871,680)	-	(871,680)
Transferred to Fixed assets	(178,531)	-	(178,531)
Surplus for the year	-	-	-
At 31 December 2010	796,583	-	796,583
At 1 January 2011	796,583	-	796,583
Donations received during the year	1,868,888	-	1,868,888
Transferred to statement of comprehensive income	(2,262,422)	-	(2,262,422)
Transferred to Fixed assets	(55,599)	-	(55,599)
Surplus for the year	-	-	-
At 31 December 2011	347,450	-	347,450

The accompanying notes are an integral part of these financial statements

BRAC HAITI
Cashflow Statement
For The Year Ended 31 December 2011

	Notes	2011	2010
		USD	USD
Net cash provided by/(used in) Operating Activities	16	35,318	340,142
Cash flow from Investing Activities			
Acquisition of fixed assets		(55,599)	(178,531)
Net cash provided by/(used in) Investing Activities		<u>(55,599)</u>	<u>(178,531)</u>
Cash flow from Financing Activities			
Increase/(decrease) in deferred income		16,394	167,772
Increase/(decrease) in grants received in advance		(449,133)	796,583
Net cash provided by/(used in) Financing Activities		<u>(432,739)</u>	<u>964,355</u>
Net (decrease)/increase in cash in hand and at bank		(453,020)	1,125,967
Cash in hand and at banks, beginning of the year		1,125,967	-
Cash in hand and at bank at end of the year	11	<u>672,947</u>	<u>1,125,967</u>

The accompanying notes are an integral part of these financial statements

BRAC HAITI
Notes To The Financial Statements

1.00 THE REPORTING ENTITY

BRAC, the largest non-profit in developing world, was launched in Bangladesh in 1972 and today reaches more than 138 million people with its holistic approach to addressing poverty by providing micro-loans, self employment opportunities, health services, education and legal and human rights education. With its years of experience in post-war and post-disaster development and poverty alleviation in Bangladesh, BRAC has responded to the call of countries in Asia and Africa and is implementing development programs in Afghanistan, Pakistan, Sri Lanka, Liberia, Sierra Leone, South Sudan, Tanzania and Uganda. BRAC also recently began operating in Haiti

BRAC Haiti was incorporated in March 2010, as a not-for-profit organization in view of participating in the development activities by adapting a sustainable development approach with high-impact on the following areas: health, agriculture, housing, poultry & livestock and training activities in Haiti.

BRAC has made a credible commitment to improve the lives of the most vulnerable and disadvantaged people in Haiti, empowering women and girls and fostering bottom-up economic development through sustainable financial services and social enterprise development.

2.00 BASIS OF PREPARATION

2.01 Statement of Compliance

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS) and the requirements of any Act enforced in the country.

The financial statements were issued by the Board of Directors on March 26, 2012

2.02 Basis of Measurement

The financial statements are prepared under the historical cost convention.

2.03 Functional and Presentation Currency

These financial statements are presented in US Dollars, which is the entity's functional currency.

The financial statements include figures, which have been translated from Haitian Gourdes to United States Dollars (US \$) at the year end rate of US\$ 1: 41.01 Local currency.

2.04 Use of estimation and Judgements

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the reported period. The estimates and associated assumptions are based on historical experiences, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results ultimately may differ from these estimates.

3.00 SIGNIFICANT ACCOUNTING POLICIES

The accounting policy set out below have been applied consistently to all period presented in this financial statements.

3.01 Property and Equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs 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 capitalised as part of that equipment.

Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying value of property and equipment and recognized net with other income in profit or loss.

3.02 Depreciation

Depreciation is recognized in profit or loss and calculated to write off the cost of the property, plant and equipment on a Straight line basis over the expected useful lives of the assets concerned.

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

Assets	Annual Depreciation rate
Furniture & Fixtures	10-15%
Motor Vehicles	20%
Equipments	15%
Machineries	20%

Management and directors review the depreciation methods, residual value and useful life of an asset at the year end and any change considered to be appropriate in accounting estimate is recorded through the statement of comprehensive income.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the operating result for the reporting period.

3.03 Foreign Currency Transactions.

At the end of each month expenditures incurred in Haitian Gourdes are converted into USD at the monthly average exchange rate from the Central Bank of Haiti, which had varied between Gourdes 39.50 to 41.10 for one (1) US Dollars. Monetary assets and liabilities denominated in foreign currencies at the reporting date are converted at the exchange rate prevailing at that date, which was Gourdes 41.0100 for one (1) US Dollars.

3.04 Cash in Hand and at Bank

For the purposes of the cash flow statement, cash and bank comprise balances with less than 90 days maturity from the balance sheet date and include: cash in hand, deposits held at call with banks, net of bank overdraft facilities subject to sweeping arrangements

3.05 Provisions and Other Liabilities

A provision is recognised if, as a result of a past event, BRAC Haiti has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Other accounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received

3.06 Revenue Recognition

Revenue is recognized on an accruals basis.

i) Other Income

Other income comprises interest from bank deposits.

Interest income on BRAC Haiti's bank deposit is earned on an accruals basis at the agreed interest rate with the respective financial institution.

3.07 Donor Grants

All donor grants received are initially recognized at fair value and recorded as liabilities in the Grants Received in Advance Account for the period.

The portion of the grants utilized to purchase property and fixed assets are transferred as deferred income in liabilities and subsequently the portion of the depreciation expense of the same assets for the period is recognized in the statement of comprehensive income as grant income.

Grants utilized to reimburse program related expenditure, the amounts are recognized as Grant Income for the period.

Donor grants received in kind, through the provision of gifts and /or services, are recorded at fair value (excluding situations when BRAC Haiti may receive emergency supplies for onward distribution in the event of a disaster which are not recorded as grants).

For ongoing projects and programs, any expenditures yet to be funded but for which funding has been agreed at the end of the reporting period is recognized as Grants receivable.

3.08 Grant Income

Grant income is recognized to the extent that BRAC Haiti fulfills the conditions of the grant and recorded as income in the statement of comprehensive income.

A portion of BRAC Haiti's donor grants are for the funding of projects and programs, and for these grants, income recognized is matched to the extent of actual expenditures incurred on projects and programs for the period.

For donor grants restricted to funding procurement fixed assets, grant income is recognized as the amount equivalent to depreciation expenses charged on the fixed asset

3.09 Related Party Transactions

Related parties comprise directors, subsidiaries of BRAC International and key management personnel of the company and companies with common ownership and/or directors.

3.10 Comperatives

Where necessary comparative figures have been adjusted to conform to changes in presentation in the current year.

BRAC HAITI
Notes To The Financial Statements
For The Year Ended 31 December 2011

	2011	2010
	USD	USD
4.00 GRANT INCOME		
Name of project		
Start up project	556,343	483,347
BRAC Limb and Brace Centre (BLBC)	276,151	304,038
Housing project	692,727	70,659
Targeting the Ultra Poor (TUP)	-	13,635
Livelihood Generation in Morne a Bateau	185,793	-
Youth Enterprise School	38,923	-
Agriculture base Livelihood intervention for income generation	207,299	-
Permanent Shelter for households in Rural Haiti	305,186	-
	2,262,422	871,680
Depreciation on fixed assets	39,205	10,759
BRAC contribution	9,500	-
	2,311,127	882,439
Grant income relates to the operating expenses incurred by the different projects that are transferred from grants received in advance to the statement of comprehensive income		
5.00 OTHER INCOME		
Other Project Income	1,422	-
Bank Interest Income	1,849	993
Others	3,933	-
	7,204	993
Other project income relates to the income from the World Food program.		
6.00 STAFF COSTS AND OTHER BENEFITS		
Salaries and benefits	526,182	264,684
Total	526,182	264,684
7.00 TRAINING, WORKSHOPS AND SEMINARS		
External member trainings	16,096	-
Staff training	49,755	42,872
Total	65,851	42,872
8.00 OCCUPANCY EXPENSES		
Rental Charges	119,857	85,787
Utilities	10,023	634
Total	129,880	86,421

	2011	2010
	USD	USD
9.00 OTHER GENERAL & ADMINISTRATIVE EXPENSES		
Stationery & Supplies	58,541	35,301
Maintenance and general expenses	40,537	27,070
Program supplies	1,023,304	140,658
HO logistic expenses	238,067	164,635
Travel and transportation	178,108	111,032
Audit and Legal Fee	18,656	-
Total	1,557,213	478,696

10.00 PROPERTY AND EQUIPMENTS

	Furniture	Equipments	Motor Vehicles	Machineries	Total
	USD	USD	USD	USD	USD
Cost					
At 1 January 2010	-	-	-	-	-
Additions	30,972	8,406	5,900	133,253	178,531
At 31 December 2010	30,972	8,406	5,900	133,253	178,531
Additions	24,360	18,409	5,550	7,280	55,599
At 31 December 2011	55,332	26,815	11,450	140,533	234,130
Depreciation					
At 1 January 2010	-	-	-	-	-
Charge for the year	1,470	308	98	8,883	10,759
At 31 December 2010	1,470	308	98	8,883	10,759
Charge for the year	7,041	2,795	1,693	27,676	39,205
At 31 December 2011	8,511	3,103	1,791	36,559	49,964
At 31 December 2010	29,502	8,098	5,802	124,370	167,772
At 31 December 2011	46,821	23,712	9,659	103,974	184,166

		2011	2010
		USD	USD
11.00 CASH AND BANK			
Cash in hand		328	16,089
Cash at Bank		672,619	1,109,878
Fonkoze USD	71-1-403010-01	89,323	396,843
Unibank USD	180-1022-936310	295,777	-
Unibank HTG	180-1021-936294	5,874	-
Soge Bank USD	130116445	277,498	-
Soge Bank HTG	1406008035	4,147	713,035
		672,947	1,125,967
12.00 OTHER RECEIVABLES			
Stock and consumables		69,612	73,939
		69,612	73,939
Stock and consumables includes the amount of the stock of telephone and other consumable goods that were not yet used as at 31 December 2011.			
13.00 OTHER PAYABLES			
Accrual for expenses		18,886	59,647
Provision for ONA/CDFTD		2,178	-
Provision for audit fees		10,670	-
Provision For withholding tax		4,211	-
		35,945	59,647
14. RELATED PARTY PAYABLES			
BRAC Bangladesh		314,510	275,344
Stichting BRAC International		44,654	-
BRAC USA		-	68,332
		359,164	343,676

Related party payables relate to amounts owing to BRAC Associates for the settlements of staff costs and operating expenditures on behalf of BRAC Haiti, HO logistics and other fees payable.

	Notes	2011	2010
		USD	USD
15. DONOR FUNDS			
Donor funds received in advance	15.1	347,450	796,583
Donor funds investment in fixed assets	15.2	184,166	167,772
Total		531,616	964,355
15.1 Donor funds received in advance			
Opening balance		796,583	-
Donations received during the year	15.1a	1,868,888	1,846,794
Transferred to deferred income - investment in fixed assets	10	(55,599)	(178,531)
Transferred to statement of comprehensive income		(2,262,422)	(871,680)
Closing balance		347,450	796,583
15.1a Donations received during the year			
		2011	2010
		USD	USD
Name of donor			
BRAC USA		607,839	1,430,115
FONKOZE		370,751	416,679
Caritas Austria		282,414	
Fondation Digicel		50,000	
UMCOR		557,884	
		1,868,888	1,846,794

15.2 Donations - investments in fixed assets	2011	2010
	USD	USD
Opening balance	167,772	(3,333) -
Transferred from donor funds received in Advance	55,599	178,531
Depreciation charged during the year	(39,206)	(10,759)
Closing balance	184,166	167,772

16. CASHFLOW FROM OPERATING EXPENSES	2011	2010
Excess of income over expenditure	USD	USD
Excess of income over expenditure	-	-
Depreciation	39,205	10,759
Cash flow before changes in working capital	39,205	10,759
Changes in working capital		
(Increase)/decrease in inventory	4,327	(73,939)
Increase/(decrease) in related party payables	15,488	343,676
Decrease/increase/decrease in related party receivables		
Increase of other payables	(23,702)	59,647
Net cash from operations	35,318	340,142

17. SUBSEQUENT EVENTS

There were no significant subsequent events occurring in periods after the report date that came to our attention with a material effect on the financial statements at 31 December 2011.

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