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

For the year ended 31 December 2020

Nurul Faruk Hasan & Co
Chartered Accountants

Independent Auditors' Report To the Governing Body of BRAC

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of BRAC ("the Entity") which comprise the statement of financial position as at 31 December 2020, the statement of comprehensive income and expenditure, statement of changes in net assets and statement cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of BRAC as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with the accounting policies as summarized in Notes 2 to the financial statements.

Basis for Opinion

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

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

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

Our opinion is not modified in respect of this matter.

Other matter

The financial statements of the entity for the year ended 31 December 2019, were audited by another auditors who expressed an unmodified opinion on those financial statements on 15 April 2020.



Other Information

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

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

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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

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

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

Dhaka, Bangladesh
Dated: 31 May 2021

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



Shamsur Rahman, FCA
Partner
Enrollment No. 941
DVC: 2106010941AS319900

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Statement of Financial Position
As at 31 December 2020

Particulars	Notes	2020 Taka	2019 Taka
ASSETS			
Cash and bank balances	3	31,723,785,710	24,032,522,474
Advance, deposits and prepayments	4	12,042,695,631	10,720,793,501
Inventories	5	6,254,983,552	6,099,099,677
Grants and accounts receivable	6	2,821,240,342	3,334,745,791
Microfinance loans	7	286,777,136,804	243,987,950,556
Motor cycle loans	8	64,433,780	85,192,350
Investments in securities and others	9	867,600,000	2,207,430,874
Investments in related undertakings	10	33,805,655,505	31,297,956,474
Property, plant and equipment	11	20,092,511,943	19,274,246,460
Intangible assets	12	153,518,231	112,407,916
TOTAL ASSETS		394,603,561,498	341,152,346,073
LIABILITIES AND NET ASSETS			
LIABILITIES			
Liabilities for expenses and materials	13	18,460,033,518	13,897,568,153
Bank overdrafts	14	31,262,811,054	27,893,463,383
Term loans	15	48,211,122,990	44,532,426,404
Members' savings deposits	16	128,895,985,387	97,006,031,994
Grants received in advance	17	2,931,581,039	2,112,020,638
Deferred income	18	1,348,868,871	694,027,199
Other long term liabilities	19	17,208,622,473	17,070,707,618
Provision for taxation		5,551,898,106	4,560,746,075
TOTAL LIABILITIES		253,870,923,438	207,766,991,465
NET ASSETS			
Unrestricted		140,251,056,318	132,903,772,867
Temporarily restricted		481,581,742	481,581,742
		<u>140,732,638,060</u>	<u>133,385,354,609</u>
TOTAL LIABILITIES AND NET ASSETS		394,603,561,498	341,152,346,073

The annexed notes 1 to 33 form an integral part of these financial statements.



Chairperson, Governing Body
BRAC



Chief Financial Officer
BRAC



Executive Director
BRAC

Per our annexed report of same date

Dhaka, 31 May 2021

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



Shamsur Rahman, FCA
Partner
Enrollment Number: 941
DVC: 2106010941AS319900

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Statement of Comprehensive Income and Expenditure
For the year ended 31 December 2020

Particulars	Notes	Unrestricted Taka	Temporarily Restricted Taka	Total 2020 Taka	Total 2019 Taka
Income					
Donor grants	20	57,019,782	14,526,343,525	14,583,363,308	13,855,431,903
Social Enterprises	21	12,003,491,553	-	12,003,491,553	16,727,388,949
Microfinance Programme	22	57,651,316,797	-	57,651,316,797	56,866,222,004
Self-financing Social Development Programme	23	1,312,981,108	-	1,312,981,108	1,111,125,520
Investment income	24	1,778,027,416	-	1,778,027,416	200,683,637
Community Contribution	25	157,988,005	406,610,010	564,598,015	1,000,167,362
House Property		90,285,239	-	90,285,239	92,593,668
Total income		73,051,109,900	14,932,953,535	87,984,063,435	89,853,613,043
Expenditure					
Social Enterprises		11,459,448,196	-	11,459,448,196	14,751,216,995
Micro Finance Programme		51,016,336,051	-	51,016,336,051	39,909,043,349
House Property		46,491,510	-	46,491,510	46,169,419
Agriculture and Food Security		-	1,931,795	1,931,795	16,385,453
Community Empowerment Programme		6,682,560	266,604,548	273,287,107	279,518,943
Education Programme		354,991,051	1,928,896,688	2,283,887,739	2,126,223,583
Gender, Justice and Diversity		-	117,769,034	117,769,034	118,242,230
Health Programme		134,773,217	5,207,663,675	5,342,436,892	4,225,917,877
Human Rights and Legal Aids Services		4,368,552	284,597,105	288,965,657	341,577,024
Policy Advocacy		-	47,000,250	47,000,250	53,531,885
Water, Sanitation and Hygiene Programme		-	503,134,039	503,134,039	341,772,203
Ultra Poor Programme		-	1,535,199,285	1,535,199,285	2,008,360,909
Forcibly-displaced Myanmar Nationals		-	4,337,992,383	4,337,992,383	4,568,977,441
Disaster Management and Climate Change		-	383,671,746	383,671,746	217,965,788
Skills Development Programme		3,810,670	645,816,644	649,627,314	754,954,897
Migration Programme		-	288,443,423	288,443,423	265,545,874
Social Development Programme		736,567,987	-	736,567,987	227,182,085
Other Development Projects		52,034,877	1,343,854,711	1,395,889,588	1,280,816,247
Grants		91,952,726	-	91,952,726	236,338,397
Total expenditure		63,907,457,398	16,892,575,324	80,800,032,722	71,769,740,599
Surplus/(deficit) of income over expenditure		9,143,652,502	(1,959,621,789)	7,184,030,713	18,083,872,444
BRAC Contribution to support Donor Funded Programme	27	(1,959,621,789)	1,959,621,789	-	-
Surplus of income over expenditure before taxation		7,184,030,713	-	7,184,030,713	18,083,872,444
Taxation	28	(991,152,028)	-	(991,152,028)	(729,000,000)
Net surplus for the year		6,192,878,685	-	6,192,878,685	17,354,872,444

The annexed notes 1 to 33 form an integral part of these financial statements.


Chairperson, Governing Body
BRAC



Chief Financial Officer
BRAC


Executive Director
BRAC

Per our annexed report of same date

Dhaka, 31 May 2021

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


Shamsur Rahman, FCA
Partner
Enrollment Number: 941
DVC: 2106010941AS319900

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Statement of Changes in Net Assets
For the year ended 31 December 2020

	Net Assets		Total Net assets
	Unrestricted	Temporarily restricted	
	Taka	Taka	Taka
At 1 January 2019	111,711,995,654	1,158,868,343	112,870,863,997
Net surplus for the year	17,354,872,444	-	17,354,872,444
Share of non operating changes in net assets in related undertakings	2,293,495,976	-	2,293,495,976
Investment Reserve Fund	787,401,878	-	787,401,878
Transferred from closed projects	756,006,915	(677,286,601)	78,720,314
At 31 December 2019	132,903,772,867	481,581,742	133,385,354,609
At 1 January 2020	132,903,772,867	481,581,742	133,385,354,609
Net surplus for the year	6,192,878,685	-	6,192,878,685
Share of non operating changes in net assets in related undertakings	503,200,852	-	503,200,852
Investment Reserve Fund	651,203,914	-	651,203,914
At 31 December 2020	140,251,056,318	481,581,742	140,732,638,060

The annexed notes 1 to 33 form an integral part of these financial statements.



Chairperson, Governing Body
BRAC



Chief Financial Officer
BRAC



Executive Director
BRAC

Dhaka, 31 May 2021

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Statement of Cash Flows
For the year ended 31 December 2020

Notes	2020 Taka	2019 Taka
Cash flows from operating activities:		
Surplus of income over expenditure before taxation	7,184,030,713	18,083,872,444
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Loan loss provision	7 13,020,772,709	4,317,719,641
Depreciation and amortization	11 & 12 1,199,891,961	1,232,137,670
(Gain)/loss on disposal of property, plant and equipment	23 53,859,120	(27,647,286)
Cash dividend received	24 (1,710,294,006)	(94,194,688)
Donor grants - amortization of investment in property, plant and equipment and motorcycle replacement fund	20 (136,640,337)	(230,480,659)
Interest on fixed deposits and bank accounts	26 (1,681,973,084)	(1,565,444,511)
Adjustments for other accounts:		
(Increase)/ decrease in service charge outstanding on microfinance loans	(1,935,435,254)	(1,850,675,836)
(Increase)/ decrease in inventories	(155,883,875)	(531,343,934)
(Increase)/ decrease in advances, deposits and prepayments	(1,321,902,130)	2,674,284,403
(Increase)/ decrease in accounts receivable	256,872,625	337,804,586
(Increase)/ decrease in motorcycle loans	20,758,570	121,837,935
Increase/ (decrease) in liabilities for expenses and materials	4,562,465,365	2,689,384,669
Increase/ (decrease) in deferred income	791,482,009	174,024,665
Adjustment of Advance tax	-	(4,861,818,873)
Net cash provided by operating activities	20,148,004,386	20,469,460,226
Cash flows from investing activities:		
(Increase)/ decrease in microfinance loans	(53,874,523,703)	(43,960,034,997)
(Increase)/ decrease in fixed deposits pledged with financial institutions	444,374,373	(702,013)
(Increase)/ decrease in investments in related undertakings	(1,231,366,410)	(506,307,116)
Purchase of property, plant and equipment	26 1,681,973,084	1,565,444,511
Proceeds from disposal of property, plant and equipment	11 & 12 (2,214,204,282)	(1,603,353,979)
Dividends received from related undertakings	185,886,722	30,710,545
(Investments in)/Realization of investment in securities and others	24 1,710,294,006	94,194,688
Net cash used in investing activities	(51,957,735,336)	(44,070,048,361)
Cash flows from financing activities:		
Grants received during the year	31 16,044,933,123	13,159,812,800
Grants utilized during the year for:		
-operational expenditure & micro-finance	17 (14,383,995,060)	(13,618,721,131)
-investment in property, plant and equipment	17 (791,454,486)	(168,997,156)
-motorcycle replacement funds	17 (27,523)	(5,027,509)
Increase/ (decrease) in term loans	3,678,696,586	6,395,620,725
Increase/ (decrease) in members savings deposits	31,889,953,393	27,418,227,101
Increase/ (decrease) in other long term liabilities	137,914,855	2,572,010,792
Net cash provided by financing activities	36,576,020,888	35,752,925,622
Net Increase/ (decrease) in cash and cash equivalents	4,766,289,938	12,152,337,487
Cash and cash equivalents at the beginning of the year	(4,305,315,282)	(16,457,652,769)
Cash and cash equivalents at the end of the year	3.4 460,974,656	(4,305,315,282)

The annexed notes 1 to 33 form an integral part of these financial statements.



Chairperson, Governing Body
BRAC



Chief Financial Officer
BRAC



Executive Director
BRAC

Dhaka, 31 May 2021

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Notes to the Financial Statements
For the year ended 31 December 2020

1 Introduction:

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

2 Summary of Significant Accounting Policies:

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

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

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

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

2.1 Basis of preparation of financial statements

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

These financial statements include the financial statements of BRAC and, the related undertakings set out in Note 10 in which BRAC has equity interests through which it exercises control or significant influence.

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

2 Summary of Significant Accounting Policies (contd.):

2.1 Basis of preparation of financial statements (contd.)

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 funds have been classified within either of two net asset categories- temporarily restricted and unrestricted. Accordingly, the net assets of BRAC and changes therein are classified and reported as follows:

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

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

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

2.2 Reporting period

These financial statements have been prepared for the period from 1 January 2020 to 31 December 2020

2.3 Authorization for issue

These financial statements have been authorized for issue by the Finance and Audit Committee (Representing BRAC's Governing Body) of BRAC on 26 May 2021.

2.4 Functional and presentation Currency

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

2.5 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.

2.6 Going Concern

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

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

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

2 Summary of Significant Accounting Policies (contd.):

2.7 Consolidation

BRAC, being a society registered under the Societies Registration Act, 1860 was not subject to any requirement on the preparation of consolidated financial statements. However, being a PIE defined by FRC BRAC is required to prepare its financial statement with compliance with all applicable International Financial Reporting Standard (IFRS). As ultimate parent entity of 100 percent owned subsidiary entities and entities of significant interest, BRAC is required to present consolidated financial statements. BRAC is contemplating to prepare consolidated financial statements in the coming years.

Accordingly, BRAC's investments in related undertakings wherein the effective equity interests are more than 50% are accounted for as explained in Note 2.17, together with related undertakings in which BRAC has significant influence where effective equity interests are below 50%.

2.8 Donor grants

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

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

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

For ongoing projects and programmes, 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.

2.9 Revenue recognition

Revenue are recognized to depict the transfer of promised goods or services in an amount that reflects the consideration to which the organization expects to be entitled in exchange for those goods or services.

Social Enterprises projects

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

Revenue from sale of goods

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

2 Summary of Significant Accounting Policies (contd.):

Service charge on microfinance loans

Service charges on microfinance loans are recognized on an accrual basis as income. The recognition of service charge ceases when a loan is transferred to non-interest bearing loan as described in Note 2.14. Service charge is included in income thereafter only when it is realized. Loans are returned to the accrual basis only when the full amount of the outstanding arrears of loans received and future collectability is reasonably assured.

Interest on bank accounts, fixed deposits, bonds

Interest income is recognized on an accrual basis.

House property income

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

2.9 Revenue recognition (contd):

Other income

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

Community contributions

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

2.10 Expenses

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

2.11 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. 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:

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

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

2 Summary of Significant Accounting Policies (contd.):

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:

Item	Annual Depreciation Rate (%)
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
Camp/Poultry/Livestock sheds	20
Crates/Mannequins/Samples	33.33

Assets under construction included in plant and equipment are not depreciated as these assets are ready for use.

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.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate. 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 the asset is included in the statement of income and expenditure in the year the asset is derecognized.

2.12 Intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

Software purchased for the use in regular operational recording and financial reporting has been recognized as intangible assets.

Item	Annual Amortization Rate (%)
Software	20

2.13 Microfinance loans

BRAC's activities include providing micro-finance loans to members without collateral, on a service charge basis under various programmes. Loans inclusive of service charge and are stated net of provision for loan losses.

2 Summary of Significant Accounting Policies (contd.):

2.14 Provision for loan losses

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

Loan Classification	Days Arrears	Provision required
Standard	Current (no arrears)	1%
Watchlist	1 - 30	5%
Substandard	31 - 180	25%
Doubtful	181 - 365	75%
Loss	Over 365	100%

BRAC is following MRA guideline as per above table to calculate provision. For 2020, MRA has given a choice to halt the loan classification in a regular manner and provide 1% additional reserve on total outstanding balances. BRAC Management has taken a conservative approach by following MRA regular norms instead of halting loan classification which resulted a higher loan loss provision by approximately Taka 664 Crores.

2.15 Loans written off

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

2.16 Provisions

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 balance sheet date and adjusted to reflect the current best estimate.

2.17 Investments in related undertakings

Related undertakings refer to separately-established undertakings in which BRAC has significant influence and/or effective equity interests. Details of these undertakings are disclosed in Note 10.

BRAC's investments in these undertakings are initially recorded at cost and subsequently adjusted to reflect BRAC's share of results for each period added to or deducted from the respective investment costs, from the dates of their acquisition and to the dates of their disposal. Distribution received from the undertakings is recognized in the statement of 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 net assets. 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 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 income and expenditure. Provision is also made for any impairment if the carrying amount of an investment exceeds its recoverable amount. In case the share of losses from related undertakings is equal or more than the cost of investment then those losses were not recognized.

2 Summary of Significant Accounting Policies (contd.):

2.18 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 income and expenditure, any gain or loss is recognized in the statement of income and expenditure when the investment is disposed of or suffers a permanent diminution in value.

2.19 Accounts receivable

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

2.20 Inventories

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

2.21 Motorcycle replacement fund

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

2.22 Self - insurance fund

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

2.23 Employee gratuity and redundancy fund

BRAC maintains a Gratuity Scheme which is considered as a defined benefit plan. BRAC makes provisions for an Employee Gratuity and Redundancy fund, on the basis of two months' basic salary for each completed year's service for each permanent employee (based on the basic salary of the last month). 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 2018.

2 Summary of Significant Accounting Policies (contd.):

In addition, the process of formation of a funded gratuity has been taken and administrative formalities have been completed. An amount of Taka 100 Crores is transferred to this separate gratuity fund. An actuarial valuation of the gratuity amount is also ongoing and the remaining amount will be transferred to the fund upon completion of actuarial valuation.

2.24 Employee provident fund

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

2.25 Employee group insurance

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

2.26 Foreign currencies

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

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

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

	2020 Taka	2019 Taka
United States Dollars (USD)	83.95	83.95
Euro	102.39	94.03
Great Britain Pound (GBP)	112.85	110.28
Australian Dollars (AUD)	62.87	58.54

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

2.27 Taxation

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

2.28 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, in which case these costs are capitalized as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

2 Summary of Significant Accounting Policies (contd.):

2.29 Impairment of assets

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

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

2.30 Financial instruments

Financial instruments are recognized in the balance sheet when BRAC has become a party to the contractual provisions of the instrument.

a) Investments in related undertakings

Investments in related undertakings are stated at cost less impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.17.

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 2.18.

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 balance sheet 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 income and expenditure in the period in which they are incurred. The carrying values of these financial instruments approximate their fair values due to their short term maturities.

2.31 Cash and cash equivalents

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

2 Summary of Significant Accounting Policies (contd.):

2.32 Contingent liabilities

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

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

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

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

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

2.33 Events after the balance sheet date

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

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

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

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

2.34 COVID 19 pandemic impact on operations

During 2020, BRAC management took a number of initiatives to respond COVID 19 pandemic. After assessing the risk and on time resolution, the effect for COVID 19 on operations was at minimal level. Contribution from Aarong seasonal sales were foregone during lock down period. It was also impacted by the social restrictions during the pandemic. Total sales of Aarong in 2020 was lower than last year by Taka 458 Crores. In response, Aarong has taken sufficient safety and health measures for its employees and customers. In addition, the online platform has been developed and currently in operations to reach larger customers base while maintaining social distance.

Microfinance operations were postponed for 45 days from 26th March 2020 to 9th May 2020 during the 1st wave of COVID 19 pandemic outbreak. Considering the economic impact on loanees, BRAC has waived of service charges (Interest) of Taka 708 Crores in total. Meanwhile the mobile financial service platform has been introduced to support microfinance operations. In addition, loan loss provision has increased by Taka 870 Crores than last year.

On the other hand, BRAC has extended its development activities by taking several supportive initiatives under different projects. Major activities of those projects include creating awareness, providing cash support, distributing hygiene products and food packages.

2 Summary of Significant Accounting Policies (contd.):

2.35 Segmental reporting

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

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

2.36 Comparatives and reclassification

Comparative information have been disclosed in respect of the year 2020 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period's financial statements.

2020 Taka	2019 Taka
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3. Cash and bank balances

Cash in hand and at banks (Note 3.1)
Deposits (Note 3.2)

5,162,981,547	5,440,041,114
26,560,804,162	18,592,481,360
31,723,785,710	24,032,522,474

3.1 Cash in hand and at banks

Cash in hand
Cash at banks

403,745,965	904,837,175
4,759,235,582	4,535,203,939
5,162,981,547	5,440,041,114

3.2 Deposits

Fixed deposits pledged
Fixed deposits unpledged
Short term deposit unpledged

-	444,374,373
22,977,168,845	14,722,238,743
3,583,635,317	3,425,868,244
26,560,804,162	18,592,481,360

Included in the above balance are amounts placed with related undertakings as follows:

Names of related party

BRAC Bank Ltd.

Nature of balances

Fixed deposits pledged	444,374,373
Fixed deposits unpledged	16,182,269,617
Short term deposits unpledged	3,425,868,244
65 Bank Accounts (2019: 68)	2,524,961,759

3.3 Deposits analyzed by programme:

Microfinance Programme
Other Programmes

24,142,355,984	17,104,309,997
2,418,448,178	1,488,171,363
26,560,804,162	18,592,481,360

3.4 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following as at December 31, 2020:

Cash in hand and at banks
Fixed deposits unpledged
Short term deposits unpledged

5,162,981,547	5,440,041,114
22,977,168,845	14,722,238,743
3,583,635,317	3,425,868,244
(31,262,811,054)	(27,893,463,383)
460,974,656	(4,305,315,282)

Bank overdrafts (Note 14)

2020 Taka	2019 Taka
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4. Advances, deposits and prepayments

Advances:		
Employees	5,532,129,470	5,245,761,770
Suppliers	708,533,923	996,271,467
Advance for tax	3,137,547,093	2,260,608,299
	9,378,210,486	8,502,641,536
Deposits:		
Deposits for facilities and utilities	384,664,654	25,255,593
Prepayments	2,279,820,491	2,192,896,372
	12,042,695,631	10,720,793,501

5. Inventories

Seeds and feed	374,804,308	504,387,181
Medical supplies and consumables	81,270,239	103,887,849
Printing and stationery	104,071,083	127,469,534
Handicraft goods	5,107,283,052	4,867,438,271
Dairy products	271,037,639	273,007,615
Programme materials	316,517,231	222,909,227
	6,254,983,552	6,099,099,677

6. Grants and accounts receivable

Grants receivable	831,691,365	1,124,558,318
Interest receivable on fixed deposits	1,118,051,830	1,197,628,160
Other accounts receivable	871,497,147	1,012,559,313
	2,821,240,342	3,334,745,791

The "Interest receivable on fixed deposits" includes Tk. 328,268,889 (2019: Tk.188,504,916) which has maturity date of the fixed deposits after 12 months.

7. Microfinance loans

	Principal outstanding Taka	Service charge receivable Taka	Loan loss provision Taka	Total Taka
At 1 January 2020	250,127,985,061	3,838,750,190	(9,978,784,695)	243,987,950,556
Additions	384,262,924,978	55,977,359,565	(13,020,772,709)	427,219,511,834
Realization	(330,388,401,275)	(54,041,924,311)	-	(384,430,325,586)
Write-off	(2,780,460,454)	(584,957,209)	3,365,417,663	-
At 31 December 2020	301,222,048,310	5,189,228,235	(19,634,139,741)	286,777,136,804

Loans to members bear annual service charges 20% to 24% (2019: 19% to 25%) 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 2020 Taka	Loan loss Provision 2020 Taka	Principal Outstanding 2019 Taka	Loan loss Provision 2019 Taka
		Standard	256,762,690,969	2,567,626,910	238,582,893,303
Watchlist	1 - 30	9,522,864,971	476,143,249	1,104,228,114	55,211,406
Substandard	31 - 180	23,720,840,361	5,930,210,090.20	3,782,993,516	945,748,380
Doubtful	181 - 365	2,221,970,062	1,666,477,546	263,496,610	197,622,458
Loss	Over 365	8,993,681,947	8,993,681,947	6,394,373,519	6,394,373,519
		301,222,048,310	19,634,139,741	250,127,985,062	9,978,784,695

Loan Loss Reserve (LLR) for the year 2020 reached at 7% on total outstanding balance. Although MFA has given a choice to halt the loan classification in a regular manner and provide 1% additional reserve on total outstanding balances, BRAC Management has taken a conservative approach by following MFA regular norms instead of halting loan classification which resulted a higher loan loss provision by approximately Taka 664 Crores.

2020 Taka	2019 Taka
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8. Motor Cycle Loans

As at 1st January	85,192,350	207,030,285
Additions during the year	2,083,562	10,140,175
Loan realization during the year	(22,842,132)	(131,978,110)
At 31st December	64,433,780	85,192,350

9. Investment in securities and others

DBH 1st Mutual Fund	47,400,000	47,400,000
AB Bank Subordinated Bond	200,000,000	400,000,000
MTB Subordinated Bond	100,000,000	150,000,000
Bangladesh Sanchay Patra (BSP)	76,000,000	150,000,000
Fixed Deposit	444,200,000	1,460,030,874
	867,600,000	2,207,430,874

Market value of DBH 1st Mutual Fund at 31 December 2020 was Tk. 7.00 per unit (2019: Tk.8.40) and 6,000,000 shares on the Dhaka Stock Exchange (DSE). The maturity date of the AB Bank Ltd. Subordinated Bond will be on 25 August 2021 with effective interest rate 11% per annum. The maturity date of the Mutual Trust Bank Subordinated Bond will be on 19 October 2022 with effective interest rate 10.5% per annum. The Bangladesh Sanchay Patra (BSP) earned interest at 11.28% (2019: 11.28%) per annum during the year.

10 Investments in related undertakings

Related undertakings	As at 31 December 2020				Total Taka
	Cost of Investment Taka	Share of Reserves Taka	Loans Taka		
BRAC Bank Ltd.	5,911,149,577	14,202,257,157	-	-	20,113,406,734
BRAC Industries Ltd.	24,999,900	12,892,055	-	-	37,891,955
BRACNet Ltd.	185,915,300	(46,963,558)	-	-	138,951,742
BRAC IT Services Ltd.	207,839,000	(33,633,445)	-	-	174,205,555
BRAC Services Ltd.	10,000,000	(336,906,901)	393,022,412	-	66,115,511
Delta BRAC Housing Finance Corp. Ltd	40,000,000	1,080,065,419	-	-	1,120,065,419
BRAC Karnafull Tea Company Ltd	243,908,025	52,537,692	1,321,370,684	-	1,617,816,401
BRAC Kaiyachara Tea Company Ltd	63,300,695	304,806,790	218,580,459	-	586,687,944
BRAC Kodala Tea Company Ltd	81,680,954	(71,775,981)	498,542,390	-	508,447,363
Bangladesh Netting Factory	17,071,429	33,593,099	29,253,695	-	79,918,223
IPDC Finance Ltd.	1,112,443,508	480,701,109	-	-	1,593,144,617
Mayabgy Ltd.	18,155,513	(9,851,621)	-	-	8,303,892
BRAC EPL Investment Ltd.	1,300	-	-	-	1,300
BRAC Kurmon Ltd.	49,980,000	(18,573,810)	41,561,644	-	72,967,834
Edotoo Bangladesh Co. Ltd.	7,228,750,000	351,553,878	-	-	7,580,303,878
BRAC OSIRIS Impact Ventures Ltd.	100,000,000	(2,714,663)	-	-	97,285,337
Bhumijo Ltd.	3,000,000	5,141,800	-	-	8,141,800
BD Assistant	2,000,000	-	-	-	2,000,000
	15,300,195,201	16,003,129,020	2,502,331,284		33,805,655,505

10 Investments in related undertakings (contd.)

Related undertakings	As at 31 December 2019			
	Cost of Investment Taka	Share of Reserves Taka	Loans Taka	Total Taka
BRAC Bank Ltd.	4,760,329,616	12,762,802,851	-	17,523,132,467
BRAC Industries Ltd.	24,999,900	11,367,898	-	36,367,798
BRACNet Ltd.	185,915,300	(59,632,507)	-	126,282,793
BRAC IT Services Ltd.	36,134,000	(36,134,000)	-	-
BRAC Services Ltd.	10,000,000	(265,750,475)	348,546,208	92,795,733
Delta BRAC Housing Finance Corp. Ltd	40,000,000	965,383,265	-	1,005,383,265
BRAC Karnafuli Tea Company Ltd	243,908,025	31,117,433	1,246,419,078	1,521,444,536
BRAC Kaiyachara Tea Company Ltd	63,300,695	261,437,689	204,800,565	529,538,949
BRAC Kodala Tea Company Ltd	81,680,954	(48,364,524)	467,288,146	500,604,576
Bangladesh Netting Factory	17,071,429	33,690,552	44,124,575	94,886,556
BRAC Environmental Enterprises Ltd.	90,000,000	(71,014,811)	124,890,003	143,875,192
IPDC Finance Ltd.	1,112,443,508	392,665,090	-	1,505,108,598
Mayalogy Ltd.	18,155,513	(5,484,123)	-	12,671,390
BRAC EPL Investment Ltd.	1,300	-	-	1,300
BRAC Kumon Ltd.	49,960,000	(7,266,469)	18,528,831	61,242,362
Edotco Bangladesh Co. Ltd.	7,228,750,000	813,582,403	-	8,042,332,403
BRAC OSIRIS Impact Ventures Ltd.	100,000,000	(511,296)	-	99,488,704
Bhumijo Ltd.	3,000,000	(200,148)	-	2,799,852
	14,065,670,240	14,777,688,828	2,454,597,406	31,297,956,474

2020 Taka	2019 Taka
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1,154,404,766

3,080,897,854

Transfer to change in net assets

Share of non-operating changes in net assets in related undertakings

503,200,852

2,293,495,976

Investment in reserve fund (Statutory reserve)

651,203,914

787,401,878

10 Investment in related undertakings (contd)

Related undertakings (All Incorporated in Bangladesh)	Share Holding Percentage (%)		Principal activities
	2020	2019	
BRAC Bank Ltd.	46.17	44.28	Banking business, listed on the Dhaka and Chittagong Stock Exchanges.
BRAC Industries Ltd.	99.99	99.99	Cold storage
BRAC BD Mail Network Ltd.	19.99	19.99	Internet service provider
BRAC IT Services Ltd.	87.00	51.00	Software Development
BRAC Services Ltd.	100.00	100.00	Hospitality
Delta BRAC Housing Finance Corp. Ltd.	18.39	18.39	Housing finance, listed on the Dhaka and Chittagong Stock Exchanges.
BRAC Karnafuli Tea Company Ltd.	99.94	99.94	Tea Plantation
BRAC Kaiyachara Tea Company Ltd.	99.85	99.85	Tea Plantation
BRAC Kodala Tea Company Ltd.	99.12	99.12	Tea Plantation
Bangladesh Netting Factory	93.94	93.94	Poultry Processing
BRAC Environmental Enterprises Ltd.	-	90.00	Waste management services
IPDC Finance Ltd.	25.00	25.00	Finance services
Mayabgy Ltd.	14.28	15.70	Women Empowerment through online in Bangladesh.
BRAC Kumon Ltd.	99.96	99.96	Establish and operate Educational Institutes.
Edotoo Bangladesh Co. Ltd.	26.00	26.00	Telecommunications Service Provider.
BRAC OSIRIS Impact Ventures Ltd.	99.99	99.99	Invest in profitable and impact business ventures.
Bhumijo Ltd.	30.00	30.00	To ensure healthy and hygiene Public Toilets in Public places by designing, renovating, maintaining.
BD Assistant Ltd.	-	-	BD Assistant Ltd. is an online marketplace and logistics company which operates mainly in Rangpur Division. Share allotment not yet completed.

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

Loans represent finance provided for working capital and earn 7%-8% (2019: 7%-8%) interest per annum. These loans have no fixed repayment terms.

The market value of BRAC Bank Ltd shares at 31 December 2020 was Tk. 44.30 per share (2019: Tk. 57.10) and Tk. 44.30 per share (2019: Tk. 56.70) on the Dhaka Stock Exchange(DSE) and Chittagong Stock Exchange (CSE) respectively. Number of share holding as at 31 December 2020 was 612,092,251 (2019: 546,385,269).

The market value of Delta BRAC Housing Finance Corporation Ltd. shares at 31 December 2020 was Tk. 92.60 per share (2019: Tk. 114.30) and Tk. 98.70 per share (2019: Tk. 112.20) on the DSE and CSE respectively. Number of share holding as at 31 December 2020 was 28,344,362 (2019: 24,647,272).

The market value of IPDC Finance Ltd. shares at 31 December 2020 was Tk. 27.60 per share (2019: Tk. 25.60) and Tk. 27.70 per share (2019: Tk. 25.50) on the DSE and CSE respectively. Number of share holding as at 31 December 2020 was 92,772,883 (2019: 88,355,127).

10 Investment in related undertakings (contd)

Significant transactions with related undertakings are as follows:

Related undertakings Transactions:	Nature	Nature of transaction	2020		2019	
			Taka	Taka	Taka	Taka
BRAC Bank Ltd.	Investment	Dividend	(409,599,327)	-	-	-
Delta BRAC Housing Finance Corp. Ltd	Investment	Dividend	(49,294,562)	(56,016,541)	(56,016,541)	(56,016,541)
IPDC Finance Ltd.	Investment	Dividend	(88,355,127)	(38,178,147)	(38,178,147)	(38,178,147)
Edotco Bangladesh Co. Ltd.	Investment	Dividend	(1,163,045,000)	-	-	-
BRAC Bank Ltd.	Investment	Interest income on fixed deposits/bank balance	(194,776,676)	(164,537,704)	(164,537,704)	(164,537,704)
BRAC Bank Ltd.	Investment	Interest expense on loan	318,787,258	361,395,623	361,395,623	361,395,623
BRAC Bank Ltd.	Investment	Interest expense on overdraft	37,600,000	50,400,490	50,400,490	50,400,490
BRAC IT Services Ltd.	Investment	IT enable facilities	163,927,219	190,801,131	190,801,131	190,801,131
BRAC Services Ltd.	Investment	Service facilities	44,476,204	8,685,007	8,685,007	8,685,007
BRAC Karnatful Tea Company Ltd	Investment	Interest income on current account balance	(88,812,214)	(87,131,536)	(87,131,536)	(87,131,536)
BRAC Kaiyachara Tea Company Ltd	Investment	Interest income on current account balance	(13,763,981)	(15,038,899)	(15,038,899)	(15,038,899)
BRAC Kodala Tea Company Ltd	Investment	Interest income on current account balance	(33,741,126)	(32,160,410)	(32,160,410)	(32,160,410)
Bangladesh Netting Factory	Investment	Interest income on current account balance	(2,656,964)	(3,051,955)	(3,051,955)	(3,051,955)
IPDC Finance Ltd.	Investment	Interest income on fixed deposits	(73,215,733)	(104,725,907)	(104,725,907)	(104,725,907)
Receivable/(payables) with related parties:						
BRAC Bank Ltd.	Investment	Advance/(Loan)	(2,300,000,000)	(3,800,000,000)	(3,800,000,000)	(3,800,000,000)
BRAC Bank Ltd.	Investment	Advance/(Overdraft)	(445,596,431)	(566,890,970)	(566,890,970)	(566,890,970)
BRAC Industries Ltd.	Investment	Receivable/(Payable)	(1,155,176)	(10,332,766)	(10,332,766)	(10,332,766)
BRAC Services Ltd.	Investment	Advance/(Loan)	393,022,412	348,546,208	348,546,208	348,546,208
BRAC Karnatful Tea Company Ltd	Investment	Advance/(Loan)	1,321,370,684	1,246,419,078	1,246,419,078	1,246,419,078
BRAC Kaiyachara Tea Company Ltd	Investment	Advance/(Loan)	218,580,459	204,800,565	204,800,565	204,800,565
BRAC Kodala Tea Company Ltd	Investment	Advance/(Loan)	498,542,390	467,288,146	467,288,146	467,288,146
Bangladesh Netting Factory	Investment	Advance/(Loan)	29,253,695	44,124,575	44,124,575	44,124,575
BRAC Environmental Enterprises Ltd.	Investment	Advance/(Loan)	-	124,890,003	124,890,003	124,890,003
BRAC Kumon Ltd.	Investment	Advance/(Loan)	41,561,644	18,528,831	18,528,831	18,528,831

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

11. Property, plant and equipment

Group of fixed assets	Cost				Depreciation				Amount in Taka	
	Opening balance 01-01-2020	Additions during the period	Transferred during the period	Disposals during the period	Closing balance 31-12-20	Charged during the period	Adjustment/disposals during the period	Closing Balance 31-12-20	Written down value 31-12-20	Written down value 31-12-2019
Freehold land	10,338,905,356	419,824,551	(46,150,945)	(2,864,924)	10,709,714,038	-	-	-	10,709,714,038	10,338,905,356
Buildings	7,035,097,888	367,667,278	799,390,504	(84,470,035)	8,117,675,615	248,257,268	(7,461,019)	2,882,198,508	5,235,477,107	4,393,695,611
Furniture & fixtures	2,190,766,795	139,277,145	(3,635)	(100,230,991)	2,228,809,304	204,114,790	(35,889,007)	1,389,708,923	839,100,381	969,283,644
Equipment	2,752,650,245	772,611,778	38,450,107	(230,570,421)	3,333,141,709	279,956,416	(118,939,521)	1,932,275,434	1,400,866,275	981,391,707
Computer	1,141,563,357	102,351,270	-	(33,081,547)	1,210,833,080	127,839,886	(31,867,938)	987,119,654	223,713,426	250,415,651
Vehicles	1,500,088,271	105,207,969	4,668,404	(22,636,528)	1,587,328,116	143,232,991	(12,784,811)	1,165,124,080	422,204,036	465,472,370
Bicycles	12,805,577	408,411	-	(332,616)	12,881,372	1,802,327	(330,442)	10,807,621	2,073,751	3,469,841
Machineries	1,690,526,137	29,939,354	(49,194,205)	(46,065,042)	1,615,206,243	88,460,910	(94,048,670)	1,065,557,732	529,648,511	619,390,645
Deep tubewell and tanks	36,118,426	608,603	(9,568,024)	-	27,159,005	2,224,484	(9,331,988)	26,034,559	1,124,446	2,976,364
Hatcheries	18,117,844	366,991	-	-	18,484,835	86,606	-	17,751,764	733,071	452,686
Motor cycles	19,076,848	11,318,974	-	(704,155)	29,691,667	3,563,762	(625,927)	8,639,515	21,052,152	13,375,188
Construction Work in progress	1,060,200,989	259,822,401	(737,582,205)	-	582,441,185	-	-	582,441,185	124,363,565	1,060,200,989
Crates/Mannequins/Samples/Antiques	737,026,556	48,169,764	-	-	785,196,320	-	-	660,832,755	20,082,511,943	175,276,428
Total December 2020	29,522,944,259	2,259,574,489	-	(520,956,259)	30,259,562,489	1,198,632,069	(281,279,322)	10,166,050,546	20,082,511,943	19,274,246,460
Total December 2019	27,192,535,001	1,581,203,682	-	(250,794,424)	28,522,944,259	1,231,353,667	(247,731,165)	9,248,667,799	19,274,246,460	-

Allocation of depreciation:

i) included in cost of sales of income generating projects
ii) included in programme related expenses

	2020 Taka	2019 Taka
	133,068,534	158,473,984
	1,005,953,535	1,072,884,683
	1,198,632,069	1,231,358,667

An amount of Tk. 136,640,337 (2019: 230,480,659) has been transferred to the statement of income and expenditure from Deferred income - investment in fixed assets to cover the depreciation charge for donor funded fixed assets as disclosed in Note 18.

An amount of Tk. 113,846,596 (2019: 91,696,299) has been reclassified from computer under Property, plant and equipment to Software and Intangible assets in progress under Intangible assets.

12. Intangible assets

Group of intangible assets	Cost					Amortization			Amount in Taka		
	Opening balance 01-01-2020	Additions during the period	Transferred during the period	Disposals during the period	Closing balance 31-12-20	Opening balance 01-01-2020	Charged during the period	Adjustment/ disposals during the period	Closing Balance 31-12-20	Written down value 31-12-20	Written down value 31-12-2019
Software	3,895,013	1,838,476	-	-	5,733,489	1,438,680	1,259,892	-	2,698,572	3,084,917	2,456,333
Intangible assets in progress	109,951,583	40,531,731	-	-	150,483,314	-	-	-	-	150,483,314	109,951,583
Total December 2020	113,846,596	42,370,207	-	-	156,216,803	1,438,680	1,259,892	-	2,698,572	153,518,231	112,407,916
Total December 2019	91,696,299	22,150,297	-	-	113,846,596	659,677	719,003	-	1,438,680	112,407,916	

An amount of Tk. 113,846,596 (2019: 91,696,299) has been reclassified to Software and Intangible assets in progress under Intangible assets from computer under Property, plant and equipment.

	2020 Taka	2019 Taka
Liabilities for expenses	10,752,792,841	6,089,283,548
Liabilities for goods	446,184,843	540,951,210
Advances received for training, publications, supplies etc.	7,261,055,834	7,267,333,395
	18,460,033,518	13,897,568,153

13. Liabilities for expenses and materials

Liabilities for expenses
Liabilities for goods
Advances received for training, publications, supplies etc.

14. Bank overdraft

Agrani Bank Ltd.	2,969,560,464	2,986,117,252
Bank Alfalah Ltd.	196,890,775	194,749,502
Bank Asia Ltd.	4,371,672,463	711,795,221
BRAC Bank Ltd.	445,596,431	566,890,970
Community Bank of Bangladesh	50,562,504	-
Dhaka Bank Ltd.	961,196,753	1,573
Dutch Bangla Bank Ltd.	32,698,843	90,732,850
Eastern Bank Ltd.	48,681,485	48,712,821
Habib Bank Ltd.	197,106,739	200,167,698
HSBC	674,692	6,254,200
IFC Bank Ltd.	28,740,428	52,857,594
Jamuna Bank Ltd.	5,202,879,811	1,562,443,603
Janata Bank Ltd.	614,974,260	1,562,302,069
Mutual Trust Bank Ltd.	142,651,743	1,052,178,763
Prime Bank Ltd	2,293,464,497	1,834,950,649
Pubali Bank Ltd.	7,059,991,567	7,345,918,145
Rupali Bank Ltd.	78,786,658	292,202,501
Sonali Bank Ltd.	2,568,148,408	6,201,485,666
Southeast Bank Ltd.	2,610,480	98,960
Standard Bank Ltd.	41,465,053	44,271
The City Bank Ltd.	45,628,468	416
The Trust Bank Ltd.	159,736,862	361,261,156
United Commercial Bank Ltd.	141,084,888	33,802
Uttara Bank Ltd.	3,618,006,782	2,822,263,701
	31,262,811,054	27,893,463,383

The bank overdrafts were obtained for BRAC's micro-finance programme and to finance working capital requirements. The bank overdrafts bear interest at 4% to 9% (2019: 11.29%) per annum and are repayable within 12 months.

	2020 Taka	2019 Taka
15. Term loans		
AB Bank Ltd.	-	249,998,781
Bank Alfalah Ltd	320,000,000	200,000,852
Bank Asia Ltd.	1,999,889,626	-
BASIC Bank Ltd.	134,417,678	354,340,050
BRAC Bank Ltd.	2,300,000,000	3,800,000,000
Citibank N.A.	1,420,000,000	1,000,000,000
Commercial Bank of Ceylon PLC.	1,750,000,000	1,450,000,000
Dhaka Bank Ltd.	-	1,000,000,000
Dutch Bangla Bank Ltd.	1,217,533,210	2,825,889,060
Eastern Bank Ltd.	4,495,439,744	3,108,048,834
EXIM Bank Ltd.	163,920,391	-
Habib Bank Ltd.	300,000,000	200,000,000
HSBC	5,750,000,000	2,175,000,000
IDLC Finance Ltd.	2,500,000,000	500,000,000
IFIC Bank Ltd.	-	3,439,984,916
Jamuna Bank Ltd.	-	809,978,877
Meghna Bank Ltd.	849,999,856	750,000,000
Mercantile Bank Ltd.	-	1,000,000,000
Midland Bank Limited	300,000,000	-
Modhumoti Bank Ltd.	-	199,999,568
Mutual Trust Bank Ltd.	1,500,000,000	442,985,169
NCC Bank Ltd.	2,499,832,648	2,986,867,877
Prime Bank Ltd	2,000,000,000	2,000,000,000
Pubali Bank Ltd	360,619,858	-
Rupali Bank Ltd.	3,000,000,000	3,000,000,000
SABINCO	-	179,832,419
Shahjalal Islami Bank Ltd.	3,698,240,000	3,800,000,000
Southeast Bank Ltd.	499,969,654	200,000,000
Standard Bank Ltd.	9,253,407,000	-
Standard Chartered Bank (SCB)	-	7,106,000,000
State Bank of India	1,200,000,000	1,100,000,000
UAE Bangladesh Investment Company Ltd.	-	200,000,000
Woori Bank	697,833,326	453,500,001
	48,211,122,990	44,532,426,404

Term Loans are analyzed as follows:
 Amount repayable within 12 months
 Amount repayable after 12 months:

	47,774,137,707	43,551,180,602
Repayable after 12 months but less than 24 months	179,803,922	859,260,519
Repayable after 24 months but less than 36 months	152,181,373	121,985,283
Repayable after 36 months but less than 48 months	104,999,988	-
	436,985,283	981,245,802
	48,211,122,990	44,532,426,404

All repayment obligations in respect of the term loans were met and no amounts were in arrears as at 31 December 2020. The 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, biannually and annually and bear 6.50% to 9.00% (2019: 6.50% to 12.50%) interest rates.

16. Members' savings deposits

Opening balance
 Deposits during the year
 Withdrawals during the year
Closing balance

	2020 Taka	2019 Taka
Opening balance	97,006,031,994	69,587,804,893
Deposits during the year	67,337,985,884	64,565,418,593
Withdrawals during the year	(35,448,032,491)	(37,147,191,492)
Closing balance	128,895,985,387	97,006,031,994
Compulsory savings	70,527,383,827	66,614,074,713
Voluntary savings	14,626,315,674	11,865,020,726
Term deposits	43,742,285,886	18,526,936,555
Closing balance	128,895,985,387	97,006,031,994

The rate of interest paid in respect of savings deposits by members was 6%-10% (2019: 6%-10%) per annum.

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

(a) Compulsory savings

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

(b) Voluntary savings

- (i) Each member can save for periods ranging from 3 years to 10 years on a monthly basis. The voluntary savings range from Tk. 100 to Tk. 1,000. The interest rate ranges from 7% for a 3 years period to 10% for a 10 year period.
- (ii) Any member can withdraw his/her savings by giving a seven (7) days written notice.

(c) Term deposits

- Each member can save for a period 1 to 7 years for a fixed time period. The amount of deposit can range from Tk. 10,000 to 1000,000. Interest rate for the maturity period range from 7% in the first year to 10.41% for 7 years.

Notes	2020 Taka	2019 Taka
	2,112,020,638	3,011,803,509
	(1,124,558,318)	(1,312,687,879)
	<u>987,462,320</u>	<u>1,699,115,630</u>
31	16,146,755,227	13,177,794,995
18	(791,454,486)	(168,997,156)
18	(27,523)	(5,027,509)
20	(14,383,995,060)	(13,618,721,131)
	<u>1,958,740,479</u>	<u>1,084,164,829</u>
	(101,822,104)	(17,982,195)
	242,971,299	(78,720,314)
	831,691,365	1,124,558,318
	<u>2,931,581,039</u>	<u>2,112,020,638</u>

17. Grants received in advance account

Opening balance	
Grants receivables	
Donations received during the period	
Transferred to deferred income:	
- Investment in fixed assets	
- Motorcycle replacement fund	
Transfer to Statement of Comprehensive Income and Expenditure during the period	
Refund/Transfer	
Donor fund advance transfer/adjustment	
Grants receivables	
Closing balance	

Notes	Investment in Fixed Assets Taka	Motorcycle Replacement Fund Taka	Total Taka
	682,884,576	11,142,623	694,027,199
17	791,454,486	27,523	791,482,009
20	(134,389,230)	(2,251,107)	(136,640,337)
	<u>1,339,949,832</u>	<u>8,919,039</u>	<u>1,348,868,871</u>
	739,556,677	10,926,516	750,483,193
	168,997,156	5,027,509	174,024,665
	(225,669,257)	(4,811,402)	(230,480,659)
	<u>682,884,576</u>	<u>11,142,623</u>	<u>694,027,199</u>

18. Deferred income

As at 1st January 2020	
Transferred from Grants received in advance	
Amortization to Statement of Income and Expenditure	
As at 31st December 2020	
As at 1st January 2019	
Transferred from Grants received in advance	
Amortization to Statement of Income and Expenditure	
As at 31st December 2019	

	2020 Taka	2019 Taka
	13,827,545,594	13,858,942,527
	498,456,855	490,359,180
	956,047,478	956,047,478
	1,454,504,333	1,446,406,658
	6,514,591	6,495,313
	100,000,000	-
	1,785,632,038	1,717,747,395
	34,425,917	41,115,725
	1,926,572,546	1,765,358,433
	17,208,622,473	17,070,707,618

19. **Other long term liabilities**

Employee gratuity and redundancy fund
Self-insurance fund

- Employees
- BRAC properties and motorcycles

Other funds

- Special fund for scholarship
- Emergency fund
- Relief and rehabilitation fund
- Staff welfare fund

It is BRAC's policy to carry out actuarial reviews at least every three years to assess the adequacy of the provisions in respect of the fund.

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

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

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

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

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

	Notes	2020 Taka	2019 Taka
20. Donor grants			
Donor grants recognized in the Statement of Income and Expenditure:			
Transferred from grants received in advance	17	14,383,995,060	13,618,721,131
Transferred from deferred income:			
amortization of investment in fixed assets			
- unrestricted	18	8,085,795	112,251,143
- temporarily restricted		126,293,435	113,418,114
		134,389,230	225,669,257
amortization of motorcycle replacement fund			
- unrestricted	18	-	408,274
- temporarily restricted		2,251,107	4,403,128
		2,251,107	4,811,402
Total donor grants		14,520,635,397	13,849,201,790
Interest on bank accounts and fixed deposits from donor projects		12,751,760	6,230,113
Other income from donor projects		49,976,150	-
		14,583,363,308	13,855,431,903
21. Social Enterprises			
Revenue from Sales (Note-21.1)		11,910,501,131	16,717,272,105
Other income (Note-21.2)		92,990,422	10,116,844
		12,003,491,553	16,727,388,949
21.1 Revenue from Sales			
Aarong Rural Craft Centre		5,256,197,052	9,835,855,885
BRAC Printing Pack		317,778,412	387,483,770
BRAC Dairy and Food Project		3,926,789,226	3,996,690,451
Agro-based program support enterprises		2,399,451,864	2,422,504,328
Non-agro-based program support enterprises		10,284,577	74,737,671
		11,910,501,131	16,717,272,105
21.2 Other Income			
Partial reimbursement on cost of donor funded programme supplies		92,990,422	10,116,844
		92,990,422	10,116,844

	2020 Taka	2019 Taka
22. Microfinance Programme		
Service charge on microfinance loans	56,157,319,696	55,447,988,656
Bank interest against member savings deposits (Note 26)	1,493,997,101	1,418,233,348
	57,651,316,797	56,866,222,004

Service charge Taka 708 Crores was waived by BRAC in response to COVID-19 pandemic for the period from 26 March 2020 to 09 May 2020. Fixed deposit of microfinance operation maintained as per guideline of regulator against member savings deposit. The above bank interest was earned on the fixed deposit as per guideline of regulator.

23. Self-financing Social Development Projects		
Interest on bank accounts and fixed deposits (Note 26)	175,224,223	140,981,050
Other income (23.1)	1,137,756,885	970,144,470
	1,312,981,108	1,111,125,520

23.1 Other income

(Loss)/gain on disposal of property, plant and equipment
 Partial reimbursements on cost of programme supplies
 Training income
 Sale of wastage materials
 Foreign exchange (loss)/gain - unrealized

(53,859,120)	27,647,286
636,286,041	319,910,598
553,713,782	546,364,470
544,120	66,092,798
1,072,062	10,129,318
1,137,756,885	970,144,470

24. Investment Income

In respect of investments in related undertakings:

- Cash dividend income

In respect of investments in securities and others:

- Interest on Subordinated bond
 - Interest on BSP
 - Profit on dilution of shares
 - Realized profit on DBH 1st Mutual Fund

1,710,294,006	94,194,688
53,765,061	78,899,623
13,968,349	21,348,193
-	1,441,133
-	4,800,000
1,778,027,416	200,683,637

25. Community contribution

Education Programme
 Health Nutrition and Population Programme
 Community Empowerment Programme
 Skill Development Programme
 BRAC WASH in hard to reach and urban areas
 Human rights and legal aids services
 Integrated Development Programme

134,968,283	391,635,413
353,580,441	523,623,987
13,193,397	26,878,478
51,128,705	39,601,769
6,833,627	17,322,420
4,683,128	335,820
210,434	769,475
564,598,015	1,000,167,362

Community contribution represent fees charged by BRAC to participate of programmes or activities.

	2020 Taka	2019 Taka
Interest on fixed deposits		
Microfinance Program against member savings deposits	1,493,997,101	1,418,233,348
Donor based development Projects	12,751,760	6,230,113
Self-financing social development programmes	175,224,223	140,981,050
	1,681,973,084	1,565,444,511

26.

Interest on fixed deposits

Microfinance Program against member savings deposits
Donor based development Projects
Self-financing social development programmes

27

BRAC Contribution to support Donor Funded Programmes

BRAC contributed funds to meet the funding shortfall in donor funded programmes expenditure during the year in order to ensure the continued implementation and execution of such programmes.

28.

Taxation

Income tax provision for the year

	991,152,028	729,000,000
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Income tax provision:

Current year

Previous year- IY 2015-16

	800,000,000	729,000,000
	191,152,028	-
	991,152,028	729,000,000

Under the Income Tax Ordinance, 1984 (Amended), BRAC is subject to taxation on income derived from commercial and non-commercial activities unless those are tax exempt. Income from microfinance and donor grants for social development activities are tax-exempt.

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

29.

Foreign currency denominated monetary assets and liabilities

Resident Foreign Currency Deposits (in US\$)

Resident Foreign Currency Deposits (Euro)

Resident Foreign Currency Deposits (in GBP)

Cash at bank (in US\$)

Cash at bank (in Euro)

Cash at bank (in GBP)

	932,821,987	784,069,911
	19,497,708	17,873,869
	18,344,074	17,853,061
	28,353,437	22,457,540
	705,516	3,005,562
	70,276	1,381,021

30.

Financial Instruments

a) Financial Risk Management Objectives and Policies

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

b) Interest Rate Risk

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

c) Foreign Exchange Risk

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

d) Liquidity Risk

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

e) Credit Risk

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

31. Schedule of donation received

Name of the projects	Donor	2020 Taka	2019 Taka
Strategic Partnership Arrangement (SPA)	DFID	2,948,660,000	3,588,750,000
	DFAT	1,108,700,000	1,257,200,000
	Sub Total	4,057,360,000	4,845,950,000
Vision Bangladesh Project	Orbis International	2,863,034	5,274,241
	Vision Spring	2,260,706	2,831,414
	BRAC-USA	9,186,928	588,759
		14,310,668	8,694,414
Refugee Programme	WFP	-	856,081
	Local Donor's	-	21,709
		-	877,790
Cash based intervention for Rohingya refugees and host community in Cox's Bazar	DFID	452,000,000	54,583,870
	UNOPS	-	54,065,927
		452,000,000	108,649,797
Humanitarian Leadership Academy	HLA	-	7,051,955
	Save the Children	4,225,802	2,545,472
		4,225,802	9,597,427
Right Here Right Now (RHRN)	Bandhu Social Welfare Foundation	1,851,801	4,219,660
	UNHCR	-	2,524
		1,851,801	4,222,184
Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3	Edotco	2,054,871	-
	GP	150,000,000	-
	BRAC University	3,765,006	-
	BRAC Staff Contribution	38,684,110	-
	Local Contribution	44,016,334	-
	UNOPS	112,961,063	-
	DFAT	140,850,000	-
	BRAC-UK	449,704	-
	BRAC USA	7,406,262	-
	British Asian Trust	4,346,000	-
	DGHS - UNFPA	1,320,000	-
		505,853,351	-
CFPR Phase -IV	Whole Planet Foundation	21,498,551	22,636,136
Integration WASH	EKN	-	25,861,751
TB Care and Prevention in Bangladesh	The Global Fund	3,291,557,382	1,958,352,840
Phased Elimination of Malaria from Bangladesh-GFATM	The Global Fund	459,427,845	372,913,059
Bangladesh MYCN-Home Fortification Program	The Global Alliance for Improved Nutrition (GAIN)	-	414,494
Building Young Women's Leadership through Sports	Women Win	-	19,010,625
Reading Glasses for Improved Livelihood	Vision Spring	39,582,729	37,362,498
BRAC School Meal Ploting	WFP	-	14,151,705
Graduation as Resilience	BRAC-UK	-	3,643,152
Neuro Developmental Disability (NDD) Project	Apasen International	1,068,393	1,296,463
National Early Childhood Development Support Program (NECDSP)	Shishu Academy	-	12,054,172
Building capacity to address issues of SRHR, Gender and Emotional wellbeing in technical, vocational, higher and general education	MDF-Training & Consultancy (NUFFIC)	-	8,060,421
Capacity Building to promote day-care services and women's employability in the RMG Sector	MDF-Training & Consultancy (NUFFIC)	2,188,619	22,191,716
Adolescent Sexual and Reproductive Health in Bangladesh	BRAC - USA	3,299,214	-
BRAC Play Lab Project	BRAC - USA	-	21,813,422
Chitmojol Livelihood Development Programme Lalmonirhat	SCB	-	2,541,404
Effect of BIO Fortified Leanties on Iron and Selenium Status	University of Saskatchewan	-	9,495,918
English and digital for Girl's Education	British Council	5,078,339	8,573,367
Financial Literacy for Adolescent in Chittagong	SCB	1,007,143	1,321,866
Innovation for Improving Early Grad Reading Activity	USAID	-	57,223,088
Unlocking the production Potential of "polder communities" in Coastal Bangladesh through improved Resource use efficiency and diversified cropping systems	IRRI	-	4,151,000
Bangladesh District Eye Care Programme	Sight Savers-UK	3,003,497	3,768,071
Field Evaluation of a Passive Aeration System for Aquaculture (FEPASA)	University of Toronto	-	376,680
Targeting and Re-Aligning Agriculture to Improved Nutrition	IFPRI-UK	2,297,758	28,646,679
Unit for Body Rights Program (UBR-2)	RHSTEP	-	2,634,870
Skills for Employment investment Programme (SEIP) Project- Tranch-1	GOB	-	12,709,125
Empowering the readymade garment workers living in slum of Dhaka	Porticus	68,109,400	55,140,186
Empowering Women for Building Social Cohesion project	UN Women	-	7,128,624
Improvement of the Real Situation of Overcrowding in Prisons(IRFOP)	GIZ	8,786,597	12,688,946
Improving Health and Nutrition Status of Urban Extreme poor In Bangladesh	Concern Worldwide	59,711,594	-
Income Support Programme for the poorest (ISPP) JAWTNO Project	World Bank	16,742,852	41,811,030
PRO-poor Growth of Rural Enterprises Through Sustainable Skills-development-PROGRESS	EC	-	116,973,327
Shishu Niketan: Low cost Schools in Bangladesh	BRAC-UK	12,502,000	12,629,210
Support Socio economic development of 910 vulnerable families from bagerhat District(Bangladesh) through Innovative models of small scale aquaculture	AIDA	-	6,637,879
Community Mobilization Volunteers(CMV)Network for life Saving Message on health nutrition, Sanitation and Protection in humanitarian crisis in Cox's Bazar	UNICEF	34,747,250	106,647,853
Construction of Lower Secondary School in Bangladesh	Dubai Care	7,455,797	21,131,956

Name of the projects	Donor	2020 Taka	2019 Taka
Emergency Response and Recovery for Flash Floods and Cyclone Mora to Support the Reduction of ongoing Suffering of the most Affected Communities and Assist Improving Mother and Child Nutrition in Bangladesh (SHIMA)	BRAC USA	24,213,075	32,165,298
For Second Chance Education Pilot Program (CoChort)-Out Of Children (PEDP4) Shujog	CIEF	-	14,061,314
Sustainable reintegration and Improved Migration Governance In Bangladesh	BNFE	91,016,836	-
Alternative Learning Program for Out of School Adolescent	Google Asia Pacific Ltd.	2,294,151	4,959,113
Bridge School Programme	IOM	175,528,840	117,555,199
Creation of Child -friendly Space for Forcibly - displaced Myanmar National	UNICEF	63,768,449	59,810,260
Ensuring protective environment for children from forcibly displaced Myanmar National in Cox's	EAC-QATAR	73,162,337	81,035,031
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	Porticus	-	3,774,400
Improved Wash service for the Rohiyanga Refugee and Host Communities in Cox's Bazar	UNICEF	-	11,352,713
Increasing Access to improved Water sanitation Hygiene service in School	UNICEF	275,097,510	125,257,177
Integrated Assistance Package in Cox Bazar	UNICEF	49,572,009	147,583,656
MNCH-Urban Project (Phase-II)	Charity Water	84,953,908	185,679,155
Multi sectoral emergency assistance for rohingya in Coxbazar Districts	WFP	30,367,373	26,406,165
Phase-1 Descriptive Framing Research	JPGSPH BRAC University	159,600	406,277
Socio-economic reintegration of returnee migrant workers	UNHCR	1,313,781,019	1,677,190,016
Supporting Adolescent Empower for Changing Harmful Social Norms and Emergencies	Porticus	-	935,014
WASH in Make Shift Settlement in Balukhali, Ukhiya	Embassy of Denmark	284,548	46,853,132
BRAC's humanitarian programme for forcibly-displaced Myanmar nationals	UNICEF	14,071,212	38,514,654
Deliver an integrated assistance package in Cox's Bazar -WFP-PA & TA to Scale-up School	IOM	-	40,588,945
Deliver an integrated assistance package in Cox's Bazar -WFP-PA & TA to Scale-up School	BRAC-USA	47,562,539	310,816,218
Self Reliance Assistance for Rohingya and Host Community in Ukhiya and Teknaf Upazilla Cox's	WFP	78,870,565	77,418,756
Provision of Sustainable WASH Services for Rohingya and Host communities	WFP	4,205,955	-
Scale Up of Early learning and informal basic education for forcibly Displaced Myanmar Nations	Save the Children	-	2,396,625
Scaling up Mother@Work programme at ready-made garment factories	EKN	19,999,029	80,000,000
The Effects of Community Based Psycho-social Intervention in Reducing Postpartum Depression and Improving Infant's Development in the Refugee Community from Rakhine State	UNICEF	92,288,642	203,931,473
Changing The Perception of Youth in Bangladesh about Skill Development	UNICEF	10,974,781	16,270,522
Development, Production and Distribution of Teaching & Learning Materials for Learning Competency Framework and Approach (LCFA) Levels I-IV	Grant Challenges Canada	6,239,176	2,365,381
Digitization Implementation Monitoring & public Procurement Project	Embassy of Denmark	40,401,325	26,237,752
Emplying Early Childhood in Emergency Setting-Rohingya refugees project	UNICEF	38,967,997	33,725,134
Engaging Multi Sectoral Partners for creating opportunities, Improving Wellbeing and realizing	BIGD	6,201,950	5,341,409
Enhancing Disaster Resilience (Access & Site Improvement)	Sesame workshop,USA	-	456,204,402
Integrated and Equitable SRH Services	Unilever Bangladesh Ltd	-	810,000
IYCF Focused Emergency Nutrition Response to Forcibly Displaces Rohingya Nationals on Cox's	WFP	46,588,793	80,499,483
Livelihood support and women's empowerment in cox's Bazar	UNFPA	16,408,675	5,612,606
Promotion of Gender Justice Strengthening Engage Men and Boys Network for Reducing Violence Against Women and Children in Bangladesh	UNICEF	17,483,923	24,645,408
Responsible Recruitment of Bangladeshi worker Project	Global Affairs Canada	183,359,240	327,286,405
Risk Financing to Manage Climate and Disaster Shocks in BD	Amplify Change	18,658,355	28,723,204
School Nutrition for Adolescent Project (SNAP)	BRAC-USA	7,253,158	7,213,216
SCK-Enhancing the resilience and well-being of Rohingya	World Bank	-	8,067,678
Sustainable Reintegration of Bangladesh Returnees	Nutrition Intervention	12,939,375	12,393,375
WASH Support to The displaced Rohingya population in Ukhiya and Teknaf Upazilla, Cox's Bazar	Save the Children	5,966,650	9,513,357
Women's Empowerment and Social Cohesion Building	IRARA Service Ltd	19,462,686	14,316,653
Regarding the Implementation of a WFP Assistance Programme -Self Reliance	IOM	47,536,096	49,631,900
Socio-Economic Reintegration of returnee Migrant worker's of Bangladesh Project (SDC)	Safer World	4,346,998	8,561,086
Achieving Peace and tolerance through CIVIC engagement in Rohingya refugee camps and host	WFP	44,344,165	12,050,000
Advancing inclusive and resilient Urban development targeted at the Urban Poor-output 1:	The Embassy of the Switzerland	17,000,000	68,000,000
Beeter Business for Children	MSI	4,751,258	14,253,654
BRAC Boat School	IIED	-	3,829,344
BRAC Chevron Enterprise Development Project (JIBIKA) Phase -II	UNICEF	2,414,683	603,671
Building Blocks of Early Years Learning in Bangladesh	EAC-QATAR	74,306,766	1,478,464
Comprehensive Integrated Health Services for the Displaced Rohingya in Cox's Bazar	BRAC-USA	38,294,737	41,576,249
Effects of play based early stimulation in children on self-regulation and executive functioning skills from rural low income households - a randomized control	Porticus	-	32,979,345
Emergency Life savings comprehensive integrated health and protection support	DFATD GAC	-	62,904,958
Emergency support for 2019 flood affected house holds in Bangladesh	Grand Challenge Canada	479,813	5,230,528
Ensuring Long Term Medical Services & Post Award Livelihood Support for the Victims of Rana	DFAT	-	296,750,000
Humanitarian Support to cyclone Bulbul Affected people in satkhira Municipality	BRAC USA	-	24,140,129
IED BRACU	BRAC USA	-	33,460,479
Implementation of Nutrition Intervention Under Integrated Assistance Package in	German Embassy	-	2,193,500
Integrated Comprehensive Essential Primary Health Care for Rohingya Refugees in Cox's Bazar	Zuerich University	-	6,101,280
	WFP	10,910,666	15,634,880
	BRAC-UJK	-	6,792,347

Name of the projects	Donor	2020 Taka	2019 Taka
Mobile Biometrics for MNCH Care in Bangladesh	Grand Challenge Canada	11,058,965	10,302,748
Non-Formal Primary Education-AGFUND	AGFUND	-	9,842,560
Participatory Implementation of IFC to improve Maternal and Newborn Health in Bangladesh	Enfants Du Monde (EDN)	25,207,955	11,517,992
Positive social relationships created between Rohingya Refugees and host community women through economic and social support and networking	Un Women	4,930,849	20,400,000
Research and Evaluation of BRAC's Holistics	BRAC USA	-	16,800,000
SEIP-BRAC	SEIP	33,266,401	24,620,746
Solid waste management in Host Communities and camps in teknaf Ukhia Upazila under Cox's Bazar district (Package-A-Teknaf and Package-B-Ukhia)	UNDP	18,007,651	25,872,318
Strengthening and Cultivating Opportunities in Production for Empowerment (SCOPE)	Echotex Ltd	-	10,283,058
Women's Empowerment by contributing in Aquaculture and Nutrition	World Fish	5,270,380	1,577,348
Working with Children at Risk in the Slums of Dhaka	BRAC-UK	496,696	2,504,700
Strengthening Inclusive Development in Chittagong Hill Tracts	UNDP	1,818,708	-
Decent Employment for Marginalised Youth in Retail	BRAC-UK	25,356,962	-
Play and Learning Support to Pre-primary education for host community in Cox's bazar districts	Dubai Cares	39,303,773	-
Play and Learning Support to Rohingya children & Adolescents in Cox's bazar districts of	Dubai Cares	43,569,736	-
Socio-economic reintegration of returnee migrant workers of Bangladesh Phase-II	Royal Danish Embassy	133,231,823	-
Learning through Play: Creating Implementing sustaining a Model of playful pedagogy in	Lego Foundation	89,941,277	-
*Non-Communicable Disease (NCD) Prevention and Control Project in Bangladesh	BRAC USA	30,965,903	-
Promoting women and Girls empowerment through enhancing protection and economic resilience and access to market of Rohingya women and adolescent girls in camps	UN Women	32,785,832	-
Learning Quality Improvement of forcibly displaced myanmar Nation (FDMN) Children in Cox's	BRAC-UK	8,615,000	-
Provision of life-Saving and Transitional WASH Services to affected Rohingya Population and	IOM	31,442,077	-
Information Communication and Technology (ICT)	DFID	5,800,454	-
Livelihoods and Social Cohesion in Cox's Bazar	IOM	2,197,650	-
Immediate Food Support to 3,700 Households to COVID-19 for 4 Weeks in Bangladesh	BRAC USA	12,727,500	-
Immediate Cash Support to the COVID-19 Affected in Bangladesh	BRAC USA	7,212,250	-
BRAC's Humanitarian Assistance for Myanmar Refugees in Bangladesh	BRAC USA	20,690,801	-
Community-based Management of Acute Severe Malnutrition (CMAM) in Cox's Bazar	ACF	970,326	-
Livelihood Support to Host Communities in Teknaf Sub District	GIZ	15,408,214	-
Early Learning and development through play in Emergency setting for Rohingya Community	Sesame Workshop	140,726,780	-
Early Learning and development through play in Emergency setting for Host Community	Sesame Workshop	50,393,215	-
Amplifying Early Childhood in Emergency Setting-Rohingya refugees Phase -II	Sesame Workshop	49,242,443	-
Amplifying Early Childhood in Emergency Setting-Host community	Sesame Workshop	31,843,187	-
SDC BRAC Social Cohesion Fund for Cox's Bazar District (COVID-19 Response) : May 2020 -	Embassy of Switzerland	41,490,534	-
Sustainable Clubfoot Care Bangladesh	The University of Columbia	2,666,079	-
IED BRACU	Kanton Zuerich	2,040,500	-
IED BRACU	Real Play City Challenge	1,099,281	-
Income Support Programme for the poorest (ISPP) JAWTNO Project	ISPP- PMU	61,190,642	-
Livelihood Support and Women's Empowerment in Cox's Bazar	GAC	32,084,286	-
Non-Formal Primary Education-AGFUND	Arab Gulf Programme for Developme	7,706,826	-
Advancing inclusive and resilient Urban development targeted at the Urban Poor-output 1:	IIED	4,056,389	-
Regarding the Implementation of a WFP Food Assistance programme in Cox's Bazar	WFP	58,458,943	-
Livelihood Support to Host Communities in Teknaf Sub District	Deutsche Gesellschaft Fuer	22,594,767	-
Improving well-being of Vulnerable communities in Cox's Bazar through decent employment opportunities, Protection services and humanitarian Assistance	The Embasey of Denmark	90,000,000	-
Reducing prevalence of forced labour in informal RMG factories in Bangladesh by promoting sustainable livelihood opportunities to people through alternative learning pathways	End Modern Slavery Initiative Found	6,696,503	-
HBCC (Hygiene and Behaviour Change actions for reducing the risk of COVID-19 in	DFID	130,292,898	-
HBCC (Hygiene and Behaviour Change actions for reducing the risk of COVID-19 in	DFID	233,027,829	-
Bangladesh Digital Ecosystem Activity for COVID-19 Rapid Response Project	USAID	9,926,700	-
Managing Impact of COVID-19 in Rohingya Refugee Camps and Host Communities with Culturally Appropriate Technological Solutions in Cox's Bazar district.	IDRC	5,143,163	-
Humanitarian Response to restore Safety, Dignity and Resilience (HRSR) of flood-affected people	UNOPS (DFID)	33,477,651	-
ARISE	GGSPH- BU	118,716	-
Community Support Team Model to Address COVID in Bangladesh	Bill & Melinda Gates Foundation	25,404,152	-
GFA and Nutrition Implementation in Cox's Bazar Bangladesh	WFP	274,250,169	-
WFP Food security for households most affected by the COVID-19 crisis in low-income urban	WFP	33,829,351	-
MNCH-Urban Project (Phase-II)	WORLD RESOURCES INSTITUTE	378,050	-
Clean Water for all (P 4 G) Project	WORLD RESOURCES INSTITUTE	4,794,574	-
Early Learning and Non Formal Basic Education for Children from Myanmar in Bangladesh	UNICEF	5,624,089	-
Engaging communication through religious leaders network	UNICEF	22,582,600	-

Name of the projects	Donor	2020 Taka	2019 Taka
Development, Review, Adaption and compilation of teaching and learning Materials for learning competency Framework and Approach (LCFA) Level (i - iv)	UNICEF	49,068,359	-
Multi-Sectoral Emergency assistance for Rohingya-SMS in Cox's Bazar Bangladesh	UNICEF	49,527,809	-
Multi-Sectoral Emergency assistance for Rohingya-CMS in Cox's Bazar Bangladesh	UNICEF	20,000,000	-
Multi-Sectoral Emergency assistance for Rohingya-Wash sanitation in Cox's Bazar Bangladesh	UNICEF	120,000,000	-
Multi-Sectoral Emergency assistance for Rohingya-Shelter in Cox's Bazar Bangladesh	UNICEF	130,000,000	-
Multi-sectoral emergency assistance for Rohingya -Community Health Workers (CHWs) in Cox	UNICEF	40,000,000	-
Provision of life saving WASH services to the Rohingya Refugees in camps (14, 15 & 8W) in	UNICEF	79,374,885	-
Scale-Up of Early Learning and in-formal basic education for Rohingya Refugee children 4-14	UNICEF	136,807,462	-
years from Myanmar in Bangladesh.			
BRAC Humanitarian Programme for Forcibly-Displaced Myanmar Nationals: WASH Support	Big Heart Foundation	16,442,530	-
Increasing Access to Improved Water, Sanitation and Hygiene Services in School Project	Charity Water	85,928,850	-
BRAC Humanitarian Program for Host community (Wash Support)	Big Heart Foundation	1,465,230	-
Collective Healing Rohingya Girls-764	BRAC UK	9,162,360	-
Advocacy for Play & early Learning in Bangladesh	Stiftung Auxikiam	107,759,376	-
Quality Education service for Rohingya Children in Cox's Bazar districts of Bangladesh	Nippon Foundation	39,889,750	-
Provision of life-Saving and Transitional WASH Services to affected Rohingya Population and	BRAC USA	20,870,372	-
Disrupting cross Border Trafficking Networks in Jeshore, Bangladesh	BRAC UK	25,483,471	-
Gender Responsive Education and Skills programme in Chittagong Hill Tracts	GAC	124,551,577	-
Humanitarian Assistance for Rohingya and Host Communities Cox's Bazar in Bangladesh.	DFAT	287,500,000	-
Provision of Critical WASH and Protection Services to Rohingyas and Affected Host Community	GAC	94,646,912	-
Emergency Response to Typhoon/Cyclone Amphan in Bangladesh	BRAC UK	108,095	-
Emergency Response to Typhoon/Cyclone Amphan in Bangladesh	BRAC USA	24,950,136	-
Emergency Response to Typhoon/Cyclone Amphan in Bangladesh	Local Contribution	100,000	-
Remote Learning through Play COVID19 Response Program	BRAC USA	42,573,963	-
Sustain and expand basic life-savings in WASH with Focus on COVID-19 for Forcibly Displaced	Education Above AI	18,453,413	-
Myanmar Nationals (FDMNs) Population in Cox's Bazar District.			
BRAC-CDC community surveillance and response project	BRAC USA	3,390,000	-
Integrated Rehabilitation Program for Upliftment of Ultra-Poor slum dwellers in Mohammadpur	ISLAMIC DEVELOPMENT BANK	59,322,542	-
and Mirpur in Dhaka City and Saidpur in Niphamari district for Integrated WASH Services.			
Integrated Rehabilitation Program for Upliftment of Ultra-Poor slum dwellers in Mohammadpur	ISLAMIC DEVELOPMENT BANK	84,748,475	-
and Mirpur in Dhaka City and Saidpur in Niphamari district for Integrated Health Services			
Aarong Model Urban School-603	Aarong	123,761	-
Emergency Support for 2020 Flood Affected Households in Bangladesh	Royal Danish Embassy	2,547,119	-
Justice and Prison Reform for Promoting Human Rights and Preventing Corruption in	GIZ	12,000,000	-
Quality Education service for Host Community in Cox's Bazar districts of BD	Nippon Foundation	20,000,000	-
Emergency Support for 2020 Flood Affected Households in Bangladesh	Local and staff contribution	48,437,427	-
Play based ECD in Humanitarian Settings for Host Community	Sesame Workshop	55,037,116	-
Play based ECD in Humanitarian Settings for Rohingya Refugees	Sesame Workshop	165,111,264	-
Sub-total:		16,146,755,227	13,177,794,995

Name of the projects	Donor	2020 Taka	2019 Taka
Refunded to Donor:			
National Early Childhood Development Support Program (NECDSP)	Shishu Academy	-	(2,841,649)
Community Mobilization Volunteers(CMV)Network for life Saving Message on health nutrition,Sanitation and Protection in humaterian crisis in coxs Bazar	UNICEF	-	(1,633,176)
Multi sectoral emergency assistance for rohingya in Coxbazar Districts	UNHCR	-	(4,330,230)
Scaling up Mother@Work programme at ready-made garment factories	UNICEF	-	(51,580)
Flash Flood Response and Recovery Project(FRRFP)	UNOPS	-	(7,471,386)
Integrated and Equitable SRH Services	UNFPA	(5,523,334)	-
SCK-Enhancing the resilience and well-being of Rohingya	Save the Children	(30,610)	-
Solid waste management in Host Communities and camps in teknaf Ukha Upazla under Cox's Bazar district (Package-A-Teknaf and Package-B-Ukha)	UNDP	(15,248,738)	-
Alternative Learning Programme for Out of School Addecent	UNHCR	(56,362,847)	-
Provision of Sustainable WASH Service for Host Communities	UNICEF	(7,343,896)	-
Multi sectoral Emergency Assistance for Myanmar - Wash Sanitation	EKN	(466,226)	-
IYCF Focused Emargancy Nutration Response to Forcibly Displaces Rohingya Nationals on Cox's	UNICEF	(1,072,076)	-
Engaging communication through religious leaders network	UNICEF	(342,487)	-
Development, Reviw, Adaption and compilation of teaching and learning Materials for learning competency Framework and Approach (LCFA) Level (i - iv)	UNICEF	(8,485,117)	-
Skills for Employment investment Programme (SEIP) Project- Tranch-1	GOB	(3,041,131)	-
SHUWOG	Nari Pakkha	-	(665,754)
Effect of play based early Stimulation in children on self regulation and executive functioning skill	Grand Challenge Canada	-	(988,420)
Sub-total:		(97,916,462)	(17,982,195)
Transfer for Closed Projects:			
Working with Children at Risk in the Slums of Dhaka	BRAC UK	(496,696)	-
Early Learning and Non Formal Basic Education for Children from Myanmar in Bangladesh	UNICEF	(608,152)	-
Development, Production and Distribution of Teaching & Learning Materials for Learning Competency Framework and Approach (LCFA) Levels I-IV	UNICEF	(970,761)	-
SCK-Enhancing the resilience and well-being of Rohingya	save the Children	(340,650)	-
Regarding the Implementation of a WFP Assistance Programme –Self Reliance	WFP	(188,832)	-
Deliver an integrated assistance package in Cox's Bazar -WFP-PA & TA to Scale-up School	WFP	(886,789)	-
Positive social relationships created between Rohingya Refugees and host community women through economic and social support and networking	UN WOMEN	(245,466)	-
Improved WASH Service to the Rohingya Refugees Population in Ukhiya Cox's Bazar	UNICEF	(107,185)	-
Achieving Peace and tolerance through CIVIC engagement in Rohingya refugee camps and host	MSI	(58,832)	-
SDC BRAC Social Cohesion Fund for Cox's Bazar District (COVID-19 Response) : May 2020 -	Embassy of Switzerland, Dhaka	(2,279)	-
Sub-total:		(3,905,642)	-
Grand total		16,044,933,123	13,159,812,800

32. Segmental financial information.

	Unrestricted										Temporarily restricted		Total 2020 Taka
	Aarong Rural Craft Centre Taka	BRAC Printing Pack Taka	BRAC Dairy and Food Project Taka	Agro based Programme Support Enterprise Taka	Non-agro based Programme Support Enterprise Taka	Micro Finance Programme Taka	Self-financing Social Development Projects Taka	House Property (Building) Taka	Total Unrestricted Taka	Development Projects Taka	Total Taka		
												Temporarily restricted	
Cash and bank balances	70,541,987	4,564,794	42,599,730	1,675,529,453	7,561,248	21,256,301,352	3,694,727,349	2,841,711,980	29,583,537,903	2,140,247,806	31,723,785,710		
Advance deposits and prepayments	478,760,048	227,549,311	503,007,682	258,915,988	520,949	4,633,721,738	4,100,738,203	28,143,086	10,231,356,385	1,811,339,246	12,042,695,631		
Inventories	5,107,283,052	94,414,321	272,523,955	590,802,954	1,165,356	94,431,088	93,486,581	-	6,244,087,307	10,896,245	6,254,983,552		
Grants and accounts receivable	151,529,949	88,735,080	54,917,543	365,075,785	1,939,831	619,344,944	672,908,141	-	1,954,451,273	866,789,069	2,821,240,342		
Inter-programme current account	34,064,370	(35,673,495)	214,424,313	(17,413,387)	297,706	(124,215)	(196,839,027)	-	(1,463,735)	1,463,735	-		
Microfinance loans	-	-	-	-	-	286,777,136,804	-	-	286,777,136,804	-	286,777,136,804		
Motor cycle loans	-	-	-	-	-	11,625,398	1,037,862	-	12,663,261	51,770,519	64,433,780		
Investments in securities and others	-	-	-	-	-	444,200,000	423,400,000	-	867,600,000	-	867,600,000		
Investments in related undertakings	-	-	-	-	-	-	33,805,655,505	-	33,805,655,505	-	33,805,655,505		
Property, plant and equipments	2,561,143,847	46,836,136	1,223,786,248	548,037,806	6,710,753	4,866,016,875	9,581,280,659	70,945,659	18,904,760,182	1,187,751,761	20,092,511,943		
Intangible assets	-	-	1,196,441	1,838,476	-	-	-	-	3,034,917	150,483,314	153,518,231		
Total Assets	8,403,323,263	426,226,147	2,312,457,912	3,412,787,074	18,195,243	318,702,653,985	52,166,375,473	2,940,800,705	388,382,819,801	6,220,741,696	394,603,561,498		
Liabilities and net Assets													
Liabilities													
Liabilities for expenses and materials	994,952,957	69,835,030	324,119,492	460,689,071	5,028,168	9,902,893,990	5,128,053,513	1,022,801	16,896,595,022	1,573,438,496	18,460,033,518		
Bank overdrafts	-	-	-	-	-	31,262,811,054	-	-	31,262,811,054	-	31,262,811,054		
Term loans	-	-	-	-	-	48,211,122,900	-	-	48,211,122,900	-	48,211,122,900		
Members savings deposits	-	-	-	-	-	128,895,985,387	-	-	128,895,985,387	-	128,895,985,387		
Grants received in advance account	-	-	-	-	-	-	737,903	-	737,903	2,930,843,137	2,931,581,039		
Deferred income	-	-	24,882,300	-	-	-	60,199,263	-	85,081,563	1,263,787,308	1,348,868,871		
Other long term liabilities	306,914,909	36,311,280	-	-	-	171,732,621	16,693,683,663	-	17,208,622,473	-	17,208,622,473		
Provision for taxation	1,142,658,684	55,657,941	138,391,368	364,976,310	2,222,324	-	3,847,991,479	-	5,551,888,106	-	5,551,888,106		
Total Liabilities	2,444,526,550	161,804,251	487,393,180	825,665,381	7,250,492	218,444,546,042	25,730,645,821	1,022,801	248,102,854,497	5,788,088,941	253,870,923,438		
Net assets- Capital fund	5,958,796,713	264,421,896	1,825,064,732	2,587,121,693	10,944,751	100,258,107,943	26,435,729,652	2,939,777,904	140,279,965,304	452,672,756	140,732,638,060		
Total Liabilities and Net assets	8,403,323,263	426,226,147	2,312,457,912	3,412,787,074	18,195,243	318,702,653,985	52,166,375,473	2,940,800,705	388,382,819,801	6,220,741,696	394,603,561,498		

	Unrestricted										Temporarily restricted		Total 2019						
	Aarong Rural/Craft Centre		BRAC Printing Pack		BRAC Dairy and Food Project		Agro based Programme Support Enterprise		Non-agro based Programme Support Enterprise		Micro Finance Programme			Self-financing Social Development Projects		House Property (Building)		Total Unrestricted	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		Taka	Taka	Taka	Taka	Taka	Taka
Cash and bank balances	193,339,297	4,102,145	65,373,468	1,065,689,298	5,779,031	13,924,239,337	245,618,981	2,625,994,370	23,130,125,927	902,396,547	243,987,950,556	243,987,950,556	902,396,547	24,032,522,474					
Advance deposits and prepayments	360,734,353	226,593,064	426,405,901	198,719,826	831,070	4,345,410,128	3,476,663,891	28,058,136	9,063,416,369	1,657,377,132	85,192,350	85,192,350	1,657,377,132	10,720,793,501					
Inventories	4,867,438,271	112,238,426	274,613,254	603,133,888	1,546,944	126,782,133	99,599,396	-	6,085,352,312	13,747,365	2,207,430,874	2,207,430,874	13,747,365	6,099,099,677					
Grants and accounts receivable	203,598,988	68,001,966	69,875,991	464,409,297	2,106,970	703,592,983	657,214,306	-	2,188,790,511	1,165,955,280	243,987,950,556	243,987,950,556	1,165,955,280	3,334,745,791					
Inter-programme current account	347,321,836	(77,535,142)	3,092,056	18,246,625	(1,643,186)	-	(230,600,501)	-	(1,118,312)	1,118,312	-	-	1,118,312	-					
Microfinance loans	-	-	-	-	-	243,987,950,556	-	-	243,987,950,556	-	-	-	-	243,987,950,556					
Motor cycle loans	-	-	392,190	7,637,481	-	21,295,433	676,887	-	30,001,991	55,190,359	55,190,359	55,190,359	85,192,350						
Investments in securities and others	-	-	-	-	-	746,600,000	1,460,830,874	-	2,207,430,874	-	2,207,430,874	2,207,430,874	-	2,207,430,874					
Investments in related undertakings	-	-	-	-	-	-	31,297,956,474	-	31,297,956,474	-	31,297,956,474	31,297,956,474	-	31,297,956,474					
Property, plant and equipments	2,434,174,274	47,999,642	1,319,882,396	528,507,962	7,926,729	4,628,461,949	9,530,421,012	96,661,751	18,593,035,615	681,210,845	18,593,035,615	18,593,035,615	681,210,845	19,274,246,460					
Intangible assets	-	-	2,456,333	-	-	-	-	-	2,456,333	109,951,583	109,951,583	109,951,583	112,407,916						
Total Assets	8,406,597,019	381,400,101	2,162,091,589	2,886,344,277	16,547,558	273,484,332,529	46,478,381,320	2,749,704,257	336,585,398,650	4,586,947,423	336,585,398,650	4,586,947,423	341,152,346,073						
Liabilities and net Assets																			
Liabilities																			
Liabilities for expenses and materials	668,781,899	26,700,985	300,099,731	259,390,018	4,130,321	7,296,237,054	3,995,688,316	369,173	12,551,387,497	1,346,180,656	13,897,568,153	13,897,568,153	13,897,568,153						
Bank overdrafts	-	39,238,125	-	-	-	27,854,225,258	-	-	27,883,463,883	-	27,883,463,883	27,883,463,883	27,883,463,883						
Term loans	-	-	-	-	-	44,532,426,404	-	-	44,532,426,404	-	44,532,426,404	44,532,426,404	44,532,426,404						
Members savings deposits	-	-	-	-	-	97,006,031,994	-	-	97,006,031,994	-	97,006,031,994	97,006,031,994	97,006,031,994						
Grants received in advance account	-	-	-	-	-	-	-	-	-	2,112,020,638	2,112,020,638	2,112,020,638	2,112,020,638						
Deferred income	306,684,108	32,957,156	32,532,384	-	-	508,011	13,822,417	-	46,862,612	647,164,387	694,027,199	694,027,199	694,027,199						
Other long term liabilities	1,170,895,284	36,976,374	101,990,272	244,580,424	2,049,289	171,732,621	16,559,333,733	-	17,070,707,618	-	17,070,707,618	17,070,707,618	17,070,707,618						
Provision for taxation	-	-	-	-	-	-	3,004,254,432	-	4,560,746,075	-	4,560,746,075	4,560,746,075	4,560,746,075						
Total Liabilities	2,146,361,291	135,872,640	434,622,387	503,960,442	6,179,610	178,861,161,343	23,573,098,898	369,173	203,661,625,784	4,105,365,681	207,766,991,465	207,766,991,465	207,766,991,465						
Net assets - Capital fund	6,260,235,728	245,527,461	1,727,469,202	2,382,383,835	10,367,948	96,623,171,186	22,905,282,422	2,749,335,084	132,903,772,866	481,581,742	133,385,354,608	133,385,354,608	133,385,354,608						
Total Liabilities and Net assets	8,406,597,019	381,400,101	2,162,091,589	2,886,344,277	16,547,558	273,484,332,529	46,478,381,320	2,749,704,257	336,585,398,650	4,586,947,423	336,585,398,650	4,586,947,423	341,152,346,073						

Balance Sheet as at December 31, 2019

Assets:

Cash and bank balances	193,339,297	4,102,145	65,373,468	1,065,689,298	5,779,031	13,924,239,337	245,618,981	2,625,994,370	23,130,125,927	902,396,547	243,987,950,556	243,987,950,556	902,396,547	24,032,522,474
Advance deposits and prepayments	360,734,353	226,593,064	426,405,901	198,719,826	831,070	4,345,410,128	3,476,663,891	28,058,136	9,063,416,369	1,657,377,132	85,192,350	85,192,350	1,657,377,132	10,720,793,501
Inventories	4,867,438,271	112,238,426	274,613,254	603,133,888	1,546,944	126,782,133	99,599,396	-	6,085,352,312	13,747,365	2,207,430,874	2,207,430,874	13,747,365	6,099,099,677
Grants and accounts receivable	203,598,988	68,001,966	69,875,991	464,409,297	2,106,970	703,592,983	657,214,306	-	2,188,790,511	1,165,955,280	243,987,950,556	243,987,950,556	1,165,955,280	3,334,745,791
Inter-programme current account	347,321,836	(77,535,142)	3,092,056	18,246,625	(1,643,186)	-	(230,600,501)	-	(1,118,312)	1,118,312	-	-	1,118,312	-
Microfinance loans	-	-	-	-	-	243,987,950,556	-	-	243,987,950,556	-	-	-	-	243,987,950,556
Motor cycle loans	-	-	392,190	7,637,481	-	21,295,433	676,887	-	30,001,991	55,190,359	55,190,359	55,190,359	85,192,350	
Investments in securities and others	-	-	-	-	-	746,600,000	1,460,830,874	-	2,207,430,874	-	2,207,430,874	2,207,430,874	-	2,207,430,874
Investments in related undertakings	-	-	-	-	-	-	31,297,956,474	-	31,297,956,474	-	31,297,956,474	31,297,956,474	-	31,297,956,474
Property, plant and equipments	2,434,174,274	47,999,642	1,319,882,396	528,507,962	7,926,729	4,628,461,949	9,530,421,012	96,661,751	18,593,035,615	681,210,845	18,593,035,615	18,593,035,615	681,210,845	19,274,246,460
Intangible assets	-	-	2,456,333	-	-	-	-	-	2,456,333	109,951,583	109,951,583	109,951,583	112,407,916	
Total Assets	8,406,597,019	381,400,101	2,162,091,589	2,886,344,277	16,547,558	273,484,332,529	46,478,381,320	2,749,704,257	336,585,398,650	4,586,947,423	336,585,398,650	4,586,947,423	341,152,346,073	

Liabilities and net Assets

Liabilities

Liabilities for expenses and materials	668,781,899	26,700,985	300,099,731	259,390,018	4,130,321	7,296,237,054	3,995,688,316	369,173	12,551,387,497	1,346,180,656	13,897,568,153	13,897,568,153	1,346,180,656	13,897,568,153
Bank overdrafts	-	39,238,125	-	-	-	27,854,225,258	-	-	27,883,463,883	-	27,883,463,883	27,883,463,883	-	27,883,463,883
Term loans	-	-	-	-	-	44,532,426,404	-	-	44,532,426,404	-	44,532,426,404	44,532,426,404	-	44,532,426,404
Members savings deposits	-	-	-	-	-	97,006,031,994	-	-	97,006,031,994	-	97,006,031,994	97,006,031,994	-	97,006,031,994
Grants received in advance account	-	-	-	-	-	-	-	-	-	2,112,020,638	2,112,020,638	2,112,020,638	-	2,112,020,638
Deferred income	306,684,108	32,957,156	32,532,384	-	-	508,011	13,822,417	-	46,862,612	647,164,387	694,027,199	694,027,199	647,164,387	694,027,199
Other long term liabilities	1,170,895,284	36,976,374	101,990,272	244,580,424	2,049,289	171,732,621	16,559,333,733	-	17,070,707,618	-	17,070,707,618	17,070,707,618	-	17,070,707,618
Provision for taxation	-	-	-	-	-	-	3,004,254,432	-	4,560,746,075	-	4,560,746,075	4,560,746,075	-	4,560,746,075
Total Liabilities	2,146,361,291	135,872,640	434,622,387	503,960,442	6,179,610	178,861,161,343	23,573,098,898	369,173	203,661,625,784	4,105,365,681	207,766,991,465	207,766,991,465	4,105,365,681	207,766,991,465
Net assets - Capital fund	6,260,235,728	245,527,461	1,727,469,202	2,382,383,835	10,367,948	96,623,171,186	22,905,282,422	2,749,335,084	132,903,772,866	481,581,742	133,385,354,608	133,385,354,608	481,581,742	133,385,354,608

Total Liabilities and Net assets

Total Liabilities and Net assets	8,406,597,019	381,400,101	2,162,091,589	2,886,344,277	16,547,558	273,484,332,529	46,478,381,320	2,749,704,257	336,585,398,650	4,586,947,423	336,585,398,650	4,586,947,423	341,152,346,073
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32. Segmental financial information (Cont'd)

	Unrestricted							Temporarily restricted			
	Aarong Rural/Craft Centre Taka	BRAC Printing Pack Taka	BRAC Dairy and Food Project Taka	Agro based Programme Support Enterprise Taka	Non-agro based Programme Support Enterprise Taka	Micro Finance Programme Taka	Self-financing Social Development Projects Taka	House Property (Building) Taka	Total Unrestricted Taka	Development Projects Taka	Total 2020 Taka
Income											
Donor grants	-	-	7,650,084	-	-	-	49,369,688	-	57,019,782	14,463,615,615	14,520,635,398
Social Enterprises	5,256,197,052	317,778,412	3,926,789,226	2,399,451,864	10,284,577	-	-	-	11,910,501,131	-	11,910,501,131
Microfinance Programme	-	-	-	-	-	56,157,319,696	-	-	56,157,319,696	-	56,157,319,696
Self-financing Social Development Project/Interest income	-	-	-	-	-	1,493,997,101	175,224,223	-	1,669,221,324	12,751,760	1,681,973,084
Investment income	-	-	-	-	-	-	1,778,027,416	-	1,778,027,416	-	1,778,027,416
Other income - internal	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	92,990,422	-	-	1,137,756,885	-	1,230,747,307	49,976,150	1,280,723,457
Community contribution	-	-	-	-	-	-	157,988,005	-	157,988,005	406,610,010	564,598,015
House property	-	-	-	-	-	-	90,285,239	-	90,285,239	-	90,285,239
Total income	5,256,197,052	317,778,412	3,934,439,310	2,492,442,286	10,284,577	57,651,316,797	3,298,366,227	90,285,239	73,051,109,900	14,932,953,535	87,984,063,435
Expenditure											
Social Enterprises	5,585,872,667	261,307,981	3,702,847,113	1,899,885,691	9,534,744	-	-	-	11,459,448,196	-	11,459,448,196
Micro Finance Programme	-	-	-	-	-	51,016,336,051	-	-	51,016,336,051	-	51,016,336,051
House property	-	-	-	-	-	-	-	46,491,510	46,491,510	-	46,491,510
Agriculture and Food Security	-	-	-	-	-	-	6,682,560	-	6,682,560	1,931,795	1,931,795
Community Empowerment Programme	-	-	-	-	-	-	354,991,051	-	354,991,051	1,928,896,688	2,283,887,739
Education Programme	-	-	-	-	-	-	-	-	-	117,769,034	117,769,034
Gender, Justice and Diversity	-	-	-	-	-	-	134,773,217	-	134,773,217	5,207,663,675	5,342,436,892
Health Programme	-	-	-	-	-	-	4,368,552	-	4,368,552	284,597,105	288,965,657
Human Rights and Legal/Aids Services	-	-	-	-	-	-	-	-	-	47,000,250	47,000,250
Policy Advocacy	-	-	-	-	-	-	-	-	-	503,134,039	503,134,039
Water, Sanitation and Hygiene Programme	-	-	-	-	-	-	-	-	-	1,535,199,285	1,535,199,285
Ultra Poor Programme	-	-	-	-	-	-	-	-	-	4,337,992,383	4,337,992,383
Forcibly-displaced Myanmar Nationals	-	-	-	-	-	-	3,810,670	-	3,810,670	383,671,746	383,671,746
Disaster Management and Climate Change	-	-	-	-	-	-	-	-	-	649,627,314	649,627,314
Skills Development Programme	-	-	-	-	-	-	736,567,987	-	736,567,987	288,443,423	288,443,423
Migration Programme	-	-	-	-	-	-	52,034,877	-	52,034,877	-	52,034,877
Social Development Programme	-	-	-	-	-	-	91,932,726	-	91,932,726	1,343,854,711	1,395,889,598
Other Development Projects	-	-	-	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	5,585,872,667	261,307,981	3,702,847,113	1,899,885,691	9,534,744	51,016,336,051	1,385,181,640	46,491,510	63,907,457,998	16,892,575,324	80,800,032,722
Net surplus stated in statement of income & expenditure before inter-progr. Allocation	(329,675,615)	56,470,431	231,592,197	592,556,595	749,833	6,634,980,746	1,913,184,587	43,793,729	9,143,652,502	(1,959,621,789)	7,184,030,713
Inter-programme allocations	-	(18,394,433)	(97,595,550)	(236,637,571)	-	-	353,127,554	-	-	-	-
Net surplus stated in statement of income & expenditure after inter-progr. Allocation	(329,675,615)	37,575,998	133,996,647	355,919,024	749,833	6,634,980,746	2,266,312,141	43,793,729	9,143,652,502	(1,959,621,789)	7,184,030,713

32. Segmental financial information (Cont'd)

	Unrestricted							Temporarily restricted		Total 2020 Taka	
	Aarong Rural Craft Centre Taka	BRAC Printing Pack Taka	BRAC Dairy and Food Project Taka	Agro based Programme Support Enterprise Taka	Non-agro based Programme Support Enterprise Taka	Micro Finance Programme Taka	Self-financing Social Development Projects Taka	House Property (Building) Taka	Total Unrestricted Taka		Development Projects Taka
	-	-	-	-	-	-	(1,959,621,789)	-	(1,959,621,789)	1,959,621,789	-
BRAC Contribution to support Donor Funded Programmes	(329,675,615)	37,575,998	133,996,647	355,919,024	749,833	6,634,980,746	306,690,352	43,793,729	7,184,030,713	-	7,184,030,713
Surplus/(deficit) of income over expenditure before taxation	28,236,601	(18,681,665)	(36,401,096)	(122,156,356)	(173,035)	-	(841,976,577)	-	(991,152,028)	-	(991,152,028)
Taxation	(301,439,014)	18,894,433	97,595,551	233,762,688	576,798	6,634,980,746	(535,286,225)	43,793,729	6,192,878,685	-	6,192,878,685
Net surplus for the year											

32_Segmental financial information (Cont'd)

	Unrestricted										Temporarily restricted		Total 2019 Taka
	Unrestricted										Temporarily restricted		
	Aarong Rural/Craft Centre Taka	BRAC Printing Pack Taka	BRAC Dairy and Food Project Taka	Agro based Support Enterprise Taka	Non-agro based Programme Support Enterprise Taka	Micro Finance Programme Taka	Self-financing Social Development Projects Taka	House Property (Building) Taka	Total Unrestricted Taka	Development Projects Taka	Total Taka		
Donor grants	-	-	4,043,250	-	-	-	108,616,167	-	112,659,417	13,736,542,373	13,849,201,790		
Social Enterprises	9,835,855,885	387,483,770	3,996,690,451	2,422,504,328	74,737,671	-	-	-	16,717,272,105	-	16,717,272,105		
Microfinance Programme	-	-	-	-	-	55,447,988,656	-	-	55,447,988,656	-	55,447,988,656		
Self-financing Social Development Project	-	-	-	-	-	1,418,233,348	140,981,050	-	1,559,214,398	6,230,113	1,565,444,511		
Investment income	-	-	-	-	-	-	200,683,637	-	200,683,637	-	200,683,637		
Other income - internal	-	-	-	-	-	-	970,144,470	-	980,261,314	-	980,261,314		
Other income	-	-	-	10,116,844	-	-	350,684,889	-	350,684,889	649,482,463	1,000,167,362		
Community contribution	-	-	-	-	-	-	-	92,593,668	92,593,668	-	92,593,668		
House property	-	-	-	-	-	-	-	92,593,668	92,593,668	-	92,593,668		
Total income	9,835,855,885	387,483,770	4,000,733,701	2,432,621,172	74,737,671	56,866,222,004	1,771,110,223	92,593,668	75,461,358,094	14,392,254,949	89,853,613,043		
Expenditure													
Social Enterprises	8,345,701,904	364,573,209	3,863,909,662	2,120,312,737	56,719,483	-	-	-	14,751,216,995	-	14,751,216,995		
Micro Finance Programme	-	-	-	-	-	39,909,043,349	-	-	39,909,043,349	-	39,909,043,349		
House property	-	-	-	-	-	-	-	46,169,419	46,169,419	-	46,169,419		
Agriculture and Food Security	-	-	-	-	-	-	6,717,639	-	6,717,639	16,385,453	16,385,453		
Community Empowerment Programme	-	-	-	-	-	-	502,248,091	-	502,248,091	272,801,304	279,518,943		
Education Programme	-	-	-	-	-	-	-	-	-	1,623,975,492	2,126,223,583		
Gender, Justice and Diversity	-	-	-	-	-	-	-	-	-	118,242,230	118,242,230		
Health Programme	-	-	-	-	-	-	142,419,516	-	142,419,516	4,083,498,361	4,225,917,877		
Human Rights and Legal Aids Services	-	-	-	-	-	-	12,442,354	-	12,442,354	329,134,670	341,577,024		
Policy Advocacy	-	-	-	-	-	-	-	-	-	53,531,885	53,531,885		
Water, Sanitation and Hygiene Programme	-	-	-	-	-	-	-	-	-	341,772,203	341,772,203		
Ultra Poor Programme	-	-	-	-	-	-	2,673,024	-	2,673,024	2,006,687,885	2,006,360,909		
Forcibly-displaced Myanmar Nationals	-	-	-	-	-	-	-	-	-	4,568,977,441	4,568,977,441		
Disaster Management and Climate Change	-	-	-	-	-	-	11,751,639	-	11,751,639	206,214,149	217,965,788		
Skills Development Programme	-	-	-	-	-	-	-	-	-	754,954,897	754,954,897		
Migration Programme	-	-	-	-	-	-	1,040,385	-	1,040,385	264,505,489	265,545,874		
Social Development Programme	-	-	-	-	-	-	227,182,085	-	227,182,085	-	227,182,085		
Other Development Projects	-	-	-	-	-	-	36,160,789	-	36,160,789	1,244,655,458	1,280,816,247		
Grants	-	-	-	-	-	-	236,338,397	-	236,338,397	-	236,338,397		
Total Expenses	8,345,701,904	364,573,209	3,863,909,662	2,120,312,737	56,719,483	39,909,043,349	1,178,973,920	46,169,419	55,885,403,683	15,884,336,917	71,769,740,599		
Net surplus stated in statement of income & expenditure before inter-progr. Allocation	1,490,153,981	22,910,561	136,824,039	312,308,435	18,018,188	16,957,178,655	592,136,303	46,424,249	19,575,954,412	(1,492,081,968)	18,083,872,444		
Inter-programme allocations	(521,672,986)	(8,126,532)	(57,469,443)	(141,652,081)	(632,933)	-	729,553,975	-	-	-	-		
Net surplus stated in statement of income & expenditure after inter-progr. Allocation	968,480,995	14,784,029	79,354,596	170,656,354	17,385,255	16,957,178,655	1,321,690,278	46,424,249	19,575,954,412	(1,492,081,968)	18,083,872,444		
BRAC Contribution to support Donor Funded Programmes	-	-	-	-	-	-	(1,492,081,968)	-	(1,492,081,968)	1,492,081,968	-		
Surplus of income over expenditure before Taxation	968,480,995	14,784,029	79,354,596	170,656,354	17,385,255	16,957,178,655	(170,391,690)	46,424,249	18,083,872,444	0	18,083,872,444		
Taxation	(446,808,010)	(6,657,498)	(21,885,153)	(63,559,404)	(4,378,826)	-	(185,711,109)	-	(729,000,000)	-	(729,000,000)		
Net surplus for the year	521,672,985	8,126,531	57,469,443	107,096,950	13,006,429	16,957,178,655	(356,102,799)	46,424,249	17,354,872,444	0	17,354,872,444		

Statement of Income and Expenditure for the year ended December 31, 2019

Income

Donor grants

Social Enterprises

Microfinance Programme

Self-financing Social Development Project

Investment income

Other income - internal

Other income

Community contribution

House property

Total income

Expenditure

Social Enterprises

Micro Finance Programme

House property

Agriculture and Food Security

Community Empowerment Programme

Education Programme

Gender, Justice and Diversity

Health Programme

Human Rights and Legal Aids Services

Policy Advocacy

Water, Sanitation and Hygiene Programme

Ultra Poor Programme

Forcibly-displaced Myanmar Nationals

Disaster Management and Climate Change

Skills Development Programme

Migration Programme

Social Development Programme

Other Development Projects

Grants

Total Expenses

Net surplus stated in statement of income & expenditure before inter-progr. Allocation

Inter-programme allocations

Net surplus stated in statement of income & expenditure after inter-progr. Allocation

BRAC Contribution to support Donor Funded Programmes

Surplus of income over expenditure before Taxation

Net surplus for the year

33. Statement of Functional Expenses (Cont'd)

	Unrestricted											Temporarily restricted		Total 2019 Taka
	Aarong Rural Craft Centre Taka	BRAC Printing Pack Taka	BRAC Dairy and Food Project Taka	Agro based Programme Support Enterprise Taka	Non-agro based Programme Support Enterprise Taka	Micro Finance Programme Taka	Self-financing Social Development Projects Taka	House Property (Building) Taka	Total Unrestricted Taka	Temporarily restricted				
										Development Projects Taka	Projects Taka			
Salaries and benefits	1,012,534,443	19,975,273	352,922,381	314,401,064	15,279,854	17,836,451,910	40,105,111	-	19,591,670,036	6,096,981,704	-	25,688,651,740		
Travel and transportation	102,269,980	2,785,135	151,159,985	52,604,088	3,010,788	1,587,454,655	65,872,966	-	1,965,157,597	718,738,467	-	2,683,896,064		
Teachers' salaries	-	-	-	-	-	-	119,300,353	-	119,300,353	397,338,487	-	516,638,840		
Teachers' training	-	-	-	-	-	-	8,544,302	-	8,544,302	43,427,169	-	51,971,471		
School rent and maintenance	-	-	-	-	-	-	23,041,852	-	23,041,852	68,363,884	-	91,405,736		
Stationery, rent and utilities	490,248,142	1,024,186	30,556,303	25,379,706	2,505,069	1,160,405,379	31,885,987	16,571,454	1,698,576,226	527,901,212	-	2,226,477,438		
Maintenance and general expenses	288,466,980	5,683,945	52,414,180	66,318,141	5,058,024	1,004,718,810	55,513,904	5,154,853	1,483,328,837	385,159,887	-	1,868,488,724		
Members' training	-	-	-	-	-	-	-	-	-	198,087,445	-	198,087,445		
Staff training and development	4,837,705	66,443	11,326,318	13,185,750	34,053	279,301,659	15,764,181	-	324,516,109	446,445,367	-	770,961,476		
Programme supplies	-	-	-	-	-	260,442,476	78,553,023	-	338,995,499	6,856,617,982	-	7,195,613,481		
Interest on members' savings deposits	-	-	-	-	-	-	-	-	-	-	-	-		
Interest on long term loans	-	-	-	-	-	5,292,875,918	-	-	5,292,875,918	-	-	5,292,875,918		
Bank overdraft interest and charges	27,964,428	10,852,607	-	-	-	-	-	-	4,659,702,994	-	-	4,659,702,994		
Cost of goods sold of social enterprises	5,971,687,154	322,679,578	3,158,014,368	1,488,124,679	-	3,219,835,513	63,622,785	-	3,322,175,333	-	-	3,322,175,333		
Publicity, advertisement and sales commissions	269,910,188	-	90,311,982	125,055,561	28,667,996	-	-	-	10,939,173,775	-	-	10,939,173,775		
Loan loss provision for microfinance loans	-	-	-	-	26,000	-	-	-	53,996,608	-	-	53,996,608		
Depreciation and amortization	231,793,443	1,506,042	8,230,369	53,739,562	1,790,136	290,134,394	330,922,855	24,443,112	4,317,719,641	14,231,580	-	4,317,719,641		
Provision for bad and doubtful debts	5,989,441	-	8,913,776	11,504,187	347,562	-	-	-	942,619,913	131,043,772	-	1,073,663,686		
Allocation to self-insurance fund	-	-	-	-	-	-	-	-	26,754,966	-	-	26,754,966		
Allocation to Relief and Rehabilitation fund	-	-	-	-	-	-	-	-	55,611,396	-	-	55,611,396		
Grants	-	-	-	-	-	-	236,338,397	-	236,338,397	-	-	236,338,397		
	8,345,701,904	984,573,209	3,863,909,662	2,120,312,737	56,719,483	39,909,043,349	1,178,973,919	46,169,419	55,885,403,682	15,884,336,917	-	71,769,740,599		

Included in cost of goods sold of BRAC Dairy and Printing Pack is depreciation of property, plant and equipment amounting to Tk. 158,473,984