



ANNUAL REPORT 2023



WE MUST STRIVE TO
CONTINUOUSLY FIND
SOLUTIONS TO NEW
CHALLENGES. WE
MUST REACH OUT
TO THOSE IN NEED

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Founder, BRAC

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Today's existential moment demands that **we re-imagine development as climate responsibility**

Even though the multi-dimensional burdens of climate vulnerability are increasingly obvious, acute and pressing, our response cannot be one of despair.



20% of the total land in Bangladesh is coastal, over half of which is affected by varying degrees of salinity. Years of exposure to salinity combined with a scarcity of clean water are causing women in the region to suffer from reproductive health problems, chronic gastrointestinal issues, and skin diseases. The problem is becoming more acute as salinity continues to increase, to the point where young girls are taking birth control pills to stop their menstrual cycles, and women in their 30s are undergoing hysterectomies just to stay alive.

Planet Earth is suffering and with it its inhabitants. It is a reality of our own making and the consequences at individual, familial, communal and societal levels are piling up relentlessly. Impact of climate change has long passed the stage of being only an academic concern. Bangladesh is not an exception. Indeed, it is on the frontline of climate vulnerability. Saline intrusion is endangering reproductive health in our coastal communities. Unfamiliar heatwaves are disrupting work, livelihoods and education alike. Increasing weather unpredictability is putting agriculture in new and newer risks. Water scarcity is disrupting daily routines of and imposing new burdens on a fast-growing number in both urban and rural,

Our aim should be to become a key partner of choice of local communities, of the state and of international partners in responding to this existential challenge of climate-vulnerability.

particularly women of all ages. The disappearing sense of seasons is adversely re-writing childhood and adolescence. No sector is immune.

Just as poverty prompted a call-to-action in the early decades of Bangladesh, climate-vulnerability now has to be imagined as a new call-to-action and a new test of our individual and collective will, our solution-centric mindsets and our resilience.

In this journey, data and ground-truthing of the nature of impacts will be critical. As will be new conversations with communities. Pilot innovations have to be distilled for the relevant lessons. We will have to build meaningful horizontal and vertical partnerships to realise the global focus on localisation. BRAC is already invested and working in each of these.

We have to go further. We have to take a deep look at the essentials of the development paradigm that has brought us to this stage. We have to reconnect with humanity's fundamental responsibility of stewardship when it comes to living and dealing with nature. It is not a stand-alone responsibility for any

particular region or any particular group. Before our eyes, the climate crisis is affecting every corner of the globe. The wake-up call has been ringing ever louder and looking the other direction is no longer an option. We have to work on the small solutions. We have to work on the big solutions. And we have to work on our behaviours. Today's existential moment demands that we re-imagine development as climate responsibility.



DR HOSSAIN ZILLUR RAHMAN

Chairperson
BRAC



We stand committed alongside our partners to build **a world that works for all and not just a few**

The efforts started to show results, both in terms of outcomes and also in raising BRAC's profile - as an impactful service provider at scale, but also in bringing parties together for strategic solutions.



As we conclude another transformative year, I am happy to report that we have come out of the other side stronger, more resilient and more determined. Bangladesh trudged through 2023 with one eye on the political landscape, being an election year, and the other on the economy. Just as we were bouncing back from the pandemic-induced slowdown, a foreign reserve crunch spurred by the Ukraine war led to inflation surging to record levels. Food price inflation stung people particularly hard.

Despite it all, we managed to do well.

BRAC intensified its advocacy efforts globally, focusing on three key areas: increasing climate adaptation financing, led by

In the climate space, we expanded climate action, both in supporting people to adapt, as well as bringing their insights to decision-making tables.

Bangladesh; eradicating extreme poverty, led by BRAC International, and introducing a more localised model for protracted humanitarian crises, supported by BRAC Global.

As an example, the localisation fund we started in the humanitarian sector in 2022 expanded to include new donors, and then USAID structured a separate fund for the rest of Bangladesh, which was awarded to BRAC. The new Bangladesh America Maitree Project will expand funding and training opportunities directly to grassroots organisations to implement development programmes in the communities they work in.

Similarly, the intense focus on an integrated approach in the Rohingya camps led to UNHCR and BRAC agreeing to co-create a model together, and the focus of the response slowly moving towards a more localised, integrated approach.

The operationalisation of the Climate Hub was a significant milestone, and will be crucial in strengthening integrated programming on the ground, generating funding and evidence for scale. Our climate adaptation clinics are bringing solutions, tools and advice to the hands of farmers, one particularly visible example being the cultivation of thousands of acres of climate-resilient varieties of sunflowers. Our crop insurance initiative now partners with more than 100,000 farmers across Bangladesh helping them adapt

to climate shocks. Our joint efforts in advocacy, communication and programming have led to BRAC becoming an important global player from the global south with very little investment.

Another powerful example of BRAC's increasing role as a facilitator can be seen in the creation of the Bangladesh Sustainability Alliance. Working with the chief executives of the companies that produce the most plastic in the country, we got everyone in the plastic industry ecosystem to come together. Similarly, BRAC continued to play a role in sectoral negotiation with the government through the CSO (Civil Society Organisations) Alliance. The work on localisation with USAID will continue to see this role of leadership to the sector strengthened.

One initiative showing promising results is a pilot using lay counsellors to embed mental health in the primary healthcare system. Other innovative models being tried out include Creative Clubs, an after-school club for Class 7 students in secondary schools; Amra Notun Network, a changemakers' network for young people; contextualising Graduation in new settings to work better for climate adaptation and persons with disabilities; and a new experimental model on stopping child marriage. 2023 also marked our best fundraising year in the last five years.

We are expanding our efforts to partner with the government, to



Adaptation clinics are one-stop service centres for smallholder farmers in climatic hotspots, to provide holistic support to enhance their adaptive capacity. Services include agricultural inputs (such as seed and fertiliser), information and advice, capacity building and knowledge sharing, as well as content-specific agri-storage facilities.

Amidst all these new things, BRAC has not lost its focus of creating new, innovative models for emerging social problems.

ensure services reach people who need it the most. This work has shown particular results in the health space, particularly in non-communicable diseases. We are in the middle of a joint pilot to strengthen community clinics, using our community health workers to screen hypertension and diabetes patients and establish an effective chain of services from communities to government health facilities. BRAC's interventions in the health space have now merged into one compact programme.

One of our core strategic approaches - focusing more on poverty pockets in an integrated approach - got significant traction in 2023. We consolidated many of our interventions in the 34 districts in the worst state of poverty. Microfinance had a two-pronged strategy - truly focusing on unserved populations, while also creating customised products for better-off populations. We are now reaching 10 million people with microfinance. Our integrated development programme is developing customised service models for climate hotspots, chars (riverine islands), and the Chittagong Hill Tracts. We are reaching people in poverty pockets through a single management channel and minimum resources through the 'BRAC to Basic' approach which we piloted throughout 2021-22. We hope to

show more transformative results in this space in the coming year.

As we venture into another year that will undoubtedly be even more challenging, with climate shocks intensifying in force and unpredictability, we are reinforcing our commitment to unmaking inequality. With relentless focus and coalition building, we stand committed alongside our partners to build a world that works for all and not just a few.



ASIF SALEH

Executive Director
BRAC



2023 tested the resilience of Bangladesh. **We emerged stronger because of it**

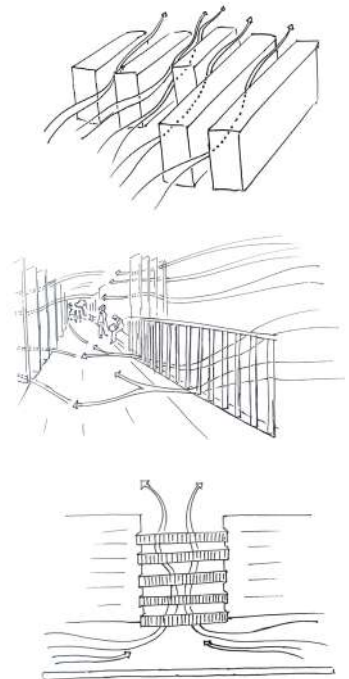
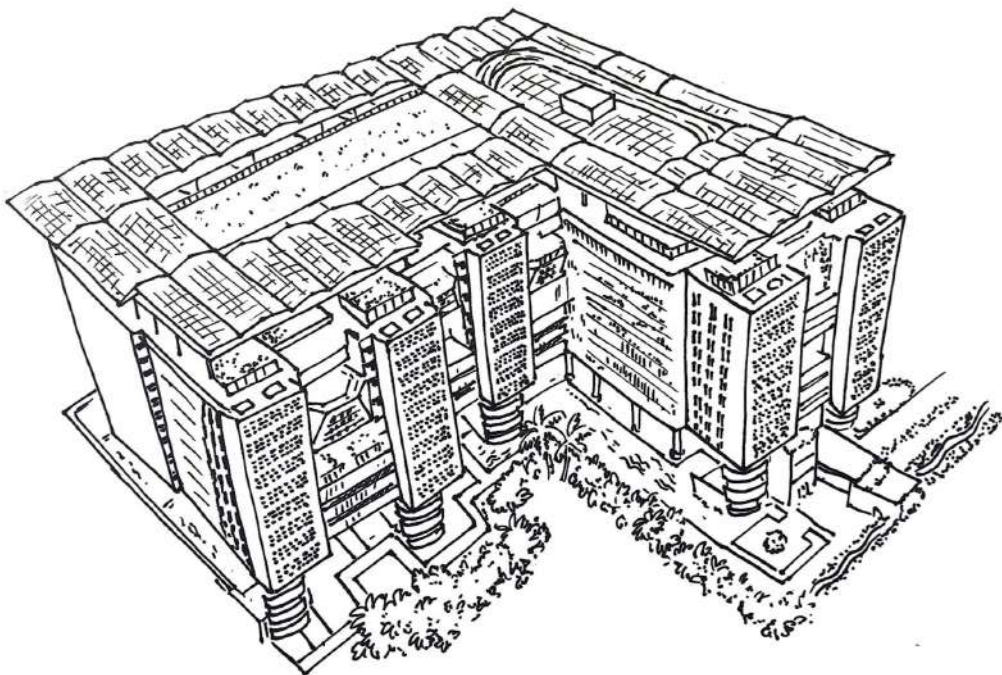
With the climate and environmental crisis rapidly intensifying, sustainable farming practices are increasingly in focus.

Bangladesh cautiously emerged out of 2023, both politically and economically. The economy was kept on track with the inaugurations of large public infrastructure projects like the Dhaka Elevated Expressway, but people struggled as inflation surged to 9.94% in

May 2023, the highest in the last decade. Much of this was due to the international supply chain disruption caused by the Ukraine war.

The impact of inflation was compounded by average wage

growth remaining well below the inflation rate for the 22nd month straight until November 2023. We saw the impacts of these pressures on the sales floor, as our 900 gram package of Aarong ghee (clarified butter) - which used to be a prime mover - was replaced by smaller



BRAC University's new seven-acre campus, which has already received an international award for eco-friendly design featuring breezeways to provide cross-ventilation, encourages students to embrace a sustainable culture of environmental, economic and social responsibility through leadership, education and personal accountability.

packets of 200 and 400 grams as higher-selling products.

2023 was a year of climate extremes. The 2023 Asia Heatwave which swept across much of South and Southeast Asia led to record temperatures followed by record rainfall at the end of October, flooding and a mild coldwave in December. All of these extremes severely impacted agricultural productivity. We saw tangible impacts in our fisheries operations, with some ponds going dry during heatwaves.

One initiative in this regard that was realised in 2023 was the launch of bio-pesticides by BRAC Seed and Agro enterprise. The products have shown promising initial results, considering chemical pesticides have an established market presence of half a century.

We launched the first BRAC Healthcare centre in March, with the aim of inculcating a more patient-centric, empathic approach in Bangladesh's healthcare landscape

We now need sustained activities at the individual farm level to prove that these products work, are cost-effective, and are vital for agriculture and the environment - particularly in the long term.

Environmental sustainability was also key in the design of BRAC University's new campus, which we opened the doors to this year. We partnered with the Singapore-based global leader in sustainable architectural design WOHA to bring it to life, as well as Transsolar, a Germany-based engineering organisation specialising in energy efficient appliances. From aerodynamic fins that channel wind throughout the building, to rain chains that channel water to gardens and ponds, to solar panels that provide 40% of the campus' electricity needs, we hope the campus will set a benchmark of sustainable architecture in Bangladesh.

Also in terms of infrastructure, we also made a lot of small sustainability-focused changes across our enterprise production facilities in 2023, particularly in Aarong Dairy - switching to energy-saving lighting, sensor-based taps and piloting of small solar units. We will be looking at expanding and scaling up those changes in the coming year.

People-centricity, well-being and sustainability was key for Aarong in 2023 as well. We continued to scale up our distribution and physical footprint through two new outlets, taking the total to 28, as well as expanding e-commerce options.

The focus is three-fold; establish a chain of outpatient clinics where family physicians are the

first point of contact in times of medical needs; introduce a holistic approach that offers preventative as well as curative care, and enables physicians to spend genuine quality time with patients; and provide access to a range of facilities, including services like dental and physiotherapy, under one roof. The focus on the quality of care has been warmly welcomed - over half of patients visiting the centre have been referred by someone they know. We plan to scale this initiative with 20 centres in the next four years.

2023 tested the resilience of Bangladesh, and we emerged stronger because of it. As the world continues to change, BRAC's social enterprises will continue to innovate to meet changing needs and contribute to building a world where everyone has the opportunity to realise their potential.

Tamara Abed

TAMARA HASAN ABED

Managing Director
BRAC Enterprises





SOCIAL DEVELOPMENT

Facilitating social transformation through eight programmatic priorities:

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



HUMANITARIAN RESPONSE

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



SOCIAL ENTERPRISES

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



INVESTMENTS

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



BRAC UNIVERSITY

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



STICHTING BRAC INTERNATIONAL

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



AFFILIATES

BRAC USA

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

BRAC UK

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

VISION, 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

Integrity
Innovation
Inclusiveness
Effectiveness



Safeguarding the opportunities to realise human potential

Achieving 'full capacity' status in the capacity assessment of UN's prevention of sexual exploitation and abuse (PSEA)

BRAC achieved the 'full capacity' status in a capacity assessment by UNICEF on behalf of all UN agencies, serving as a reference tool in connection with the UN's system-wide response to sexual exploitation and abuse while working with implementing partners. The assessment was done based on eight core areas aligned with UN standards.

This recognition signifies BRAC's strong organisational structure, robust systems, comprehensive documentation, steadfast commitment to creating a safe and secure environment for all staff members, participants, and partners and solidifying our position as a trusted and reliable partner.

Demonstrating commitment: Policy and procedure enhancements

To meet the PSEA assessment's standards, BRAC undertook a comprehensive review and update of its policies and procedures. These enhancements ensure complete alignment with UN standards on preventing and responding to sexual exploitation and abuse, showcasing our commitment to strengthened policies, integrated safeguarding, and HR systems.

We updated the Prevention of Sexual Harassment, Exploitation, and Abuse (PSHEA) Policy, BRAC Whistleblowing Policy, and BRAC Code of Conduct to reflect the UN's zero-tolerance approach to sexual exploitation and abuse

Specific clauses on sexual exploitation and abuse, along with definitions of safeguarding were incorporated into our standard sub-grant agreement template and consultant agreements

Background check forms, pre-reference checks, self-disclosure forms, job description clauses, and the safe recruitment policy were revised to align with updated UN standards on sexual exploitation and abuse

Building capacity: Training and reporting mechanisms

BRAC recognises the importance of ongoing awareness, knowledge enhancement, capacity building and accessible reporting channels. To achieve this, we implemented enhanced training and streamlined reporting.

The mandatory enhanced training package, including its outline and modules, was updated to effectively address SEA and Child Safeguarding prevention and response strategies.

Reporting mechanisms were strengthened through revisions to the whistleblowing policy, communication materials on safeguarding and PSEA, complaint box/feedback guidelines, and BRAC PSEA and Child safeguarding posters.

Comprehensive support systems

BRAC established a response mechanism which includes referral pathways for a survivor-centric approach, investigations/inquiries, and corrective measures.

We developed clear referral pathways, including resources like the Shongjog app, Surokkha Bondhu, national helpline numbers, service mapping for the gender-based violence (GBV) cluster, the Interagency GBV Referral mechanism, and standard operating procedures for gender-based violence case management in the humanitarian sector.

Ensuring measures

BRAC takes all allegations seriously and has implemented a comprehensive investigative process through standardised investigations/inquiries, confidentiality and transparency, and disciplinary action and risk management.

The BRAC Inquiry/Investigation Guideline was revised based on international best practices and contextualised for Bangladesh. Risk assessment tools were also strengthened.

Non-disclosure agreements (NDAs) for inquiry officials, consent forms, and NDAs for complainants, alleged perpetrators, and witnesses were reviewed and updated. Written statement formats and consent forms were also revised to align with the UN and global standards. Additionally, BRAC complaint management flowcharts for sexual harassment, exploitation and abuse and child safeguarding were also developed.

BRAC's disciplinary rules and regulations within the HR policy and procedures were updated. We also developed a document on case outcome lessons learned, reviewed the BRAC Risk Management Policy and Framework, and prepared a summary of the risk assessment report for improved risk mitigation.

A continuous commitment

BRAC remains committed to continuous improvement. We are meticulously reviewing the remaining safeguarding policies and actively collaborating with key stakeholders such as BRAC International and BRAC Global to ensure complete alignment across the organisation.

Furthermore, BRAC is actively exploring new considerations, such as incorporating workplace conflict management strategies, to proactively prevent safeguarding violations. Recognising the heightened responsibilities associated with the 'full capacity' status, BRAC is steadfast in its efforts to cultivate a progressively safer and more supportive work environment for all. This dedication reflects our core values and ensures the wellbeing of all staff members remains a top priority.

BRAC **ACROSS THE WORLD**

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

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

GHANA
Initiated: 2023
MF
SIERRA LEONE
Initiated: 2008
AFSL, Health, MF, YE

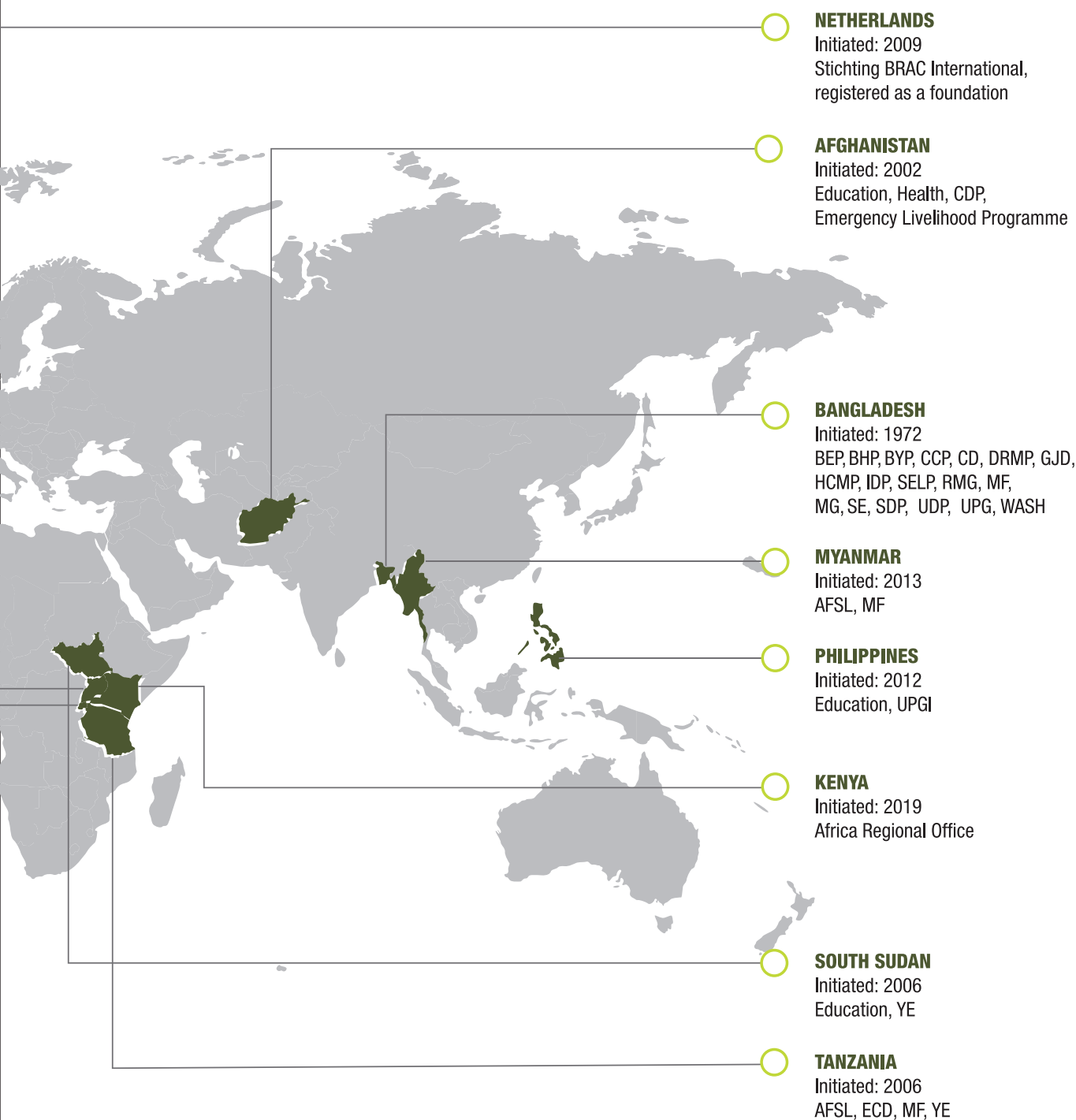
RWANDA
Initiated: 2018
MF

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

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

AFSL: Agriculture, Food Security and Livelihood
BEP: BRAC Education Programme
BHP: BRAC Health Programme
BYP: BRAC Youth Platform
CCP: Climate Change Programme
CD: Communicable Disease

DRMP: Disaster and Risk Management Programme
ECD: Early Childhood Development
EPRP: Emergency Preparedness and Response Programme
GJD: Gender Justice and Diversity
HCMP: Humanitarian Crisis Management Programme



IDP: Integrated Development Programme
MF: Microfinance
MG: Migration
RMG: Readymade Garments
SE: Social Enterprises
SELP: Social Empowerment and Legal Protection

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

STORIES OF **RESILIENCE**

Bangladesh is an example that climate adaptation can work, but it needs to be better financed and better implemented. Three principles are crucial – that adaptation is a nexus of development–humanitarian–climate programming, that special attention is given to the most vulnerable communities and that adaptation is locally–led.

Women in coastal Bangladesh are losing their uterus to the climate crisis

Water is life – except when that water is slowly killing you. This is the reality for millions of women in coastal Bangladesh who are subjected to reproductive health issues due to rising sea levels.

“On a crisp September morning 14 years ago, I climbed down the riverbank with my fishing net and stepped into the water like I did

every day. The familiar burning and itching greeted my skin as I dipped into the murky water of the Pashur river in Mongla, southwestern Bangladesh.

The water was cleaner here even just two years ago, when I married my husband and moved to live with him here in his hometown – the tiny fishing



village of Chilabazar. In the two years following the move, I gave birth to a son, and got used to the life of a fisherman's wife – which meant spending 8-10 hours neck-deep in the river to catch fish.

I held on to the fishing net with all my might and walked along the riverbed, only my hands and my head visible above the water. It was getting harder to find fish, and the only thought in my mind was that I needed to catch enough to make BDT 50 (USD 0.46) to buy rice for dinner.

Suddenly I felt something unusual. I reached down. Something was sticking out between my legs. I screamed – and fainted.

My sister and mother-in-law ran over, grabbed me by my arms and legs and dragged me up the riverbank, and into the back of a battery-powered auto rickshaw. We drove to the nearest jetty, and travelled by launch (ship) for two hours to reach the nearby public health facility, 40 kilometres away. The doctor diagnosed me with a prolapsed uterus.

I spent the next few months taking medication for it, at a cost of BDT 10,000 (USD 90) – a small fortune that I was lucky enough to be able to borrow from relatives.

It has been 14 years since that morning. Not a lot has changed. Medical help is expensive. We have now sold our fishing boat to afford my treatment. I had another baby, a daughter, eight years ago. The last time I saw a doctor, they told me that I need to undergo a hysterectomy if I want to live. I have an infection in my uterus, and it is likely to turn cancerous. The procedure will cost approximately

BDT 50,000 (almost USD 500), 500 times our family's daily income. We cannot afford it. I still go fishing every day.

The doctor asked me to use pads and wash myself with clean water during my period – but there's no option to do that. We travel miles just so we can collect a small amount to drink.

My neighbour also developed an infection in her uterus after spending years in saline water catching fish. The infection turned cancerous within a few months, and she couldn't afford the treatment. I watched her health slowly deteriorate, until she was a ghost of her former self. Towards the end, she bled constantly. She passed away after two years of suffering. I don't want to meet the same fate."

Rini Begum*, a fisher from Mongla, southwestern Bangladesh. (Rini Begum's* name has been changed to protect her privacy)

A brief history of water in southwestern Bangladesh

Approximately 30 million people in Bangladesh live along the coast. Here, the rivers flow through a wide and muddy plain, their channels spread across the land like a mesh net, with the lines between land and water always mutating. There are no borders that divide fresh water from the sea. Everyday, like clockwork, the tides reach a few kilometres inland, inundating coastlines and bringing the saltwater in, then retract a few hours later. For generations, people have lived in harmony with the water, tuning their lives and livelihoods with the ebb and flow of the river tides.

Until the sea levels started rising – and, with them, the salinity levels in the rivers.

20% of the total land in Bangladesh is coastal, over half of which is affected by varying degrees of salinity. Salinity intrusion is seasonal, with minimum salinity during the rainy season (June-September), and maximum in the dry season (March-May).

In Chilabazar, where Rini Begum lives, salinity is so severe that even ponds and deep tube wells – installed at approximately 500-750 feet underground – pump saltwater.

There are two large ponds that provide fresh water for the entire village – of approximately 2,000 people. Women and children line up with jerry cans once every week to collect water from the ponds, which are revered by all to the point where nobody even dips their toes in that water, let alone bathes or washes in them.

The water they collect must last an entire week. Using them for washing dishes or clothes, or cooking or bathing, means less water for the family to drink. Compelled by this shortage of clean water, women and girls – who typically use old rags during their periods – are forced to wash using the saline water from the rivers. Doing so for years exposes them to reproductive health problems such as uterine prolapse, uterine cancer, chronic gastrointestinal problems, and skin diseases.

The scenario in Chilabazar is a common occurrence in the villages along the coastal belt, where women are more vulnerable and experience more problems during menstruation and pregnancy and



postnatal periods, resulting in higher rates of miscarriage and child mortality. Proper medical care is inaccessible and unaffordable in these tiny fishing communities.

The problem is becoming more acute as salinity continues to increase, to the point where young girls in coastal Bangladesh are taking birth control pills to stop their menstrual cycles, and women in their 30s are undergoing voluntary hysterectomies just to stay alive. And those options are only available to the few women who can afford them.

Those who cannot afford a hysterectomy suffer a slow, painful death over the course of a few years.

The cost of surgery, treatment, medication and aftercare can be up to USD 500. The average daily income in these communities is usually USD 1-3. People prefer

going to public health facilities in either Bagerhat or Khulna (40-50 km away) rather than in Mongla, despite the travel cost being higher than their daily average income, because of the quality of service available. Some families, like Rini's, have to resort to selling their only assets, and their source of livelihood – usually fishing boats – to access the life-saving healthcare.

In Bangladesh, approximately 1.056 million hectares (2.6 million acres) – an area roughly the size of Lebanon – of arable lands are affected by salinity. People in Mongla have always had to deal with high salinity for roughly half of every year, but sea level rise is leading to high salinity for almost nine months a year now, leaving a window of just three months during monsoon to consume and store water with low salinity. That window is shrinking each year.

Climate impacts are affecting us all, but we have very different levels of vulnerability. For women who are already living in poverty, struggling to access clean water and with limited access to healthcare, it means losing your uterus at 30 years old. While women like Rini have hardly consumed or enjoyed any benefits of fossil fuels in her life, she is paying a steep price for other's choices.

A rainwater harvesting system costs \$350. We know how to adapt, the funding doesn't. Developing countries are getting 3% of the funding they need, and 6% of projects are locally-led.



STORIES OF **RESILIENCE**

A new home, that never really feels like home

The impacts of the climate crisis are forcing thousands of people from coastal Bangladesh into the cities. They move on with their lives, but it's never quite the same. For many, they'll never make enough money to return to their homes, and they lose generations of family, friends, livelihoods – but also culture and traditions. It's a new home that never really feels like home.

"I went in search of the roof of my house. I found my neighbour's dead body."

"There were corpses everywhere – strewn across paddy fields, lying in ditches, trapped under fallen trees.

It was the day after Sidr in 2007, the deadliest cyclone to strike Bangladesh this century. I was in my village in Barguna, in remote southern Bangladesh.

I was still recovering from the previous night. We reached the cyclone shelter at 2am, after running for half an hour straight. The wind was so strong I thought

one of us would be blown away.

The wind stopped for a few minutes when we reached the shelter. Then, as we peered out of the small square window on the side of the shelter, it picked up again. It was warmer this time, but for some reason it sent a cold shiver down my spine.

That was when I saw my neighbour die.

There was a small group of people and their cows. My neighbour was at the front. They were running through the field to get to our cyclone shelter. They'd just



passed a row of mango trees when suddenly, like a mythical sea monster, the six-kilometre wide Payra river next to them swelled up and lurched towards the tiny group, towering over them. A black cloud rose as the crows perched in the mango trees fled.

The wave swept through the field. All I could see was water. Everything was drowned – the mango trees, the people, the cows.

We were pulled away from the window by a huge bolt of lightning, followed by a thunderclap that shook our bones. It was a long, dark night in the shelter. No one slept. We wanted nothing more than to go out and help the people in the field, but the storm wouldn't let us. The wind and the rain were relentless, lashing the shelter all night. Even the bravest among us knew that stepping outside was a death sentence.

As the sun rose, the wind finally slowed, and the cloak of stormwater receded back to the river. The field was a slaughteryard, strewn with corpses of animals.

We walked back to our house and were greeted with a piece of bare earth. The only thing left was my sewing machine. Even a cyclone wasn't enough to move that cast iron behemoth. The wind had taken our entire one-room tin house.

I went in search of the roof, the strongest part of the house – a sheet of corrugated iron. This would mark the fifth time in my life I'd searched for it.

The fifth time our house had been destroyed.

Sidr hit differently, though. Last time our house was destroyed, a couple

of years back, I started rebuilding it myself straight after, weaving the hogla pata (elephant grass) into mats for the walls. The pattern came out beautifully, a perfect little universe of identical yellow squares. It gave me a little hope.

This time I had no hope left. I didn't have the energy to rebuild it only to wait for it to be destroyed again. I didn't have enough for a sixth storm.

Then, as I was looking for the roof, I saw the corpses of my neighbours.

I returned to the empty plot where our house once was, looked at my husband and he said what I was thinking – 'Enough. Let's leave this place. Let's go to Dhaka.'

Life between the storms

I was born on the edge of the Payra river. One of my cousins was a teacher in a primary school and I tried to copy everything he did. I wanted to become a teacher. Unfortunately, that dream was cut short when I finished primary school. My parents got me married the year after. I was 14.

My husband farmed leased land. Two-thirds of the produce went to the landowner and we kept a third. Most years we farmed a quarter of an acre, planting two rice crops and one vegetable crop – usually potatoes. If any of the three crops failed we would have no profit for that year.

We oscillated between surviving and starving, until our first child went to school. We had to take on more work then so we could be sure we'd be able to pay his school fees. I borrowed my sister's

old pedal-driven sewing machine, taught myself how to operate it and started tailoring from home. On a good day I would make BDT 200 (USD 2) – but good days were rare.

Sewing became a lifeline as our farm income declined. It was one thing after another – floods and cyclones battered the rice crops, winter chills killed the chillies, then the beans, eggplant and cucumbers were attacked by pests.

And of course there were the storms which came every other year to blow away our house.

They had a name for me now – A climate migrant

With the decision made, my husband and I and our three kids said goodbye to Barguna. We had nothing except the clothes and a few items we'd taken to the cyclone shelter, and my sewing machine. We took a last look at the river, where the sea monster from the day before had disappeared back into. We borrowed BDT 1000 (USD 10) from a relative to buy five tickets on the next available boat to Dhaka and walked to the ferry dock.

We had nothing and knew no one in Dhaka. The city seemed to stretch forever. There were people in every alley, sitting on the side of every road, standing in every doorway, leaning on every street sign. Every one of them had something different to sell. It was cruel for the children, who had parents with empty pockets.

Barguna smelt of soil and cows and rain, and was marked by twisting rivers and tall palm trees. Dhaka smelt of dust, sweat and burning plastic, and was marked by drains blocked with rubbish and coils of



internet cable hanging overhead.

We stayed at a distant cousin's home for five days, the five of us bundled in with the three of them in their one-bedroom home. After five days my husband convinced a man who owned a rickshaw van to let him rent it. He paid BDT 200 (USD 2) to the man per day and could keep the profit as long as he had no accidents. He brought home BDT 300 (3 USD) on a good day. If there was any damage to the van – accidents were common on the tiny alleyways – he'd have to pay for all the repairs. We rented a 50 square feet room for the five of us. I started tailoring again, displaying the clothes in a tiny sliver of space on the dusty street outside. It took me two years to save up enough to rent a shop. That shop has now been operating for 13 years.

People might feel that I am doing better now. My eldest son has started his own family. My daughter is studying to become a nurse. But

no one asks me how I feel.

The move took away what I loved most. Those summer evenings when all the women in the village gathered together to tell tales and sing. The winter afternoons where we made pitha (rice cakes) to celebrate the harvest and feasted with everyone around us. I survived – but at the cost of the little joys of life that make it worth living.

In a cruel twist of fate, my daughter is now in Patuakhali, just near Barguna, studying nursing. I had to send her there because we couldn't afford the fees in Dhaka. I can't afford to stay on the coast, and I can't afford to keep my children in the city.

If there's anything I want now, it's to return to my village. I would give anything to spend the rest of my days among my people, celebrating the harvest seasons together and weaving mats from hogla pata. But we will never be able to save

enough to reclaim the life I was born into."

Minara Begum, a seamstress who lives and works in Dhaka, Bangladesh.

Bangladesh is the seventh most climate vulnerable country in the world. Four tropical cyclones hit Bangladesh each year on average, costing the country over a billion dollars per year – nearly a month's income for five million people. Two thousand people migrate to Dhaka every day already, and cyclones are predicted to drastically increase, both in frequency and intensity, as the planet continues to warm.

A climate resilient house/mini cyclone shelter costs \$8,000. We know how to adapt, the funding doesn't. Developing countries are getting 3% of the funding they need, and 6% of projects are locally-led.



2023 **BRAC** at a glance



1 in every 7 persons in Bangladesh received support from BRAC in 2023

26 million people received some form of support from BRAC

1 in every 6 persons with disabilities in Bangladesh accessed support from BRAC

800,000 persons with disabilities accessed support from BRAC



Health

12.5 million people accessed health and nutrition services and awareness messages. Almost half of them were women, and **800,000** were persons with disabilities

1 in every 5 safe deliveries in Bangladesh were supported by BRAC

430,000 mothers underwent safe delivery with support from BRAC. **1 in every 2** safe deliveries in the hard-to-reach areas were supported by BRAC

2 in every 3 people tested for TB were through BRAC. BRAC tested **2.7 million** people, of whom **208,000** were confirmed TB patients, and received treatment

3 in every 5 people tested for malaria were through BRAC. BRAC tested **1.1 million** people, of whom **11,000** were confirmed malaria patients, and received treatment



WASH

814,000 people accessed WASH-related services and awareness



Education

230,000 children accessed education services. **99% of the BRAC school students** continued their education. **114,000** children graduated from BRAC-operated schools

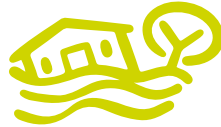


Financial inclusion

11 million people accessed financial services and awareness. **6.8 million people** accessed insurance services from BRAC's microfinance intervention. **5 million women** equipped themselves with financial literacy

139,000 households living in ultra-poverty, including **2,757 persons with disability**, received asset and climate-adaptive enterprise support from BRAC. **60,000 households** living in ultra-poverty graduated from extreme poverty

228,000 households in hard-to-reach areas received training, livelihoods, financial/loan support and awareness. **Two-third** of them have increased income now



Disaster and crisis management

1.6 million households received disaster risk reduction services and awareness

1.6 million households received capacity building, simulation and awareness on disaster preparedness interventions

1.6 million households received weather forecasts and early warning messages



Climate

19,000 households accessed climate-adaptive solutions such as rainwater harvesting, agricultural support, climate-resilient housing, and tree plantation



Migration

2,300 returnee migrant workers and survivors of trafficking received psychosocial, social, and economic reintegration services



Skills

22,000 people received skills training including awareness

DEVELOPMENT PARTNERS

GOVERNMENT ALLIANCES

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

- Bangladesh Bank
- Ministry of Youth and Sport
- Ministry of Disaster Management and Relief
- Ministry of Home Affairs
- Local Government Division
- Prime Minister's Office
- Public Private Partnership Authority
- Bangladesh Planning Commission
- National Human Rights Commission
- Bangladesh Bureau of Statistics
- Bangladesh Investment Development Authority
- Bangladesh Hi-Tech Park Authority
- Ministry of Environment Forest and Climate Change
- Department of Environment (DoE)
- Microcredit Regulatory Authority (MRA)
- NGO Affairs Bureau
- Office of the Refugee Relief and Repatriation Commissioner
- Ministry of Chittagong Hill Tracts Affairs
- Ministry of Expatriates' Welfare and Overseas Employment
- Bangladesh Overseas Employment and Services Limited
- Ministry of Health and Family Welfare
- Ministry of Education
- Cabinet Division
- Ministry of Railways
- Department of Secondary and Higher Education (DSHE)
- Directorate General of Family Planning (DGFP)
- Urban Development Directorate, MoHPW
- National Foundation for development of the disable Person (Jatiyo Protibondhi Unnayan Foundation)
- Department of Social Services
- Ministry of Education
- Ministry of Primary and Mass Education
- National Curriculum and Textbook Board (NCTB)
- Bureau of Non Formal Education (BNFE)
- Ministry of Foreign Affairs (MoFA)
- Bureau of Manpower, Employment and Training (BMET)
- Wage Earner's Welfare Board (WEWB)
- Probashi Kallyan Bank (PKB)
- Probashi Kallyan Desk (PKD)
- District Employment Manpower Office (DEMO)
- Bangabandhu Wage Earner's Center (BWEC)
- Department of Women Affairs
- Department of Livestock Services
- Technical Training Centres (TTCs)
- Civil Aviation Authority Bangladesh (Dhaka, Chattogram, Sylhet)
- Airport Police Battalion (APBn) (Dhaka, Chattogram, Sylhet)
- Ministry of Finance
- Rural Development and Cooperative Division, MoLGRD
- Department of Public Health Engineering
- Ministry of Local Government, Rural Development and Cooperatives
- Directorate of secondary and higher education
- Local Government Engineering Department (LGED)
- Department of Bangladesh Haor and Wetland Development (DBHWD)
- Ministry of Water Resources
- Department of Agriculture Extension (DAE)
- Ministry of Health and Family Welfare
- Directorate General of Health Services (DGHS)
- Community Clinic Health Support Trust (CCHST)
- Community Based Health Care (CBHC)
- Local Government Institutions (LGIs)
- Non Communicable Diseases Control (NCDC)
- National Tuberculosis Control Programme (NTP)
- National Malaria Eradication Program (NMEP)
- Health Economics Unit
- Expanded Programme on Immunization (EPI)
- Institute of Epidemiology Disease Control And Research (IEDCR)
- National Nutrition Services (NNS)
- Institute of Public Health Nutrition (IPHN)
- Bangladesh National Nutrition Council (BNNC)
- Ministry of Women and Children Affairs (MOWCA)
- Ministry of Social Welfare
- Law and Justice Division
- Department of Disaster Management (DDM)
- Bangladesh Meterological Department

STRATEGIC PARTNERS



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

The third phase of the SPA spans from 2021-2025 and supports BRAC's overarching strategy to ensure economic recovery post-COVID-19, social cohesion

of marginalised communities to retain the development gains achieved to date, and to support accelerated human development with the renewed focus back on meeting the Sustainable Development Goals with targeted and clustered programming, system strengthening and new model development. This strategic partnership will also help BRAC to strengthen its organisational systems and sustainability, and seek to influence development practices in Bangladesh and globally through shared learning and advocacy.

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

MAJOR DONORS



RESEARCH AND LEARNING PARTNERS



BRAC **MANAGEMENT**

Core **Executive Management Committee**



ASIF SALEH
Executive Director
BRAC



TAMARA HASAN ABED
Managing Director
BRAC Enterprises



SHAMERAN ABED
Executive Director
BRAC International



JEROME OBERREIT
Executive Director
BRAC Global

Extended **Executive Management Committee**



TUSHAR BHOWMIK
Chief Financial Officer
BRAC



SAIF MD IMRAN SIDDIQUE
Director, Finance
BRAC International



DIVYA BAJPAI
Executive Director
BRAC Europe



JULIA ROBERTS
President and CEO
BRAC USA

BRAC Bangladesh **Senior Management Committee**



ARINJOY DHAR
Senior Director
Microfinance
BRAC



KAM MORSHED
Senior Director
Advocacy for Social Change,
Social Innovation Lab,
Technology and
Monitoring, Evaluation, Accountability and
Learning
BRAC



MD AKRAMUL ISLAM
Senior Director
Health and
Humanitarian Crisis Management
BRAC



MOHAMMAD ANISUR RAHMAN
Senior Director
BRAC Enterprises



MOUTUSHI KABIR
Senior Director
People, Culture and Communications
BRAC

BRAC Bangladesh **Directors**



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



AHMED NAJMUL HUSSAIN
Director
Administration and Road Safety
BRAC



BRIGADIER GENERAL RAKIB UDDIN AHMED (RETD)
Director
Operations
BRAC



HOSSAIN ISHRATH ADIB
Director
Water, Sanitation, and Hygiene, BRAC
Integrated Development, BRAC



MAFRUZA KHAN
Director
Global Resource Mobilisation and
Partnerships
BRAC



MD LIAKATH ALI
Director
Climate Change,
Urban Development and
Disaster Risk Management
BRAC



NANDA DULAL SAHA
Director
Internal Audit
BRAC and BRAC International



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



PALASH KANTI DAS
Director
Ultra-Poor Graduation
BRAC



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



SAIEED BAKTH MOZUMDER
Director
Tea Estates
BRAC



SHAHRIAR HOQUE
Director
Technology
BRAC



SHEELA RUBINA RAHMAN
Director
Legal and Compliance
BRAC



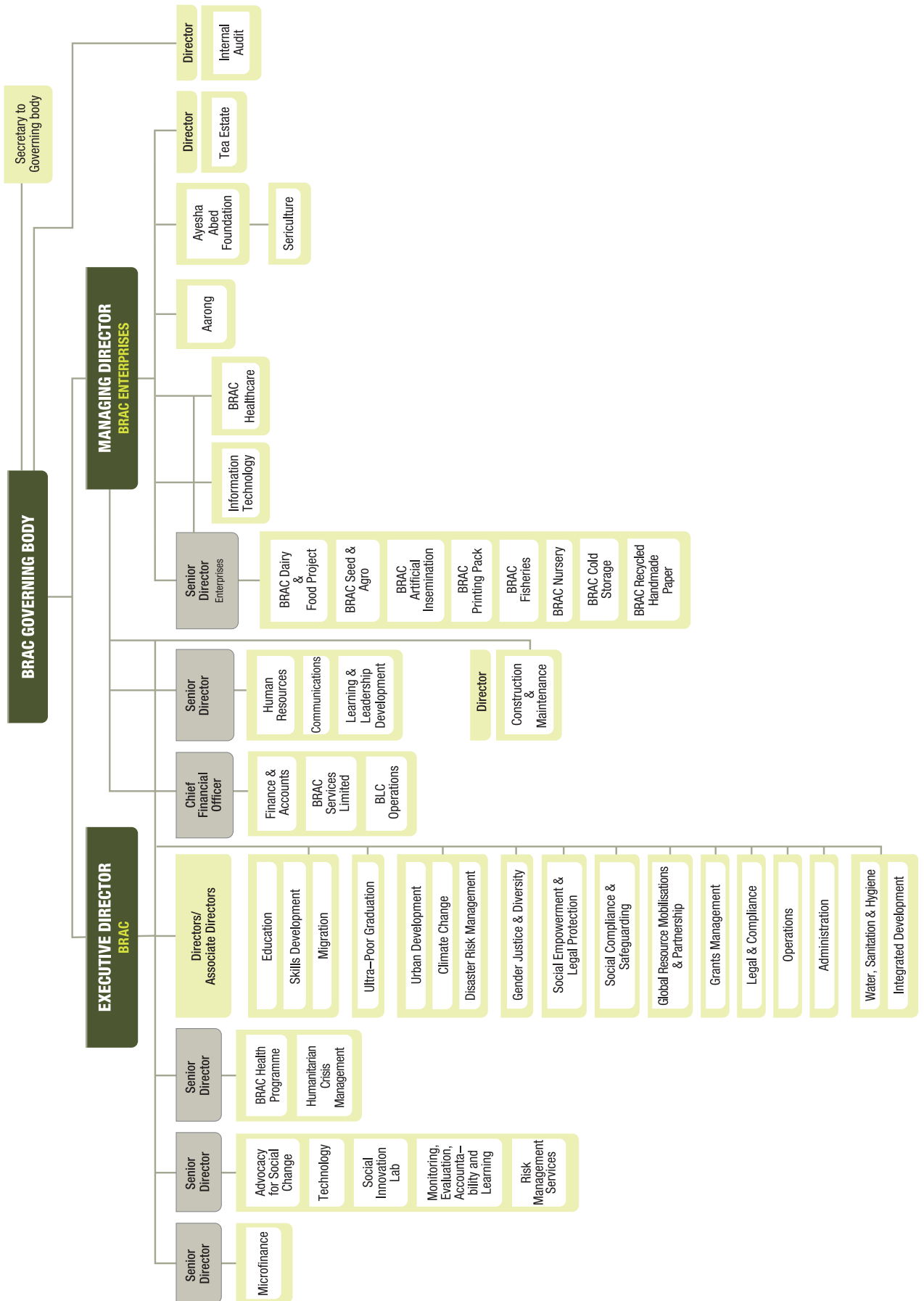
SK JENEFA KHANOM JABBAR
Director
Social Compliance and Safeguarding
BRAC



SONIA WALLMAN
Director
Grants Management
Global Resource Mobilisation and Partnership
BRAC and BRAC International



SYED MAZBAHUL MORSHAD
Chief Engineer
BRAC



BRAC GENERAL BODY

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

The General Body presently comprises the following 28 members:

Abdul–Muyeed Chowdhury	Asif Saleh
Shabana Azmi	Dr Fawzia Nazli Rasheed
Syed S Kaiser Kabir	Melissa Parke
Shafiqul Hassan	Victoria Balyejusa Sekitoleko
Irene Zubaida Khan	Marilou van Golstein Brouwers
Sylvia Borren	Dr Hossain Zillur Rahman
Dr Debapriya Bhattacharya	Ameerah Haq
Parveen Mahmud	Gregory Chen
Advocate Syeda Rizwana Hasan	Fathima Dada
Adeeb H Khan	Simone Sultana
Dr Muhammad Musa	Lord George Mark Malloch–Brown KCMG
Faruque Ahmed	Professor Dr Md Abdus Sattar Mandal
Shib Narayan Kairi	Dr Fahmida Khatun
Tamara Hasan Abed	Tapan Chowdhury

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

At the BRAC Annual General Meeting on 03 February 2022, the General Body adopted the BRAC Governing Body's report for 2021-22, adopted BRAC's audited financial statements for the year ended 30 June 2021, and re-elected members of the Governing Body.

BRAC GLOBAL BOARD

Martha (Marty) Chen is an Associate at the Mittal South Asia Institute at Harvard University and Co-Founder, Emeritus International Coordinator and board member of the global network Women in Informal Employment: Globalizing and Organizing. An experienced development practitioner and scholar, her areas of specialisation are employment, gender, and poverty, with a focus on people who work in the informal economy, and are living in poverty.

Before joining Harvard in 1987, she had two decades of resident development experience working in Bangladesh (with the well-known NGO BRAC) and in India (as field representative of Oxfam America). Dr Chen co-founded, and for 20 years, led the WIEGO network, a global network renowned for its work to improve the status of the people living in poverty, who work in the informal economy, through stronger organisations, improved statistics and research, and a more favourable policy environment.

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

Currently, Dr. Chen is the Chair of the Boards of BRAC Global and the United Nations University World Institute for Development Economics Research (UNU WIDER).



Dr Martha Alter Chen
Chair

Ms Ameerah Haq is a former Under-Secretary General of the United Nations at the Department of Field Support, for which she held the position from 2009, until her retirement. She was the senior most Bangladeshi national in the United Nations during those years. She recently served as the Vice-Chair of the Independent Highlevel Panel on Peace Operations at the UN. She has over 39 years of experience working with the United Nations, including 19 years in field assignments. She was the last Special Representative of the Secretary-General (SRSG) in the UN Integrated Mission in Timor-Leste. She has also held the positions of Deputy SRSG and UN Resident Coordinator and Humanitarian Coordinator in Sudan, as well as Deputy SRSG and UN Resident Coordinator in Afghanistan. In addition, Ms Haq has held senior positions within UNDP, and has served as United Nations Coordinator in Malaysia and Laos.

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

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

Ms Haq received a bachelor's degree in psychology from Western College for Women in Oxford, Ohio, in 1969. She subsequently went on to receive a master's degree in community organisation and planning from Columbia University, New York, in 1972, and a master's in business administration from New York University, in 1974.



Ameerah Haq
Member

Lord Mark Malloch–Brown has worked to advance human rights, justice, and development for more than four decades in a variety of roles: with the United Nations, the World Bank, and as a British government minister, as well as with a range of civil society groups and businesses.

At the United Nations, Mark Malloch-Brown led the global promotion of the UN Millennium Development Goals as head of the UN Development Programme (UNDP). At the UNDP, and previously as vice president of external affairs at the World Bank, he led reform efforts to increase the impact of both organisations.

He later served as Kofi Annan's chief of staff, and then as UN Deputy Secretary General, before joining the British government of Prime Minister Gordon Brown, as minister responsible for Africa and Asia from 2007 to 2009. Most recently, he was president of the Open Society Foundations, the world's largest private funder of independent groups working for justice, democratic governance, and human rights.

Mark Malloch-Brown was knighted for his contributions to international affairs and is currently on leave from the British House of Lords. He is a Distinguished Practitioner at Oxford University's Blavatnik School of Government, an adjunct fellow at Chatham House's Queen Elizabeth Program, and has been a visiting distinguished fellow at the Yale Center for the Study of Globalization.



Lord Mark Malloch–Brown KCMG
Member

Raymond C Offenheiser is Director of the Mckenna Center for Human Development and Global Business, part of the University of Notre Dame's Keough School of Global Affairs, where he also serves as Senior Advisor to the Dean and Distinguished Professor of the Practice providing strategic leadership to Mckenna Center's academic, research, and public policy activities. A widely known nonprofit leader, innovator, and international development expert, Offenheiser served as President of Oxfam America for 20 years. Prior to joining Oxfam, he

represented the Ford Foundation in Bangladesh, and the Andean and Southern Cone regions of South America, as well as directing programmes for the Inter-American Foundation in Brazil and Colombia.

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



Raymond C Offenheiser
Member

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

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

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



Ken Caldwell
Member

Dirk Booy has over 40 years' international development experience, having worked at the village/community level in Sierra Leone, run a National Field Office in Tanzania, managed a large fundraising office in Canada, and provided global leadership across 96 countries. He has held senior positions in large INGOs, both Western and Southern led, and helped mentor and develop over 100 leaders in the sector. Most recently, Booy served as the Senior Director for Programme Development, Resource Mobilisation and Learning (PRL) in BRAC helping to establish the PRL unit across the organisation.

Currently, Booy is a Consultant/Mentor/Advisor to INGOs helping to build organisational capacity to improve overall impact. His focus is on facilitating meaningful change in complex, multicultural organisations. Additionally, he serves on a number of Boards both internationally and locally.

Booy has a Bachelor's in Social Economics from Calvin (College) University, and a Master's in International Rural Development Planning from University of Guelph. He resides in Mississauga, Ontario, Canada.



Dirk Booy
Member

Dr Mohamed Ibn Chambas has extensive experience from a long and distinguished career in governmental and international service. He currently serves as the African Union (AU) High Representative for Silencing the Guns and Chairman of the AU High Level Panel on Sudan.

He also serves as Chairman of the Task Force on the ECOWAS Trade Liberalisation Scheme, Chairman of the Advisory Council of the Institute for Security Studies (ISS Africa), member of the Board of the Centre for Humanitarian Dialogue (Geneva), member of the Governing Board of the Stockholm International Peace Research Institute, member of the Advisory Board of the Kofi Annan International Peacekeeping Training Centre (Accra), and a member of the West Africa Elders Forum (WAEF GEJ Foundation Abuja).

From 2014 to 2021, Dr Chambas served as Special Representative of the Secretary-General and Head of the United Nations Office for West Africa and the Sahel (UNOWAS). During that period, he was also Chairman of the Cameroon-Nigeria Mixed Commission, which was established to facilitate implementation of the judgment of the International Court of Justice on the Cameroon-Nigeria boundary dispute.

Before joining UNOWAS, he was the AU-United Nations Joint Special Representative for Darfur and Head of the AU-United Nations Hybrid Operation in Darfur.

From 2010 to 2013, He was Secretary-General of the African, Caribbean and Pacific (ACP) Group of States. Prior to that, he served as President of the Economic Community of West African States (ECOWAS) from 2006 to 2009, and its Executive Secretary from 2002 to 2005.

From the time he joined the Government of Ghana in 1987, he served as Deputy Foreign Minister and Deputy Minister in Charge of Tertiary Education at different periods. He was also a First Deputy Speaker and Member of Parliament of Ghana.

From the beginning of the outbreak of the Liberian civil war, he was involved in ECOWAS mediation efforts until the Accra Comprehensive Peace Agreement of 2003. He was similarly involved in ECOWAS mediation efforts in several transitions from military to civilian rule in a number of West African countries.

Dr Chambas holds a Bachelor's degree in political science from the University of Ghana. He also has a Master's degree and a Doctor of Philosophy degree from Cornell University and a Juris Doctorate degree from Case Western Reserve University School of Law. He was admitted to the Bar of the State of Ohio and the Republic of Ghana.



Dr Mohamed Ibn Chambas
Member

Dr Zainab Usman is a senior fellow and founding director of the Africa Program at the Carnegie Endowment for International Peace in Washington, D.C. Her enduring area of expertise is identifying the policies and institutions to enable low and middle-income economies to harness their natural resources to achieve sustainable economic development. Prior to Carnegie, Usman was at the World Bank as a public sector specialist where she worked on social sustainability, energy policy reforms, natural resources management, and digital technologies. She has worked on these issues in Cote d'Ivoire, Morocco, Nigeria, Papua New Guinea, the Republic of Congo, Serbia, Tanzania, and Uzbekistan.

Usman's research has been published on various academic, policy, and media platforms. She is author of the book *Economic Diversification in Nigeria: the Politics of Building a Post-Oil Economy*, which was selected as one of the Best Books of 2022 on economics by the Financial Times. She is also co-editor of the book, *The Future of Work in Africa: Harnessing the Potential of Digital Technologies for All*. Usman contributed to the World Bank's flagship report on *Rethinking Power Sector Reforms in Developing Countries*. Usman's other analytical pieces have been published with

the journal of African Affairs, the World Bank's Policy Research and Working Paper Series, and as book chapters in edited volumes with Oxford University Press and James Currey. Her written and broadcast commentary has appeared in Al-Jazeera English, BBC, the Financial Times, Foreign Affairs, Foreign Policy, Project Syndicate and The Washington Post.

Usman obtained her doctorate (DPhil) from the University of Oxford.

Dr Hossain Zillur Rahman
Senior Trustee

Irene Khan
Member



Dr Zainab Usman
Member

BRAC GOVERNING BODY

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



Dr Hossain Zillur Rahman
Chairperson

Advocate Syeda Rizwana Hasan is an enrolled lawyer with the Supreme Court of Bangladesh. She is an environmental activist, and serves as the Chief Executive of the Bangladesh Environmental Lawyers Association (BELA), promoting environmental justice throughout the country. She has led numerous successful legal and social campaigns that protect traditional livelihoods, agricultural, and forest rights, and fight against the illegal filling up of wetlands by for-profit entities, environmental aggressions, and pollution.

Ms Hasan completed her master's and bachelor's in law from the University of Dhaka with distinction. She started her career with BELA in 1993, and continues to work with the organisation. She is a visiting faculty at the University of Asia Pacific, State University, and North South University in Bangladesh. She is a member of several NGOs, including the NGO Forum on Public Health, Rangpur Dinajpur Rural Service (RDRS), Friends in Village Development Bangladesh (FIVDB), Nijera Kori, the Association of Land Reforms and Development (ALRD), and BRAC. Ms Hasan serves as a member of various committees formed by the government on environmental issues.

Ms Hasan was a member of the Independent Expert Panel for the Legal Definition of Ecocide, convened by the Stop Ecocide Foundation, The Netherlands. She is an amigás (member of the Environmental Law Alliance Worldwide), member of the Environmental Law Commission of International Union for Conservation of Nature (IUCN), and a board member of the South Asian Network for Development and Environmental Economics (SANDEE). Her organisation is a member of the NGO Platform on Ship Breaking, IUCN, South Asian Watch on Trade, Environment, and Economics (SWATEE), and Friends of the Earth International (FoEI).

Ms Hasan is among the first five women from South Asia to receive the 'Celebrating Womanhood' award in 2008, given by the Creative Statement and South Asia Partnership based in Nepal. She received the prestigious Goldman Environmental Prize in 2009, for her outstanding contribution to protecting and

conserving the environment. She has also been named as one of the 40 Environmental Heroes of the World by TIME magazine. In 2012, she was awarded the Ramon Magsaysay Award. Ms Hasan has been awarded the International Women of Courage (IWOC) award by the US Department of State in 2022, the Green Legal Award from the Balipara Foundation in 2022, and has been recognised as one of 16 Women Restoring the Earth 2023, by the Global Landscape Forum (GLF).

BELA, the organisation that Ms Hasan runs, received the Global 500 Roll of Honours from the United Nations Environment Programme (UNEP) in 2003. BELA won the Environmental Award in 2007, given by the Department of Environment, the M Saleem Ullah Memorial Gold Medal in 2009, and the Tang Award from the Tang Foundation of Taiwan in 2020.



Adv Syeda Rizwana Hasan
Member

Adeeb Hossain Khan qualified as a Chartered Accountant in England in 1991, and has been a Senior Partner at Rahman Rahman Huq (Member Firm of KPMG International) since 2012. He is also the Chairman of KPMG Advisory Services Limited.

Mr Khan has been a council member of the Institute of Chartered Accountants of Bangladesh (ICAB) since 2013. He was the President of ICAB in 2017. He is a board member of Metropolitan Chamber of Commerce and Industry (MCCI), the oldest and one of the most prestigious trade chambers of Bangladesh, and has chaired its Taxation Sub-Committee.

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

Quais 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 the 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 90% of its distributed profits between social and environmental causes, and with people who are involved in making the clothes. He is the Co-founder of Children's Hope, an NGO that works to educate children living in slums in Dhaka. He obtained his bachelor's degree from City University, London, and master's degree from Aston University, Birmingham, UK.

Melissa Parke has over two decades of experience in international law, politics, sustainable development, humanitarian affairs, human rights and governance. She served as Australia's Minister for International Development, and is a former federal member for Fremantle.

Prior to entering the Australian parliament, Ms Parke served as an international lawyer with the United Nations for eight years in Kosovo, Gaza, New York and Lebanon. Following her retirement from the parliament, she was appointed as an 'Eminent Expert on Yemen' for the United Nations Human Rights Council. Ms Parke is the Executive Director of the International Campaign to Abolish Nuclear Weapons, and a member of the Advisory Council of the Australian Centre for International Justice.

She holds bachelor's degrees in business (Curtin University) and law (University of New South Wales), and a master's degree in public international law (Murdoch University).



Adeeb H Khan
Member



Quais Shafiq ul Hassan
Member



Melissa Parke
Member

Fathima Dada is a seasoned business leader, educationalist and successful author. She has led education businesses across the globe in senior leadership positions including MD, CEO and Chairperson. She is currently the Managing Director of Oxford Education in the United Kingdom, and a member of the Board of Oxford AQA qualifications. She has been involved with government and non-governmental work in education policy, qualifications and large-scale transformation and implementation. She has served on several ministerial committees and overseen education reform and policy development in several countries, including working for UNESCO to support education systems reform in several African countries. She was a council member on the Schools and Vocational Qualifications Authority in South Africa for 10 years. She helped lead the transformation to sustainability of the education intervention of BRAC in Bangladesh. Ms Dada is on the Board of Oasis Asset Management and MACAT Critical Thinking, and has previously been an active Board Member at affordable school chains and EdTech startups Omega (Ghana), Spark (South Africa), Bridge (Kenya) and Zaya (India).



Fathima Dada
Member

Dr Fahmida Khatun is the Executive Director of Centre for Policy Dialogue (CPD), a leading think tank in Bangladesh and South Asia. She completed her bachelor's and master's in Economics from Jahangirnagar University, Bangladesh. She did another master's in Environmental and Natural Resource Economics, and a PhD in Economics from University College London (UCL), University of London UK. She did her post-doctoral research at the Earth Institute, Columbia University, USA, as a Fulbright Scholar and undertook joint research with Professor Jeffery Sachs. She has also participated in a Leadership Decision Making course at Harvard University, USA.

Since December 2022, Dr Khatun has been serving as the Co-chair of the T20 India Task Force on 'Accelerating SDGs: Exploring New Pathways to the 2030 Agenda' to the G20.

Dr Khatun is a non-resident fellow at the Atlantic Council, a think tank based in the USA. She is also a member of the High-level Advisory Board on Productive Capacities Index (PCI), United Nations Conference on Trade and Development (UNCTAD), and the Governing Body of BRAC, the largest non-government organisation in the world. From December 2022 to October 2023, Dr Khatun served as the Co-chair of the T20 India Task Force on 'Accelerating SDGs: Exploring New Pathways to the 2030 Agenda' to the G20.

Prior to joining CPD, she worked as a Research Fellow at the Bangladesh Institute of Development Studies (BIDS), an Environment Specialist for the UNDP, and an Economist for the USAID Mission in Bangladesh. She taught economics at universities in Bangladesh and England. She was a Visiting Fellow at the Christian Michelsen Institute (CMI), Norway, at the Korea Institute for Industrial Economics and Trade (KIIET), South Korea.

Dr Khatun is a member of the Panel of Economists for the Eighth Five-Year Plan (2026-30), formed by the Bangladesh Planning Commission. She served as a member of the Advisory Committee for the National Human Development Report, prepared by the

Economic Relations Division, Government of Bangladesh. She was a Director of Janata Bank Limited, the second largest state-owned bank of Bangladesh, and a Director of the SME Foundation of Bangladesh.

Dr Khatun's research interests include macroeconomic policy, climate change, environment, green economy, aid effectiveness, international trade and WTO issues, digital economy, youth employment, health issues, interests of Least Developed Countries (LDCs), Sustainable Development Goals (SDGs), and women's contribution to the economy. She has authored multiple publications widely at home and abroad. She is a columnist of the Daily Star, a leading daily in Bangladesh. She is also a contributor to the East Asia Forum. She is a member of the editorial board of Indian Journal of Human Development (JHD).

Dr Khatun delivers lectures on macroeconomic policy, trade, climate change issues, SDGs, WTO and LDC issues at several reputed institutions in Bangladesh. The pre-eminent ones include public and private universities, including the National Defence College, Defence Services and Staff College, Bangladesh Police Academy, and Bangladesh Public Administration Training Centre.



Dr Fahmida Khatun
Member

Dr M A Sattar Mandal is currently a Professorial Fellow at the Bangladesh Institute of Development Studies (BIDS). Dr Mandal is an agricultural economist, and has been involved in teaching, research and policy planning in agriculture and rural development for over five decades. He completed his bachelor's and master's in agricultural economics from Bangladesh Agricultural University (BAU) in 1973 and 1974, respectively. He did his PhD from the University of London in 1979, and postdoctoral studies from the University of Oxford in 1986-87. Dr Mandal's major areas of academic interests include agriculture and rural development, food and agricultural policy planning, irrigation and water resource management, agricultural technology, rural mechanisation and agribusiness development.

Dr Mandal was the Vice-Chancellor of Bangladesh Agricultural University (BAU), Mymensingh, during 2008-2011. He worked for the Bangladesh Planning Commission, first as a member of the General Economics Division during 2000-2001, when he led the mid-term evaluation of the Fifth Five-Year Plan and completed the background studies for the Sixth Five-Year Plan. He served the Planning Commission for the second term as the member for Agriculture, Water Resources and Rural Institutions Division during 2011-2013, when he was involved in the evaluation and approval of many high-profile projects relating to the Blue Gold project, capital dredging of the Jamuna river, rural development, food security and poverty reduction. As a follow up of his academic interests, he had contributed to the preparation of the Poverty Reduction Strategy Paper (PRSP) of the Planning Commission in 2004.

Dr Mandal has been affiliated with BAU as its first Emeritus Professor since 2017. He is currently a member of the syndicate of Bangladesh Agricultural University and Sylhet Agricultural University. He has been advising the Ministry of Agriculture, Government of the People's Republic of Bangladesh, as a member of its expert pool. He is currently a member of the Governing Body of BRAC Bangladesh. He was the co-chair of the South Asian Policy Platform for Improved Nutrition and Growth (SAPLING).

Dr Mandal worked as a member of the Independent Steering Committee (ISC) for the new CGIAR research programme on Fish Agri-Food Systems (FISH) at WorldFish, in Penang, Malaysia. He also advises the 2030 Water Resources Group of the World Bank, International Center for Wheat and Maize Research (CIMMYT) Bangladesh, and USAID's Feed the Future programme. He contributed as a government-nominated member of the Board of Directors of the Krishi Gobeshona Foundation (Agricultural Research Foundation) and also as a Trustee of the Bangladesh Krishi Gobeshona Endowment Trust (BKGET). He worked as a Senior Advisor to the Food and Agriculture Organization of the United Nations (FAO) in Bangladesh, during 2015-2016.

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

Dr Mandal received the Ekushey Padak (second highest civilian award in Bangladesh) in 2022, for his contributions in the field of research. He received lifetime achievement awards from BAU Alumni Association (2018), Bangladesh Agricultural Economics Association (2018) and also Standard Chartered- Channel I lifetime Agro Award (2023).



Dr M A Sattar Mandal
Member

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

Mr Chowdhury was an Advisor to the Caretaker Government of Bangladesh in 2007, and was responsible for the Ministry of Power and Energy, Youth and Sports, Food and Disaster Management, and Science and ICT.

Mr Chowdhury is a former President of the Bangladesh Textile Mills Association (BTMA), the Metropolitan Chamber of Commerce and Industry (MCCI), Bangladesh Employers Federation (BEF) and Bangladesh Association of Publicly Listed Companies (BAPLC).

Mr Chowdhury is currently an Advisor to Bangladesh Association of Pharmaceutical Industries (BAPI), Trustee of Bangladesh University of Health Sciences Trust (BUHS), Director of Pioneer Insurance Limited, Guardian Life Insurance Limited, and a Board Member of Central Depository of Bangladesh Limited (CDBL), Governing Body member of Bangladesh Enterprise Institute (BEI), Executive Committee member of International Chamber of Commerce (ICC), and a core group member of the United Forum of Churches of Bangladesh.

Over the years, the Government of Bangladesh has recognised Mr Chowdhury as one of the highest individual taxpayers of the country. He is a graduate of University of Dhaka, and has completed many advanced-level courses on business management and strategic planning from the UK.



Tapan Chowdhury
Member

BRAC INTERNATIONAL SUPERVISORY BOARDS

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

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



Irene Khan
CHAIR
Stichting BRAC International Supervisory Board

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

She was on two national governmental advisory commissions for youth policy and international affairs; Co-chair of the Worldconnectors, a Dutch think tank; on the board of Altrecht, a mental healthcare institute; Organisational Consultant with De Beuk, Project Lead at Quality Educators for All with Education International, and continues to be a member of the Worldconnectors.

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

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



Sylvia Borren
VICE CHAIR
Stichting BRAC International Supervisory Board

Farzana Ahmed is a UK qualified Chartered Accountant with nearly 40 years of experience in the public and private sector. Ahmed served at the Asian Development Bank (ADB) based in the Philippines for more than 20 years, where she led and contributed to independent evaluation, strategy and policy, operations and portfolio management. Prior to that, she held senior financial positions in prominent multinational corporations in the United Kingdom and Australia.

During her service at ABD, Ahmed was posted in Indonesia, and was invited to coordinate Australia's support to the reconstruction of Aceh, following the Tsunami in 2004. She was also involved in managing and evaluating development projects in multiple ADB member countries, including Bhutan, Cambodia, India, Lao PDR, Mongolia, Pakistan, People's Republic of China, Sri Lanka, Timor Leste, and Vietnam.

Driven by her passion for promoting quality education, Ahmed took an early retirement from her position at the ADB in 2019. She took on the responsibility of managing Kids Tutorial in Dhaka, Bangladesh, a family school established 35 years ago by her grandmother, Dr Amina Rahman, a renowned advocate for women's rights.

Currently she is an Independent Director at the Board of BRAC Bank Limited, where she chairs the Board Audit Committee. Ahmed holds a graduation degree in Philosophy, Politics and Economics from Oxford University.



Farzana Ahmed
MEMBER
Stichting BRAC International Supervisory Board

Enid Muthoni Ndiga, a Kenyan born lawyer, has over 25 years of experience in the fields of law, human rights, gender and women's rights. She is the Chief Programmes Officer at the Center for Reproductive Rights, based in the Centre's Geneva office. In her current role, Ndiga is overseeing programmes in Africa, Asia, Latin America, Europe, and the United States.

Ndiga served at the International Development Law Organization (IDLO) as the Regional Manager for Africa, and prior to that, as the Country Director for Kenya. She also worked for UNFPA, UNDP, Norwegian Church Aid, the Kenyan National Commission on Human Rights, and the Federation of Women Lawyers, FIDA Kenya.

Ndiga holds a Bachelor of Law from the University of Nairobi, a Postgraduate Diploma in Law, and a Masters in Gender and Development from the University of Nairobi. Currently she is pursuing an Executive Master's from ESCP Madrid Spain on International Project Management. In addition to her other accomplishments, Ndiga has established herself as a prolific author with three published books covering a wide range of social subjects.



Enid Muthoni Ndiga

MEMBER

Stichting BRAC International Supervisory Board

Dr Debapriya Bhattacharya, a macroeconomist and public policy analyst, distinguished fellow, and the first Executive Director at the Centre for Policy Dialogue (CPD), Dhaka. He was the Ambassador of Bangladesh, and Permanent Representative to WTO and UN offices in Geneva and Vienna, and former Special Advisor on Least Developed Countries (LDC) 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 the University of Oxford. He held visiting positions as a 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 the 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 (SDG). 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 LDCs.

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

He recently edited the volume on Bangladesh's

graduation from the least developed countries group: Pitfalls and promises, Routledge (2018); Southern perspectives on the post-2015 international development agenda, Routledge, London (2017); and was the team leader of the study titled 'Quest for inclusive transformation of Bangladesh: Who not to be left behind (2017).



Dr Debapriya Bhattacharya

MEMBER

Stichting BRAC International Supervisory Board

Stephen Rasmussen has 40 years of development and financial inclusion experience. He lives in Pakistan and has major contributions as a board member and advisor for several development, education, and financial service organisations.

From 2004-2023, Rasmussen worked for CGAP, most recently as the CEO. CGAP is a resource centre housed in the World Bank Group, that is dedicated to empowering people living in poverty through financial inclusion. In 2014-2015, Rasmussen established and was the first CEO of Karandaaz Pakistan, a start-up company focused on small business finance, digital financial inclusion, and innovation in the financial sector. From 2001 to 2008, he was the CEO of the Pakistan Microfinance Network. He served as the CEO of the Aga Khan Rural Support Programme, a large rural development programme in northern Pakistan from 1994 to 2003. He also supported the establishment of the first Microfinance Bank in Pakistan there. Prior to that, Rasmussen worked in the healthcare sector with the Aga Khan University and the Aga Khan Health services in Pakistan.



Stephen Rasmussen
MEMBER
Stichting BRAC International Supervisory Board

CHAIR
BRAC International Holdings BV Supervisory Board

Allert van den Ham is currently a Board member of the Philips Foundation and the Philips Foundation Impact Investments BV, Board member of the Foundation for Depository Rights Holders of the Triodos Bank, Advisor of the International Network of Bamboo and Rattan, and the Society for Chamber Music, The Hague.

He was the Country Director of SNV Netherlands Development Organisation in Laos, Myanmar and Bangladesh, and served as the Honorary Consul of the Kingdom of the Netherlands in Laos between 2017 and 2021. From 2011 until 2018, he served as the CEO and Chair of the Global Managing Board of SNV, and as the Chairman of SNV USA. He started his journey with SNV in 2010, as the Regional Director for Asia. Before joining SNV, he held various positions with the Dutch Ministry of Foreign Affairs, consultancy firms, and the Dutch agency Oxfam Novib. From 2003-2010, he served as the Managing Director of the Humanist Institute for Development Cooperation (Hivos).

He has been Founder, Board member and Advisor of several institutions, such as Social Watch, The Netherlands Platform for Inclusive Finance, Triodos Sustainable Trade Fund, and the Dutch branch organisation Partos. His education includes an MSc in Human Geography from Nijmegen University, a PhD in Social Sciences from Wageningen University and further studies at INSEAD.



Allert van den Ham
MEMBER
Stichting BRAC International Supervisory Board

Amira Elmissiry is the Chief Accountability Officer at the Corporate Performance and Accountability Department of African Development Bank, based in Abidjan, Côte D'Ivoire.

She is an experienced lawyer and investment professional in private equity and corporate finance, and holds an MBA from the African Leadership University. Amira has worked with various international organisations, including Initiatives of Change International, a Geneva-based international organisation, and the German Technical Cooperation.

She has a passion for development finance, social justice and sourcing ways for promoting entrepreneurial development amongst young people.

Some of Amira's personal achievements till date include being recognised by the Choiseul Institute – as one of the top 100 African Economic Leaders, MIPAD 100 Most Influential People of African Descent, and Forbes Africa's Top 20 Youngest Power Women in Africa.



Amira Elmissiry
MEMBER
Stichting BRAC International Supervisory Board

MEMBER
BRAC International Holdings BV Supervisory Board

David Korslund has filled senior roles in banking since 1976. He began his career at Shore Bank in Chicago while completing his MBA at the Booth School of the University of Chicago. He worked with ABN AMRO Bank in the United States and The Netherlands for over 25 years. He served 10 years with the Global Alliance for Banking on Values with a focus on research and metrics. Since April 2019, he has continued to provide strategic advice and insight on values-based banking. He is a member of the board and treasurer of the Fulbright Commission Netherlands. He serves on the board and as treasurer of Zuidermrkt, a local cooperative operating a weekly organic and biological market in the south of Amsterdam. He is chair of the Beneficial State Foundations Equitable Bank Standards Council.

Over the course of her 23 years career in financial inclusion, **Isabelle Barrès** has developed and managed the implementation of successful strategies to expand operations and increase impact at a global level. She has co-created and led a series of pioneer initiatives to improve the quality and outcomes of financial services for people in low-income communities, including the launch of MIX in 2002, and the Smart Campaign in 2010. From 2007 to 2010, in Kiva's early days, she developed and managed its lending operations and social impact strategy. Her work focuses on climate finance, digital transformation, and consumer protection. She is currently leading the European Microfinance Platform Green Map project to increase the transparency of climate-focused action.

Isabelle is a key contributor to best-practice publications on sustainability standards, consumer protection and digital financial services, and holds an MBA from McGill University and a postgraduate degree in Development Economics from the Sorbonne University.



David Korslund
MEMBER
BRAC International Holdings BV Supervisory Board



Isabelle Barrès
MEMBER
BRAC International Holdings BV Supervisory Board

BRAC Bangladesh Programme Committee

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

1. Dr Hossain Zillur Rahman
Chairperson, Governing Body
BRAC Bangladesh

2. Melissa Parke
Member, Governing Body
BRAC Bangladesh

3. Adv Syeda Rizwana Hasan
Member, Governing Body
BRAC Bangladesh

Role and purpose

To bring rigor and risk mitigation to the project approval process of BRAC Bangladesh.

Meeting date: 16 March 2022

After due deliberation, approval was given to the following:

- Approved the proposal titled- 'Bangladesh Climate and Environment Programme (BCEP)'
- Approved the proposal titled- 'Bangladesh Integrated Youth Activity'
- Approved the proposal titled- 'Economic Inclusion of Rural NEET (not in employment, education, and training) Youth'

- Approved the proposal titled- 'Recovery and Advancement of Informal Sector Employment (RAISE)'
- Approved the proposal titled- 'Accelerating and Strengthening Skills for Economic Transformation (ASSET)'
- Approved the proposal titled- 'Bangladesh Sustainable Reintegration and Improved Migration Governance (Phase 2)'
- Approved the proposal titled- 'Build A World of Play Challenge'
- Approved the proposal titled- 'Localisation Pooled Fund'

BRAC GOVERNING BODY COMMITTEES

BRAC Finance, Audit & Risk (FARC) Committee 2023

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

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

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

Each member is free of any relationship that would interfere with the exercise of his or her independent judgment as a member of the committee.

Members of the committee have professional experience and expertise in different sectors.

Role and purpose

The primary function of the BRAC Finance, Audit & Risk committee is to assist the BRAC governing body (the board) in fulfilling its responsibilities regarding:

- Financial reporting and budgeting processes;
- System of internal controls and risk assessment;
- Compliance with legal and regulatory requirements;
- Qualifications, independence, and performance of the external auditors; and
- Qualifications, independence, and performance of the internal audit function.

BRAC Investment Committee

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

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

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

Meetings during 2022–2023

Sl. No.	Name of meeting	Number of Meeting
01	BRAC Finance, Audit & Risk (FARC) Committee	04
02	BRAC Investment Committee	02
03	Annual General Meeting	01
04	BRAC Governing Body Committee	03

Ombudsperson

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

External auditor

The appointment of ACNABIN & Co, Chartered Accountants, Bangladesh (network member firm of Baker Tilly) as the auditor of BRAC for the period from 1st July, 2023 to 30th June 2024 was approved in BRAC's Annual General Meeting.

Anti-Money Laundering/Combatting the Financing of Terrorism (AML/CFT)

In line with the Money Laundering Prevention Act (Amendment) 2015 and Anti-Terrorism (Amendment) Act 2013 of Bangladesh, BRAC acknowledges its responsibilities to combat both actual and potential money laundering, as well as other activities that facilitate money laundering and the funding of terrorists and/or other criminal activity. We are committed to preventing the misuse of our internal financial systems or processes for the laundering of proceeds from criminal activities and the financing of terrorism.

To embed the compliance in practice, BRAC has formulated its own 'Anti-Money Laundering and Combatting the Financing of Terrorism (AML/CFT) Policy covering its scope of application, duties and responsibilities of compliance officer, the process of recordkeeping, training requirements and confidential reporting. Additionally, we have formulated a Central Compliance Unit (CCU) comprised

of six (6) members headed by the Chief Anti-Money Laundering Compliance Officer (CAMLCO), who will be responsible for overall compliance issues.

We have designed our internal programs, as well as policies to include ongoing due diligence, record-keeping, special monitoring, and safeguarding policy to ensure compliance with these critical obligations. Additionally, we strictly prioritize the protection of sensitive information related to suspicious transaction reports. By adhering to these preventive measures, we contribute to maintaining the integrity of our financial ecosystem and safeguarding against illicit financial activities.

Financials

BRAC
Statement of Financial Position Converted to USD
As at 30 June 2023
(Not part of audited financial statements)

Figures in million

Particulars	2023		2022	
	BDT	USD	BDT	USD
Assets				
Non-current assets				
Property, plant and equipment	23,640	216	21,132	226
Intangible assets	309	3	255	3
Biological assets	68	1	52	1
Investments in related undertakings	38,618	353	34,632	370
Investments in securities and others	47	0	47	1
Total non-current assets	62,682	573	56,118	600
Current assets				
Biological assets	65	1	51	1
Inventories	10,333	94	6,746	72
Grants and accounts receivable	3,309	30	4,398	47
Microfinance loans	380,857	3,483	309,551	3,311
Advance, deposits and prepayments	16,316	149	14,402	154
Investments in securities and others	36,801	337	40,456	433
Cash and cash equivalents	7,921	72	6,406	69
Total current assets	455,602	4,166	382,009	4,086
Total assets	518,283	4,740	438,127	4,686
Capital fund and liabilities				
Capital fund				
Unrestricted	196,328	1,795	167,562	1,792
Temporarily restricted	233	2	416	4
Total capital fund	196,561	1,798	167,977	1,797
Liabilities				
Non-current liabilities				
Term loans	4,603	42	3,274	35
Zero coupon bond	6,963	64	9,398	101
Members' savings deposits	97,499	892	80,658	863
Deferred income	869	8	1,074	11
Other long term liabilities	10,994	101	10,693	114
Total non-current liabilities	120,927	1,106	105,098	1,124
Current liabilities				
Liabilities for expenses and materials	42,024	384	29,631	317
Bank overdrafts	6,222	57	6,193	66
Term loans	38,902	356	24,859	266
Zero coupon bond	3,093	28	1,413	15
Members' savings deposits	83,471	763	71,741	767
Grants received in advance	3,549	32	2,767	30
Loan loss provision	17,867	163	21,943	235
Provision for taxation	5,667	52	6,505	70
Total current liabilities	200,795	1,836	165,052	1,765
Total liabilities	321,723	2,942	270,150	2,889
Total capital fund and liabilities	518,283	4,740	438,127	4,686

Exchange rate: 1 USD = BDT 109.35 as on June 30, 2023 (1 USD = BDT 93.50 as on June 30, 2022)

BRAC
Statement of Income and Expenditure Converted to USD
For the year ended 30 June 2023
(Not part of audited financial statements)

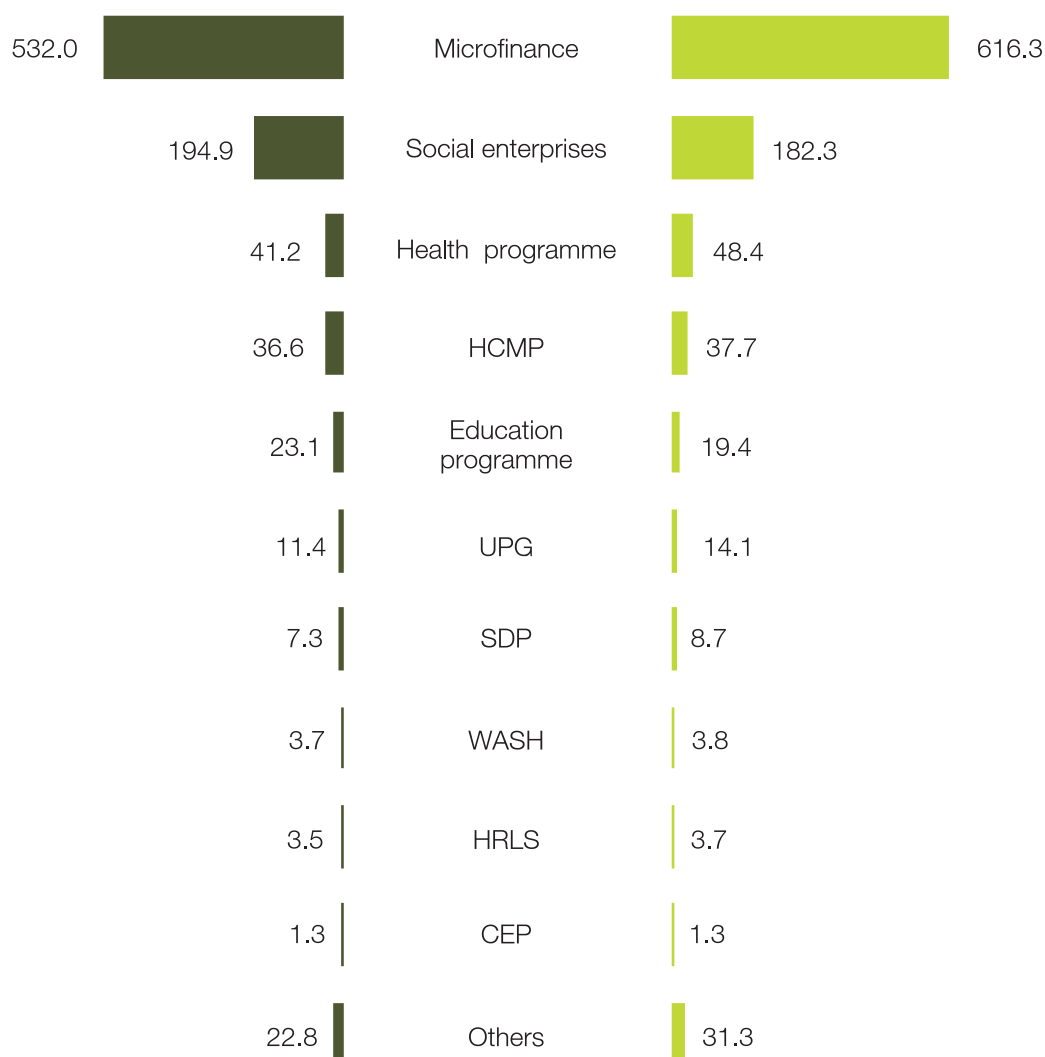
Figures in million

Particulars	2023		2022	
	BDT	USD	BDT	USD
Income				
Donor grants	12,267	112	10,991	118
Social enterprises	25,590	234	19,854	212
Microfinance programme	83,903	767	69,498	743
Self-financing social development programme	1,726	16	2,861	31
Investment income	1,086	10	1,180	13
Community contribution	572	5	679	7
House property	148	1	109	1
Total income	125,292	1,146	105,173	1,125
Expenditure				
Social enterprises	21,308	195	17,041	182
Micro finance programme	58,169	532	57,619	616
House property	36	0	49	1
Agriculture and food security	-	-	-	-
Community empowerment programme	139	1	120	1
Education programme	2,523	23	1,818	19
Gender, justice and diversity	179	2	164	2
Health programme	4,508	41	4,530	48
Human rights and legal aids services	380	3	349	4
Policy advocacy	246	2	114	1
Water, sanitation and hygiene programme	401	4	359	4
Ultra poor programme	1,247	11	1,317	14
Forcibly-displaced Myanmar nationals	3,998	37	3,528	38
Disaster management and climate change	539	5	318	3
Skills development programme	794	7	815	9
Migration programme	280	3	564	6
Social development programme	358	3	728	8
Other development projects	833	8	970	10
Grants	23	0	19	0
Total expenditure	95,959	878	90,424	967
Surplus/(deficit) of income over expenditure	29,332	268	14,749	158
Surplus of income over expenditure before taxation	29,332	268	14,749	158
Taxation	(4,459)	(41)	(2,580)	(28)
Net surplus for the year	24,874	227	12,169	130

Exchange rate: 1 USD = BDT 109.35 as on June 30, 2023 (1 USD = BDT 93.50 as on June 30, 2022)

Revenue Expenditure 2023 vs 2022

■ Revenue Expenditure 2023 ■ Revenue Expenditure 2022



Contribution of BRAC to Government Exchequer

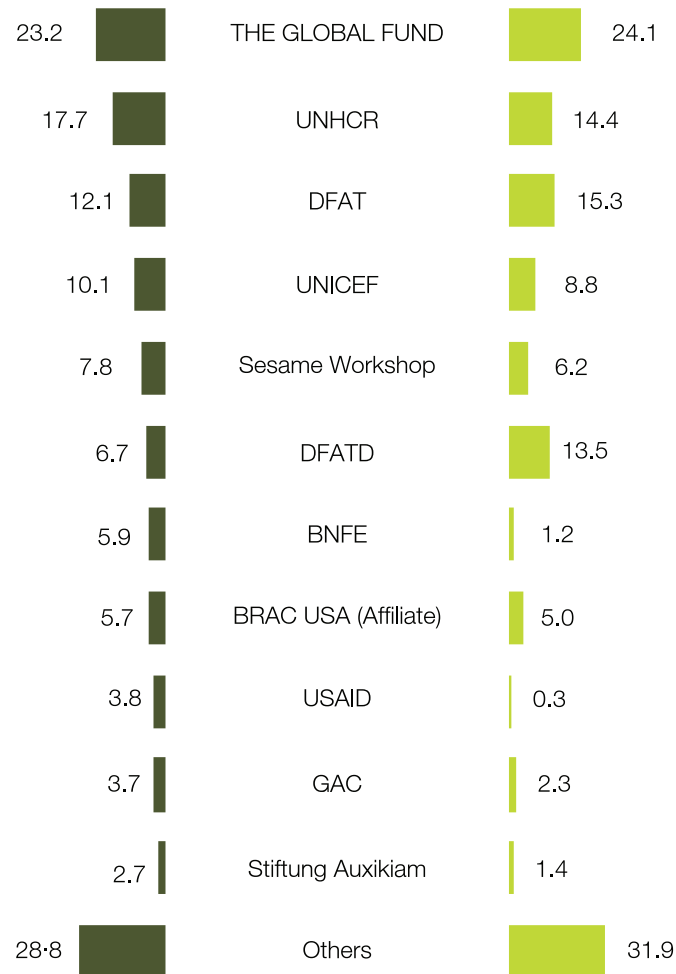
Figures are in million

Particulars	2023		2022	
	BDT	USD	BDT	USD
Direct Tax Payment	2,769	25	3,472	37
Tax deduction at source by the third parties	829	8	452	5
Tax deduction at source from third parties	606	6	520	6
Value Added Tax	1,942	18	1,503	16
Import Duty	749	7	236	3
Total	6,894	63	6,183	66

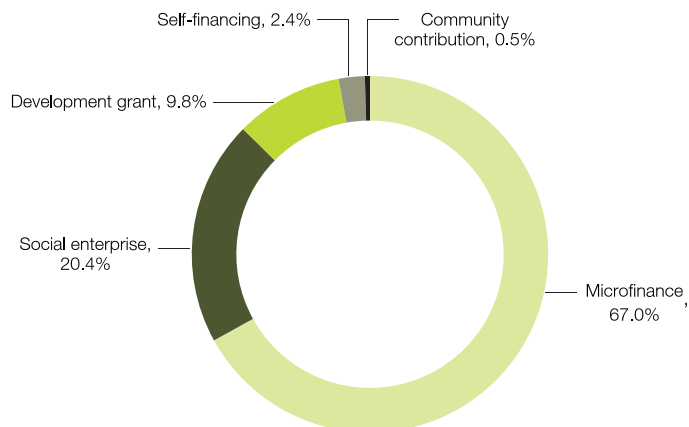
Exchange rate: 1 USD = BDT 109.35 as on June 30, 2023 (1 USD = BDT 93.50 as on June 30, 2022)

Donation Composition 2023 vs 2022

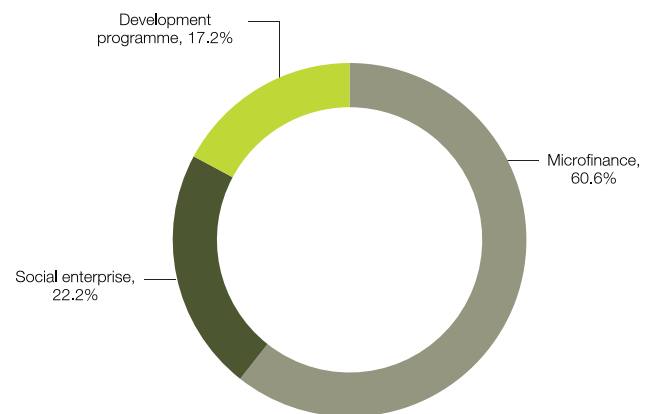
■ Grants Composition 2023 ■ Grants Composition 2022



Total Income contribution % for FY 2023



Total Expenditure Allocation % for FY 2023



BRAC

Financial Synopsis
As at 30 June, 2023
(in million BDT)

FINANCIAL POSITION:

	FY 2022 - 23	FY 2021 - 22	FY 2020 - 21
Property, plant and equipment	23,640	21,132	20,309
Microfinance loans	380,857	309,551	271,869
Investment	75,419	75,087	65,047
Other assets	38,368	32,358	42,935
Total Assets:	518,283	438,127	400,160
Capital fund	196,561	167,977	153,461
Members' savings deposit	180,970	152,399	135,510
Term loans	43,505	28,133	40,047
Other liabilities	97,248	89,618	71,142
Total Capital Fund & Liabilities:	518,283	438,127	400,160

CASH FLOW:

	FY 2022 - 23	FY 2021 - 22	FY 2020 - 21
Operating activities	(46,348)	(21,261)	28,272
Investing activities	3,006	(5,478)	(11,763)
Financing activities	44,857	15,787	15,214
Cash & cash equivalents at year-end	7,921	6,406	17,359

INCOME EXPENDITURE STATEMENT:

	FY 2022 - 23	FY 2021 - 22	FY 2020 - 21
Total income	125,292	105,173	102,234
Total expenditure	100,418	93,004	88,659
Net surplus for the year	24,874	12,169	13,575

RATIO ANALYSIS:

	FY 2022 - 23	FY 2021 - 22	FY 2020 - 21
Current ratio	2.27	2.31	2.15
Asset turnover	26.20%	25.09%	28.09%
Return on equity	13.65%	7.57%	9.77%

BRAC Microfinance

Financial Synopsis
As at 30 June, 2023
(in million BDT)

LOAN & REALIZATION:

	FY 2022 - 23	FY 2021 - 22	FY 2020 - 21
Loan disbursement	646,844	491,661	431,626
Principal realization	565,306	443,695	427,124
Total realization	643,884	507,671	495,302
Write-off	12,539	12,971	5,122

RATIO ANALYSIS:

	FY 2022 - 23	FY 2021 - 22	FY 2020 - 21
Liquidity ratio	18.30%	23.34%	27.30%
Current ratio	2.38:1	2.41:1	2.44:1
Capital adequacy ratio	33.10%	33.22%	35.30%

BRAC

Vertical Analysis

As at 30 June, 2023

(in million BDT)

INCOME & EXPENDITURE:

	FY 2022 - 23	%	FY 2021 - 22	%	FY 2020 - 21	%
Total income	125,292	100%	105,173	100%	102,234	100%
Total expenditure	100,418	80%	93,004	88%	88,659	87%
Net surplus for the year	24,874	20%	12,169	12%	13,575	13%

FINANCIAL POSITION:

	FY 2022 - 23	%	FY 2021 - 22	%	FY 2020 - 21	%
Property, plant and equipment	23,640	5%	21,132	5%	20,309	5%
Microfinance loans	380,857	73%	309,551	71%	271,869	68%
Investment	75,419	15%	75,087	17%	65,047	16%
Other assets	38,368	7%	32,358	7%	42,935	11%
Total Assets:	518,283	100%	438,127	100%	400,160	100%

Capital fund	196,561	38%	167,977	38%	153,461	38%
Members' savings deposit	180,970	35%	152,399	35%	135,510	34%
Term loans	43,505	8%	28,133	6%	40,047	10%
Other liabilities	97,248	19%	89,618	20%	71,142	18%
Total Capital Fund & Liabilities:	518,283	100%	438,127	100%	400,160	100%

BRAC

Horizontal Analysis

As at 30 June, 2023

INCOME & EXPENDITURE:

	FY 2022 - 23	%	FY 2021 - 22	%	FY 2020 - 21	%
Total Income	125,292	19%	105,173	3%	102,234	25%
Total Expenditure	100,418	8%	93,004	5%	88,659	28%
Net Surplus for the year	24,874	104%	12,169	-10%	13,575	6%

FINANCIAL POSITION:

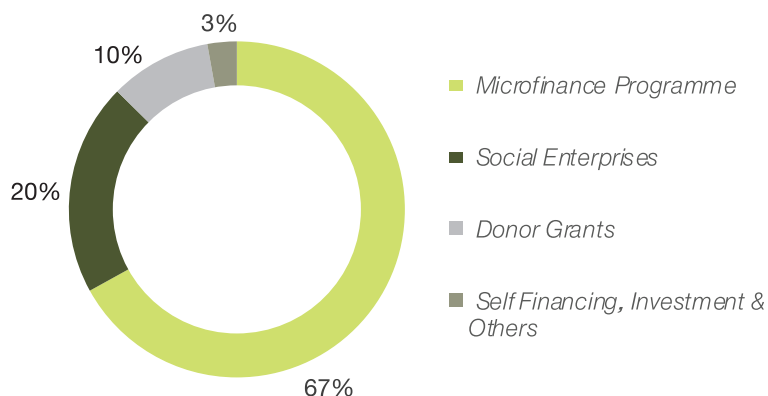
	FY 2022 - 23	%	FY 2021 - 22	%	FY 2020 - 21	%
Property, plant and equipment	23,640	12%	21,132	4%	20,309	5%
Microfinance Loans	380,857	23%	309,551	14%	271,869	-1%
Investment	75,419	0%	75,087	15%	65,047	27%
Other Assets	38,368	19%	32,358	-25%	42,935	9%
Total Assets:	518,283	18%	438,127	9%	400,160	4%

Capital Fund	196,561	17%	167,977	9%	153,461	10%
Members' Savings Deposit	180,970	19%	152,399	12%	135,510	27%
Term Loans	43,505	55%	28,133	-30%	40,047	-22%
Other Liabilities	97,248	9%	89,618	26%	71,142	-18%
Total Capital Fund & Liabilities:	518,283	18%	438,127	9%	400,160	4%

INCOME COMPONENTS:

Figures in million BDT

FY 2022 - 23



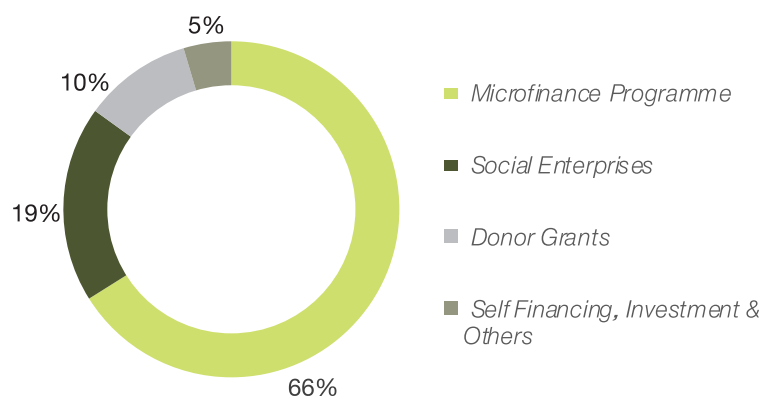
TOTAL INCOME:

Microfinance Programme
Social Enterprises
Donor Grants
Self Financing, Investment & Others

FY 2022 - 23

83,903
25,590
12,267
3,532
125,292

FY 2021 - 22



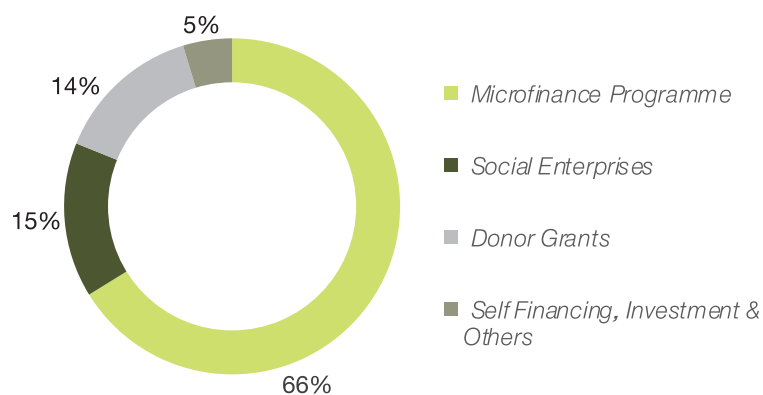
TOTAL INCOME:

Microfinance Programme
Social Enterprises
Donor Grants
Self Financing, Investment & Others

FY 2021 - 22

69,498
19,854
10,991
4,829
105,173

FY 2020 - 21



TOTAL INCOME:

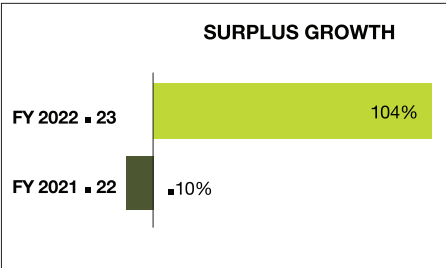
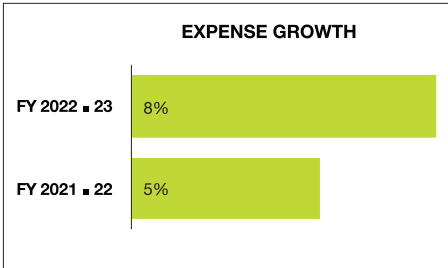
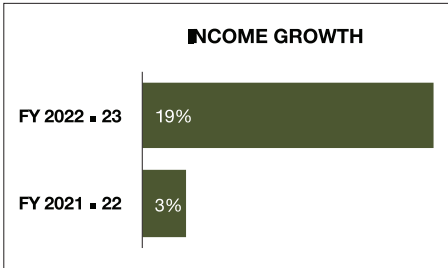
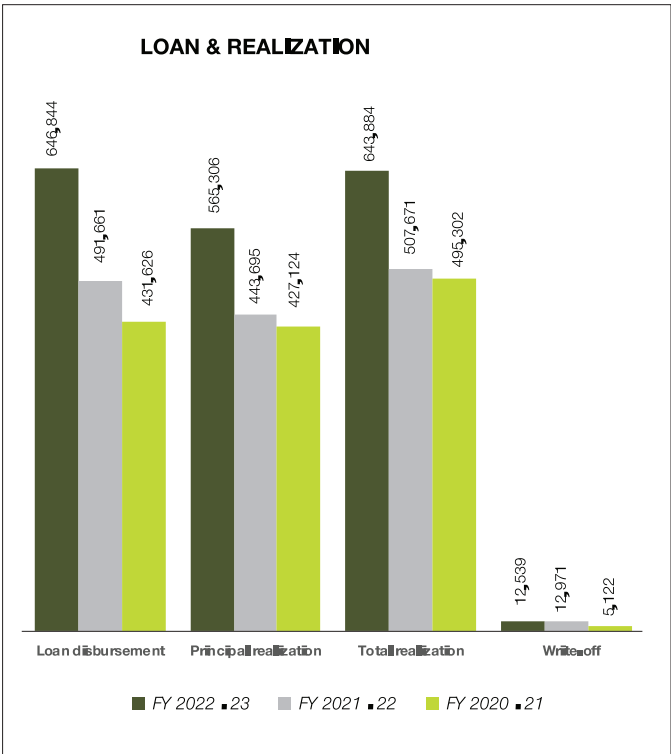
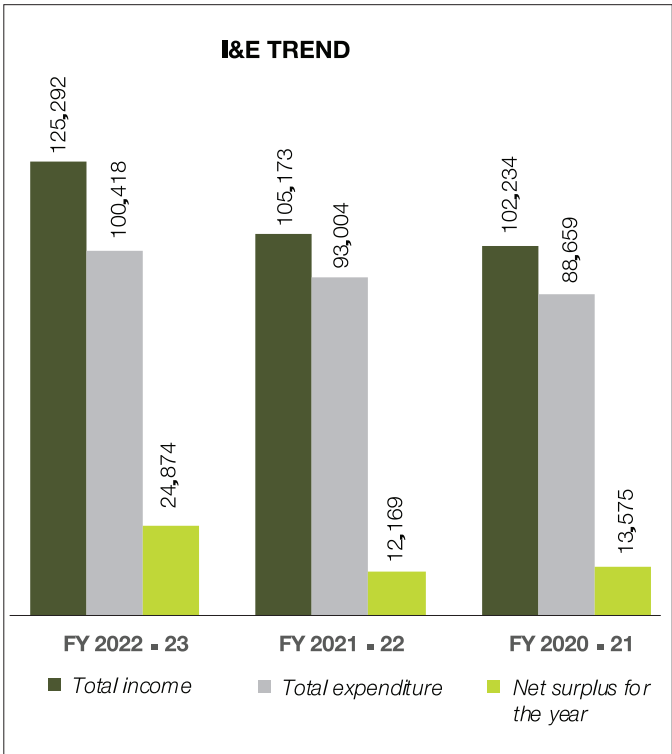
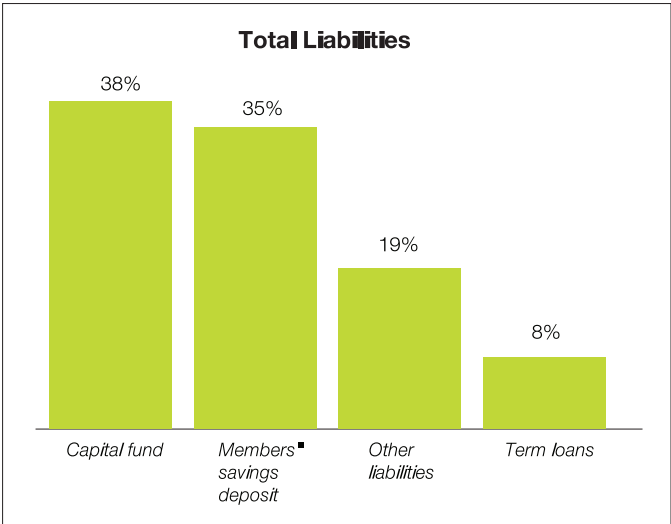
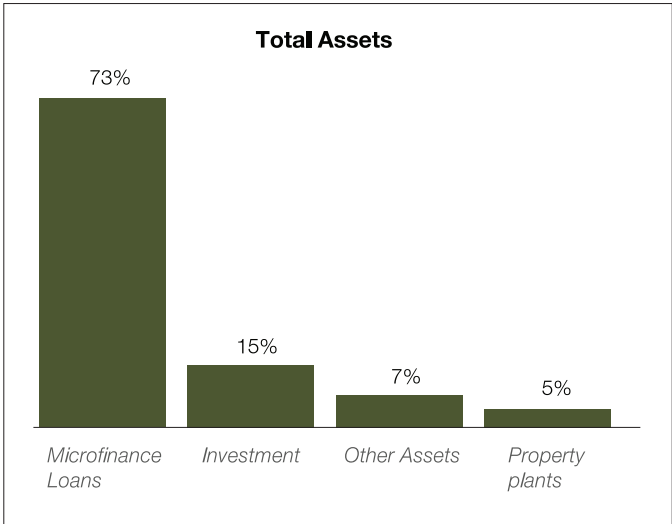
Microfinance Programme
Social Enterprises
Donor Grants
Self Financing, Investment & Others

FY 2020 - 21

67,680
15,242
14,492
4,820
102,234

ASSET ALLOCATION (FY 2022-23):

Figures in million BDT



CREDIT RATING

BRAC has been re-awarded the ‘AAA’ and ‘ST-1’ in the Long Term and Short Term categories respectively on its audited financial statements as of 30 June 2023 and other relevant quantitative as well as qualitative information by the Credit Rating Agency of Bangladesh Limited (CRAB) with the validity till 30 December 2024.

Yearly Comparison:

2023	2022
Long Term: AAA	Long Term: AAA
Short Term: ST-1	Short Term: ST-1
Outlook: Stable	Outlook: Stable

According to CRAB, AAA ratings are a testament to BRAC’s strong and stable financial position with minimal credit risk which is extremely capable of meeting its financial commitments. The short-term rating indicates the highest capacity for timely repayment of their obligations. MFI rated in this category is characterized by an excellent position in terms of liquidity, internal fund generation, and access to alternative sources of funds.

Independent Auditor's Report and Audited Financial Statements of BRAC

As at and for the year ended 30 June 2023



BDBL Bhaban (Level-13 & 15), 12 Kawran Bazar Commercial Area, Dhaka-1212, Bangladesh.
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Fax: (+88-02) 410 20036, E-mail: <acnabin@bangla.net>, Web: www.acnabin.com

Branch Office

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Independent Auditor's Report

To the Governing Body of BRAC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BRAC ("the Entity") which comprise the statement of financial position as at 30 June 2023, and the statement of comprehensive income and expenditure, statement of changes in capital fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with the accounting policies as summarized in Note 2 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with the 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 Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note # 2 to the financial statements, which describes the basis of preparation of the financial statements and the significant accounting policies. The financial statements are prepared to assist the Entity in complying with the requirement of Clause 37 of the Rules and Regulation of BRAC. The financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Matter

The financial statements of BRAC for the year ended 30 June 2022 were audited by Nurul Faruk Hasan & Co., Chartered Accountants. The auditor's report was unmodified, and the date of auditor's report was 27 November 2022.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report, Portfolio Report for the Year ended 30 June 2023, Budget Variance Report for the Financial Year and Fixed Asset Schedule of Microfinance Program other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we will communicate the matter to the members of the Governing Body of the Entity.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

The members of the Governing Body of the Entity are responsible for overseeing the Entity's financial reporting process.

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 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 omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Entity to cease to continue as going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the members of the Governing Body of the Entity 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 the members of the Governing Body of the Entity with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Dhaka, Bangladesh
Date: 27 November 2023

ACNABIN Chartered Accountants

Enlistment No. CAF-001-012



Md. Rokonzaman FCA
Partner
Enrollment No: 0739
DVC: 2311270739AS945646

BRAC

(Registered in Bangladesh under the Societies Registration Act, 1860)

Statement of financial position

As at 30 June 2023

		30 June 2023	30 June 2022
	Note	Taka	Taka
Assets			
Non-current assets			
Property, plant and equipment	3	23,639,660,525	21,131,531,171
Intangible assets	4	308,811,084	255,429,051
Investments in related undertakings	5	38,618,021,019	34,631,559,866
Investments in securities and others	7	47,400,000	47,400,000
Biological assets	8	67,792,768	52,323,755
Total non-current assets		62,681,685,395	56,118,243,843
Current assets			
Investments in securities and others	7	36,800,731,871	40,455,594,851
Biological assets	8	64,830,012	50,840,805
Inventories	9	10,333,446,036	6,745,634,665
Grants and accounts receivable	10	3,308,668,674	4,398,315,992
Advance, deposits and prepayments	11	16,316,261,785	14,401,604,485
Cash and cash equivalents	12	7,920,652,432	6,406,085,332
Microfinance loans	13	380,857,115,706	309,550,683,046
Total current assets		455,601,706,517	382,008,759,176
Total assets		518,283,391,912	438,127,003,019
Capital fund and liabilities			
Capital fund			
Unrestricted		196,327,582,019	167,561,613,518
Temporarily restricted		233,034,149	415,663,824
Total capital fund		196,560,616,168	167,977,277,342
Liabilities			
Non-current liabilities			
Zero coupon bond	15	6,963,117,126	9,398,118,361
Members' savings deposits	16	97,498,515,322	80,657,813,211
Term loans	18	4,602,500,000	3,274,166,667
Deferred income	19	868,850,026	1,074,240,041
Other long term liabilities	21	10,994,442,523	10,693,442,410
Total non-current liabilities		120,927,424,997	105,097,780,690
Current liabilities			
Loan loss provision	13	17,867,269,990	21,943,155,678
Liabilities for expenses and materials	14	42,023,753,809	29,630,665,919
Zero coupon bond	15	3,092,871,157	1,413,155,952
Members' savings deposits	16	83,471,416,540	71,741,460,179
Bank overdrafts	17	6,221,791,323	6,192,590,954
Term loans	18	38,902,302,446	24,858,689,895
Grants received in advance	20	3,548,627,965	2,767,370,913
Provision for taxation	22	5,667,317,517	6,504,855,497
Total current liabilities		200,795,350,747	165,051,944,987
Total liabilities		321,722,775,744	270,149,725,677
Total capital fund and liabilities		518,283,391,912	438,127,003,019

The accompanying notes from 1 to 35 form an integral part of these financial statements.


Chief Financial Officer
BRAC

Executive Director
BRAC

Chairperson, Governing Body
BRAC

as per our report of same date

ACNABIN Chartered Accountants
Enlistment No. CAF-001-012

Md. Rokunuzzaman FCA
Partner
Enrollment No: 0739
DVC: 2311270739AS945646Dhaka, Bangladesh
Dated: 27 November 2023

BRAC

(Registered in Bangladesh under the Societies Registration Act, 1860)

Statement of comprehensive income and expenditure

For the year ended 30 June 2023

		Unrestricted	Temporarily Restricted	30 June 2023 (Total)	30 June 2022 (Total)
	Note	Taka	Taka	Taka	Taka
Income					
Donor grants	23	288,480,179	11,978,347,441	12,266,827,620	10,990,866,341
Bank interest and other operational income	24	1,726,401,510	-	1,726,401,510	2,860,904,746
Community contribution	25	133,725,179	438,036,860	571,762,039	678,597,061
Income from microfinance program	26	83,903,208,417	-	83,903,208,417	69,498,246,419
Revenue from social enterprises	27	25,589,920,481	-	25,589,920,481	19,854,306,139
Investment income	28	1,085,706,633	-	1,085,706,633	1,180,301,215
Rental income from house property		147,717,135	-	147,717,135	109,471,760
Total income		112,875,159,534	12,416,384,301	125,291,543,835	105,172,693,681
Expenditure					
Health program		16,980,917	4,490,519,332	4,507,500,249	4,529,977,266
Humanitarian crisis management program		-	3,998,262,924	3,998,262,924	3,528,015,397
Education program		131,113,152	2,392,125,601	2,523,238,753	1,818,417,307
Ultra poor graduation program		-	1,247,392,101	1,247,392,101	1,316,730,090
Skills development program		-	793,605,264	793,605,264	815,226,665
Disaster management and climate change program		-	538,577,300	538,577,300	317,988,663
Water, sanitation and hygiene program		56,362	400,650,908	400,707,270	359,172,069
Human rights and legal aids program		38,239,485	341,512,599	379,752,084	348,803,888
Migration program		11,794,181	268,404,048	280,198,229	563,773,985
Policy advocacy program		190,409,473	55,609,408	246,018,881	114,471,457
Gender, justice and diversity program		122,955,521	55,852,582	178,808,103	164,215,407
Community empowerment program		7,386,487	131,365,177	138,751,664	120,234,536
Social development program		357,634,196	-	357,634,196	727,620,901
Other development program		12,834,549	819,995,640	832,830,189	970,343,671
Grants		22,753,360	-	22,753,360	19,353,360
Microfinance program		58,169,363,700	-	58,169,363,700	57,619,493,162
Social enterprises		21,308,264,136	-	21,308,264,136	17,040,937,551
Property maintenance expense		35,697,126	-	35,697,126	49,245,289
Total expenditure		80,425,482,645	15,533,872,884	95,959,355,529	90,424,020,664
Surplus/(deficit) of income over expenditure		32,449,676,889	(3,117,488,583)	29,332,188,306	14,748,673,017
BRAC Contribution to donor funded program	31	(3,117,488,583)	3,117,488,583	-	-
Surplus of income over expenditure before tax		29,332,188,306	-	29,332,188,306	14,748,673,017
Income tax expense	30	(4,458,513,830)	-	(4,458,513,830)	(2,579,635,752)
Net surplus for the year		24,873,674,476	-	24,873,674,476	12,169,037,265

The accompanying notes from 1 to 35 form an integral part of these financial statements.


Chief Financial Officer
 BRAC


Executive Director
 BRAC


Chairperson, Governing Body
 BRAC

as per our report of same date

Dhaka, Bangladesh
Dated: 27 November 2023**ACNABIN Chartered Accountants**
Enlistment No. CAF-001-012

 Md. Rokunuzzaman FCA
 Partner
 Enrollment No: 0739
 DVC: 2311270739AS945646

BRAC

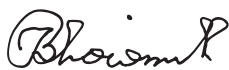
(Registered in Bangladesh under the Societies Registration Act, 1860)

Statement of changes in capital fund

For the year ended 30 June 2023

		Unrestricted	Temporarily restricted	Total
		Taka	Taka	Taka
As at 1 July 2021		152,979,433,675	481,581,742	153,461,015,417
Net surplus for the year		12,169,037,265	-	12,169,037,265
Share of non operating changes in net assets in related undertakings	5	1,946,311,628	-	1,946,311,628
Investment reserve fund	5	400,913,032	-	400,913,032
Transferred/adjustment for closed projects		65,917,918	(65,917,918)	-
As at 30 June 2022		167,561,613,518	415,663,824	167,977,277,342
As at 1 July 2022		167,561,613,518	415,663,824	167,977,277,342
Net surplus for the year		24,873,674,476	-	24,873,674,476
Share of non operating changes in net assets in related undertakings	5	3,598,299,801	-	3,598,299,801
Investment reserve fund	5	111,364,550	-	111,364,550
Transferred/adjustment for closed projects		182,629,675	(182,629,675)	-
As at 30 June 2023		196,327,582,019	233,034,149	196,560,616,168

The accompanying notes from 1 to 35 form an integral part of these financial statements.


Chief Financial Officer
 BRAC


Executive Director
 BRAC


Chairperson, Governing Body
 BRAC

BRAC

(Registered in Bangladesh under the Societies Registration Act, 1860)

Statement of cash flows

For the year ended 30 June 2023

	30 June 2023	30 June 2022
	Taka	Taka
Cash flows from operating activities:		
Net surplus for the year	24,873,674,476	12,169,037,265
Adjustments for:		
Income tax expense	4,458,513,830	2,579,635,752
Loan loss provision	8,462,614,869	13,881,531,080
Depreciation and amortization	1,546,837,537	1,568,283,435
(Gain)/ loss on disposal of property, plant and equipment	(5,930,164)	15,018,098
Gain on disposal of investment in tea estates	-	(1,455,662,885)
Cash dividend received from related undertakings	(1,085,706,633)	(1,180,301,215)
Donor grants amortization of deferred income	(310,433,341)	(346,976,496)
Interest on fixed deposits and bank accounts	(2,693,132,557)	(2,561,973,868)
Operating cash flows before movements in working capital	35,246,438,017	24,668,591,166
Adjustments for other accounts:		
Increase in microfinance loans	(81,538,396,016)	(47,965,296,658)
Increase in service charge outstanding on microfinance loans	(2,306,537,201)	(2,687,151,814)
Increase in biological assets	(29,458,220)	(25,666,806)
(Increase)/ decrease in inventories	(3,587,811,371)	277,178,099
Increase in advances, deposits and prepayments	(1,914,657,300)	(954,148,022)
(Increase)/ decrease in grants and accounts receivable	1,089,647,318	(351,529,180)
Increase in other liabilities	6,587,670,014	5,614,727,353
Increase in deferred income	105,043,325	161,938,272
Cash used in operations (a)	(46,348,061,434)	(21,261,357,589)
Cash flows from investing activities:		
Purchase of property, plant and equipment & intangible assets	(4,161,987,837)	(2,484,213,047)
Proceeds from disposal of property, plant and equipment	10,757,291	29,663,958
(Increase)/ decrease in investments in related undertakings	(276,796,803)	2,292,144,535
Cash dividend received from related undertakings	1,085,706,633	1,180,301,215
(Increase)/ decrease in fixed deposits and short term deposits	3,604,862,978	(9,308,357,186)
Interest received on fixed deposits and bank accounts	2,693,132,557	2,561,973,868
Realization of investment in securities and others	50,000,000	250,000,000
Net cash provided by (used in) investing activities (b)	3,005,674,820	(5,478,486,656)
Cash flows from financing activities:		
Grants received during the year	13,324,498,593	11,525,252,053
Grants utilized during the year for:		
Operational expenditure	(11,880,020,363)	(10,426,323,986)
Investment in property, plant and equipment	(104,492,538)	(161,461,072)
Motorcycle replacement funds	(550,787)	(477,200)
Increase/ (decrease) in term loans	15,371,945,885	(11,914,373,068)
Increase in bank overdrafts	29,200,369	6,023,713,896
Increase/ (decrease) in zero coupon bond	(755,286,030)	10,811,274,313
Increase in members savings deposits	28,570,658,472	16,889,275,923
Increase/ (decrease) in other long term liabilities	301,000,113	(6,960,379,748)
Net cash provided by financing activities (c)	44,856,953,714	15,786,501,110
Net increase/ (decrease) in cash and cash equivalents (a+b+c)	1,514,567,100	(10,953,343,135)
Cash and cash equivalents at the beginning of the year	6,406,085,332	17,359,428,467
* Cash and cash equivalents at the end of the year	7,920,652,432	6,406,085,332

* Cash and bank balance (note 12) and bank overdrafts (note 17) are disclosed separately and the bank overdrafts have been presented under the "Cash flows from financing activities".

The accompanying notes from 1 to 35 form an integral part of these financial statements.


Chief Financial Officer
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Notes to the financial statements

As at and for the year ended 30 June 2023

1. General information

BRAC was formed as a development organization in 1972 under the Societies Registration Act 1860. Although BRAC was initially set up to resettle refugees in post-war Bangladesh, later it redesigned its strategies in accordance with its philosophy of poverty alleviation and empowerment of the poor. Currently BRAC is working across all the 64 districts of Bangladesh, transforming people's quality of life, living with inequality and poverty to create sustainable opportunities to realize potential.

BRAC uses an integrated model to change systems of inequity, through social development programs, humanitarian response, social enterprises, and socially-responsible investments. Our vision is a world free from all forms of exploitation and discrimination, where everyone has the opportunity to realize their potential. 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 programs that enable women and men to realize their potential. We are driven by four core values: integrity, innovation, inclusiveness and effectiveness.

Corporate information of BRAC

- 1 Year of establishment : 1972
- 2 Legal Entity : BRAC is a non-government, non profit voluntary organization registered with
 - i) Microcredit Regulatory Authority registration no. 00488-00186-00065
 - ii) NGO Affairs Bureau registration no. 002
 - iii) Registrar of Joint Stock Companies and Firms registration no. S-3695A
- 3 Country of incorporation and domicile of the entity : Bangladesh
- 4 Address of the registered office : BRAC Centre, 75 Mohakhali, Dhaka-1212
- 5 Nature of the entity's operations and principle activities : The nature of the entity's operations and its principle activities are as follows
 - i) **Financial inclusion service:** Microfinance Program.
 - ii) **Development Programs:** Health, Education, Ultra poor graduation, Skills development, Humanitarian crisis management, Migration, Disaster management and climate change, and other social development programs.
 - iii) **Social Enterprises:** Aarong Rural Craft Centre, BRAC Printing Pack, BRAC Dairy and Food
- 6 Statutory audit conducted up to : 30 June 2023
- 7 Name of statutory auditor for the current year : ACNABIN Chartered Accountants
- 8 Name of statutory auditor for last year : Nurul Faruk Hasan & Co.
- 9 No of Governing Body meetings held in 2022-23 : 03
- 10 Date of Last annual general meeting held : 16 February 2023
- 11 List of BRAC Governing Body members:

SL No.	Name	Qualification	Profession	Present Address
1	Dr. Hossain Zillur Rahman	Ph. D. (Political Sociology)	Executive Chairman, PPRC	Dhanmondi R/A, Dhaka 1209.
2	Mr. Adeeb Hossain Khan	Fellow of Chartered Accountant	Senior Partner, Rahman Rahman Huq	Gulshan-1, Dhaka 1212.
3	Advocate Syeda Rizwana Hasan	Masters in Law (University of Dhaka)	Chief Executive, BELA	Central Road Dhanmondi, Dhaka.
4	Mr. Shafiqul Hassan	MSc (Aston University, UK)	Managing Director, Echotex	London NW7 7NG, UK.
5	Ms. Melissa Dawn Parke	LLB (University of New South Wales)	Executive Director, ICAN	Subiaco, WA 6008, Australia.
6	Ms. Fathima Dada	Bachelor of Arts	Managing Director, Oxford Education	Cape Town 8001, South Africa.
7	Dr. Fahmida Khatun	Ph. D. (Economics)	Executive Director, CPD	Gulshan 2, Dhaka 1212.
8	Mr. Tapan Chowdhury	BSc. (University of Dhaka), Diploma in Marketing & Management (U.K.)	Chief Executive Officer, Square	Baridhara Diplomatic Enclave, Dhaka-1212.
9	Dr. Md. Abdus Sattar Mandal	Ph. D. (University of London)	Professor, Bangladesh Agricultural University	Mirpur-7, Dhaka-1216, Bangladesh.

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

2. Significant accounting policies

The financial statements have been prepared on the historical cost basis, except for investments in shares in listed companies (classified within investment in securities and others) and loans and borrowings that are measured at fair value and amortized cost respectively. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. For income and expenditure accounts, BRAC generally follows the accrual basis of accounting or a modified form thereof.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, BRAC takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

BRAC has been following the International Financial Reporting Standards (IFRSs) to the extent possible considering the nature and diversity in its activities along with the reporting requirements imposed by the regulators. Being the leading Non-Governmental Organization (NGO) in both local and international arena, BRAC has always been in persuasion to present the financial statements adhering to the applicable reporting norms including MRA, NGOAB and IFRSs.

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

Basis of preparation

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

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

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

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

In cases where restrictions expire, it is BRAC's policy to effect the reclassification of assets from temporarily restricted net assets to unrestricted net assets via transfers within the statement of financial position.

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

Reporting period

These financial statements have been prepared for the period from 1 July 2022 to 30 June 2023.

Authorization for issue

These financial statements have been authorized for issue by BRAC Finance, Audit and Risk Committee (Representing BRAC's Governing Body) on 27 November 2023.

Functional and presentation currency

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

Use of estimates and judgments

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

Going concern

The financial statements have been prepared on going concern basis, which assume that organization will be able to discharge its liabilities including member saving and repayment terms of banking facilities. As per the Governing Body assessment, there are no material uncertainties related to events or conditions which may cast significant doubt upon the organization's ability to continue as a going concern.

Revenue recognition

BRAC has applied IFRS 15 - Revenue from Contracts with Customers. BRAC recognizes as revenue the amount that reflects the consideration to which it expects to be entitled in exchange for goods or services when (or as) it transfers control to the customers (i.e., consumers) or satisfies the conditions mentioned in the contracts (for beneficiaries, donors etc.). To achieve that core principle, IFRS 15 establishes a five-step model as follows:

- i) Identify the contract with a customer (contract may be written, oral or in the form of customary business practices);
- ii) Identify the performance obligations in the contract;
- iii) Determine the transaction price;
- iv) Allocate the transaction price to the performance obligations in the contract; and
- v) Recognize revenue when (or as) the entity satisfies a performance obligation.

BRAC recognizes revenue from the following major sources:

- a) Service charge on microfinance loans
- b) Sale of goods and services of social enterprises
- c) Donor grants
- d) Investment income
- e) Rental income from house property
- f) Bank interest and other operational income

Service charge on microfinance loans

Revenue from service charges on microfinance loans are recognised on an accrual basis. However, the recognition of service charge ceases when a loan is transferred to non-interest bearing loan (NIBL) as described in Note 2 of microfinance loans. Thereafter, revenue from service charge arising from NIBL is recognised only when it is realized from the beneficiaries. Loans are returned to the accrual basis only when the full amount of the outstanding arrears of loans (NIBL) received and future collectability is reasonably assured.

Revenue from sale of goods and services of social enterprises

Social Enterprises comprise Aarong Rural Craft Centre, BRAC Printing Pack, BRAC Dairy and Food Project, and Agro Enterprises. Agro Enterprises include Seed, Fisheries, Artificial Insemination Center, and Horticulture Nurseries.

Revenue is recognised at the time when the performance obligations have been fulfilled by transferring the goods to the buyers/ customers/ consumers (along with the dispatch documents and invoices) and recovery of consideration is probable. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, discount and VAT. The transaction price of the goods is adjusted appropriately when it includes variable considerations (i.e., discount, rebate, performance bonus points, incentives and other similar items).

Donor grants

Income from donor grants is recognized when conditions mentioned in the donor contracts are met. Most donor grants are intended funding of different projects which are identifiable in the donor agreements. Income from donor grants is recognized to the extent the expenditure is incurred on the projects and programs. If the donor grants involve funding for property, plant and equipment, grant income is recognized as the amount equivalent to depreciation expenses charged on the fixed assets concerned.

All donor grants received are initially recorded as liabilities in grants received in advance account. For grants utilized to purchase fixed assets and motorcycles, the donor grants are transferred to deferred income accounts whilst for grants utilized to reimburse 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 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 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 subsequent 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.

Government grants are recognized as income in accordance with IAS - 20, "Accounting for government grants and disclosure of government assistance". Government grants are not recognized until there is reasonable assurance that the beneficiaries will comply with the conditions attaching to them and that the grants will be received. Government grants are recognized in comprehensive income and expenditure on a systematic basis over the periods in which the beneficiaries recognizes as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in comprehensive income and expenditure in the period in which they become receivable.

Investment income

Investment income is recognized on an accrual basis based on the audited/unaudited financial statements of the respective undertakings.

Rental income from house property

Rental income from house property is recognized on an accrual basis whether cash is received or not.

Bank interest and other operational income

Bank interest income is recognized on an accrual basis. And other operational income is recognized when BRAC's right to receive such income has been reasonably determined.

Community contribution

Community contribution represents contribution received from participants of selected programs run by BRAC and is recognized when BRAC's right to receive such contribution has been reasonably determined.

Expenses

BRAC uses an allocation methodology and ensures each project or program is charged with its fair share of common costs and to provide compliance with the relevant rules and regulations. 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 7% to 10% of their costs, based on agreement with donors or management's judgment.

Property, plant and equipment

(a) Recognition and measurement

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

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

(b) Subsequent costs

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

(c) Depreciation

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

<u>Item</u>	<u>Annual Depreciation Rate (%)</u>
Buildings	4-10
Furniture & Fixtures	10-20
Equipment	15-33.3
Computer and IT Equipment	20-33.3
Vehicles	20
Bicycles	20
Machineries	20
Deep tube wells and tanks	20
Hatcheries	20
Motorcycles	20
Crates/Mannequins/Samples	33.33

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

(d) Derecognition

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

(e) Capital work in progress

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

(f) Capitalization of borrowing costs

Directly attributable borrowing costs are capitalized during construction period for all qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made. All other borrowing costs are recognized in comprehensive income and expenditure in the period in which they are incurred.

Intangible assets

(a) Recognition and measurement

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

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

(b) Subsequent costs

Subsequent costs are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other costs are recognized in comprehensive income and expenditure as incurred.

(c) Amortization

Amortization is recognized in comprehensive income and expenditure on a straight line basis over the estimated useful lives of intangible assets. The estimated useful lives are as follows:

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

(d) Derecognition

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognized in comprehensive income and expenditure.

Biological assets

Biological assets are measured at fair value less costs to sell, with any changes therein recognized in comprehensive income and expenditure.

Microfinance loans

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

Members' savings deposits

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

(a) Compulsory savings

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

(b) Voluntary savings

Each member can save for periods ranging from 3 years to 10 years on a monthly basis. The voluntary savings range from Tk. 100 to Tk. 10,000. The interest rate ranges from 6.85% to 11.57%. Any member can withdraw his/her savings by giving a prior notice.

(c) Term deposits:

The term deposits savings project was established to promote savings behaviour among clients and provide greater financial security in the future.

(i) Double savings scheme: Members can save an amount ranging from Tk. 10,000 to Tk. 1,000,000 for a period of 4.5 to 8 years and interest rate for the maturity period ranges from 8.45% to 10.41%. This deposit scheme was in operation till June 10, 2021.

(ii) Monthly profit deposit scheme: Members can save monthly profit deposit for a period of 1 to 5 years for a fixed time period whether amount of deposit ranges from Tk. 50,000 to 1,000,000 and interest rate for the maturity period ranges from 7.80% in the first year to 10.20% for 5 years.

Provision for loan losses

An entity shall recognize an impairment allowance on loans based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses, if the credit risk on these loans and advances has increased significantly since initial recognition.

In this regard, Microcredit Regulatory Authority (MRA) provides guidelines and measurement basis for assessing the provision of microfinance loans. BRAC maintains provision for microfinance loan based on MRA guidelines. Management regularly assesses the adequacy of the loan loss provision based on the age of the loan portfolio and calculates the required provision considering the rules and regulations of MRA.

Loan write off

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

Accruals and provisions

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

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

Investments in related undertakings and related party transactions

Related undertakings refer to separately-established undertakings in which BRAC has significant influence and/or effective equity interests. Related undertakings are considered as related parties of the Entity.

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

Investment in securities and others

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

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

Accounts receivable

Accounts receivable arise principally from BRAC's social enterprises, and are stated net of provision for doubtful debts. An estimate is made for doubtful debts based on a review of all outstanding amounts at the statement of financial position date. Bad debts are written off when identified.

Inventories

Inventories are measured at lower of cost and net realizable value. Net realizable values are estimated based on the selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale. Retail inventories are stated at cost based on selling price less average mark-up, and other inventories are stated at cost. Cost is determined using the weighted average basis. The cost of inventories includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Provision is made for obsolete or slow moving items, to reduce their carrying amounts to net realizable value.

Motorcycle replacement fund

Applicable donor funds are utilized for providing motorcycles to project or program staffs, and these funds are held in a replacement fund. Donor funds received and utilized for the purchase of motorcycles are amortized to the statement of comprehensive income and expenditure over a period of five years, being the average estimated useful life of the motorcycles.

Self-insurance fund

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

Employee gratuity fund

BRAC maintains a gratuity scheme which is considered as a defined benefit plan and is operated by a Board of Trustees. BRAC makes provisions on the basis of two months' basic salary for each completed year's service for each permanent employee (based on the basic salary of the last month). In this respect, gratuity fund valuation of the retirement benefit liabilities are calculated periodically and with reference to a number of actuarial assumptions and inputs including discount rate, rate of inflation and mortality rates.

The extent of future liabilities requiring current provisions, and the rate of provisions required in the immediate following financial periods have been determined based on actuarial valuation carried out for the financial year end 30 June 2023.

Employee earned leave payable

Employee earned leave payable includes provision that will be payable to the permanent employees which is equivalent to maximum 60 days earned leave at the time of separation.

Retirement benefit fund for Aarong Production Centre (APC)

Retirement benefit fund for Aarong Production Centers (APC) represents retirement benefit payable to the contractual workers at the rate of Tk. 100 per worker per month.

Other funds

The Special fund for scholarship represents the Catherine H. Lovel memorial fund which is to be utilized for a scholarship program for poor girls.

The Relief and Rehabilitation fund for disaster and climate change represents amounts and is held as a fund.

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

Employee provident fund

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

Employee group insurance

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

Foreign currencies

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

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

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

	30 June 2023	30 June 2022
	Taka	Taka
United States Dollar (USD)	109.35	93.50
Euro	122.18	102.73
Great Britain Pound (GBP)	142.01	119.32
Canadian Dollar (CAD)	86.11	73.81
Australian Dollar (AUD)	74.85	67.83

Taxation

Income tax liabilities for the current period are measured at the amount expected to be paid to the taxation authorities in accordance with the Income Tax Act, 2023 for activities by which BRAC generates taxable income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Borrowing costs

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

Borrowing costs are recognized as an expense in the period in which they are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset as referred to in note on property, plant and equipment.

Impairment of assets

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

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

Financial instruments

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

a) Investments in related undertakings

Investments in related undertakings are stated at cost less impairment losses.

b) Investments in securities and others

Investments in securities and others are stated at cost, subsequently adjusted for fair value or at amortized cost. The policy for the recognition and measurement of impairment losses is in accordance with Note 2. Investment in securities and others.

c) Receivables

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

d) Payables

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

e) Interest-bearing borrowings

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

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

Fair value measurements

The Entity applies IFRS - 13, Fair Value Measurement that establishes a framework for measuring fair value. Fair value is defined as the price that would be received for an asset or paid to transfer a liability between market participants at the measurement date. The standard establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of the fair value hierarchy are as follows:

Level 1: Inputs that reflect unadjusted quoted market prices for identical assets or liabilities in active markets that are accessible at measurement date.

Level 2: Inputs other than quoted prices that are either directly or indirectly observable for the asset or liability, including inputs in markets that are not considered to be active. Level 2 inputs may include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets in markets that are not active, observable inputs other than quoted prices for the asset or liability and inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances. Cash and bank balances include donations which are received through donor grants. By virtue of donor agreements, the manner in which such donations are to be applied may be restricted to specific projects and/or assets. Bank overdrafts are repayable on demand and form an integral part of BRAC's cash management.

Leases

The Entity assesses whether a contract is or contains a lease element, at inception of the contract. After assessing the contracts, BRAC found out that all the existing contracts fall under short-term leases (defined as leases with a lease term of 12 months or less) as per IFRS 16. For these leases, the Entity recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Contingent assets and liabilities

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

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

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

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

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

Events after the reporting date

Events after the reporting date that provide additional information about the organization's position at the statement of financial position date are reflected in the financial statements. No adjustment is given in the financial statements for events after the statement of financial position date that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

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

Statement of cash flows

Statement of cash flows is prepared principally in accordance with IAS-7 "Statements of Cash Flows". Cash flows from the operating activities have been presented under the indirect method. Cash flows from donor grants are presented under financing activities and cash flows from microfinance loans are presented under operating activities.

Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately if they are immaterial.

Comparatives and rearrangement

Comparative information has been disclosed for all numerical, narrative and descriptive information where it is relevant for understanding of the current year's financial statements. Comparative figures and account titles in the financial statements for the period ended on 30 June 2023, have been rearranged/reclassified where necessary, to ensure better comparability with the current year's financial statements.

Segmental reporting

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

The program managers report directly to the management of BRAC who regularly review the segment results in order to assess segment performance. Additional disclosures on each of these segments are shown in notes 33 and 34 respectively. These disclosures are based on basis of accounting adopted by management.

Utilization of contribution from microfinance surplus

From the microfinance surplus of FY 2021-22, MRA approved Tk. 252 crores (30 June 2022: Tk. 290 crores) to utilize for the development programs which include education, health, human rights & legal aids services, skill development program, urban development program, water, sanitation, hygiene (WASH) and ultra poor graduation (UPG) programs for the period.

As a whole, BRAC spent Tk. 1,642 crores (30 June 2022: Tk. 1,571 crores) for its development activities which were funded by local and foreign donation, contribution from microfinance surplus and other different sources.

Commitments and contingencies

At 30 June 2023, BRAC has following balance outstanding for which the Entity is contingently liable in respect of Irrevocable Letter of Credit (LC):

- (a) Total amount of outstanding LC with BRAC Bank Limited is Tk. 508,515,679 (USD 4,715,241), and
- (b) Total amount of outstanding LC with Jamuna Bank Limited is Tk. 171,306,169 (USD 1,575,071)

3. Property, plant and equipment

In Taka	Freehold land	Building	Furniture and fixtures	Equipment	Computer	Vehicles	Bicycles	Mechaneries	Deep tubewell and tanks	Hatcheries	Motor cycles	Crates/ Mannequins/ Samples/Antiques	Construction Work in progress	Total
Cost														
At 1 July 2022	11,097,129,818	8,770,851,479	2,317,332,100	3,390,534,713	1,743,971,374	1,709,891,453	14,360,501	1,955,110,465	31,933,597	20,364,814	31,838,464	1,150,524,988	611,381,745	32,845,225,510
Additions	1,929,377,323	353,901,195	388,921,134	261,828,917	415,991,694	325,357,158	5,905,900	39,100,110	1,340,192	2,381,762	4,002,934	-	332,562,089	4,060,670,428
Transfers	(644,811)	21,959,892	514,224,014	82,925,443	(190,129,466)	(20,556,500)	(127,258)	(38,897,906)	(1,610,063)	-	-	(376,376,218)	9,232,883	-
Disposals	-	(43,164,352)	(144,002,634)	(63,828,891)	(86,899,877)	(33,889,034)	(1,390,377)	(27,048,611)	-	-	(329,093)	-	-	(400,542,869)
At 30 June 2023	13,025,862,330	9,103,546,204	3,076,474,614	3,671,460,182	1,862,943,725	1,980,803,077	18,748,766	1,928,264,058	31,663,726	22,746,596	35,512,305	774,148,770	953,176,717	36,505,953,069
At 1 July 2021	10,735,696,483	8,262,632,650	2,129,292,055	3,238,740,545	1,372,323,230	1,597,842,763	11,147,446	2,007,337,281	47,045,716	18,477,670	25,790,790	1,109,545,721	497,300,316	31,063,472,665
Additions	363,169,717	458,071,479	212,588,757	244,347,025	614,028,093	121,459,326	3,807,902	59,215,616	4,379,304	1,331,579	1,266,117	40,979,267	233,485,258	2,358,165,440
Transfers	896,454	107,764,668	32,853,315	(11,556,384)	(1,504,770)	13,653,197	(67,765)	(12,065,399)	(16,473,492)	555,565	5,328,440	-	(119,403,829)	-
Disposals	(2,632,836)	(57,917,318)	(57,400,027)	(80,996,473)	(240,873,179)	(23,103,833)	(537,082)	(99,387,033)	(3,017,931)	-	(546,883)	-	-	(556,412,595)
At 30 June 2022	11,097,129,818	8,770,851,479	2,317,332,100	3,390,534,713	1,743,971,374	1,709,891,453	14,360,501	1,955,110,465	31,933,597	20,364,814	31,838,464	1,150,524,988	611,381,745	32,845,225,510
Accumulated depreciation														
At 1 July 2022	-	3,246,712,881	1,535,182,792	2,383,750,935	1,101,665,777	1,340,094,192	8,994,807	1,200,596,252	20,280,478	16,958,038	14,754,063	844,704,123	-	11,713,694,338
Charge for the year	-	305,257,967	425,194,963	381,437,261	250,624,467	133,495,458	1,703,313	129,960,197	2,428,634	1,012,069	4,710,865	(133,559,926)	-	1,502,265,288
Transfer/ Adjustment for disposals	-	(11,526,781)	(119,631,907)	(8,257,479)	(89,458,052)	(37,693,450)	(1,326,326)	(73,945,224)	3,109,579	(234,840)	(322,512)	-	-	(350,287,082)
At 30 June 2023	-	3,540,444,067	1,840,745,758	2,755,930,718	1,252,832,193	1,435,896,200	9,371,793	1,256,631,224	25,616,691	17,735,287	19,142,416	711,144,197	-	12,865,692,544
At 1 July 2021	-	2,989,591,958	1,400,953,396	2,090,471,172	1,062,609,076	1,222,877,968	8,028,815	1,163,396,796	43,483,902	15,509,041	9,119,194	738,636,757	-	10,744,868,064
Charge for the year	-	262,687,509	227,304,590	386,686,180	254,272,501	122,470,396	1,539,430	155,292,130	2,172,745	893,429	5,923,637	105,887,366	-	1,525,209,893
Transfer/ Adjustment for disposals	-	(5,466,598)	(93,075,185)	(93,006,416)	(215,215,799)	(5,254,162)	(573,437)	(118,062,664)	(25,376,169)	555,568	(288,768)	-	-	(556,363,618)
At 30 June 2022	-	3,246,712,881	1,535,182,792	2,383,750,935	1,101,665,777	1,340,094,192	8,994,807	1,200,596,252	20,280,478	16,958,038	14,754,063	844,704,123	-	11,713,694,339
Carrying amount														
At 30 June 2023	13,025,862,330	5,563,104,137	1,235,728,855	915,529,464	630,111,532	544,906,877	9,376,973	671,632,833	5,845,085	5,011,309	16,369,889	63,004,573	953,176,717	23,609,660,525
At 30 June 2022	11,097,129,818	5,524,138,598	782,149,398	1,036,783,777	642,305,597	389,797,261	5,365,694	754,514,213	11,633,119	3,406,776	17,094,401	305,820,865	611,381,745	21,131,631,171

Depreciation and amortization charges for the year allocated to:

Depreciation charged to cost of goods sold of Social Enterprises (Note 34):

Depreciation of property, plant and equipment

Depreciation and amortization charged to comprehensive income and expenditure (Note 34):

Depreciation of property, plant and equipment

Amortization of intangible assets

Total Depreciation and amortization

4. Intangible assets

In Taka	Software	Intangible assets in progress	Total
Cost			
At 1 July 2022	112,568,887	189,590,669	302,159,556
Additions	72,323,750	28,993,659	101,317,409
Adjustment/Disposal	181,638,544	(185,305,004)	(3,666,460)
At 30 June 2023	366,531,181	33,279,324	399,810,505
At 1 July 2021	25,724,665	150,483,314	176,207,979
Additions	86,940,252	39,107,355	126,047,607
Adjustment/Disposal	(96,030)	-	(96,030)
At 30 June 2022	112,568,887	189,590,669	302,159,556
Accumulated amortisation			
At 1 July 2022	46,730,505	-	46,730,505
Charge for the year	44,552,249	-	44,552,249
Adjustment/Disposal	(283,333)	-	(283,333)
At 30 June 2023	90,999,420	-	90,999,420
At 1 July 2021	3,656,963	-	3,656,963
Charge for the year	43,073,542	-	43,073,542
At 30 June 2022	46,730,505	-	46,730,505
Carrying amount			
At 30 June 2023	275,531,761	33,279,324	308,811,084
At 30 June 2022	65,838,382	189,590,669	255,429,051

5. Investments in related undertakings

Related undertakings	30 June 2023			30 June 2022		
	Cost of Investment	Share of Reserve	Loans	Cost of Investment	Share of Reserve	Loans
	Taka	Taka	Taka	Taka	Taka	Taka
BRAC Bank Ltd.	5,911,149,577	19,107,157,543	-	5,911,149,577	16,136,248,737	-
BRAC Industries Ltd.	24,999,900	17,128,505	-	24,999,900	15,252,360	-
BRAC Net Ltd.	185,915,300	10,262,493	-	185,915,300	(16,893,941)	-
BRAC IT Services Ltd.	214,657,000	(27,843,437)	-	207,839,000	(50,989,856)	-
BRAC Services Ltd.	10,000,000	(377,440,328)	407,201,261	10,000,000	(380,726,705)	403,016,634
Dalia BRAC Housing Finance Corp. Ltd.	40,000,000	1,403,893,497	-	40,000,000	1,281,537,788	-
BRAC Kaiyachara Tea Company Ltd.	63,300,695	331,534,202	194,577,677	63,300,695	317,055,514	157,177,014
Bangladesh Netting Factory	17,071,429	33,732,020	43,140,329	17,071,429	33,902,618	39,083,807
IPDC Finance Ltd.	1,112,443,508	634,588,257	-	1,112,443,508	588,343,701	-
Mayabgy Ltd.	18,155,513	(17,337,635)	-	18,155,513	(17,337,635)	-
BRAC EPL Investment Ltd.	1,300	-	-	1,300	-	-
BRAC Kunon Ltd.	49,980,000	(64,261,348)	110,414,847	49,980,000	(40,001,157)	-
Edotco Bangladesh Co. Ltd.	7,228,750,000	1,672,806,613	-	7,228,750,000	1,112,897,449	-
BRAC OSIRIS Impact Ventures Ltd.	200,630,000	(11,866,676)	-	105,000,000	(7,167,847)	-
Bhumijo Ltd.	3,000,000	3,664,016	-	3,000,000	4,433,425	-
BD Assistant Ltd.	2,000,000	(486,066)	-	2,000,000	(152,694)	-
BRAC Healthcare Ltd.	94,500,000	(29,465,549)	66,577	-	-	-
Total	15,176,554,222	22,686,066,107	755,400,691	14,979,606,222	18,976,401,757	675,551,887
						34,631,559,866

	30 June 2023	30 June 2022
	Taka	Taka
Share of non-operating changes in net assets in related undertakings	3,598,299,801	1,946,311,628
Investment in reserve fund (Statutory reserve)	111,364,550	400,913,032
Transfer to statement of changes in capital fund	3,709,664,350	2,347,224,660

Share of non-operating changes in net assets in related undertakings
Investment in reserve fund (Statutory reserve)
Transfer to statement of changes in capital fund

5. Investments in related undertakings

(All incorporated in Bangladesh)

Related undertakings	30 June 2023		30 June 2022		Principal activities
	%		%		
BRAC Bank Ltd.	46.17		46.17		Banking business, listed with DSE and CSE.
BRAC Industries Ltd.	99.99		99.99		Cold storage.
BRAC Net Ltd.	19.99		19.99		Internet service provider in Bangladesh.
BRAC IT Services Ltd.	89.91		87		Software development company in Bangladesh.
BRAC Services Ltd.	100		100		Hospitality company in Bangladesh.
Delta BRAC Housing Finance Corporation Ltd.	18.39		18.39		Housing finance, listed with DSE and CSE.
BRAC Kaiyachara Tea Company Ltd.	99.85		99.85		Tea Plantation.
Bangladesh Netting Factory	93.94		93.94		Rental income from BRAC.
IPDC Finance Ltd.	25		25		Finance services, listed with DSE and CSE.
Mayalogy Ltd.	10.28		10.28		Women empowerment through online in Bangladesh.
BRAC Kumon Ltd.	89.29		89.29		Establish and operate educational Institutes.
Edotco Bangladesh Co. Ltd.	26		26		Telecommunications infrastructure service provider.
BRAC OSIRIS Impact Ventures Ltd.	99.99		99.99		Invest in profitable and impact business ventures.
Bhumijo Ltd.	30		30		To ensure healthy and hygiene toilets in public places.
BD Assistant Ltd.	20		20		An online marketplace and logistics service provider.
BRAC Healthcare Ltd.	99.99		0		Medical service provider.

Loans represent finance provided for working capital and earn 7%-8% (30 June 2022: 7%-8%) interest per annum. These loans have no fixed repayment terms.

The market price of shares are as follows:

Particulars	DSE (Taka)		CSE (Taka)	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
BRAC Bank Ltd.	35.80	41.50	36.00	41.50
Delta BRAC Housing Finance Corporation Ltd.	56.70	62.10	57.00	62.10
IPDC Finance Ltd.	57.60	52.70	58.30	52.70

6. Significant transactions with related parties

Particulars	Nature	Particulars of transaction	30 June 2023	30 June 2022
			Taka	Taka
Dividend income:				
BRAC Bank Ltd.	Investment	Dividend	518,174,346	482,022,680
Delta BRAC Housing Finance Corp. Ltd.	Investment	Dividend	53,783,445	48,894,063
IPDC Finance Ltd.	Investment	Dividend	92,772,883	111,327,460
Edotco Bangladesh Co. Ltd.	Investment	Dividend	416,000,000	520,000,001
			1,080,730,674	1,162,244,204
Interest and expenses:				
BRAC Bank Ltd.	Investment	Interest on fixed deposits and bank balance	(362,542,833)	(337,018,707)
BRAC Bank Ltd.	Investment	Interest expenses on term loan	166,297,222	161,074,143
BRAC Bank Ltd.	Investment	Interest expenses on overdraft	27,883,338	13,090,162
BRAC Services Ltd.	Investment	Service facilities	328,040,966	(3,394,140)
BRAC IT Services Ltd.	Investment	IT enable facilities	314,670,068	190,628,051
BRACNet Ltd.	Investment	Internet service	4,184,189	320,482,624
BRAC Kaiyachara Tea Company Ltd.	Investment	Interest on current account balance	(6,000,000)	(13,561,108)
Delta BRAC Housing Finance Corp. Ltd.	Investment	Interest on 1st mutual fund	(12,280,500)	(7,200,000)
Delta BRAC Housing Finance Corp. Ltd.	Investment	Interest on fixed deposits	(167,522,866)	(53,912)
IPDC Finance Ltd.	Investment	Interest on fixed deposits	(3,365,000)	(57,982,087)
BRAC Kumon Ltd.	Investment	Services facilities	34,140,852	24,525,553
			323,505,436	290,590,579
Receivable/(payables) with related parties:				
BRAC Bank Ltd.	Investment	Fixed deposits	5,626,003,600	6,600,440,952
BRAC Bank Ltd.	Investment	Bank balances	3,866,155,362	2,332,214,646
BRAC Bank Ltd.	Investment	Advance/Loan	(2,800,000,000)	(3,800,000,000)
BRAC Bank Ltd.	Investment	Advance/Overdraft	(212,526,143)	(72,044)
BRAC Services Ltd.	Investment	Advance/Loan	407,201,261	403,016,634
BRAC Kaiyachara Tea Company Ltd.	Investment	Advance/Loan	194,577,677	157,177,014
Bangladesh Netting Factory	Investment	Advance/Loan	43,140,329	39,083,807
BRAC Kumon Ltd.	Investment	Advance/Loan	110,414,847	76,274,432
BRAC Healthcare Ltd.	Investment	Advance/Loan	66,577	-
			7,235,033,510	5,808,135,441

7. Investment in securities and others

	30 June 2023	30 June 2022
	Taka	Taka
Fixed deposits	32,931,944,447	36,682,449,578
Short term deposits	3,868,787,424	3,723,145,271
DBH 1st Mutual Fund	47,400,000	47,400,000
MTB subordinated bond	-	50,000,000
	<u>36,848,131,871</u>	<u>40,502,994,850</u>
Current portion	36,800,731,871	40,455,594,850
Non-current portion	47,400,000	47,400,000
	<u>36,848,131,871</u>	<u>40,502,994,850</u>
The market price of quoted shares are as follows:		
Entity		
DBH 1st Mutual Fund	Per share	Per share
Dhaka Stock Exchange (DSE)	6.90	7.30
Chittagong Stock Exchange (CSE)	7.02	7.20

8. Biological assets

Artificial insemination	61,867,328	48,086,768
Nursery	61,472,276	48,551,426
Fisheries	9,283,177	6,526,366
	<u>132,622,780</u>	<u>103,164,560</u>
Current portion	64,830,012	50,840,805
Non-current portion	67,792,768	52,323,755
	<u>132,622,780</u>	<u>103,164,560</u>

9. Inventories

Handicraft goods	8,034,377,028	5,097,940,970
Seeds and feed	1,086,126,627	964,727,611
Dairy products	823,702,492	360,533,031
Programme materials	305,350,693	167,361,333
Medical supplies and consumables	48,328,385	70,655,809
Printing and stationery	35,560,811	84,415,912
	<u>10,333,446,036</u>	<u>6,745,634,665</u>

10. Grants and accounts receivable

Grants receivable	1,524,527,724	2,082,705,577
Interest receivable on fixed deposits and bank accounts	903,577,570	1,689,556,929
Other accounts receivable	880,563,380	626,053,486
	<u>3,308,668,674</u>	<u>4,398,315,992</u>

11. Advances, deposits and prepayments

Advances:		
Advance to employees	5,693,903,349	5,957,837,150
Advance to suppliers	6,563,207,361	3,052,060,398
Advance for income tax	3,537,936,077	5,264,935,225
(VAT Payable) /Advance VAT	41,700,237	(24,071,885)
Motor cycle loans (Note 11.1)	8,478,431	13,687,789
	<u>15,845,225,454</u>	<u>14,264,448,677</u>
Deposits:		
Deposits for facilities and utilities	471,036,332	137,155,809
	<u>16,316,261,786</u>	<u>14,401,604,486</u>
11.1. Motor cycle loans		
Opening balance	13,687,789	27,305,231
Additions during the year	-	1,183,903
Loan realization during the year	(5,209,358)	(14,801,345)
Closing balance	<u>8,478,431</u>	<u>13,687,789</u>

12. Cash and cash equivalents

Cash in hand	220,293,975	184,589,522
Cash at banks	7,700,358,457	6,221,495,810
	<u>7,920,652,432</u>	<u>6,406,085,332</u>

13. Microfinance loans

Particulars	Principal outstanding	Service charge receivable	Total Principal and service charge	Loan loss provision	Net amount
	Taka	Taka	Taka	Taka	Taka
As at 1 July 2022	304,008,233,693	5,542,449,353	309,550,683,046	(21,943,155,678)	287,607,527,368
Additions	646,844,350,667	80,884,767,423	727,729,118,090	(8,462,614,869)	719,266,503,221
Realization	(565,305,954,651)	(78,578,230,222)	(643,884,184,873)	-	(643,884,184,873)
Write-off	(10,984,123,244)	(1,554,377,313)	(12,538,500,557)	12,538,500,557	-
As at 30 June 2023	374,562,506,465	6,294,609,241	380,857,115,706	(17,867,269,990)	362,989,845,716
As at 1 July 2021	266,150,314,810	5,719,137,443	271,869,452,253	(21,032,842,277)	250,836,609,976
Additions	491,660,738,790	66,662,392,803	558,323,131,593	(13,881,531,080)	544,441,600,513
Realization	(443,695,442,132)	(63,975,240,989)	(507,670,683,121)	-	(507,670,683,121)
Write-off	(10,107,377,775)	(2,863,839,904)	(12,971,217,679)	12,971,217,679	-
As at 30 June 2022	304,008,233,693	5,542,449,353	309,550,683,046	(21,943,155,678)	287,607,527,368

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

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

Loan Classification	Days in Arrears	Principal Outstanding 30 June 2023	Loan loss Provision 30 June 2023	Principal Outstanding 30 June 2022	Loan loss Provision 30 June 2022
		Taka	Taka	Taka	Taka
Standard	Current (no arrears)	352,936,612,539	3,536,502,124	275,494,391,482	2,790,739,450
Watchlist	1 - 30	2,619,382,040	130,969,198	3,184,193,032	159,209,652
Substandard	31 - 180	5,972,653,124	1,493,163,994	7,857,287,633	1,964,321,908
Doubtful	181 - 365	1,308,898,058	981,673,970	1,773,907,511	1,330,430,633
Loss	Over 365	11,724,960,704	11,724,960,704	15,698,454,035	15,698,454,035
		374,562,506,465	17,867,269,990	304,008,233,693	21,943,155,678

Management regularly assesses the adequacy of the loan loss provision based on the age of the loan portfolio and calculates the required provision considering the rules and regulations of Microcredit Regulatory Authority. Detailed disclosure of the current year classification of loan and loan loss provision is provided in Annexure-A/3.

	30 June 2023	30 June 2022
	Taka	Taka
14. Liabilities for expenses and materials		
Interest payable on members' savings deposits	21,589,341,653	16,069,360,368
Liabilities for expenses	11,517,031,248	9,653,633,029
Advance/ deposit received and other liabilities	8,326,046,919	3,307,435,762
Liabilities for goods	591,333,988	600,236,760
	42,023,753,808	29,630,665,919
15. Zero coupon bond		
Zero coupon bond	9,035,307,597	10,392,804,327
Discount provision	1,020,680,686	418,469,986
	10,055,988,283	10,811,274,313
Current portion	3,092,871,157	1,413,155,952
Non-current portion	6,963,117,126	9,398,118,361
	10,055,988,283	10,811,274,313

BRAC issued zero-coupon (ZCB) bond in the year 2021 under the Securities and Exchange Commission (Private Placement of Debt Securities) Rules, 2012. During 2021-2022, out of the approved subscription value of Tk10,400,000,000, BRAC subscribed Tk. 10,392,804,327 from 21 investors which is equivalent to face value of Tk. 12,910,000,000 at a lot of 8 bonds each where discount rate is 7%. The tenure of ZCB is 5 years with a repayment schedule at 6 months interval and the 1st repayment was due at the end of 1.5 years. Discount provision amounting to Tk. 1,020,680,283 (30 June 2022: Tk. 418,469,986) has been accrued in interest on long term loans in note 34.

16. Members' savings deposits		
Opening balance	152,399,273,390	135,509,997,467
Deposits during the year	87,806,668,596	78,269,744,251
Withdrawals during the year	(59,236,010,124)	(61,380,468,328)
Closing balance	180,969,931,862	152,399,273,390
Compulsory savings	80,020,593,658	68,830,788,652
Voluntary savings	21,582,345,069	18,478,995,603
Term deposits	79,366,993,135	65,089,489,135
Closing balance	180,969,931,862	152,399,273,390
Current portion	83,471,416,540	71,741,460,179
Non-current portion	97,498,515,322	80,657,813,211
	180,969,931,862	152,399,273,390

The rate of interest paid in respect of savings deposits by members was 6%-11.57% per annum.

17. Bank overdrafts		
Pubali Bank Ltd.	4,533,884,113	4,235,322,301
Uttara Bank Ltd.	507,938,722	1,411,543,910
Sonali Bank Ltd.	470,619,050	21,428,701
BRAC Bank Ltd.	212,526,143	72,044
Habib Bank Ltd.	195,961,406	196,046,250
Bank Alfalah Ltd.	114,542,050	99,350,416
Dutch Bangla Bank Ltd.	96,906,649	44,221,187
Bank Asia Ltd.	31,689,119	38,521,209
Eastern Bank Ltd.	25,726,950	76,184
IFIC Bank Ltd.	14,803,374	1,389,907
Jamuna Bank Ltd.	9,433,212	39,083,011
Agrani Bank Ltd.	2,151,858	847,376
The Trust Bank Ltd.	1,831,505	2,262,124
HSBC	1,747,652	8,558
Prime Bank Ltd	855,201	95,036,153
Southeast Bank Ltd.	513,883	2,510,094
Mutual Trust Bank Ltd.	364,296	4,341,856
United Commercial Bank Ltd.	127,466	86,037
Janata Bank Ltd.	61,548	170,707
Rupali Bank Ltd.	53,565	181,001
The City Bank Ltd.	50,567	174
Community Bank of Bangladesh	2,995	91,753
	6,221,791,323	6,192,590,954

The bank overdrafts were obtained for BRAC's micro-finance programme and regular working capital requirements. The bank overdrafts bear interest at 5.50% to 9.00% (30 June 2022: 3.50% to 9.00%) per annum and are repayable within 12 months.

	30 June 2023	30 June 2022
	Taka	Taka
18. Term loans		
Local loans (Note 18.1)	39,859,802,446	23,977,300,000
Foreign loans (Note 18.2)	3,645,000,000	4,155,556,561
	43,504,802,446	28,132,856,561
18.1. Local loans		
Standard Chartered Bank (SCB)	10,742,314,000	7,234,800,000
IFIC Bank Ltd.	5,000,000,000	-
HSBC	4,000,000,000	-
Dutch Bangla Bank Ltd.	3,000,000,000	1,350,000,000
BRAC Bank Ltd.	2,800,000,000	3,800,000,000
Eastern Bank Ltd.	2,280,000,000	5,210,000,000
Prime Bank Ltd.	2,000,000,000	2,000,000,000
NCC Bank Ltd.	1,999,988,446	-
Mutual Trust Bank Ltd.	1,750,000,000	-
Citi Bank NA	1,420,000,000	-
Rupali Bank Ltd.	1,390,000,000	-
State Bank of India	1,200,000,000	1,200,000,000
The City Bank Ltd.	1,000,000,000	-
Commercial Bank of Ceylon PLC.	500,000,000	-
Habib Bank Ltd.	300,000,000	300,000,000
Woori Bank	277,500,000	382,500,000
Bank Alfalah Ltd	200,000,000	200,000,000
Bank Asia Ltd.	-	1,500,000,000
Shahjalal Islami Bank Ltd.	-	800,000,000
	39,859,802,446	23,977,300,000

All repayment obligations in respect of the local term loans were met and no amounts were in arrears as at 30 June 2023. The local term loan were obtained to support various micro finance and development projects undertaken by BRAC and for working capital purposes. The loans are repayable at various intervals, i.e., monthly, quarterly, half-yearly and annually and bear 3.72% to 8% (30 June 2022: 2.50% to 6.75%) interest rates.

18.2. Foreign loans		
Loan from FMO	3,116,666,666	3,775,555,555
Unrealized foreign exchange loss/(gain)	528,333,333	380,001,006
	3,645,000,000	4,155,556,561

FMO is a Dutch development bank structured as a bilateral private-sector international financial institution based in the Hague, the Netherlands. BRAC has borrowed USD 50,000,000 on April 06, 2021 from FMO equivalent to Tk. 4,239,500,000 with a tenure of 5 years including 1 year grace period where annual interest rate is 3.72%. During this period, unrealized exchange loss Tk. 528,333,333 (30 June 2022: Tk. 380,001,006) has been recognized at the exchange rate 1 USD = 109.35 Taka (30 June 2022: 1 USD = 93.50 Taka).

Term Loans are analyzed as follows:

Amount repayable within 12 months	38,902,302,446	24,858,689,895
Amount repayable after 12 months:		
Repayable after 12 months but less than 24 months	915,000,000	1,143,888,889
Repayable after 24 months but less than 36 months	2,877,500,000	1,091,388,889
Repayable after 36 months but less than 48 months	810,000,000	1,038,888,889
	4,602,500,000	3,274,166,667
	43,504,802,446	28,132,856,562

19. Deferred income	Note	Investment in Fixed Assets	Motorcycle Replacement Fund	Total
		Taka	Taka	Taka
As at 1 July 2022		1,067,836,110	6,403,931	1,074,240,041
Transferred from grants received in advance	20	104,492,538	550,787	105,043,325
Amortization to Statement of income and expenditure	23	(309,988,605)	(444,736)	(310,433,341)
As at 30 June 2023		862,340,043	6,509,982	868,850,025
As at 1 July 2021		1,252,638,820	6,639,445	1,259,278,265
Transferred from Grants received in advance	20	161,461,072	477,200	161,938,272
Amortization to Statement of Income and Expenditure	23	(346,263,782)	(712,714)	(346,976,496)
As at 30 June 2022		1,067,836,110	6,403,931	1,074,240,041

20. Grants received in advance	Note	30 June 2023	30 June 2022
		Taka	Taka
Opening balance:			
Grants received in advance		2,767,370,913	2,359,189,048
Grants receivables		(2,082,705,577)	(2,611,513,506)
		684,665,337	(252,324,459)
Donations received during the period	32	14,030,468,234	11,625,741,766
Transferred to deferred income:			
Investment in fixed assets	19	(104,492,538)	(161,461,072)
Motorcycle replacement fund	19	(550,787)	(477,200)
Transfer to statement of comprehensive income and expenditure	23	(11,880,020,363)	(10,426,323,986)
		2,730,069,883	785,155,049
Refund/transfer/adjustment for closed projects	32	(705,969,641)	(100,489,712)
Closing balance:			
Grants receivables	10	1,524,527,724	2,082,705,577
Grants received in advance account		3,548,627,966	2,767,370,913

21. Other long term liabilities		30 June 2023	30 June 2022
Employee gratuity fund (Note 21.1)		2,937,174,570	3,218,737,989
Employee earned leave payable		4,066,602,100	3,614,555,003
Retirement benefit fund for APC		342,787,948	318,518,075
Self-insurance fund (Note 21.2)		1,467,725,302	1,463,198,451
Other funds (Note 21.3)		2,180,152,603	2,078,432,892
		10,994,442,523	10,693,442,410
21.1. Employee gratuity fund			
Opening balance		3,218,737,989	10,833,083,401
Provision made during the year		1,904,248,376	436,392,650
Payout during the year		(2,185,811,795)	(8,050,738,062)
Closing balance		2,937,174,570	3,218,737,989
21.2. Self-insurance fund			
Employees		511,677,824	507,150,973
BRAC properties and motorcycles		956,047,478	956,047,478
		1,467,725,302.00	1,463,198,451
21.3. Other funds			
Special fund for scholarship		6,690,512	6,677,760
Relief and rehabilitation fund		2,043,219,843	1,938,913,713
Staff welfare fund		130,242,248	132,841,419
		2,180,152,603	2,078,432,892

22. Provision for taxation		30 June 2023	30 June 2022
Opening balance		6,504,855,497	6,433,358,848
Provision made during the year		4,458,513,830	2,579,635,752
Adjustment during the year		(5,296,051,809)	(2,508,139,103)
Closing balance		5,667,317,518	6,504,855,497

23. Income from donor grants		30 June 2023	30 June 2022
Donor grants recognized in the statement of income and expenditure:			
Transferred from grants received in advance (a)	20	11,880,020,363	10,426,323,986
Transferred from deferred income (b)= (c+d):	19	310,433,341	346,976,496
Amortization of investment in fixed assets (c)		309,988,605	346,263,782
- Unrestricted		17,801,419	21,379,191
- Temporarily restricted		292,187,186	324,884,591
Amortization of motorcycle replacement fund (d)		444,736	712,714
- Unrestricted		-	-
- Temporarily restricted		444,736	712,714
Total donor grants (a+b)		12,190,453,704	10,773,300,482
Add: Interest on bank accounts and fixed deposits from donor projects	29	7,120,384	6,604,549
Add: Other income from donor projects	33-34	69,253,533	210,961,309
		12,266,827,620	10,990,866,340

24. Bank interest and other operational income	Note	30 June 2023	30 June 2022
		Taka	Taka
Interest on bank accounts and fixed deposits	29	556,595,513	291,174,880
Other operational income (Note 24.1)		1,169,805,997	1,114,066,981
(Loss)/gain on disposal of investment in tea estates	33-34	-	1,455,662,885
		1,726,401,510	2,860,904,746
24.1. Other operational income			
Training income		245,147,038	738,659,379
Reimbursements on cost of programme supplies		918,120,008	389,853,363
Gain/(loss) on disposal of property, plant and equipment		5,930,164	(15,018,098)
Sale of wastage materials		608,787	572,337
		1,169,805,997	1,114,066,981
25. Community contribution			
Education Programme		98,366,089	125,034,312
Health Nutrition and Population Programme		415,506,986	479,527,061
Social Empowerment and Legal Protection Programme (SELP)		8,842,594	6,353,595
Skill Development Programme		22,627,427	16,020,366
BRAC WASH in hard to reach and urban areas		16,562,109	37,108,768
Migration Programme		9,856,834	14,552,959
		571,762,039	678,597,061
Community contribution represents fees charged by BRAC to participate of programs or activities.			
26. Income from microfinance programme			
Service charge on microfinance loans (Note 26.1)		81,773,791,757	67,234,051,980
Bank interest against deposits	29	2,129,416,660	2,264,194,439
		83,903,208,417	69,498,246,419
26.1. Service charge on microfinance loans			
Service charge on microfinance loans		80,528,056,282	66,701,170,352
Membership fees		16,988,740	11,929,680
Others		1,228,746,735	520,951,948
		81,773,791,757	67,234,051,980
27. Revenue from social enterprises			
Revenue from Sales (Note 27.1)		25,198,071,591	19,515,835,709
Other income		391,848,890	338,470,431
		25,589,920,481	19,854,306,139
27.1. Disaggregation of revenue from sales			
Aarong Rural Craft Centre		15,350,880,586	11,432,197,631
BRAC Printing Pack		405,386,487	309,499,831
BRAC Dairy and Food Project		6,158,481,227	4,868,340,142
Agro-based Programs		3,283,323,291	2,905,798,106
		25,198,071,591	19,515,835,709
28. Investment Income			
In respect of investments in related undertakings:			
- Cash dividend income	6	1,080,730,674	1,162,244,204
In respect of investments in securities and others:			
- Interest on Subordinated bond		1,610,959	18,057,011
- DBH 1st Mutual Fund		3,365,000	-
		1,085,706,633	1,180,301,215
29. Interest on fixed deposits and bank accounts			
Bank interest against deposits of microfinance programme	26	2,129,416,660	2,264,194,439
Donor based development Projects	23	7,120,384	6,604,549
Social development programs	24	556,595,513	291,174,880
		2,693,132,557	2,561,973,868
30. Income tax expense			
Income tax provision for the year:			
Current year		2,224,312,015	2,147,600,000
Adjustment for previous years		2,234,201,815	432,035,752
		4,458,513,830	2,579,635,752

Under the Income Tax Act 2023, in addition to its commercial activities, BRAC is also subject to taxation on income derived from other non-commercial activities unless they are tax exempted. Income from microfinance and social development activities are tax exempted.

The tax charge is in respect of taxable income arising from BRAC's taxable activities in 2022-2023, and is subject to agreement with the tax authorities. The assessment of the Income Year 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 were fully settled, required provision has been taken for adjustment with advance income tax.

31. BRAC contribution to support Donor Funded Programs

BRAC contributed funds to meet the funding shortfall in donor funded programs expenditure during the year in order to ensure the continued implementation and execution of such programs. The corresponding figure for the year ended 30 June 2023 was Tk. 3,117,488,583 (30 June 2022: Tk. 3,164,583,498)

32. Schedule of donor grants received

Donor name	Project Name	Taka	
		30 June 2023	30 June 2022
The Global Fund	Integrated Tuberculosis Care and Prevention for Enhancing Case Findings Health System Strengthening and Sustainability	2,044,408,363	1,743,109,409
	Phased Elimination of Malaria from Bangladesh	494,796,902	416,403,200
	TB care and prevention with a Focus on case Finding Activities in Bangladesh	-	89,427,450
USAID	Community Health Systems Strengthening for Improved Health	416,150,838	-
Department of Foreign Affairs and Trade (DFAI)	Strategic Partnership Arrangement (SPA)	1,135,150,000	1,266,988,360
	Humanitarian Assistance for Rohingya and Host Communities in Bangladesh, Year 3	191,567,925	159,940,581
	Community Fort in Resisting Corona (CFRC)	-	1,969,600
United Nations High Commissioner for Refugees (UNHCR)	Multi-sectoral emergency assistance for Rohingya -TPD-Education in Cox's Bazar Bangladesh	36,531,794	27,000,000
	Multi Sectoral emergency assistance for Rohingya -Legal in Cox's Bazar Bangladesh	31,625,496	21,000,000
	Multi-sectoral emergency assistance for Rohingya -OBP in Cox's Bazar Bangladesh	68,389,608	45,000,000
	Multi-sectoral emergency assistance for Rohingya -SGEV in Cox's Bazar Bangladesh.	55,000,000	41,476,703
	Multi-sectoral emergency assistance for Rohingya -Education in Cox's Bazar Bangladesh	61,257,372	41,000,000
	Multi-sectoral emergency assistance for Rohingya -JPG in Cox's Bazar Bangladesh.	38,393,663	17,500,000
	Multi-sectoral emergency assistance for Rohingya -AAF (Self-reliance) in Cox's Bazar Bangladesh.	28,800,000	6,200,000
	Multi-sectoral emergency assistance for Rohingya -MHPSS in Cox's Bazar Bangladesh	46,000,000	2,408,248
	Multi-sectoral emergency assistance for Rohingya -Health in Cox's Bazar Bangladesh.	40,000,000	-
	Multi-sectoral emergency assistance for Rohingya -Shelter in Cox's Bazar Bangladesh.	190,759,566	293,443,535
	Multi-sectoral emergency assistance for Rohingya -SMS in Cox's Bazar Bangladesh.	100,000,000	119,859,883
	Multi-sectoral emergency assistance for Rohingya -Wash in Cox's Bazar Bangladesh.	165,341,099	108,031,663
	Multi-sectoral emergency assistance for Rohingya -Education and Livelihood in Cox Bazar Bangladesh.	103,112,250	-
	Multi-sectoral emergency assistance for Rohingya -Legal in Cox's Bazar Bangladesh	65,000,000	-
	Multi-sectoral emergency assistance for Rohingya -OBP in Cox's Bazar Bangladesh	90,000,000	-
	Multi-sectoral emergency assistance for Rohingya -GVB in Cox's Bazar Bangladesh	85,000,000	-
	Multi-sectoral emergency assistance for Rohingya -Education in Cox's Bazar Bangladesh	110,000,000	98,517,020
	Multi-sectoral emergency assistance for Rohingya -AAF in Cox's Bazar Bangladesh	17,862,338	-
	Multi-sectoral emergency assistance for Rohingya -MHPSS in Cox's Bazar Bangladesh	42,000,000	25,000,000
	Multi-sectoral emergency assistance for Rohingya -Health in Cox's Bazar Bangladesh	52,000,000	14,600,000
	Multi-sectoral emergency assistance for Rohingya -Shelter in Cox's Bazar Bangladesh	102,000,000	120,000,000
	Multi-sectoral emergency assistance for Rohingya -SMS in Cox's Bazar Bangladesh	102,000,000	77,000,000
	Multi-sectoral emergency assistance for Rohingya -Wash in Cox's Bazar Bangladesh	130,000,000	-
	Multi-sectoral emergency assistance for Rohingya -Education and Livelihood in Cox's Bazar Bangladesh	178,840,617	-
	Multi-sectoral emergency assistance for Rohingya -Wash sanitation & Hygiene in Cox Bazar Bangladesh	-	185,666,985
	Multi-sectoral emergency assistance for Rohingya -SGEV in Cox's Bazar Bangladesh.	-	32,000,000
	Multi-sectoral emergency assistance for Rohingya -Wash Water in Cox's Bazar Bangladesh	-	28,968,283
	Multi-sectoral emergency assistance for Rohingya -CMS in Cox's Bazar Bangladesh	-	14,655,842
	Multi-sectoral emergency assistance for Rohingya -Community Health Workers (CHWs) in Cox Bazar Bangladesh	-	13,108,005
	Multi-sectoral emergency assistance for Rohingya -Self Reliance in Cox Bazar Bangladesh	-	2,304,983
	Multi-sectoral emergency assistance for Rohingya refugees in Cox's Bazar, Bangladesh	-	7,468,450
	Multi-sectoral emergency assistance for Rohingya -JPG in Cox Bazar Bangladesh	-	6,667,312
Department of Foreign Affairs, Trade and Development (DFAID)	Strategic Partnership Arrangement (SPA)	734,021,620	1,258,678,925

32. Schedule of donor grants received

Donor name	Project Name	Taka	Taka
United Nations International Children's Emergency Fund (UNICEF)	Empowering Most Disadvantaged Adolescent, Youth and Young Women by Creating an Ecosystem for Alternative Learning	29,615,831	30 June 2022
	Access to quality informal education for Rohingya refugee children in Rohingya camps, Cox's Bazar	462,748,047	-
	Integrated Protection Services for Children, Adolescents and Women of Rohingya and Host Community in Cox's Bazar	34,939,551	105,794,688
	Improved WASH Services to the Myanmar Refugees Population in camp 8W, 14 and 15 of Ukhuya Upazila, Cox's Bazar	95,968	96,673,483
	Access to quality informal education for Rohingya refugee children in Rohingya camps, Cox's Bazar	145,789,384	296,661,910
	Access to improved WASH services for Rohingya Refugees on Bhasan Char Island	46,485,557	15,272,828
	Access to inclusive quality education in safe, and protective learning environment for Rohingya children in Bhasan Char	21,379,604	-
	Provide technical and operational support to children (11-18 years) and teachers in Rohingya refugee camps	101,266,097	27,611,178
	Integrated Protection Service for Vulnerable Children, Adolescents and Women of Rohingya and Host Community in Cox's Bazar	34,269,605	14,389,777
	Provision of life, saving WASH services to the Rohingya refugee population in Ukhuya and Teknaf Upazila, Cox's Bazar	113,199,498	30,018,515
Sesame Workshop	Strengthening and Scaling-up Mothers@Work programme through institutional capacity building	481,668	-
	Ensuring Improved WASH Services for Rohingya Refugees on Bhasan Char Island Noakhali, Bangladesh	67,465,804	-
	Access to inclusive quality education in a safe, and protective learning environment and strengthening child protection services	42,653,021	-
	Alternative Learning Programme for Out of School Adolescent	-	140,351,028
	Scale-Up of Early Learning and in-formal basic education for Rohingya Refugee children 4-14 years from Myanmar in Bangladesh	-	88,653,082
	Scaling up Mother@Work programme at Ready-Made Garment Factories	-	4,591,414
	Escalating Early Childhood Development (ECD) through Play in Emergency setting for Rohingya Community	378,195,720	237,120,754
	Strengthening Play based ECD in Humanitarian Crisis Settings for Rohingya Refugees	-	213,459,370
	Enhancing Early Learning through Play in Humanitarian setting for Rohingya Community	180,093,200	98,006,310
	Enhancing Early Learning through Play in Humanitarian setting for Host Community	107,899,838	29,028,088
BRAC USA (Affiliate)	Early Learning and development through play in Emergency setting for Host Community	-	1,051,847
	Early Childhood Development & Play in Humanitarian Settings-Host community project	-	257,719
	Strengthening Early Childhood Development (ECD) through play in humanitarian setting for Rohingya Community	190,898,792	-
	Early childhood development and psychosocial support through Pashe Achihi	164,408,911	137,956,307
	Safety Management Training	16,306,479	-
	Community Fort in Resisting Corona (CFRC)	-	58,236,433
	Emergency Response to Typhoon/Cyclone Amphan in Bangladesh	-	42,415,754
	Provision of comprehensive WASH services in camps 8W and 9 and among the surrounding host community in Balukhali	-	38,484,315
	BRAC Chevron Enterprise Development Project (JIBKA) Phase -II	-	31,317,709
	ECD through Pashe Achihi & Vroom	31,253,153	25,208,793
BRAC USA (Affiliate)	Bhasan Char Health Nutrition Education	38,755,780	22,440,378
	Driving COVID-19 Recovery & Resilience for Female RMG Workers in Bangladesh through Skills and Safeguarding Training	22,407,121	-
	Inclusive and accessible makerspaces and fabrication labs to cultivate economic opportunity and solve supply chain disruptions	73,408	-
	Improving the quality of life of Rohingya and host communities in Cox's Bazar by ensuring access to WASH services	148,068,572	-
	Helping underserved communities to stay safe online	-	21,863,933
	Enhancing adaptive capacity of the ultra poor households in Bangladesh/Scaling Ultra-Poor Graduation in Bangladesh	4,176,086	-
	Bangladesh 2022 Northeastern Flood Response in Sunamganj District	116,550,000	-
	Healthy Women, Healthy Families "Sushtha Ma, Shustha Poribar	47,217,500	-
	BRAC Play Lab Home-Based Daycare project in Bangladesh	15,239,499	11,583,086
	BRAC response for Rohingya communities in Bhasan Char, Noakhali, Bangladesh in 2021	14,977,144	16,153,767
	"Non-Communicable Disease (NCD) Prevention and Control Project in Bangladesh	-	18,200,625
	Detail Budget for the project Safe Water Supply in Coastal and Offshore Islands in Bangladesh	-	15,532,782
	Affinity Impact Support for Performance Management in Bangladesh	-	8,155,750
	Life skills Education and learning opportunities for Rohingya communities at Bhasan Char, Noakhali, Bangladesh	-	7,954,978
	Responsible Recruitment of Bangladeshi worker Project	-	4,693,567
	Goldsmith Digital Health Grant in Bangladesh	-	4,025,625
		-	3,078,000
		-	
		-	
		-	

32. Schedule of donor grants received

Donor name	Project Name	Taka	
		30 June 2022	30 June 2023
World Food Programme (WFP)	DRR Host Community interventions on Community Asset Creation and Capacity Strengthening in Cox's Bazar	4,960,108	117,271,822
	Self-Reliance for Rohingyas in Cox's Bazar	-	93,194,708
	General Food Assistance Programme in Cox Bazar Bangladesh	-	87,005,837
	Integrated assistance package (Self Reliance) in CXB	10,216,845	28,287,603
	Integrated General Food Assistance Programme in Cox Bazar Bangladesh	68,189,095	22,875,428
Lego Foundation	WFP Food security for households most affected by the COVID-19 crisis in low-income urban areas of Dhaka	8,989,956	18,232,130
	Communication with Communities- OWC for Rohingyas in Cox's Bazar	-	9,859,573
	Regarding the Implementation of a WFP Food Assistance programme in Cox's Bazar	-	9,209,317
	Integrated Protection Services for Vulnerable Children, Adolescents and Women of Rohingya and Host Community in Cox's Bazar	149,531,367	-
	Food Assistance For Assets (FFA)/ Disaster Risk Reduction (DRR) Cox's Bazar, Bangladesh	1,187,470	-
International Organization for Migration (IOM)	BEP Accelerated Learning Program for Vulnerable and Out-of-school Children in Bangladesh	12,481,479	307,884,000
	Learning through Play: Creating Implementing sustaining a Model of playful pedagogy in Govt. Primary school in Bangladesh	152,508,913	39,770,359
	Sustainable reintegration and Improved Migration Governance In Bangladesh	23,980,730	219,356,650
	Lifesaving and transitional WASH support to Refugees and Host communities in Cox's Bazar	18,489,992	28,142,613
	Lifesaving And Transitional Wash Support To Refugees And Host Communities In Cox's Bazar	-	16,989,274
United Nations Population Fund (UNFPA)	Livelihoods and social cohesion in Cox's Bazar	-	4,632,656
	Provision of Comprehensive WASH Services to the Rohingya Refugees Living in the Camps in Cox's Bazar	-	1,845,112
	Provision Of Services Among Rohingya Refugees Living In The Camps And Host Communities In Cox'S Bazar	9,289,890	-
	Integrated and Equitable SRH Services	-	147,409,195
	Standardization of WFS operations with the provision of health sector response to GBV	66,802,063	52,277,688
Swiss Agency for Development and Cooperation (SDC)	Piloting Block Chain technology for menstrual hygiene support in urban Dhaka slum Project	4,023,524	-
	Improving case management and enhanced social mobilisation at union level in frames of Health and Gender Support Project	46,338,048	34,002,952
	Solving referral challenges for urban poor to access Emergency Obstetric and New-born Care	96,972,813	33,475,635
	Community Fort in Resisting Corona (CFRC)	-	182,000,000
	SDC BRAC Social Cohesion Fund for Cox's Bazar District (Tranche-2)	28,822,209	64,000,000
United Nations Development Programme (UNDP)	Reintegration of Migrant Workers in Bangladesh	76,800,000	-
	Recruitment and contracting of staff for the WASH Sector Coordination in Cox's Bazar	2,100,000	2,000,000
	Enhancing adaptive capacities of coastal communities to cope with climate change induced salinity in Bangladesh	95,331,637	103,024,685
	Solid waste management in Host Communities and camps in tekna Ukhia Upazila under Cox's Bazar	-	31,952,860
	Waste Management (SWM)	-	15,886,063
Royal Danish Emergency	Local Government Initiative on Climate change (LoGIC)	22,361,119	14,845,674
	Localization of the Solid Waste Management system in Ukhia and Teknaf, Cox's Bazar	2,774,724	4,162,086
	Strengthening Inclusive Development in Chittagong Hill Tracts	-	3,730,193
	Socio-economic reintegration of returnee migrant workers of Bangladesh Phase-II	-	137,021,717
	Empowering the readymade garment workers living in slums of Dhaka	-	58,176,871
Stiftung Auxilium	Advocacy for Play & early Learning in Bangladesh	161,181,973	55,727,698
	A Telecommunication Model for Children and Caregivers for Rohingya Community	204,465	-
	Pashe Achhi Model Development: A Telecommunication Model for Children and Caregivers	23,622,090	-
	Evaluation of Pashe Achhi: A Telecommunication Model for Children and Caregivers in North Bengal	3,841,806	-
	Advocacy for Play, Early Learning & Socio-emotional Development in Bangladesh	102,474,487	-
Bureau of Non-Formal Education (BNFE)	Transition towards quality education for displaced Rohingya children	-	9,448,352
	Transition towards quality education for displaced children from marginalized Host Communities	-	5,565,635
	For Second Chance Education Pilot Program (Cohort)-Out Of Children (PEDP-4)	-	76,977,606
	Second Chance Education Program under PEDP-4 at Dhaka	4,353,805	24,092,736
	Out of School Children Programme, PEDP-4 at Dhaka	322,357,593	-
Bureau of Non-Formal Education (BNFE)	Out of School Children Programme, PEDP-4 at Cumilla	322,900,962	-
	Second Chance Education Program under PEDP-4 at Cumilla	-	13,207,013

32. Schedule of donor grants received

Donor name	Project Name	Taka	
		30 June 2023	30 June 2022
Danish Ministry of foreign affairs (Danish MoFA)	Enhancing Safe Drinking Water Security and Climate Resilience through Rainwater Harvesting	-	84,210,729
	Southeast Asian Community-based Trials Network (SEACTN) Comprehensive Village Development Programme (CVD-P-3)	46,837,269 39,482,097	5,990,457 4,754,790
Charity Global	Water Sanitation & Hygiene Programme in WASH In Schools	1,633,732	85,000,000
	Increase Access to Improved Water, Sanitation and Hygiene Services in Schools Across Bangladesh WASH in School project	18,691,495 232,297,666	-
Global Affairs Canada (GAC)	Addressing Gaps in Refugee Access to Health in Cox's Bazar	-	140,951,729
	Gender Responsive Education and Skills programme in Chittagong Hill Tracts	102,633,496	40,618,124
	Leaving no one Behind: Improving skills and economic opportunities	3,000,000	-
	Livelihood Support and Women's Empowerment in Cox's Bazar	-	29,732,566
	Community Fort in Resisting Corona (CFRC)	43,212,436	-
	Provision of Critical WASH and Protection Services to Rohingya and Affected Host Community 2020	-	-
The Embassy of Denmark	Improving well-being of Vulnerable communities in Cox's Bazar	-	69,000,000
Nippon Foundation	Quality education service for Rohingya community children in Cox's Bazar of Bangladesh	37,890,819	-
	Quality education service for Host community children in Cox's Bazar of Bangladesh	9,003,806	-
Dutch Bangla Bank Ltd.	CFPR Phase IV	60,620,000	55,000,000
Grameenphone (GP)	Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3	-	51,749,170
Foreign, Commonwealth & Development Office (FCDO)	Recovery support to the flood affected people in Sunamganj district	62,444,136	-
	Educate the Most Disadvantaged Children in Bangladesh (EMDC)	91,875,792	-
BRAC Bank	Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3	-	45,967,574
BRAC Staff Contribution	Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3	-	44,852,844
	Reading Glasses for Improved livelihoods Project Phase-II	93,561,121	44,309,863
Vision Spring	Applying machine learning to identifying low-income microfinance borrowers	1,324,447	-
	Income Support Program for the Poorest (ISPP) JAWTNO Project	12,885,480	34,569,207
World Bank	Income Support Programme for the poorest (ISPP) JAWTNO Project	-	33,438,078
Education Above All (EAA)	Non-Formal Primary level education to Forcibly-Displaced Myanmar citizen	3,945,886	-
United States Agency for International Development (USAD)	Community Health Systems Strengthening for Improved Health	-	32,148,622
	Bangladesh Digital Ecosystem Activity for COVID-19 Rapid Response Project	-	293,705
United Nations Entity for Gender Equality and the Empowerment of Women (UN Women)	Promoting women and Girls empowerment through enhancing protection and economic resilience and access to market of Rohingya women and adolescent girls in camps	20,206,717	32,214,927
Embassy of the Kingdom of the Netherlands (EKN)	Integration WASH	-	29,216,885
	Equitable and Sustainable WASH services in Bangladesh Delta Plan Hotspots 2022-2026	100,000,000	-
BRAC UK (Affiliate)	Disability Inclusive Vocational employment and Youth Employment	50,848,504	23,343,070
	Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3	-	2,785,250
	Decent employment for marginalised youth in retail	118,334,803	-
	Learning Quality Improvement of Forcibly of Displaced Myanmar Nationals (FDMN) Children in Cox's Bazar	1,894,912	-
	Returning to Learning: Supporting Out of School Children in Bangladesh	63,784,494	-
	Disrupting Cross Border Trafficking Networks in Jashore, Bangladesh Project	3,552,058	-
IFRARA Service Ltd	Sustainable Reintegration of Bangladesh Returnees	47,572,550	21,932,973
Hongkong and Shanghai Banking Corporation Foundation (HSBC)	Improving Post-Harvest Storage Facilities in Climate Vulnerable Areas for Ensuring Food Security amid COVID-19 Pandemic	-	10,000,000
	Build Back Better (B3)- Building Back Businesses Better Through Financial Education	9,513,599	14,935,182
	Naksh' Year -2 Skill Development on handicraft for covid-19 and flood recovery (SDP)	1,230,000	-
	Mangrove Plantation for Climate Mitigation (MPCM) and Alternative Livelihood Phase II	2,500,000	-
	Climate Smart Agriculture through Adaptation Clinic	50,000,000	-
	Naksh-Skill Development on handicraft for covid-19 and flood recovery	-	8,500,000
	Mangrove Plantation for Climate Mitigation (MPCM)	-	3,321,305

32. Schedule of donor grants received

Donor name	Project Name	30 June 2023	30 June 2022
The Islamic Development Bank (ISDB)	Integrated Rehabilitation Program for Upliftment of Ultra-Poor slum dwellers in Mohammadpur and Mirpur in Dhaka City and Saidpur in Nilphamari district for Integrated Health Services	63,816,240	-
Government of Canada	Integrated Rehabilitation Program for Upliftment of Ultra-Poor slum dwellers in Mohammadpur and Mirpur in Dhaka City and Saidpur in Nilphamari district for Integrated WASH Services	82,989,096	-
KFW development Bank-CBF	Addressing Gaps in Refugee Access to Health in Cox's Bazar	125,545,604	-
	Developing capacity of bangladeshi NGOs for humanitarian response	133,076,889	-
	Empowering Unemployed and Underemployed Youth through Market Driven Skills and Employment Opportunities	4,919,035	-
	Strengthening recovery capacity of the COVID-19 and climate change affected households through skills training	5,485,880	-
	Entrepreneurship Training and Ganful Employment for Returnee Migrants Affected by COVID-19 in Bangladesh Project	9,200,963	-
	Economic recovery of the climate migrants and new poor living in the climate vulnerable urban low income settlement	38,170,300	-
Dubai Care	Play and Learning Support to Rohingya Children & Adolescents in Cox's Bazar District of Bangladesh	82,873,509	-
	Construction of Lower Secondary	1,990,669	-
	Integrating Well-being Into Rural School Outcomes	5,000,000	-
ISF	Boosting Agriculture Risk Mitigation Through Weather Index Insurance for Smallholder Farmers in Bangladesh project	14,546,482	-
Climate Bridge Fund	Strengthening community resilience to climate induced vector borne diseases in City Corporations of Bangladesh	11,939,080	-
Bayer Crop Science Ltd.	Farmers Capacity Development Interventions	20,163,491	-
JPGSPH IBRAC University	HNPP's SPA Supported Project (Rural Urban & CMO)	11,524,245	-
Enfants du Monde(EdM)	Working with Individuals, Families and Communities (IFC) to Improve Maternal and Newborn Health	20,845,948	-
Standard Chartered Foundation	Livelihood Support to Returnee Migrants Through Skills and Small Business Development in Bangladesh Project	10,815,500	-
Bandhu Social Welfare Society	Right Here Right Now (RHNN 2 Project)	111,419,074	-
FHI Solutions	Infectious Disease Detection and Surveillance (IDDS) Project	15,997,152	-
US Embassy	Alternative learning pathway for school dropout girls	11,545,193	-
Citi Foundation, CAF America	Hub for Accelerating Youth Careers Program (HACO)	10,511,944	-
European Union (EU)	AGNEE – Awareness, Actions, and Advocacy for Gender-Equal and Safe Spaces for Women	28,598,035	-
AGFUND	Non-Formal Primary Education	17,146,514	-
Unilever	Hygiene and Behaviour Change actions for reducing the risk of COVID-19 in Bangladesh	50,810,720	-
Educate A Child	Bridge School Programme	106,646,519	-
The Global Center on Adaptation	Building Climate Resilient Migrant-Friendly Towns through Locally Led Adaptation (LLA) in Bangladesh	52,594,655	-
LGED	Char Development and Settlement Fund	27,226,983	-
	Road Safety Awareness Campaign	17,137,764	-
Various Donor	Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3	-	20,836,712
	Emergency Support for Flood Affected People in Bangladesh	80,888,696	-
DBBL and SCB	Dabi	37,329,000	-
	Progoti	37,329,000	-
Dhaka Bank	Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3	-	20,300,000
Deutsche Gesellschaft für International Zusammenarbeit (GIZ)	Improvement of the Real Situation of Over Crowding in Prisons	250,010	11,094,169
	Justice and Prison Reform for Promoting Human Rights and Preventing Corruption in Bangladesh	-	5,862,472
World Fish	Aquaculture: increasing income, diversifying diets, and empowering women in Bangladesh and Nigeria (MECAN Phase II)	2,212,342	-
Skills for Employment Investment Program (SEIP)	SEIP-BRAC	16,914,937	10,831,889
	Skills for Employment Investment Program (SEIP)	1,143,000	-
	BRTC-SEIP TOT Project	-	2,801,250
Charity Water	Increasing Access to Improved water, sanitation & Hygiene service in School Project.	-	12,710,975
Bank Asia	Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3	-	10,000,000
Other Donors	Multiple projects	55,077,400	357,306,277
Donation Received (A)		14,030,468,234	11,625,741,765

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32. Schedule of donor grants received

Donor name		Project Name	30 June 2023	30 June 2022
Refunded to donors:				
The Embassy of Denmark		Improving well-being in Cox's Bazar through decent employment opportunities, protection services and Humanitarian Assistance	(21,799,628)	-
European Commission (EC)		PRO-poor Growth of Rural Enterprise through Sustainable Skills development	(50,611,002)	-
GLZ		Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	(2,008,784)	-
IDRC		Managing Impact of COVID-19 in Rohingya Refugee Camps and Host Communities with Culturally Appropriate Technological Solutions in Cox's Bazar	(1,525,274)	-
BRAC		BRAC Refugee Programme	(8,175)	-
Royal Danish Embassy		Socio Economic Reintegration of Returnee Migrant workers of Bangladesh (Phase II)	(528,440)	-
WorldFish		Aquaculture: increasing income, diversifying diets, and empowering women in Bangladesh and Nigeria (WECAN Phase II)	(1,266,679)	-
United Nations International Children's Emergency Fund (UNICEF)		Access to improved WASH services for Rohingya Refugees on Bhasan Char Island	(10,191,033)	-
		Access to inclusive quality education in safe, and protective learning environment for Rohingya children in Bhasan Char	(3,906,650)	-
		Provide technical and operational support to children and teachers through Myanmar Curriculum (MC)-based Education in Rohingya refugee camps	(36,426,750)	-
		Access to quality informal education for Rohingya refugee children in Rohingya camps, Cox's Bazar	(20,664,986)	(11,965,607)
United Nations High Commissioner for Refugees (UNHCR)		Integrated Protection Services for Children, Adolescents and Women of Rohingya and Host Community in Cox's Bazar	(1,442,698)	(4,744,436)
		Improved WASH Services to the Myanmar Refugees Population in camp 8W, 14 and 15 of Ukhiya Upazila, Cox's Bazar District	-	(1,982,362)
		Integrated joint protection and education services for vulnerable Rohingya adolescent, children, women, men and communities including host community in Ukhiya and Teknaf of Cox's Bazar district	-	(8,051,052)
		Scale-Up of Early Learning and In-formal basic education for Rohingya Refugee children 4-14 years from Myanmar in Bangladesh.	-	(2,863,713)
United Nations Population Fund (UNFPA)		Scaling up Mother@Work programme at Ready-Made Garment Factories	-	(84,636)
		Multi Sectoral emergency assistance for Rohingya -Legal in Cox's Bazar Bangladesh	(6,647,728)	(10,630,746)
		Multi-sectoral emergency assistance for Rohingya refugees in Cox's Bazar, Bangladesh	-	(1,406,527)
		Improving case management and enhanced social mobilisation at union level in frames of Health and Gender Support Project	-	(37,328,525)
Embassy of Denmark		Integrated and Equitable SRH Services	-	(4,353,530)
		Standardization of WFS operations with the provision of health sector response to GBV	-	(6,631,803)
		Changing The Perception of Youth in Bangladesh about Skill Development	-	(805,893)
		Advocacy and communication campaign on Covid-19	-	(185,541)
James P Grant School of Public Health (JPGSPH)		Promotion of Gender Justice Strengthening Engage Men and Boys Network for Reducing Violence Against Women and Children in Bangladesh	-	(10,476)
GAC		HNPP's SPA Supported Project (Rural, Urban & OMC)	-	-
Refunded to Donors (B)		Integrated primary healthcare and community-based health services for Rohingya refugees in Cox's Bazar, Bangladesh.	(474,657)	-
			(157,502,484)	(91,044,847)

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32. Schedule of donor grants received

Donor name	Project Name		30 June 2023	30 June 2022
Transfer/adjustment for closed projects:				
THE GLOBAL FUND	Phased Elimination of Malaria from Bangladesh		(32,114,221)	-
	TB Care and Prevention in BD		(413,099,065)	-
	Multi-sectoral emergency assistance for Rohingya -TPD-Education in Cox's Bazar Bangladesh		(1,811,933)	-
	Multi-sectoral emergency assistance for Rohingya -CBP in Cox's Bazar Bangladesh		11,939,480	-
	Multi-sectoral emergency assistance for Rohingya -JPG in Cox's Bazar Bangladesh.		(8,182,145)	-
	Multi-sectoral emergency assistance for Rohingya -MHPSS in Cox's Bazar Bangladesh		(12,693,308)	-
	Multi-sectoral emergency assistance for Rohingya -Health in Cox's Bazar Bangladesh.		(13,058,319)	-
	Multi-sectoral emergency assistance for Rohingya -Education and Livelihood in Cox Bazar Bangladesh.		(14,703,035)	-
	Multi-Sectoral Emergency assistance for Rohingya-Legal in Cox's Bazar Bangladesh		(4,391,276)	(62,489)
	Multi-Sectoral Emergency assistance for Rohingya-Self reliance in Cox's Bazar Bangladesh		(19,497,091)	(377,513)
	Multi-Sectoral Emergency assistance for Rohingya-SGBV in Cox's Bazar Bangladesh		(4,258,522)	-419209
	Multi-Sectoral Emergency assistance for Rohingya-Education in Cox's Bazar Bangladesh		2,956,729	(432,045)
	Multi-Sectoral Emergency assistance for Rohingya-Wash sanitation in Cox's Bazar Bangladesh		27,035,979	(994,689)
	Multi-Sectoral Emergency assistance for Rohingya-SMS in Cox's Bazar Bangladesh		9,115,856	-1542527
	Multi-Sectoral Emergency assistance for Rohingya-Shelter in Cox's Bazar Bangladesh		27,547,585	-5317255
	Multi-Sectoral Emergency assistance for Rohingya-Protection Monitoring in Cox's Bazar Bangladesh		-	(186,530)
	Multi-Sectoral Emergency assistance for Rohingya-CMS in Cox's Bazar Bangladesh		-	(337,687)
	Multi-sectoral Emergency Assistance for Myanmar - Wash Sanitation		-	(5,540,443)
	Bill & Melinda Gates Foundation	Shakti Pilot Project		3,534,574
BRAC Shakti Pilot Project			(3,534,574)	-
BRAC Innovation Fund for Digital Financial Service			-	(7,641,148)
Educate A Child (EAC)	BRAC Shakti Pilot Project		-	7,641,148
	Non-Formal Primary level education to forcibly Displaced Myanmar Nation		-	(3,665,654)
	Non-Formal Primary level education to Forcibly-Displaced Myanmar citizen (December 2019 to April 2020)		-	(3,665,654)
United Nations International Children's Emergency Fund (UNICEF)	Improved WASH Services to the Myanmar Refugees Population in camp 8W,14 and 15 of Ukhiya Upazila, Cox's Bazar District		-	679,965
	Provision of life saving WASH services to the Rohingya Refugees in camps (14, 15 & 8W)* in Cox's Bazar		-	(679,965)
	Improved WASH Service to the Rohingya Refugees Population in Ukhiya Cox's Bazar		-	(937,089)
International Organization for Migration (IOM)	Provision of Comprehensive WASH Services to the Rohingya Refugees Living in the Camps in Cox's Bazar, Bangladesh		-	(182,839)
Open Society Foundations (OSF)	BRAC Humanitarian Response In Cox Bazar : Education and Critical Infrastructure Development Support		-	(34,436,516)
Global Affairs Canada (GAC)	Integrated primary healthcare and community-based health services for Rohingya refugees in Cox's Bazar, Bangladesh.		67,474	-
	Community Fort in Resisting Corona (CFRC)		-	(91,864)
Central Emergency Response Fund (CERF)	Sustain and expand basic life-savings in WASH with Focus on COVID-19 for Forcibly Displaced Myanmar Nationals (FDMNs) Population in Cox's Bazar District.		-	(43,749)
BRAC USA (Affiliate)	Small Watershed Management for Community Resilience for Rohingya Response in Cox's Bazar		3,197,135	-
	Essential Primary Healthcare Support for Rohingya Communities & Disaster Risk Management in Cox's Bazar		(3,197,135)	-
	Provision of comprehensive WASH services in camps 8W and 9 and among the surrounding host community in Balukhali		(4,280,901)	-
	BRAC response for Rohingya communities in Bhasan Char, Noakhali, Bangladesh		(1,422,223)	-
	Early childhood development and psychosocial support through Pashe Achhi		-	2,108,219
	Bhasan Char Health Nutrition Education		-	1,456,945
	Life skills Education and learning opportunities for Rohingya communities at Bhasan Char, Noakhali		-	1,412,395
Other donors	Delivering essential healthcare during COVID-19 in Cox's Bazar		-	(268,622)
	*Non-Communicable Disease (NCD) Prevention and Control Project in Bangladesh		-	(2,108,219)
	Multiple projects		(97,618,221)	46,177,169
Transfer/adjustment for closed projects (C)			(548,467,157)	(9,444,865)
Refund/transfer/adjustment for closed projects D= (B+C)			(705,969,641)	(100,489,712)
Grand total E= (A-D)			13,324,498,593	11,525,252,053

33. Segmental financial information

BRAC Statement of financial position As at 30 June 2023	Unrestricted					
	Aarong Rural Craft Centre*		BRAC Printing Pack		BRAC Dairy and Food Project	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Taka	Taka	Taka	Taka	Taka	Taka
Assets						
Non-current assets						
Property, plant and equipment	4,748,685,982	2,836,170,661	68,769,445	44,267,533	1,199,002,753	1,227,911,807
Intangible assets	48,494,750	27,470,617	-	-	12,234,141	15,436,939
Investments in related undertakings	-	-	-	-	-	-
Investments in securities and others	-	-	-	-	-	-
Biological assets	-	-	-	-	-	67,792,768
Total non-current assets	4,797,180,732	2,863,641,278	68,769,445	44,267,533	1,211,236,894	1,243,348,746
Current assets						
Investments in securities and others	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-
Inventories	8,037,283,750	5,132,583,365	201,802,507	48,808,096	823,702,492	360,533,031
Grants and accounts receivable	307,447,508	228,867,287	72,066,509	53,490,774	111,143,986	86,643,631
Advance, deposits and prepayments	710,399,295	3,106,503,360	143,532,504	277,081,830	1,021,484,182	936,054,538
Cash and cash equivalents	468,686,320	340,003,348	9,528,287	5,266,947	126,141,514	20,986,895
Microfinance loans	-	-	-	-	-	-
Total current assets	9,523,816,873	8,807,957,359	426,929,807	384,667,647	2,082,472,174	1,404,218,094
Total assets	14,320,977,605	11,671,598,637	495,699,252	428,935,180	3,293,709,068	2,647,566,840
Capital fund and liabilities						
Capital fund	8,785,394,682	7,801,091,178	331,368,927	309,639,980	2,258,176,720	2,057,613,697
Liabilities						
Non-current liabilities						
Zero coupon bond	-	-	-	-	-	-
Members' savings deposits	-	-	-	-	-	-
Term loans	-	-	-	-	-	-
Deferred income	-	-	-	-	-	-
Other long term liabilities	342,787,948	318,518,075	-	-	-	-
Total non-current liabilities	342,787,948	318,518,075	-	-	-	-
Current liabilities						
Loan loss provision	-	-	-	-	-	-
Liabilities for expenses and materials	3,935,845,345	1,863,051,028	100,320,119	35,584,293	963,535,038	382,731,143
Zero coupon bond	-	-	-	-	-	-
Members' savings deposits	-	-	-	-	-	-
Bank overdrafts	-	-	33,222,283	-	-	-
Term loans	-	-	-	-	-	-
Grants received in advance	-	-	-	-	-	-
Provision for taxation	1,256,949,829	1,888,938,356	30,787,923	83,710,907	71,997,310	207,222,000
Total current liabilities	5,192,794,975	3,551,969,384	164,330,325	119,295,200	1,035,532,348	589,953,143
Total liabilities	5,535,582,923	3,870,507,459	164,330,325	119,295,200	1,035,532,348	589,953,143
Total capital fund and liabilities	14,320,977,605	11,671,598,637	495,699,252	428,935,179	3,293,709,068	2,647,566,840

* "Non-agro based Programs" which was reported as a separate segment and "Sericulture" project which was reported under "Agro based Programs" in previous years has now been merged with "Aarong Rural Craft Centre" in current year for better presentation. Figures for the period 30 June 2022 have been rearranged accordingly to ensure comparability with the current period.

33. Segmental financial information

33. Segmental financial information												
BRAC												
Statement of financial position												
As at 30 June 2023												
Micro Finance Programme			BRAC Funded Social Development Projects**			Total Unrestricted			Temporarily Restricted Donor Funded Development Projects			Total
30 June 2023	30 June 2022	Taka	30 June 2023	30 June 2022	Taka	30 June 2023	30 June 2022	Taka	30 June 2023	30 June 2022	Taka	30 June 2022
Assets												
Non-current assets												
	5,709,441,337	5,594,652,702	10,536,003,067	9,984,004,295		22,817,022,468	20,213,342,500		822,038,057	918,188,671		21,131,531,171
Property, plant and equipment	-	-	51,647,779	8,350,125		114,718,531	55,309,853		194,092,553	200,119,198		255,429,051
Intangible assets	-	-	38,618,021,019	34,631,559,866		38,618,021,019	34,631,559,866		38,618,021,019	34,631,559,866		34,631,559,866
Investments in related undertakings	-	-	47,400,000	47,400,000		47,400,000	47,400,000		47,400,000	47,400,000		47,400,000
Investments in securities and others	-	-	-	-		67,792,768	52,323,755		-	-		52,323,755
Biological assets	-	-	-	-		-	-		-	-		-
Total non-current assets	5,709,441,337	5,594,652,702	49,253,071,865	44,671,374,276		61,664,954,785	54,999,935,974		1,016,730,610	1,118,307,869		56,118,243,843
Current assets												
Investments in securities and others	30,038,688,786	33,374,989,476	6,782,043,065	7,080,605,374		36,800,731,871	40,455,594,851		-	-		40,455,594,851
Biological assets	-	-	-	-		64,830,012	50,840,805		-	-		50,840,805
Inventories	74,466,481	101,507,970	69,794,669	87,123,728		10,293,176,556	6,695,293,801		40,269,481	50,350,864		6,745,634,665
Grants and accounts receivable	804,004,157	1,338,571,391	416,752,077	491,418,572		1,811,831,676	2,315,751,155		1,496,736,998	2,092,564,837		4,398,315,992
Advance, deposits and prepayments	5,033,333,486	5,603,058,691	7,875,192,494	2,117,389,872		14,890,158,032	12,287,880,182		1,426,103,753	2,113,724,303		14,401,604,485
Cash and cash equivalents	3,075,333,784	2,188,835,635	(107,986,224)	2,147,116,357		6,157,808,598	6,408,100,811		1,762,843,834	(2,015,479)		7,920,652,432
Microfinance loans	380,857,115,706	309,550,683,046	-	-		380,857,115,706	309,550,683,046		-	-		309,550,683,046
Total current assets	419,882,942,399	352,157,646,209	15,015,796,132	11,923,653,903		450,875,752,451	377,764,134,652		4,725,954,066	4,244,624,524		382,008,759,176
Total assets	425,592,383,736	357,752,298,911	64,268,867,996	56,595,028,180		512,540,707,237	432,764,070,625		5,742,684,676	5,362,932,394		438,127,003,019
Capital fund and liabilities												
Capital fund	139,884,764,651	118,104,881,070	41,904,722,172	36,483,696,101		196,327,582,019	167,561,613,518		233,034,149	415,663,824		167,977,277,342
Liabilities												
Non-current liabilities												
Zero coupon bond	6,963,117,126	9,398,118,361	-	-		6,963,117,126	9,398,118,361		-	-		9,398,118,361
Members' savings deposits	97,498,515,322	80,657,813,211	-	-		97,498,515,322	80,657,813,211		-	-		80,657,813,211
Term loans	4,602,500,000	3,274,166,667	-	-		4,602,500,000	3,274,166,667		-	-		4,602,500,000
Deferred income	-	-	62,182,836	44,651,412		62,182,836	44,651,412		806,687,190	1,029,688,629		1,074,240,041
Other long term liabilities	-	-	10,651,654,575	10,374,924,335		10,994,442,523	10,693,442,410		-	-		10,693,442,410
Total non-current liabilities	109,064,132,448	93,330,098,239	10,713,837,411	10,419,575,747		120,120,757,807	104,068,192,061		806,687,190	1,029,688,629		105,097,790,690
Current liabilities												
Loan loss provision	17,867,269,990	21,943,155,678	-	-		17,867,269,990	21,943,155,678		-	-		21,943,155,678
Liabilities for expenses and materials	26,180,811,504	19,488,266,945	8,418,576,688	6,593,231,466		40,793,575,055	28,480,356,892		1,230,178,754	1,150,309,027		29,630,665,919
Zero coupon bond	3,092,871,157	1,413,155,962	-	-		3,092,871,157	1,413,155,962		-	-		1,413,155,962
Members' savings deposits	83,471,416,540	71,741,460,179	-	-		83,471,416,540	71,741,460,179		-	-		71,741,460,179
Bank overdrafts	6,188,569,040	6,192,590,954	-	-		6,221,791,323	6,192,590,954		-	-		6,192,590,954
Term loans	38,902,302,446	24,858,689,895	-	-		38,902,302,446	24,858,689,895		-	-		24,858,689,895
Grants received in advance	74,655,000	-	1,165,382	-		75,823,382	-		3,472,804,583	2,767,370,913		2,767,370,913
Provision for taxation	885,587,960	680,000,000	3,230,566,534	3,128,534,866		5,687,317,517	6,504,855,497		-	-		6,504,855,497
Total current liabilities	176,683,486,637	146,317,319,603	11,650,308,414	9,691,766,332		196,092,367,411	161,134,265,046		4,702,893,337	3,917,679,941		165,051,944,987
Total liabilities	285,727,619,085	239,647,417,841	22,364,145,825	20,111,342,079		316,213,125,218	285,202,457,107		5,509,650,526	4,947,268,570		270,148,725,677
Total capital fund and liabilities	425,592,383,736	357,752,298,911	64,268,867,997	56,595,028,180		512,540,707,237	432,764,070,625		5,742,684,675	5,362,932,394		438,127,003,019

** "House Property Building" segment which was reported separately in previous years has now been merged with "BRAC Funded Social Development Projects" in current year for better presentation. Figures for the period 30 June 2022 have been rearranged accordingly to ensure comparability with the current period.

- Capital fund of "Micro Finance Programme" includes statutory reserve fund of Tk. 15,603,274,382 (30 June 2022: Tk. 13,080,605,789)

33. Segmental financial information

BRAC

Statement of comprehensive income and expenditure
For the year ended 30 June 2023

	Unrestricted							
	Aarong Rural Craft Centre*		BRAC Printing Pack		BRAC Dairy and Food Project		Agro based Programs*	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Income								
Donor grants	-	-	-	-	-	21,061,714	-	-
Interest on bank accounts and fixed deposits	-	-	-	-	-	-	-	-
Community contribution	-	-	-	-	-	-	-	-
Income from microfinance program	-	-	-	-	-	-	-	-
Revenue from social enterprises	15,350,880,586	11,955,671,073	405,386,487	309,495,831	6,158,481,227	4,868,340,142	3,283,323,291	2,382,324,663
Investment income	-	-	-	-	-	-	-	-
Rental income from house property	-	-	-	-	-	-	-	-
Other operational income	103,351,019	77,482,302	9,063,126	686,461	49,649,558	29,372,496	229,785,187	230,929,232
Gain on disposal of investment in tea estates	-	-	-	-	-	-	-	-
Total income	15,454,231,605	12,033,153,375	414,449,613	310,186,292	6,206,130,785	4,916,774,292	3,513,108,478	2,613,253,895
Expenditure								
Health program	-	-	-	-	-	-	-	-
Humanitarian crisis management program	-	-	-	-	-	-	-	-
Education program	-	-	-	-	-	-	-	-
Ultra poor graduation program	-	-	-	-	-	-	-	-
Skills development program	-	-	-	-	-	-	-	-
Disaster management and climate change program	-	-	-	-	-	-	-	-
Water, sanitation and hygiene program	-	-	-	-	-	-	-	-
Human rights and legal aids program	-	-	-	-	-	-	-	-
Migration program	-	-	-	-	-	-	-	-
Policy advocacy program	-	-	-	-	-	-	-	-
Gender, justice and diversity program	-	-	-	-	-	-	-	-
Community empowerment program	-	-	-	-	-	-	-	-
Social development program	-	-	-	-	-	-	-	-
Other development program	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Microfinance program	-	-	-	-	-	-	-	-
Social enterprises	12,542,932,898	10,080,481,971	350,401,636	248,196,858	5,768,056,676	4,675,517,966	2,646,872,926	2,026,740,755
Property maintenance expense	-	-	-	-	-	-	-	-
Total Expenses	12,542,932,898	10,080,481,971	350,401,636	248,196,858	5,768,056,676	4,675,517,966	2,646,872,926	2,026,740,755
Surplus/(deficit) of income over expenditure	2,911,298,707	1,942,671,403	64,047,977	61,989,434	440,074,109	243,256,326	866,235,552	586,513,140
Inter-programme allocations	(817,865,658)	(425,329,932)	(25,647,070)	(22,582,598)	(145,684,940)	(115,515,407)	(324,161,292)	(225,846,795)
Surplus/(deficit) of income over expenditure after allocations:	2,093,433,049	1,517,341,471	38,400,907	39,406,836	294,389,169	127,740,919	542,074,260	360,666,345
BRAC Contribution to donor funded programmes	-	-	-	-	-	-	-	-
Surplus/(deficit) of income over expenditure before tax	2,093,433,049	1,517,341,471	38,400,907	39,406,836	294,389,169	127,740,919	542,074,260	360,666,345
Income tax expense	(1,076,129,707)	(525,916,669)	(16,671,961)	(17,047,094)	(83,826,146)	(40,876,166)	(165,240,884)	(114,141,468)
Net surplus/(deficit) for the year	1,015,303,342	991,424,802	21,728,946	22,359,742	200,563,023	86,864,753	376,833,376	246,524,877

* "Non-agro based Programs" which was reported as a separate segment and "Sericulture" project which was reported under "Agro based Programs" in previous years has now been merged with "Aarong Rural Craft Centre" in current year for better presentation. Figures for the period 30 June 2022 have been rearranged accordingly to ensure comparability with the current period.

33. Segmental financial information

BRAC

Statement of comprehensive income and expenditure For the year ended 30 June 2023

	Micro Finance Programme			Unrestricted			Total Unrestricted			Temporarily Restricted			Total		
	30 June 2023			30 June 2022			30 June 2023			30 June 2023			30 June 2023		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Income															
Donor grants	-	-	288,480,179	36,531,796	-	288,480,179	57,593,510	-	11,901,973,625	-	10,716,706,972	-	12,190,453,704	-	10,773,300,482
Interest on bank accounts and fixed deposits	-	-	556,595,513	291,174,880	-	556,595,513	291,174,880	-	7,120,384	-	6,604,549	-	563,715,697	-	297,779,429
Community contribution	-	-	133,725,179	185,485,316	-	133,725,179	185,485,316	-	438,038,960	-	493,111,745	-	571,762,039	-	678,597,061
Income from microfinance program	81,773,791,757	-	-	-	-	81,773,791,757	67,234,051,980	-	-	-	-	-	67,234,051,980	-	67,234,051,980
Revenue from social enterprises	-	-	-	-	-	-	25,198,071,591	-	-	-	-	-	25,198,071,591	-	19,516,855,709
Investment income	-	-	1,085,706,633	1,180,301,215	-	1,085,706,633	1,180,301,215	-	-	-	-	-	1,085,706,633	-	1,180,301,215
Rental income from house property	-	-	108,471,760	147,717,135	-	108,471,760	147,717,135	-	69,253,633	-	210,961,309	-	147,717,135	-	108,471,760
Other operational income	2,129,416,660	-	1,169,805,997	1,114,068,981	-	3,691,071,547	3,691,071,547	-	-	-	-	-	3,760,325,080	-	3,927,693,160
Gain on disposal of investment in tea estates	-	-	-	1,455,662,885	-	-	1,455,662,885	-	-	-	-	-	-	-	1,455,662,885
Total income	83,903,208,417	69,498,246,419	3,382,030,636	4,372,694,833	112,875,159,534	93,746,309,105	12,416,394,301	11,426,384,576	125,291,543,835	105,172,693,681					
Expenditure															
Health program	-	-	16,980,917	105,985,157	-	16,980,917	105,985,157	-	4,490,519,332	-	4,423,992,109	-	4,507,500,249	-	4,529,977,266
Humanitarian crisis management program	-	-	-	-	-	-	-	-	3,998,262,924	-	3,528,015,397	-	3,998,262,924	-	3,528,015,397
Education program	-	-	131,113,152	228,779,476	-	131,113,152	228,779,476	-	2,392,125,601	-	1,589,637,831	-	2,523,238,753	-	1,818,417,307
Ultra poor graduation program	-	-	-	-	-	-	-	-	1,247,392,101	-	1,316,730,090	-	1,247,392,101	-	1,316,730,090
Skills development program	-	-	-	8,791,792.0	-	8,791,792.0	8,791,792.0	-	793,605,264	-	806,434,873	-	793,605,264	-	815,226,665
Disaster management and climate change program	-	-	-	-	-	-	-	-	538,577,300	-	317,988,663	-	538,577,300	-	317,988,663
Water, sanitation and hygiene program	-	-	56,362	-	-	56,362	-	-	400,650,008	-	359,172,069	-	400,707,270	-	359,172,069
Human rights and legal aid program	-	-	38,239,485	141,897	-	38,239,485	141,897	-	341,512,599	-	348,661,991	-	379,752,084	-	348,803,888
Migration program	-	-	11,794,181	-	-	11,794,181	-	-	268,404,048	-	563,773,985	-	280,198,229	-	563,773,985
Policy advocacy program	-	-	190,409,473	-	-	190,409,473	-	-	55,609,408	-	114,471,457	-	246,018,881	-	114,471,457
Gender, justice and diversity program	-	-	122,855,621	-	-	122,855,621	-	-	55,852,582	-	164,215,407	-	178,808,103	-	164,215,407
Community empowerment program	-	-	7,396,487	11,158,187	-	7,396,487	11,158,187	-	131,365,177	-	108,076,349	-	138,751,664	-	120,234,536
Social development program	-	-	357,634,196	727,620,901	-	357,634,196	727,620,901	-	819,995,540	-	946,797,563	-	832,830,189	-	970,343,671
Other development program	-	-	12,834,549	21,545,818	-	12,834,549	21,545,818	-	-	-	-	-	58,169,363,700	-	57,619,493,162
Grants	-	-	22,753,360	19,353,360	-	22,753,360	19,353,360	-	-	-	-	-	21,308,264,136	-	17,040,937,551
Microfinance program	58,169,363,700	-	57,619,493,162	-	-	58,169,363,700	57,619,493,162	-	-	-	-	-	-	-	49,245,289
Social enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property maintenance expense	-	-	-	49,245,289	-	-	49,245,289	-	-	-	-	-	-	-	-
Total Expenses	58,169,363,700	57,619,493,162	947,854,809	1,172,621,877	90,428,482,945	75,833,052,590	15,533,872,884	14,590,968,074	95,959,355,529	90,424,020,664					
Surplus/(deficit) of income over expenditure	25,733,844,717	11,878,753,257	2,434,175,827	3,200,072,956	32,449,676,889	17,913,256,515	(3,117,488,583)	(3,164,583,498)	29,332,188,306	14,748,673,017					
Inter-programme allocations	-	-	1,313,358,960	789,274,732	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) of income over expenditure after allocations : BRAC Contribution to donor funded programmes	-	-	3,747,534,787	3,989,347,688	32,449,676,889	17,913,256,515	(3,117,488,583)	(3,164,583,498)	29,332,188,306	14,748,673,017					
Surplus/(deficit) of income over expenditure before tax	25,733,844,717	11,878,753,257	630,046,204	824,764,189	29,332,188,306	14,748,673,017	-	-	-	-	-	-	29,332,188,306	-	14,748,673,017
Income tax expense	(1,453,961,135)	(880,000,000)	(1,650,683,998)	(1,201,654,355)	(4,458,513,830)	(2,579,635,752)	-	-	-	-	-	-	(4,458,513,830)	-	(2,579,635,752)
Net surplus/(deficit) for the year	24,279,883,582	11,198,753,257	(1,020,637,794)	(376,890,166)	24,873,674,476	12,169,037,265	-	-	24,873,674,476	12,169,037,265					

*** "House Property (Building)" segment which was reported separately in previous years has now been merged with "BRAC Funded Social Development Projects" in current year for better presentation. Figures for the period 30 June 2022 have been rearranged accordingly to ensure comparability with the current period.

34. Statement of Functional Expenses

BRAC

Expenditure statement

For the year ended 30 June 2023

	Unrestricted					
	Aarong Rural Craft Centre*		BRAC Printing Pack		BRAC Dairy and Food Project	
	30 June 2023 Taka	30 June 2022 Taka	30 June 2023 Taka	30 June 2022 Taka	30 June 2023 Taka	30 June 2022 Taka
Salaries and benefits	1,442,603,537	1,252,227,144	24,429,511	23,260,441	520,730,108	422,429,872
Travelling and transportation	87,634,845	65,575,738	2,482,230	1,979,236	230,041,628	167,412,211
Teachers' salaries	-	-	-	-	-	-
Teachers' training	-	-	-	-	-	-
School rent and maintenance	-	-	-	-	-	-
Stationery, rent and utilities	590,038,661	465,814,685	1,036,894	917,266	46,175,235	31,306,503
Maintenance and general expenses	462,579,782	335,031,248	9,450,760	6,930,003	94,013,266	71,603,884
Collection charge digital wallet	-	-	-	-	-	-
Members' training	-	-	-	-	-	-
Staff training and development	5,810,015	2,043,715	164,000	135,069	3,046,724	11,685,959
Programme supplies	-	-	-	-	-	-
Interest on members' savings deposits	-	-	-	-	-	-
Interest on long term loans	-	-	-	-	-	-
Bank overdraft interest and charges	3,053,522	7,380,776	-	125,741	-	2,208,282
Cost of goods sold of social enterprises	9,338,823,324	7,441,880,063	310,815,210	213,353,411	4,751,137,352	3,868,337,616
Publicity, advertisement and sales commissions	388,912,177	280,259,010	-	-	111,010,449	83,723,837
Loan loss provision for microfinance loans	-	-	-	-	-	-
Depreciation and amortization	226,043,437	240,418,884	2,023,031	1,495,692	10,847,208	12,402,089
Provision for bad and doubtful debts	(2,572,402)	50,707	-	-	1,054,705	4,407,712
Grants	-	-	-	-	-	-
Unrealized foreign exchange loss/(gain)	-	-	-	-	-	-
Total Expenses	12,542,932,898	10,090,481,971	350,401,636	248,196,858	5,768,056,676	4,675,517,966
						2,646,872,926
						2,026,740,755

- Cost of goods sold of BRAC Dairy, Printing Pack and Agro based PSE included depreciation of PPE amounting to Tk. 151,754,422, Tk. 6,117,106 and Tk. 65,330,349 (30 June 2022: Tk. 192,359,564, Tk. 5,569,895 and Tk. 47,261,132) respectively.

* "Non-agro based Programs" which was reported as a separate segment and "Sericulture" project which was reported under "Agro based Programs" in previous years has now been merged with "Aarong Rural Craft Centre" in current year for better presentation. Figures for the period 30 June 2022 have been rearranged accordingly to ensure comparability with the current period.

34. Statement of Functional Expenses

BRAC

Expenditure statement

For the year ended 30 June 2023

34. Statement of Functional Expenses										
BRAC Expenditure statement For the year ended 30 June 2023	Micro Finance Programme			Unrestricted		Temporarily Restricted			Total	
	Social Development Projects**		Total Unrestricted	Donor Funded Development Projects		Total				
	30 June 2023	30 June 2022		30 June 2023	30 June 2022					
	30 June 2023	30 June 2022	Taka	Taka	30 June 2023	30 June 2022	Taka	Taka	30 June 2023	30 June 2022
Salaries and benefits	23,953,942,410	21,834,338,508	48,165,936	62,016,251	26,270,959,786	23,971,219,608	5,938,775,621	5,790,700,597	32,209,735,406	28,761,920,206
Travelling and transportation	2,106,632,672	1,804,294,463	88,938,333	77,242,034	2,551,572,463	2,161,845,913	1,065,281,365	705,973,593	3,616,853,828	2,867,819,506
Teachers' salaries	-	-	74,263,630	95,676,192	74,263,630	95,676,192	494,954,684	270,036,226	569,218,324	365,712,418
Teachers' training	-	-	986,123	907,830	986,123	907,830	117,611,527	91,489,220	118,597,650	92,397,050
School rent and maintenance	-	-	12,650,956	15,676,820	12,650,956	15,676,820	81,654,791	61,374,682	94,305,747	77,051,502
Stationery, rent and utilities	1,311,071,897	1,353,933,995	105,647,664	105,645,053	2,079,518,831	1,979,679,259	762,844,759	772,032,194	2,842,363,590	2,751,711,452
Maintenance and general expenses	1,328,679,560	1,185,038,822	125,746,379	130,511,762	2,156,265,503	1,819,354,378	453,112,032	227,771,975	2,609,377,535	2,047,126,353
Collection charge digital wallet	1,155,822,033	2,004,459,643	70,040	25,861	1,155,892,073	2,004,485,504	-	3,651,691	1,155,892,073	2,008,137,195
Members' training	-	-	-	-	-	-	-	7,131,855	-	7,131,855
Staff training and development	109,526,179	65,617,556	49,173,812	101,900,757	181,629,523	196,430,759	581,626,177	492,181,462	763,255,700	688,612,221
Programme supplies	683,260,092	476,360,974	31,009,643	95,191,047	714,269,735	571,552,021	5,699,647,890	5,785,933,024	6,413,917,565	6,357,485,045
Interest on members' savings deposits	13,977,549,677	11,583,999,328	-	-	13,977,549,677	11,583,999,328	-	-	13,977,549,677	11,583,999,328
Interest on long term loans	3,329,428,123	2,294,347,937	-	-	3,329,428,123	2,297,019,027	-	-	3,329,428,123	2,297,019,027
Bank overdraft interest and charges	766,510,955	233,711,738	269,936,550	236,481,539	1,039,501,027	477,699,794	-	-	1,039,501,027	477,699,794
Cost of goods sold of social enterprises	-	-	-	-	16,291,102,033	12,933,771,648	-	-	16,291,102,033	12,933,771,648
Publicity, advertisement and sales commissions	-	-	25,798,994	23,605,396	743,748,388	535,860,010	45,102,325	41,262,200	798,850,713	577,122,210
Loan loss provision for microfinance loans	8,462,614,869	13,881,531,080	-	-	8,462,614,869	13,881,531,080	-	-	8,462,614,869	13,881,531,080
Depreciation and amortization	455,991,900	402,992,910	308,203,760	302,060,442	1,030,373,894	981,663,487	293,261,765	341,429,356	1,323,635,659	1,323,092,843
Provision for bad and doubtful debts	-	-	-	-	5,868,390	11,829,130	-	-	5,868,390	11,829,130
Grants	-	-	22,753,360	19,353,360	22,753,360	19,353,360	-	-	22,753,360	19,353,360
Unrealized foreign exchange loss/(gain)	528,333,333	398,866,208	(203,799,072)	(105,368,766)	324,534,262	293,497,442	-	-	324,534,262	293,497,442
Total Expenses	58,169,363,700	57,619,493,162	947,854,809	1,172,621,877	80,425,482,645	75,833,052,590	15,533,872,884	14,590,968,074	95,959,355,529	90,424,020,664

*** "House Property (Building)" segment which was reported separately in previous years has now been merged with "BRAC Funded Social Development Projects" in current year for better presentation. Figures for the period 30 June 2022 have been rearranged accordingly to ensure comparability with the current period.

35. Financial instruments - Fair values and risk management

A. Accounting classifications and fair values

The financial assets and liabilities mentioned below in the table are treated under amortised cost model. Thus, it is not necessary to determine the fair value of the mentioned assets and liabilities.

Financial assets			Carrying amount
In Taka	Note	30 June 2023	30 June 2022
Investments in securities and others	7	36,848,131,871	40,502,994,851
Grants and accounts receivable	10	3,308,668,674	4,398,315,992
Cash and cash equivalents	12	7,920,652,432	6,406,085,332
Microfinance loans	13	380,857,115,706	309,550,683,046
		428,934,568,683	360,858,079,221

Financial liabilities			Carrying amount
In Taka	Note	30 June 2023	30 June 2022
Liabilities for expenses and materials	14	20,434,412,155	13,561,305,551
Zero coupon bond	15	10,055,988,283	10,811,274,313
Members' savings deposits	16	180,969,931,862	152,399,273,390
Bank overdrafts	17	6,221,791,323	6,192,590,954
Term loans	18	43,504,802,446	28,132,856,561
Grants received in advance	20	3,548,627,965	2,767,370,913
		264,735,554,034	213,864,671,682

The Entity has not disclosed the fair values for financial instruments because their carrying amounts are a reasonable approximation of fair value.

B. Financial risk management framework

The Entity has exposure to the following risks from its use of financial instruments:

- i) Credit risk
- ii) Liquidity risk
- iii) Market risk

Risk management framework

The Governing Body has the overall responsibility for the establishment and oversight of the risk management framework. The risk management policies are established to identify and analyse the risks faced by the entities within the Entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the activities of the entities within the Entity. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the entities within the Entity.

i) Credit risk

Credit risk is the risk of financial loss to the Entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from inter Entity loan, trade receivables and cash and bank balances.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Entity's exposure to credit risk on receivables is mainly influenced by the individual payment characteristics of customers.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Exposure to credit risk

In Taka	Note	For the year ended 30 June 2023	For the Year ended 30 June 2022
Investments in securities and others	7	36,848,131,871	40,502,994,851
Grants and accounts receivable	10	3,308,668,674	4,398,315,992
Cash and cash equivalents	12	7,920,652,432	6,406,085,332
Microfinance loans	13	380,857,115,706	309,550,683,046
		428,934,568,683	360,858,079,221

Cash and bank balances have low credit risk based on the external credit ratings of the counterparties.

ii) Liquidity risk

Liquidity risk is the risk that the Entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the reputation of the Entity. Typically, it is ensured that sufficient cash at bank exists to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates.

The following are the contractual maturities of financial liabilities at the reporting date:

Exposure to liquidity risk				Contractual cash flows	
30 June 2023	Note	Carrying amount	Expected cash flows	12 months or less	More than 1 year
In Taka					
Liabilities for expenses and materials	14	20,434,412,155	20,434,412,155	20,434,412,155	
Zero coupon bond	15	10,055,988,283	10,055,988,283	3,092,871,157	6,963,117,126
Members' savings deposits	16	180,969,931,862	180,969,931,862	83,471,416,540	97,498,515,322
Bank overdrafts	17	6,221,791,323	6,221,791,323	6,221,791,323	
Term loans	18	43,504,802,446	43,504,802,446	38,902,302,446	4,602,500,000
Grants received in advance	20	3,548,627,965	3,548,627,965	3,548,627,965	
		264,735,554,034	264,735,554,034	155,671,421,586	109,064,132,448

Exposure to liquidity risk				Contractual cash flows	
30 June 2022	Note	Carrying amount	Expected cash flows	12 months or less	More than 1 year
In Taka					
Liabilities for expenses and materials	14	13,561,305,551	13,561,305,551	13,561,305,551	
Zero coupon bond	15	10,811,274,313	10,811,274,313	1,413,155,952	9,398,118,361
Members' savings deposits	16	152,399,273,390	152,399,273,390	71,741,460,179	80,657,813,211
Bank overdrafts	17	6,192,590,954	6,192,590,954	6,192,590,954	
Term loans	18	28,132,856,561	28,132,856,561	24,858,689,895	3,274,166,667
Grants received in advance	20	2,767,370,913	2,767,370,913	2,767,370,913	
		213,864,671,682	213,864,671,682	120,534,573,444	93,330,098,239

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

iii) Market risk

Market risk is the risk that any changes in market prices, such as foreign exchange rates and interest rates will affect income or the value of holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

a) Currency risk

The Entity is exposed to currency risk to the extent that there is a mismatch between the currencies in which borrowings are denominated and the respective functional currency. The functional currency of the Entity is Taka. The currencies in which these transactions are denominated are USD, Euro, GBP, CAD, and AUD.

Exposure to currency risk

The summary of quantitative data about exposure to currency risk as reported to the management is as follows:

Foreign currency denominated liabilities	Note	30 June 2023	
		Taka	USD
Term loans (note 18)	18	(3,645,000,000)	(33,333,333)
Net Exposure		(3,645,000,000)	(33,333,333)
Foreign currency denominated liabilities	Note	30 June 2022	
		Taka	USD
Term loans (note 18)	18	(4,155,556,561)	(44,444,444)
Net Exposure		(4,155,556,561)	(44,444,444)
The following exchange rates are applied at reporting date:		30 June 2023	30 June 2022
		Closing rate	Closing rate
BDT/USD		109.35	93.50

Sensitivity analysis

A reasonably possible strengthening (weakening) of transactional currencies against Taka at 30 June would have effected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant and ignore any impact of forecast sales and purchases.

30 June 2023	Profit or (loss)		Liabilities	
	Strengthening	Weakening	Strengthening	Weakening
In Taka				
USD (10% movement)	(364,500,000)	364,500,000	364,500,000	(364,500,000)
	(364,500,000)	364,500,000	364,500,000	(364,500,000)
30 June 2022	Profit or (loss)		Liabilities	
	Strengthening	Weakening	Strengthening	Weakening
In Taka				
USD (10% movement)	(415,555,556)	415,555,556	415,555,556	(415,555,556)
	(415,555,556)	415,555,556	415,555,556	(415,555,556)

b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. At the date of the financial position the interest risk profile of interest bearing financial instruments were as follows:

In Taka	Note	30 June 2023	30 June 2022
Financial assets			
Microfinance loans	13	380,857,115,706	309,550,683,046
		380,857,115,706	309,550,683,046
In Taka	Note	30 June 2023	30 June 2022
Financial liabilities			
Bank overdrafts	17	6,221,791,323	6,192,590,954
Members' savings deposits	16	180,969,931,862	152,399,273,390
Term loans	18	43,504,802,446	28,132,856,561
		230,696,525,631	186,724,720,905

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Annexure-A/2

BRAC

(Registered in Bangladesh under the Societies Registration Act, 1860)

Eligibility criteria compliance certification for the year ended 30 June 2023

Sl#	Eligibility criteria	Audited figures or compliance		
			2022-2023	2021-2022
(1)	Minimum loan recovery rates, computed quarterly, based on the following:			
	(i) 95% minimum cumulative loan collection ratio on total dues:			
	Actual cumulative collections	3,805,857,791,292		
	Cumulative collectibles	3,822,826,320,558	= 99.56%	99.47%
	(ii) 92-100% minimum loan collection ratio on current dues (on running 12- month basis):			
	Actual collections during the past 12 months on current dues	565,305,954,651		
	Collectible on current dues	575,856,998,275	= 98.17%	95.08%
(2)	Minimum liquidity ratio of 10%		18.30%	23.34%
(3)	Minimum current ratio of 2.0:1		2.38:1	2.41:1
(4)	Minimum capital adequacy ratio of 15%		33.10%	33.22%
(5)	Minimum debt service cover ratio of 1.25:1		2.33:1	1.82:1
(6)	Debt capital ratio 9:1		0.43:1	0.38:1
(7)	Minimum rate of return on capital of 1%		18.82%	9.83%

See Exhibit 1 for formula and assumption.

Dhaka, Bangladesh
Dated: 27 November 2023



ACNABIN
Chartered Accountants

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Microfinance program
Portfolio report for the year ended 30 June 2023
Review of loan classification and provisions

(i) Classification of loan and loan loss provision

Sl. No.	Particulars	No of days outstanding	Outstanding loan	Required provision	
			Amount (Taka)	Rate (%)	Amount (Taka)
1	Total loan outstanding		374,562,506,465		
2	Total overdue	<i>More than 1 installment missed</i>	19,006,511,886		
3	Regular	Loans with no overdue installments	352,936,612,539	1%	3,536,502,124
4	Watchful	Loan default duration between 1 and 30 days	2,619,382,040	5%	130,969,198
5	Substandard	Loan default duration between 31 and 180 days	5,972,653,124	25%	1,493,163,994
6	Doubtful	Loan default duration between 181 and 365 days	1,308,898,058	75%	981,673,970
7	Bad Loan	Loan default duration above 365 days	11,724,960,704	100%	11,724,960,704
	Total		374,562,506,465		17,867,269,990

(ii) Loan loss provision status

Particulars	Amount (Taka)
Actual provision:	17,867,269,990
Required provision as per MRA policy:	17,867,269,990
(Deficit)/Excess provision	-
Disclosure on written of Loan:	
Loan written off balance 01 July 2022	37,270,322,030
Loan written off during the year 2022-2023	12,538,500,557
Written off loan recovered during the year 2022-2023	(795,088,573)
Loan written off balance 30 June 2023	49,013,734,014

(iii) Loan operational report

Sl No.	Particulars	2022-2023			2021-2022		
1	Financial service product:						
	Loan product:						
	PKSF funded loan	-			-		
	Loan from commercial bank	43,504,802,447			28,132,856,561		
	Zero coupon bond (ZCB)	10,055,988,283			10,811,274,313		
	Other loan short term (Bank overdraft)	6,188,569,040			6,192,590,954		
	Savings product:						
	Compulsory savings	80,020,593,658			68,830,788,652		
	Voluntary savings	21,582,345,069			18,478,995,603		
	Term deposit	79,366,993,135			65,089,489,135		
2	Number of branches	2,787			2,665		
		Male	Female	Total	Male	Female	Total
3	Number of samitis	27,807	293,567	321,374	31,571	287,244	318,815
4	Number of members	960,876	7,987,945	8,948,821	889,705	7,407,720	8,297,425
5	Number of borrowers	736,227	5,794,885	6,531,112	649,956	5,281,519	5,931,475
6	Number of total microfinance staff	22,732	13,670	36,402	21,847	12,316	34,163
7	Amount (Taka) of loan outstanding with samiti members			374,562,506,465			304,008,233,693
8	Member: borrower			1.37:1			1.40:1
9	Average loan size*			95,701			82,226

* Average loan size = (Addition to microfinance loan during the year / Number of loans made during the year).

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Microfinance programme
Budget variance report

Financial year: 2022-2023

Name of organization: BRAC

License no: 00488-00186-00065

Description	2022-2023		Variance
	Projected	Actual	%
1. New Area Coverage			
District	-	-	
Upazilla	-	-	
Union	-	-	
Village	-	-	
2. Number of new branch	120	115	-4%
3. Group/Samity formation	500	8,406	1581%
4. New member	1,646,372	2,221,245	35%
5. New borrower	1,587,718	1,896,870	19%
6. Staff recruitment	2,148	4,464	108%
7. Deposit collection	94,641,436,319	87,806,668,598	-7%
8. Deposit withdrawal	78,315,940,531	59,236,010,127	-24%
9. Loan recovery	501,321,244,243	643,884,184,873	28%
10. Loan disbursement	557,023,604,715	646,844,350,667	16%
11. Bank loan borrowing	31,008,531,083	78,869,505,396	154%
12. Bank loan repayment	24,930,911,110	63,497,559,510	155%
13. Total income	80,334,990,083	83,903,208,417	4%
14. Total expenditure	64,568,449,590	59,623,324,835	-8%

Description	Position as on 30th June 2023
1. Area coverage	
District	64
Upazilla	532
Union	5,215
Village	69,421
2. Number of branch	2,787
3. Number of group	321,374
4. Number of member	8,948,821
5. Number of borrower	6,531,112
6. Manpower	36,402
7. Members' savings deposit	180,969,931,861
8. Principal loan outstanding	374,562,506,465
9. Total loan outstanding	49,693,371,487
10. Cumulative surplus	139,864,764,652

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Microfinance programme
Budget variance report
Financial year : 2022-2023

Sl.No.	Particulars	2022-2023			Note
		Projected	Actual	Variance	
1	Microfinance loan recovery				
	ME	210,162,711,791	303,289,498,104	44%	1
	Seasonal	2,660,790,696	114,171,109	-96%	
	Livestock	8,124,129,043	14,072,808,529	73%	
	Agriculture	87,078,796,373	167,115,758,384	92%	
	Others	193,294,816,341	159,291,948,747	-18%	
	Total:	501,321,244,244	643,884,184,873	28%	
2	Fund collection				
	Savings collection				
	Compulsory savings	62,788,495,101	54,180,366,862	-14%	2
	Voluntary savings	9,882,897,470	9,146,404,406	-7%	
	Fixed deposit	21,970,043,748	24,479,897,330	11%	
	Total:	94,641,436,319	87,806,668,598	-7%	
	Bank loan received	31,008,531,083	78,869,505,396	154%	3
3	Utilization of fund				
	Loan disbursement				
	ME disbursement	246,233,389,922	306,779,268,376	25%	4
	Seasonal disbursement	4,562,222,336	87,970,000	-98%	
	Livestock disbursement	6,259,782,965	14,817,241,548	137%	
	Agriculture disbursement	94,632,299,323	169,789,326,091	79%	
	Other disbursement	205,335,910,169	155,370,544,652	-24%	
	Total:	557,023,604,715	646,844,350,667	16%	
	Savings withdrawal				
	Compulsory savings	50,624,619,093	42,990,561,857	-15%	5
	Voluntary Savings	8,124,775,978	6,043,054,940	-26%	
	Fixed Deposit	19,566,545,460	10,202,393,330	-48%	
	Total:	78,315,940,531	59,236,010,127	-24%	
	Bank loan repayment	24,930,911,110	63,497,559,510	155%	6
	Total:	24,930,911,110	63,497,559,510	155%	
4	Fixed assets addition				
	Land development		6,487,741		7
	Building construction	500,825,315	243,766,514	-51%	
	Furniture & fixtures	231,068,745	241,690,887	5%	
	Office equipments	48,292,438	53,405,681	11%	
	Computer & accessories	688,350,291	254,134,964	-63%	
	Total:	1,468,536,790	799,485,787	-46%	
5	Income				
	1. Service charge	78,445,327,160	80,528,056,282	3%	8
	2. Interest on investment	1,786,082,698	2,129,416,660	19%	
	3. Entry fees	3,580,225	16,988,740	375%	
	4. Recovery of write-off Loan	40,000,000	795,088,573	1888%	
	Other income	60,000,000	433,658,162	623%	
	Total:	80,334,990,083	83,903,208,417	4%	

6	Expenditure :				
	Financial expenditure:				
	5. Savings interest	13,001,708,769	13,977,549,676	8%	9
	6. Interest on bank loan	6,150,929,695	4,624,272,411	-25%	
	Total financial expenditure	19,152,638,464	18,601,822,087	-3%	
	General and administrative expenses:				
	7. Salary & allowances				
	Basic pay	13,045,773,458	11,976,971,205	-8%	10
	House rent allowance	7,827,464,075	7,186,182,723	-8%	
	Medical allowance	2,609,154,692	2,395,394,241	-8%	
	Conveyance allowance	2,609,154,692	2,395,394,241	-8%	
	Total:	26,091,546,916	23,953,942,409	-8%	
	8. Office rent	806,263,635	565,007,172	-30%	
	9. Printing & stationeries	428,213,872	318,642,794	-26%	
	10. Travel expenses				
	Domestic	2,401,594,314	2,106,632,672	-12%	
	11. Repairs & maintenance				
	Office building				
	12. Fuel expenses				
	Gas, electricity & water bill	450,000,000	427,421,931	-5%	
	13. Entertainment	150,000,000	22,729,437	-85%	
	14. Training expense				
	Local training	370,486,921	119,113,563	-68%	
	Total:	4,606,558,743	3,559,547,570	-23%	
	15. Other operational expense	1,809,330,716	2,448,083,592	35%	
	Data processing expenses	612,142,123	683,632,972	12%	
	16. Audit fees	2,500,000	3,728,300	49%	
	17. Depreciation	293,732,628	455,991,900	55%	
	Income tax expenses	1,200,000,000	1,453,961,135	21%	
	Total operational expenses	53,768,449,591	51,160,709,966	-5%	
	18. Loan loss provision	10,800,000,000	8,462,614,869	-22%	11
	19. Net Surplus	15,766,540,492	24,279,883,582	54%	
	20. Transfer to various fund	3,547,471,611	5,462,973,806	54%	
	Reserve fund	1,576,654,049	2,427,988,358	54%	
	Total:	5,124,125,660	7,890,962,164	54%	

- 1 Loan recovery increased which driven by the incremental disbursement and extensive supervision.
- 2 As per the economic context, savings collection was normal in the year.
- 3 During the fiscal year, additional bank loan facility was taken to support incremental disbursement.
- 4 Loan disbursement was higher than the budget driven by the incremental demand from the beneficiaries.
- 5 Savings return was lower than the budget as the beneficiaries were more enthused in maintaining the savings.
- 6 Because of the short tenure of the bank financing, bank loan repayment was higher than budget.
- 7 Fixed asset addition was lower than the budget as some of the CAPEX investment plan rescheduled in the following year.
- 8 Total income was at per budget in this fiscal year.
- 9 Total financial income was per the budget in this fiscal year.
- 10 Total operational expenditure was incurred according to the plan.
- 11 This year LLP is lower than the budget as operation turns to normal after the pandemic.

Microfinance programme
Fixed Asset Schedule

Particulars	Cost				Depreciation				Amount in Taka	
	Opening balance At 1 July 2022	Additions during the period	Transferred during the period	Disposals during the period	Closing balance At 30 June 2023	Opening balance At 1 July 2022	Charged during the period	Adjustment/ disposals during the period	Closing balance At 30 June 2023	Written down value At 30 June 2023
Freehold land	2,701,328,246	6,487,741	(82,231)	-	2,707,733,756	-	-	-	2,707,733,756	2,701,328,246
Buildings	2,813,700,819	243,766,514	(5,896,889)	(17,354,829)	3,034,215,616	1,003,417,877	121,368,625	-	1,124,786,502	1,909,429,114
Furniture & fixtures	1,107,114,821	241,626,549	(12,374,666)	(107,227,768)	1,229,138,936	697,451,021	113,433,286	(65,206,059)	745,678,248	483,460,688
Equipment	262,153,997	40,704,761	(8,256,350)	(9,600,555)	285,001,853	193,647,599	45,439,123	-	239,086,722	45,915,131
Computer	954,410,471	254,134,964	(141,731,596)	(68,449,627)	998,364,212	527,576,335	145,033,677	(33,537,079)	639,072,933	359,291,279
Vehicles	118,559,000	18,361	-	(18,361)	118,559,000	72,566,193	14,899,556	(17)	87,465,732	31,093,288
Bicycles	185,633	96,400	(48,970)	(101,759)	131,304	185,617	10,912	(65,241)	131,288	16
Machineries	162,820,459	14,043,417	(3,861,987)	(4,566,126)	168,135,753	30,776,102	15,806,721	-	46,582,823	121,552,930
Construction work in progress	-	50,965,155	-	-	50,965,155	-	-	-	-	50,965,155
Total 30 June 2023	8,120,273,446	851,843,562	(172,252,699)	(207,619,024)	8,592,245,585	2,525,620,744	455,991,900	(98,808,396)	2,882,804,248	5,709,441,337
Total 30 June 2022	7,373,128,750	1,038,487,518	12,270,288	(303,613,110)	8,120,273,446	2,378,215,368	402,992,910	(255,587,524)	2,525,620,744	5,594,652,702

Microfinance programme

Formula and assumption

SL#	Eligible criteria	Formula details
1	(i) Cumulative loan collection ratio on total dues	$\frac{\text{Actual cumulative collection} = \text{Total cumulative collection up to 30 June 2022} + \text{current year principal realization from microfinance loans} + \text{Loan write off}}{\text{Cumulative collectibles} = \text{Actual cumulative collection} + \text{total dues as on 30 June 2023}}$
	(ii) Loan collection ratio on current dues (on running 12 - months basis)	$\frac{\text{Actual collections during the past 12 months on current dues} = \text{Total microfinance loans principal outstanding realization}}{\text{Collectible on current dues} = \text{Total microfinance loan principal outstanding realization} + \text{total loan dues as loan 30 June 2023} + \text{total microfinance loan principal outstanding write-off} + \text{total dues 30 June 2022}}$
2	Minimum liquidity ratio	$\frac{\text{Cash and cash equivalents} + \text{investment in securities and others (current)}}{\text{Total members' savings deposits}}$
3	Minimum current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$
4	Minimum capital adequacy ratio	$\frac{\text{Capital fund}}{\text{Total assets} - \text{Cash and cash equivalents}}$
5	Minimum debt service cover ratio	$\frac{\text{Net surplus} + \text{depreciation and amortization} + \text{interest on members' savings deposits} + \text{interest on long term loans} + \text{bank overdraft interest and charges}}{\text{Interest on members' savings deposits} + \text{interest on long term loans} + \text{bank overdraft interest and charges}}$
6	Debt capital ratio	$\frac{\text{Term loan} + \text{Zero coupon bond} + \text{bank overdraft}}{\text{Capital fund}}$
7	Minimum rate of return on capital	$\frac{\text{Net surplus}}{\text{Average Capital Fund} = (\text{Current year capital fund} + \text{prior year capital fund})/2}$

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