

Auditor's Report and Audited Financial Statements of BRAC

For The Year Ended 30 June 2022

Nurul Faruk Hasan & Co
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Governing Body of BRAC

Opinion

We have audited the financial statements of BRAC (“the Entity”) which comprise the statement of financial position as at 30 June 2022, and the statement of comprehensive income and expenditure, statement of changes in capital fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with the accounting policies as summarized in Note 2 to the financial statements.

Basis for Opinion

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

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

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

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report, Portfolio Report for the Year ended 30 June 2022, Budget Variance Report for the Financial Year and Fixed Asset Schedule of Microfinance Program other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

For Nurul Faruk Hasan & Co

Chartered Accountants
Registration Ref. No.: N/A



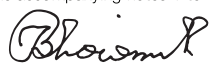
Sk. Ashik Iqbal FCA
Partner
Enrollment Number: 1310
DVC: 2211271310AS717347

Dhaka, Bangladesh
Date: 27 November 2022

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Statement of financial position
As at 30 June 2022

| | Note | <u>30 June 2022</u> | <u>30 June 2021</u> |
|---|------|-------------------------------|-------------------------------|
| | | Taka | Taka |
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 21,131,531,171 | 20,308,604,602 |
| Intangible assets | 4 | 255,429,051 | 172,551,016 |
| Biological assets | 8 | 52,323,755 | 35,435,195 |
| Investments in related undertakings | 5 | 34,631,559,866 | 34,410,629,577 |
| Investments in securities and others | 7 | 47,400,000 | 808,600,000 |
| Total non-current assets | | <u>56,118,243,843</u> | <u>55,735,820,390</u> |
| Current assets | | | |
| Biological assets | 8 | 50,840,805 | 42,062,559 |
| Inventories | 9 | 6,745,634,665 | 7,022,812,764 |
| Grants and accounts receivable | 10 | 4,398,315,992 | 4,046,786,812 |
| Microfinance loans | 11 | 309,550,683,046 | 271,869,452,253 |
| Advance, deposits and prepayments | 12 | 14,401,604,485 | 13,447,456,464 |
| Investments in securities and others | 7 | 40,455,594,851 | 30,636,037,664 |
| Cash and cash equivalents | 13 | 6,406,085,332 | 17,359,428,467 |
| Total current assets | | <u>382,008,759,176</u> | <u>344,424,036,983</u> |
| Total assets | | <u>438,127,003,019</u> | <u>400,159,857,373</u> |
| Capital fund and liabilities | | | |
| Capital fund | | | |
| Unrestricted | | 167,561,613,518 | 152,979,433,674 |
| Temporarily restricted | | 415,663,824 | 481,581,742 |
| Total capital fund | | <u>167,977,277,342</u> | <u>153,461,015,417</u> |
| Liabilities | | | |
| Non-current liabilities | | | |
| Term loans | 16 | 3,274,166,667 | 4,038,055,556 |
| Zero coupon bond | 17 | 9,398,118,361 | - |
| Members' savings deposits | 18 | 80,657,813,211 | 63,897,000,426 |
| Deferred income | 21 | 1,074,240,041 | 1,259,278,266 |
| Other long term liabilities | 22 | 10,693,442,410 | 17,653,822,158 |
| Total non-current liabilities | | <u>105,097,780,690</u> | <u>86,848,156,405</u> |
| Current liabilities | | | |
| Liabilities for expenses and materials | 14 | 29,630,665,919 | 22,234,247,207 |
| Bank overdrafts | 15 | 6,192,590,954 | 168,877,058 |
| Term loans | 16 | 24,858,689,895 | 36,009,174,074 |
| Zero coupon bond | 17 | 1,413,155,952 | - |
| Members' savings deposits | 18 | 71,741,460,179 | 71,612,997,041 |
| Grants received in advance | 19 | 2,767,370,913 | 2,359,189,047 |
| Loan loss provision | 11 | 21,943,155,678 | 21,032,842,277 |
| Provision for taxation | 20 | 6,504,855,497 | 6,433,358,847 |
| Total current liabilities | | <u>165,051,944,987</u> | <u>159,850,685,551</u> |
| Total liabilities | | <u>270,149,725,677</u> | <u>246,698,841,956</u> |
| Total capital fund and liabilities | | <u>438,127,003,019</u> | <u>400,159,857,373</u> |

The accompanying notes 1 to 34 form an integral part of these financial statements.


Chief Financial Officer
BRAC


Executive Director
BRAC


Chairperson, Governing Body
BRAC

As per our annexed report of same date

Dhaka, Bangladesh
Dated: 27 November 2022

For Nurul Faruk Hasan & Co
Chartered Accountants


Sk. Ashik Iqbal FCA
Partner
Enrollment No: 1310
Registration Ref. No.: N/A
DVC: 2211271310AS717347

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Statement of comprehensive income and expenditure
For the year ended 30 June 2022

| | | Unrestricted | Temporarily Restricted | 30 June 2022 (Total) | 30 June 2021 |
|--|------|-----------------------|---------------------------|-------------------------|------------------------|
| | Note | Taka | Taka | Taka | Taka |
| Income | | | | | |
| Income from donor grants | 23 | 57,593,510 | 10,933,272,831 | 10,990,866,341 | 14,491,503,774 |
| Revenue from Social Enterprises | 24 | 19,854,306,139 | - | 19,854,306,139 | 15,242,448,976 |
| Income from Microfinance Programme | 25 | 69,498,246,419 | - | 69,498,246,419 | 67,679,519,581 |
| Self-financing Social Development Programme | 26 | 2,860,904,746 | - | 2,860,904,746 | 1,662,909,443 |
| Investment income | 27 | 1,180,301,215 | - | 1,180,301,215 | 2,436,176,626 |
| Community contribution | 28 | 185,485,316 | 493,111,745 | 678,597,061 | 610,771,035 |
| House property income | | 109,471,760 | - | 109,471,760 | 110,538,956 |
| Total income | | 93,746,309,105 | 11,426,384,576 | 105,172,693,681 | 102,233,868,391 |
| Expenditure | | | | | |
| Social Enterprises | | 17,040,937,551 | - | 17,040,937,551 | 13,626,572,340 |
| Micro Finance Programme | | 57,619,493,162 | - | 57,619,493,162 | 54,794,547,966 |
| House Property | | 49,245,289 | - | 49,245,289 | 48,911,989 |
| Agriculture and food security | | - | - | - | 1,461,027 |
| Community Empowerment Programme | | 11,158,187 | 109,076,349 | 120,234,536 | 259,805,200 |
| Education Programme | | 228,779,476 | 1,589,637,831 | 1,818,417,307 | 1,901,214,677 |
| Gender, Justice and Diversity | | - | 164,215,407 | 164,215,407 | 112,061,410 |
| Health Programme | | 105,985,157 | 4,423,992,109 | 4,529,977,266 | 5,045,846,141 |
| Human Rights and Legal Aids Services | | 141,897 | 348,661,991 | 348,803,888 | 292,547,972 |
| Policy Advocacy | | - | 114,471,457 | 114,471,457 | 46,278,156 |
| Water, Sanitation and Hygiene Programme | | - | 359,172,069 | 359,172,069 | 353,273,845 |
| Ultra Poor Programme | | - | 1,316,730,090 | 1,316,730,090 | 1,798,150,145 |
| Forcibly-displaced Myanmar Nationals | | - | 3,528,015,397 | 3,528,015,397 | 4,462,200,099 |
| Disaster Management and Climate Change | | - | 317,988,663 | 317,988,663 | 627,987,074 |
| Skills Development Programme | | 8,791,792 | 806,434,873 | 815,226,665 | 623,380,695 |
| Migration Programme | | - | 563,773,985 | 563,773,985 | 397,693,494 |
| Social Development Programme | | 727,620,901 | - | 727,620,901 | 659,271,606 |
| Other Development Projects | | 21,545,818 | 948,797,853 | 970,343,671 | 1,563,446,551 |
| Grants | | 19,353,360 | - | 19,353,360 | 193,012,379 |
| Total expenditure | | 75,833,052,590 | 14,590,968,074 | 90,424,020,664 | 86,807,662,768 |
| Surplus/(deficit) of income over expenditure | | 17,913,256,515 | (3,164,583,498) | 14,748,673,017 | 15,426,205,623 |
| BRAC's contribution to donor funded programme | 30 | (3,164,583,498) | 3,164,583,498 | - | - |
| Surplus of income over expenditure before taxation | | 14,748,673,017 | - | 14,748,673,017 | 15,426,205,623 |
| Income tax expense | 31 | (2,579,635,752) | - | (2,579,635,752) | (1,851,152,028) |
| Net surplus for the year | | 12,169,037,265 | - | 12,169,037,265 | 13,575,053,595 |

The accompanying notes 1 to 34 form an integral part of these financial statements.



Chief Financial Officer
BRAC



Executive Director
BRAC



Chairperson, Governing Body
BRAC

As per our annexed report of same date

Dhaka, Bangladesh
Dated: 27 November 2022

For Nurul Faruk Hasan & Co
Chartered Accountants



Sk. Ashik Iqbal FCA
Partner
Enrollment No: 1310
Registration Ref. No.: N/A
DVC: 2211271310AS717347

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Statement of cash flows
For the year ended 30 June 2022

| | <u>30 June 2022</u> | <u>30 June 2021</u> |
|---|-------------------------|-------------------------|
| | Taka | Taka |
| Cash flows from operating activities: | | |
| Net surplus for the year | 12,169,037,265 | 13,575,053,595 |
| Adjustments for: | | |
| Income tax provision | 2,579,635,752 | 1,851,152,028 |
| Loan loss provision | 13,881,531,080 | 15,075,810,946 |
| Depreciation and amortization | 1,568,283,435 | 1,256,200,696 |
| Loss on disposal of property, plant and equipment | 15,018,098 | 179,682,701 |
| Gain on disposal of investment in tea estates | (1,455,662,885) | - |
| Cash dividend received | (1,180,301,215) | (2,387,875,499) |
| Donor grants amortization of fixed assets and motorcycle replacement fund | (346,976,496) | (221,659,611) |
| Interest on fixed deposits and bank accounts | (2,561,973,868) | (1,879,000,684) |
| Operating cash flows before movements in working capital | 24,668,591,166 | 27,449,364,172 |
| Adjustments for other accounts: | | |
| Increase in microfinance loans | (47,965,296,658) | (4,502,096,411) |
| (Increase)/ decrease in service charge outstanding on microfinance loans | (2,687,151,814) | 2,161,634,690 |
| Increase in biological assets | (25,666,806) | (77,497,754) |
| Decrease in inventories | 277,178,099 | 190,524,527 |
| Increase in advances, deposits and prepayments | (954,148,022) | (1,548,113,483) |
| (Increase)/ decrease in accounts receivable | (351,529,180) | 619,478,741 |
| Increase in other liabilities | 5,614,727,353 | 3,228,077,449 |
| Increase in deferred income | 161,938,272 | 750,386,161 |
| Cash generated by (used in) operations | (21,261,357,589) | 28,271,758,093 |
| Cash flows from investing activities: | | |
| Increase in fixed deposits and short term deposits | (9,308,357,186) | (12,718,336,148) |
| (Increase)/ decrease in investments in related undertakings | 2,292,144,535 | (1,234,524,961) |
| Interest received on fixed deposits and bank accounts | 2,561,973,868 | 1,879,000,684 |
| Purchase of property, plant and equipment & intangible assets | (2,484,213,047) | (2,552,240,391) |
| Proceeds from disposal of property, plant and equipment | 29,663,958 | 149,420,777 |
| Dividends received from related undertakings | 1,180,301,215 | 2,387,875,499 |
| Realization of investment in securities and others | 250,000,000 | 326,000,000 |
| Net cash used in investing activities | (5,478,486,658) | (11,762,804,540) |
| Cash flows from financing activities: | | |
| Grants received during the year | 11,525,252,053 | 13,304,186,379 |
| Grants utilized during the year for: | | |
| -operational expenditure | (10,426,323,986) | (14,236,644,651) |
| -investment in property, plant and equipment | (161,461,072) | (750,386,161) |
| -motorcycle replacement funds | (477,200) | - |
| Decrease in term loans | (11,914,373,068) | (11,465,971,430) |
| Increase in zero coupon bond payable | 10,811,274,313 | - |
| Increase in repayment of members savings deposits | 16,889,275,923 | 28,474,201,312 |
| Increase/ (decrease) in other long term liabilities | (6,960,379,748) | 57,723,466 |
| Net cash from financing activities | 9,762,787,215 | 15,383,108,915 |
| Net Increase/ (decrease) in cash and cash equivalents | (16,977,057,032) | 31,892,062,467 |
| Cash and cash equivalents at the beginning of the year | 17,190,551,409 | (14,701,511,058) |
| Cash and cash equivalents at the end of the year* | 213,494,378 | 17,190,551,409 |

* Cash and cash equivalents include bank overdrafts that are repayable on demand and form an integral part of cash management.

The accompanying notes 1 to 34 form an integral part of these financial statements.



Chief Financial Officer
BRAC



Executive Director
BRAC

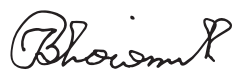


Chairperson, Governing Body
BRAC

BRAC**(Registered in Bangladesh under the Societies Registration Act, 1860)****Statement of changes in capital fund****For the year ended 30 June 2022**

| | Unrestricted | Temporarily restricted | Total |
|---|------------------------|-----------------------------------|------------------------|
| | Taka | Taka | Taka |
| As at 1 July 2020 | 138,518,114,284 | 481,581,742 | 138,999,696,026 |
| Net surplus for the year | 13,575,053,595 | - | 13,575,053,595 |
| Share of non operating changes in net assets in related undertakings | 226,793,043 | - | 226,793,043 |
| Investment reserve fund | 659,472,753 | - | 659,472,753 |
| As at 30 June 2021 | 152,979,433,674 | 481,581,742 | 153,461,015,416 |
| As at 1 July 2021 | 152,979,433,674 | 481,581,742 | 153,461,015,416 |
| Net surplus for the year | 12,169,037,265 | - | 12,169,037,265 |
| Share of non operating changes in net assets in related undertakings | 1,946,311,628 | - | 1,946,311,628 |
| Investment reserve fund | 400,913,032 | - | 400,913,032 |
| Transferred/adjustment for closed projects | 65,917,918 | (65,917,918) | - |
| As at 30 June 2022 | 167,561,613,518 | 415,663,824 | 167,977,277,342 |

The accompanying notes 1 to 34 form an integral part of these financial statements.


Chief Financial Officer

BRAC


Executive Director

BRAC


Chairperson, Governing Body

BRAC

BRAC

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

Notes to the financial statements

For the year ended 30 June 2022

1. General Information

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

Corporate Information of BRAC:

- 1 Year of establishment : 1972
- 2 Legal Entity (MRA Registration No.) : 00488-00186-00065
- 3 Nature of operations (Program) : Microfinance, Development Program and Social Enterprises
- 4 Statutory Audit Conducted up to : 30 June 2022
- 5 Name of Statutory auditor for last year : Nurul Faruk Hasan & Co.
- 6 Name of Statutory auditor for the current year : Nurul Faruk Hasan & Co.
- 7 No of Executive Committee meeting held in 2021-22 : 11
- 8 Date of Last AGM held : February 03, 2022
- 9 List of BRAC Governing Body Members:

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

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

2. Significant accounting policies

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

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

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 a leading Non-Governmental Organization (NGO) in both local and international perspectives, 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 organizations like BRAC. As such BRAC adopted accounting policies that are most appropriate and practicable in these circumstances. Over time, all these accounting policies have been acceptable by the stakeholders and users of BRAC's financial statements.

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

Basis of preparation

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

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

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

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

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

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

Reporting period

These financial statements have been prepared for the period from 1 July 2021 to 30 June 2022.

Authorization for issue

These financial statements have been authorized for issue by BRAC Finance, Audit and Risk Committee (Representing BRAC's Governing Body) of BRAC on 27 November 2022.

Functional and presentation currency

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

Use of estimates and judgments

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

Going concern

The Governing Body has, at the time of approving the financial statements, a reasonable expectation that the BRAC has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Donor grants

Income from donor grants is recognised 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 recognised to equate to expenditure incurred on projects and programmes. For donor grants which involve funding for property, plant and equipment, grant income is recognised 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 recognised 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 recognised 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 recognised as grant receivable.

Revenue recognition

BRAC recognises revenue when it satisfies a performance obligation by transferring control over goods or services to a customer. To determine the transaction price, the entity considers terms of the contract. The Entity recognises revenue, the amount that reflects the consideration to which the entity expects to be entitled in exchange for goods and services.

BRAC recognises revenue from the following major sources:

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

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 recognised at the time, when significant risks and rewards of ownership have been transferred to the buyer and recovery of consideration is probable. Transfer of risks and rewards occur, when the goods are delivered to the distributor/customers along with dispatch documents and invoices.

Service charge on microfinance loans

Service charges on microfinance loans are recognised 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- Microfinance Loans. 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 recognised on an accrual basis.

House property income

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

Other income

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

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.

Property, plant and equipment**(a) Recognition and measurement**

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

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

(b) Subsequent costs

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

(c) Depreciation

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

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

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

(d) Derecognition

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

(e) Capital work in progress

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

(f) Capitalisation of borrowing costs

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

Intangible assets

(a) Recognition and measurement

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

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

(b) Subsequent costs

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

(c) Amortisation

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

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

(d) Derecognition

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

Biological assets

Biological assets are measured at fair value less costs to sell, with any changes therein recognised in profit and loss.

Microfinance loans

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

Provision for loan losses

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

Microcredit Regulatory Authority (MRA), the regulatory authority provides guidelines and measurement basis for assessing the provision of microfinance loans. BRAC maintains provision for microfinance loan based on MRA guidelines which differs the expected credit loss model as per IFRSs. Management regularly assesses the adequacy of the loan loss provision based on the age of the loan portfolio and calculates the required provision considering the rules and regulations of MRA.

Loans written off

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

Accruals and provisions

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

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

Investments in related undertakings and related party transactions

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

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

Investment in securities and others

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

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

Accounts receivable

Accounts receivable arise principally from BRAC's 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 statement of financial position date. Bad debts are written off when identified.

Inventories

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

Motorcycle replacement fund

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

Self - insurance fund

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

Employee gratuity fund

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

The extent of future liabilities requiring current provisions, and the rate of provisions required in the immediate following financial periods have been determined based on actuarial valuation carried out for the financial year end 30 June 2022.

Employee earned leave payable

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

Retirement benefit fund for APC non-confirmed workers

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

Other funds

The Special fund for scholarship represents the Catherine H. Lovel memorial fund which will subsequently be utilized for a scholarship programme for poor girls.

The Relief and Rehabilitation fund for disaster and climate change represents amounts accreted by BRAC as deemed appropriate and is held as a liability.

Staff insurance and 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.

Employee provident fund

BRAC makes contribution to a recognised 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 recognised as an expenses in the period in which the employee services are performed.

Employee group insurance

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

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 recognised in the statement of comprehensive income and expenditure.

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

| | <u>30 June 2022</u> | <u>30 June 2021</u> |
|----------------------------|---------------------|---------------------|
| | Taka | Taka |
| United States Dollar (USD) | 93.50 | 83.95 |
| Euro | 102.73 | 99.65 |
| Great Britain Pound (GBP) | 119.32 | 116.02 |
| Canadian Dollar (CAD) | 73.81 | 66.76 |
| Australian Dollar (AUD) | 67.83 | 61.85 |

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.

Borrowing costs

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

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

Impairment of assets

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

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

Financial instruments

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

a) Investments in related undertakings

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

b) Investments in securities and others

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

c) Receivables

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

d) Payables

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

e) Interest-bearing borrowings

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

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

Cash and cash equivalents

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

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

Contingent assets and liabilities

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of BRAC; or any present obligation that arises from past events but is not recognised 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 recognised 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 recognised in the financial statements as this may result in the recognition of income which may never be realized.

Events after the reporting date

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

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

Statement of cash flows

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

Materiality and aggregation

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

Comparatives and rearrangement

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

Segmental reporting

BRAC is organized into operating segments based on projects and 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 33 and 34 respectively. These disclosures are based on basis of accounting adopted by management.

Utilization of contribution from microfinance surplus

MRA approved Tk290 crores to spend for its development programme activities which include education, health, human rights & legal aids services, skill development programme, urban development programme, water, sanitation, hygiene (WASH) and ultra poor graduation (UPG) programmes for the period.

As a whole, BRAC spent Tk1,571 crores for its development activities which were funded by local and foreign aid, contribution from microfinance surplus and other different sources.

4. Intangible assets

| In Taka | Software | Intangible assets in progress | Total |
|---------------------------------|--------------------|-------------------------------------|--------------------|
| Cost | | | |
| At 1 July 2021 | 25,724,665 | 150,483,314 | 176,207,979 |
| Additions | 86,940,252 | 39,107,355 | 126,047,607 |
| Adjustment/Disposal | (96,030) | - | (96,030) |
| At 30 June 2022 | 112,568,887 | 189,590,669 | 302,159,556 |
| At 1 June 2020 | 4,398,193 | 148,315,958 | 152,714,151 |
| Additions | 21,326,472 | 2,167,356 | 23,493,828 |
| Adjustment/Disposal | - | - | - |
| At 30 June 2021 | 25,724,665 | 150,483,314 | 176,207,979 |
| Accumulated amortisation | | | |
| At 1 July 2021 | 3,656,963 | - | 3,656,963 |
| Charge for the year | 43,073,542 | - | 43,073,542 |
| At 30 June 2022 | 46,730,505 | - | 46,730,505 |
| Balance at 1 June 2020 | 2,068,626 | - | 2,068,626 |
| Charge for the year | 1,588,337 | - | 1,588,337 |
| At 30 June 2021 | 3,656,963 | - | 3,656,963 |
| Carrying amount | | | |
| At 30 June 2022 | 65,838,382 | 189,590,669 | 255,429,051 |
| At 30 June 2021 | 22,067,702 | 150,483,314 | 172,551,016 |
| At 1 July 2020 | 2,329,567 | 148,315,958 | 150,645,525 |

5. Investments in related undertakings

| Related undertakings | Cost of Investment | | Share of Reserve | | Loans | | 30 June 2022 | |
|---------------------------------------|-----------------------|--|-----------------------|--|--------------------|--|-----------------------|-------|
| | Taka | | Taka | | Taka | | Taka | Total |
| BRAC Bank Ltd. | 5,911,149,577 | | 16,136,248,737 | | - | | 22,047,398,314 | |
| BRAC Industries Ltd. | 24,999,900 | | 15,252,360 | | - | | 40,252,260 | |
| BRAC Net Ltd. | 185,915,300 | | (16,893,941) | | - | | 169,021,359 | |
| BRAC IT Services Ltd. | 207,839,000 | | (50,989,856) | | - | | 156,849,144 | |
| BRAC Services Ltd. | 10,000,000 | | (380,726,705) | | 403,016,634 | | 32,289,929 | |
| Delta BRAC Housing Finance Corp. Ltd. | 40,000,000 | | 1,281,537,788 | | - | | 1,321,537,788 | |
| BRAC Kaiyachara Tea Company Ltd. | 63,300,695 | | 317,055,514 | | 157,177,014 | | 537,533,223 | |
| Bangladesh Netting Factory | 17,071,429 | | 33,902,618 | | 39,083,807 | | 90,057,854 | |
| IPDC Finance Ltd. | 1,112,443,508 | | 588,343,701 | | - | | 1,700,787,209 | |
| Mayalogy Ltd. | 18,155,513 | | (17,337,635) | | - | | 817,878 | |
| BRAC EPL Investment Ltd. | 1,300 | | - | | - | | 1,300 | |
| BRAC Kurmon Ltd. | 49,980,000 | | (40,001,157) | | 76,274,432 | | 86,253,275 | |
| Edotco Bangladesh Co. Ltd. | 7,228,750,000 | | 1,112,897,449 | | - | | 8,341,647,449 | |
| BRAC OSIRIS Impact Ventures Ltd. | 105,000,000 | | (7,167,847) | | - | | 97,832,153 | |
| Bhumijo Ltd. | 3,000,000 | | 4,433,425 | | - | | 7,433,425 | |
| BD Assistant Ltd. | 2,000,000 | | (152,694) | | - | | 1,847,306 | |
| Total | 14,979,606,222 | | 18,976,401,757 | | 675,551,887 | | 34,631,559,866 | |

5. Investments in related undertakings

30 June 2021

| Related undertakings | Cost of Investment | Share of Reserve | Loans | Total |
|--------------------------------------|-----------------------|-----------------------|----------------------|-----------------------|
| | Taka | Taka | Taka | Taka |
| BRAC Bank Ltd. | 5,911,149,577 | 14,584,898,187 | - | 20,496,047,764 |
| BRAC Industries Ltd. | 24,999,900 | 12,182,084 | - | 37,181,984 |
| BRAC Net Ltd. | 185,915,300 | (38,185,605) | - | 147,729,695 |
| BRAC IT Services Ltd. | 207,839,000 | (99,269,514) | - | 108,569,486 |
| BRAC Services Ltd. | 10,000,000 | (363,986,047) | 406,410,774 | 52,424,727 |
| Delta BRAC Housing Finance Corp. Ltd | 40,000,000 | 1,128,929,248 | - | 1,168,929,248 |
| BRAC Karnatuli Tea Company Ltd. | 243,908,025 | (102,528,307) | 1,403,907,285 | 1,545,287,003 |
| BRAC Kaiyachara Tea Company Ltd | 63,300,695 | 260,614,682 | 236,569,456 | 560,484,833 |
| BRAC Kodala Tea Company Ltd. | 81,680,954 | (121,170,790) | 516,100,132 | 476,610,296 |
| Bangladesh Netting Factory | 17,071,429 | 33,531,299 | 32,374,571 | 82,977,299 |
| IPDC Finance Ltd. | 1,112,443,508 | 471,960,164 | - | 1,584,403,672 |
| Mayalogy Ltd. | 18,155,513 | (12,049,516) | - | 6,105,997 |
| BRAC EPL Investment Ltd. | 1,300 | - | - | 1,300 |
| BRAC Kumon Ltd. | 49,980,000 | (24,924,213) | 51,745,225 | 76,801,012 |
| Edotco Bangladesh Co. Ltd. | 7,228,750,000 | 734,469,495 | - | 7,963,219,495 |
| BRAC OSIRIS Impact Ventures Ltd. | 100,000,000 | (5,696,647) | - | 94,303,353 |
| Bhumijo Ltd. | 3,000,000 | 4,552,413 | - | 7,552,413 |
| BD Assistant Ltd. | 2,000,000 | - | - | 2,000,000 |
| Total | 15,300,195,201 | 16,463,326,933 | 2,647,107,443 | 34,410,629,577 |

| 30 June 2022 | 30 June 2021 |
|----------------------|--------------------|
| Taka | Taka |
| 1,946,311,628 | 226,793,043 |
| 400,913,032 | 659,472,753 |
| 2,347,224,660 | 886,265,795 |

Share of non-operating changes in net assets/capital fund in related undertakings
Investment in reserve fund (Statutory reserve)
Transfer to Statement of Change in Capital Fund

5. Investments in related undertakings

(All incorporated in Bangladesh)

| Related undertakings | 30 June 2022 | | 30 June 2021 | | Principal activities |
|---------------------------------------|--------------|--|--------------|--|--|
| | % | | % | | |
| BRAC Bank Ltd. | 46.17 | | 46.17 | | Banking business, listed on the Dhaka and Chittagong Stock Exchanges |
| BRAC Industries Ltd. | 99.99 | | 99.99 | | Cold storage |
| BRAC Net Ltd. | 19.99 | | 19.99 | | Internet service provider |
| BRAC IT Services Ltd. | 87 | | 87 | | Software Development |
| BRAC Services Ltd. | 100 | | 100 | | 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 | | Tea Plantation |
| BRAC Kaiyachara Tea Company Ltd. | 99.85 | | 99.85 | | Tea Plantation |
| BRAC Kodala Tea Company Ltd. | - | | 99.12 | | Tea Plantation |
| Bangladesh Netting Factory | 93.94 | | 93.94 | | Rental Income |
| IPDC Finance Ltd. | 25 | | 25 | | Finance services, listed on the Dhaka and Chittagong Stock Exchanges |
| Mayalogy Ltd. | 10.28 | | 14.28 | | Women Empowerment through online in Bangladesh. |
| BRAC Kumon Ltd. | 89.29 | | 99.96 | | Establish and operate Educational Institutes. |
| Edotoo Bangladesh Co. Ltd. | 26 | | 26 | | Telecommunications Service Provider. |
| BRAC OSIRIS Impact Ventures Ltd. | 99.99 | | 99.99 | | Invest in profitable and impact business ventures. |
| Bhumijo Ltd. | 30 | | 30 | | To ensure healthy and hygiene Public Toilets in Public places by designing, renovating, maintaining. |
| BD Assistant Ltd. | 20 | | - | | An online marketplace and logistics service provider |

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

Loans represent finance provided for working capital and earn 7%-8% (30 June 2021: 7%-8%) interest per annum. These loans have no fixed repayment terms.

The market price of shares are as follows:

| Particulars | DSE (Taka) | | CSE (Taka) | |
|---|--------------|--------------|--------------|--------------|
| | 30 June 2022 | 30 June 2021 | 30 June 2022 | 30 June 2021 |
| BRAC Bank Ltd. | 41.50 | 49.50 | 41.50 | 49.20 |
| Delta BRAC Housing Finance Corporation Ltd. | 62.10 | 75.00 | 62.00 | 75.00 |
| IPDC Finance Ltd. | 52.70 | 27.90 | 56.50 | 27.80 |

On 6 December 2021, BRAC executed sales of investment in BRAC Karnafuli Tea Company Ltd and BRAC Kodala Tea Company Ltd where total sale proceed was Tk1,615,401,700.

6. Significant transactions with related parties

| Particulars | Nature | Nature of transaction | 30 June 2022 | 30 June 2021 |
|--|------------|---|------------------------|------------------------|
| | | | Taka | Taka |
| Dividend: | | | | |
| BRAC Bank Ltd. | Investment | Dividend | (482,022,680) | (1,021,691,524) |
| Delta BRAC Housing Finance Corp. Ltd. | Investment | Dividend | (48,894,063) | (91,811,087) |
| IPDC Finance Ltd. | Investment | Dividend | (111,327,460) | (111,327,460) |
| Edotco Bangladesh Co. Ltd. | Investment | Dividend | (520,000,001) | (1,163,045,000) |
| | | | (1,162,244,204) | (2,387,875,071) |
| Interest and expenses: | | | | |
| BRAC Bank Ltd. | Investment | Interest on fixed deposits and bank balance | (337,018,707) | (170,104,311) |
| BRAC Bank Ltd. | Investment | Interest expenses on term loan | 161,074,143 | 262,257,495 |
| BRAC Bank Ltd. | Investment | Interest expenses on overdraft | 13,090,162 | 24,652,724 |
| BRAC Services Ltd. | Investment | Service facilities | (3,394,140) | 38,696,154 |
| BRAC IT Services Ltd. | Investment | IT enable facilities | 190,628,051 | 219,995,826 |
| BRACNet Ltd. | Investment | Internet service | 320,482,624 | 203,843,085 |
| BRAC Kaiyachara Tea Company Ltd. | Investment | Interest on current account balance | (13,561,108) | (15,027,085) |
| Delta BRAC Housing Finance Corp. Ltd. | Investment | Interest on 1st mutual fund | (7,200,000) | - |
| Delta BRAC Housing Finance Corp. Ltd. | Investment | Interest on fixed deposits | (53,912) | (60,687) |
| IPDC Finance Ltd. | Investment | Interest on fixed deposits | (57,982,087) | (73,215,733) |
| BRAC Kumon Ltd. | Investment | Services facilities | 24,525,553 | 22,794,374 |
| | | | 290,590,579 | 513,831,842 |
| Receivable/(pavables) with related parties: | | | | |
| BRAC Bank Ltd. | Investment | Fixed deposits | 6,600,440,952 | 972,117,691 |
| BRAC Bank Ltd. | Investment | Bank balances | 2,332,214,646 | 6,517,925,666 |
| BRAC Bank Ltd. | Investment | Advance/Loan | (3,800,000,000) | (3,800,000,000) |
| BRAC Bank Ltd. | Investment | Advance/Overdraft | (72,044) | (430,455) |
| BRAC Services Ltd. | Investment | Advance/Loan | 403,016,634 | 406,410,774 |
| BRAC Kaiyachara Tea Company Ltd. | Investment | Advance/Loan | 157,177,014 | 236,569,456 |
| Bangladesh Netting Factory | Investment | Advance/Loan | 39,083,807 | 32,374,571 |
| BRAC Kumon Ltd. | Investment | Advance/Loan | 76,274,432 | 51,745,225 |
| | | | 5,808,135,441 | 4,416,712,928 |

7. Investment in securities and others

| | 30 June 2022 | 30 June 2021 |
|---------------------------|-----------------------|-----------------------|
| | Taka | Taka |
| DBH 1st Mutual Fund | 47,400,000 | 47,400,000 |
| AB Bank Subordinated Bond | - | 200,000,000 |
| MTB Subordinated Bond | 50,000,000 | 100,000,000 |
| Fixed deposits | 36,682,449,578 | 27,470,977,477 |
| Short term deposits | 3,723,145,272 | 3,626,260,187 |
| | <u>40,502,994,851</u> | <u>31,444,637,664</u> |
| Current portion | 40,455,594,851 | 30,636,037,664 |
| Non-current portion | <u>47,400,000</u> | <u>808,600,000</u> |

The market price of quoted shares are as follows:

| Entity | Per share | Per share |
|---------------------------------|-----------|-----------|
| DBH 1st Mutual Fund | 7.30 | 8.00 |
| Dhaka Stock Exchange(DSE) | 7.20 | 7.80 |
| Chittagong Stock Exchange (CSE) | | |

The maturity date of the Mutual Trust Bank Subordinated Bond will be on 19 October 2022 with effective interest rate 10.50% per annum.

8. Biological assets

| | | |
|-------------------------|--------------------|-------------------|
| Artificial Insemination | 48,086,768 | 31,486,625 |
| Nursery | 48,551,426 | 39,487,081 |
| Fisheries | 6,526,366 | 6,524,048 |
| | <u>103,164,560</u> | <u>77,497,754</u> |
| Current portion | 50,840,805 | 42,062,559 |
| Non-current portion | <u>52,323,755</u> | <u>35,435,195</u> |
| | <u>103,164,560</u> | <u>77,497,754</u> |

| | 30 June 2022 | 30 June 2021 |
|----------------------------------|----------------------|----------------------|
| | Taka | Taka |
| 9. Inventories | | |
| Seeds and feed | 964,727,611 | 806,887,104 |
| Medical supplies and consumables | 70,655,809 | 79,656,203 |
| Printing and stationery | 84,415,912 | 199,843,650 |
| Handicraft goods | 5,097,940,970 | 5,251,045,581 |
| Dairy products | 360,533,031 | 446,571,625 |
| Programme materials | 167,361,333 | 238,808,601 |
| | <u>6,745,634,665</u> | <u>7,022,812,764</u> |

| | | |
|---|----------------------|----------------------|
| Grants receivable | 2,082,705,577 | 2,611,513,506 |
| Interest receivable on fixed deposits and bank accounts | 1,689,556,929 | 1,244,900,647 |
| Other accounts receivable | 626,053,486 | 190,372,659 |
| | <u>4,398,315,992</u> | <u>4,046,786,812</u> |

| | Loan loss provision | Net amount |
|--------------------|-------------------------|------------------------|
| | Taka | Taka |
| As at 1 July 2021 | (21,032,842,277) | 250,836,609,976 |
| Additions | (13,881,531,080) | 544,441,600,513 |
| Realization | - | (507,670,683,121) |
| Write-off | 12,971,217,679 | - |
| As at 30 June 2022 | <u>(21,943,155,678)</u> | <u>287,607,527,368</u> |

| | Loan loss provision | Net amount |
|--------------------|-------------------------|------------------------|
| | Taka | Taka |
| As at 1 July 2020 | (11,079,110,781) | 263,571,959,201 |
| Additions | (15,075,810,946) | 482,566,205,297 |
| Realization | - | (495,301,554,522) |
| Write-off | 5,122,079,450 | - |
| As at 30 June 2021 | <u>(21,032,842,277)</u> | <u>250,836,609,976</u> |

| | Principal outstanding | Service charge receivable | Total principal and service charge receivable |
|--------------------|------------------------|---------------------------|---|
| | Taka | Taka | Taka |
| As at 1 July 2021 | 266,150,314,810 | 5,719,137,443 | 271,869,452,253 |
| Additions | 491,660,738,790 | 66,662,392,803 | 558,323,131,593 |
| Realization | (443,695,442,132) | (63,975,240,989) | (507,670,683,121) |
| Write-off | (10,107,377,775) | (2,863,839,904) | (12,971,217,679) |
| As at 30 June 2022 | <u>304,008,233,693</u> | <u>5,542,449,353</u> | <u>309,550,683,046</u> |

| | Principal outstanding | Service charge receivable | Total principal and service charge receivable |
|--------------------|------------------------|---------------------------|---|
| | Taka | Taka | Taka |
| As at 1 July 2020 | 265,798,665,693 | 8,852,404,289 | 274,651,069,982 |
| Additions | 431,626,044,313 | 66,015,971,930 | 497,642,016,243 |
| Realization | (427,123,947,902) | (68,177,606,620) | (495,301,554,522) |
| Write-off | (4,150,447,294) | (971,632,156) | (5,122,079,450) |
| As at 30 June 2021 | <u>266,150,314,810</u> | <u>5,719,137,443</u> | <u>271,869,452,253</u> |

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

11. Microfinance loans (Contd.)

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

| Loan classification | Days in arrears | 30 June 2022 | | 30 June 2021 | |
|---------------------|----------------------|------------------------|-----------------------|------------------------|-----------------------|
| | | Principal outstanding | Loan loss provision | Principal outstanding | Loan loss provision |
| | | Taka | Taka | Taka | Taka |
| Standard | Current (no arrears) | 275,494,391,482 | 2,790,739,450 | 193,410,180,702 | 1,181,668,441 |
| Watchlist | 1 - 30 | 3,184,193,032 | 159,209,652 | 13,592,673,918 | 415,232,377 |
| Substandard | 31 - 180 | 7,857,287,633 | 1,964,321,908 | 33,093,321,190 | 5,054,714,947 |
| Doubtful | 181 - 365 | 1,773,907,511 | 1,330,430,633 | 10,062,374,585 | 4,610,818,744 |
| Loss | Over 365 | 15,698,454,035 | 15,698,454,035 | 15,991,764,415 | 9,770,407,769 |
| | | <u>304,008,233,693</u> | <u>21,943,155,678</u> | <u>266,150,314,810</u> | <u>21,032,842,277</u> |

Management regularly assesses the adequacy of the loan loss provision based on the age of the loan portfolio and calculates the required provision considering the rules and regulations of Microcredit Regulatory Authority.

12. Advances, deposits and prepayments

| | Note | 30 June 2022 | 30 June 2021 |
|---------------------------------------|------|-----------------------|-----------------------|
| | | Taka | Taka |
| Advances: | | | |
| Employees | | 5,957,837,150 | 4,238,631,300 |
| Suppliers | | 3,052,060,398 | 4,913,371,419 |
| Advance for income tax | | 5,264,935,225 | 3,829,750,087 |
| VAT (Payable)/Advance | | (24,071,885) | 20,862,561 |
| Motor cycle loans | 12.1 | <u>13,687,789</u> | <u>27,305,231</u> |
| | | 14,264,448,676 | 13,029,920,598 |
| Deposits: | | | |
| Deposits for facilities and utilities | | <u>137,155,809</u> | <u>417,535,866</u> |
| | | <u>14,401,604,485</u> | <u>13,447,456,464</u> |
| 12.1 Motor cycle loans | | | |
| Opening balance | | 27,305,231 | 69,253,193 |
| Additions during the year | | 1,183,903 | - |
| Loan realization during the year | | (14,801,345) | (41,947,962) |
| Closing balance | | <u>13,687,789</u> | <u>27,305,231</u> |

| | 30 June 2022 | 30 June 2021 |
|---|------------------------|-----------------------|
| | Taka | Taka |
| 13. Cash and cash equivalents | | |
| Cash in hand | 184,589,522 | 70,576,031 |
| Cash at banks | 6,221,495,810 | 17,288,852,436 |
| | <u>6,406,085,332</u> | <u>17,359,428,467</u> |
| 13.1 Cash and cash equivalents | | |
| For the purpose of the statement of cash flows, cash and cash equivalents comprise the following: | | |
| Cash and bank balances | 6,406,085,332 | 17,359,428,467 |
| Bank overdrafts | <u>(6,192,590,954)</u> | <u>(168,877,058)</u> |
| | <u>213,494,378</u> | <u>17,190,551,409</u> |
| | | |
| 14. Liabilities for expenses and materials | | |
| Liabilities for expenses | 9,653,633,029 | 9,372,954,148 |
| Liabilities for goods | 600,236,760 | 619,316,472 |
| Interest payable on members' savings deposits | 16,069,360,368 | 10,792,150,254 |
| Advance / deposit received and others liabilities | <u>3,307,435,762</u> | <u>1,449,826,333</u> |
| | <u>29,630,665,919</u> | <u>22,234,247,207</u> |

Note

15

| | 30 June 2022 | 30 June 2021 |
|-----------------------------------|----------------------|--------------------|
| | Taka | Taka |
| 15. Bank overdrafts | | |
| Agrani Bank Ltd. | 847,376 | 22,198,501 |
| Bank Alfalah Ltd. | 99,350,416 | 1,569,543 |
| Bank Asia Ltd. | 38,521,209 | 661,783 |
| BRAC Bank Ltd. | 72,044 | 430,455 |
| Community Bank of Bangladesh Ltd. | 91,753 | 215,498 |
| Dhaka Bank Ltd. | - | 733,346 |
| Dutch Bangla Bank Ltd. | 44,221,187 | 1,556,056 |
| Eastern Bank Ltd. | 76,184 | 1,072,575 |
| Habib Bank Ltd. | 196,046,250 | 4,395,474 |
| HSBC | 8,558 | 5,833 |
| IFIC Bank Ltd. | 1,389,907 | 144,189 |
| Jamuna Bank Ltd. | 39,083,011 | 11,162,490 |
| Janata Bank Ltd. | 170,707 | 1,171,075 |
| Mutual Trust Bank Ltd. | 4,341,856 | 402,204 |
| Prime Bank Ltd. | 95,036,153 | 4,206,914 |
| Pubali Bank Ltd. | 4,235,322,301 | 110,551,827 |
| Rupali Bank Ltd. | 181,001 | 404,133 |
| Sonali Bank Ltd. | 21,428,701 | 5,265,059 |
| Southeast Bank Ltd. | 2,510,094 | 207,694 |
| The City Bank Ltd. | 174 | 29,407 |
| The Trust Bank Ltd. | 2,262,124 | 326,127 |
| United Commercial Bank Ltd. | 86,037 | 322,618 |
| Uttara Bank Ltd. | 1,411,543,910 | 1,844,256 |
| | <u>6,192,590,954</u> | <u>168,877,058</u> |

The bank overdrafts were obtained for BRAC's Microfinance Programme and regular working capital requirements. The bank overdrafts bear interest at 3.50% to 9.00% (30 June 2021: 4.00% to 9.00%) per annum and are repayable on demand.

16. Term loans

| | | |
|---------------|-----------------------|-----------------------|
| Local loans | 23,977,300,000 | 35,799,729,629 |
| Foreign loans | 4,155,556,561 | 4,247,500,000 |
| | <u>28,132,856,561</u> | <u>40,047,229,629</u> |

16.1
16.2

16.1 Local loans

| | | |
|-------------------------------|-----------------------|-----------------------|
| Bank Alfalah Ltd. | 200,000,000 | 200,000,000 |
| Bank Asia Ltd. | 1,500,000,000 | - |
| BASIC Bank Ltd. | - | 31,110,325 |
| BRAC Bank Ltd. | 3,800,000,000 | 3,800,000,000 |
| Commercial Bank of Ceylon PLC | - | 1,500,000,000 |
| Dutch Bangla Bank Ltd. | 1,350,000,000 | 750,000,000 |
| Eastern Bank Ltd. | 5,210,000,000 | 3,337,720,586 |
| Habib Bank Ltd. | 300,000,000 | - |
| HSBC | - | 4,070,000,000 |
| IDLC Finance Ltd. | - | 1,500,000,000 |
| Mutual Trust Bank Ltd. | - | 1,499,994,691 |
| NCC Bank Ltd. | - | 999,997,033 |
| Prime Bank Ltd. | 2,000,000,000 | 1,000,000,000 |
| Shahjalal Islami Bank Ltd. | 800,000,000 | 1,900,000,000 |
| Standard Chartered Bank (SCB) | 7,234,800,000 | 9,253,407,000 |
| State Bank of India | 1,200,000,000 | 1,200,000,000 |
| The City Bank Ltd. | - | 4,200,000,000 |
| Woori Bank | 382,500,000 | 557,499,994 |
| | 23,977,300,000 | 35,799,729,629 |

All repayment obligations in respect of the local term loans were met and no amounts were in arrears as at 30 June 2022. The local term loans were obtained to support various microfinance and development projects undertaken by BRAC and for working capital purposes. The loans are repayable at various intervals, i.e., monthly, quarterly, half-yearly and annually and bear 2.50% to 6.75% (30 June 2021: 6.50% to 9.00%) interest rates.

| | 30 June 2022 | 30 June 2021 |
|--|---------------------|---------------------|
| | Taka | Taka |

16.2 Foreign loans

Loan from FMO
Exchange loss/(gain) on foreign loans

| | 30 June 2022 | 30 June 2021 |
|--|---------------|---------------|
| | Taka | Taka |
| | 3,775,555,555 | 4,239,500,000 |
| | 380,001,006 | 8,000,000 |
| | 4,155,556,561 | 4,247,500,000 |

FMO is a Dutch development bank structured as a bilateral private-sector international financial institution based in the Hague, the Netherlands. BRAC has borrowed USD 50,000,000 on April 06, 2021 from FMO equivalent to Tk4,239,500,000 with a tenure of 5 years including 1 year grace period where annual interest rate is 3.72%. During this period, unrealized exchange loss/(gain) Tk380,001,006 has been recognised at the exchange rate 1 USD = 93.50 Taka (30 June 2021: 1 USD = 84.95 Taka).

Term loans are analyzed as follows:

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

| | | |
|--|----------------|----------------|
| | 24,858,689,895 | 36,009,174,073 |
| | 1,143,888,889 | 1,048,888,889 |
| | 1,091,388,889 | 1,048,888,889 |
| | 1,038,888,889 | 1,940,277,778 |
| | 3,274,166,667 | 4,038,055,556 |
| | 28,132,856,562 | 40,047,229,629 |

17. Zero coupon bond

Zero coupon bond
Discount provision

| | | |
|--|----------------|---|
| | 10,392,804,327 | - |
| | 418,469,986 | - |
| | 10,811,274,313 | - |

Current portion
Non-current portion

| | | |
|--|----------------|---|
| | 1,413,155,952 | - |
| | 9,398,118,361 | - |
| | 10,811,274,313 | - |

BRAC issued zero-coupon (ZCB) bond in the year 2021 under the Securities and Exchange Commission (Private Placement of Debt Securities) Rules, 2012. During 2021-2022, out of the approved subscription value of Tk10,400,000,000, BRAC subscribed Tk10,392,804,327 from 21 investors which is equivalent to face value of Tk12,910,000,000 at a lot of 8 bonds each where discount rate is 7%. The tenure of ZCB is 5 years with a repayment schedule at 6 months interval and the 1st repayment will be due at the end of 1.5 years. Discount provision amounting to Tk418,469,986 has been accrued in interest on long term loans. note 34.

18. Members' savings deposits

| | <u>30 June 2022</u> | <u>30 June 2021</u> |
|-----------------------------|------------------------|------------------------|
| | Taka | Taka |
| Opening balance | 135,509,997,467 | 107,035,796,155 |
| Deposits during the year | 78,269,744,251 | 79,175,373,358 |
| Withdrawals during the year | (61,380,468,328) | (50,701,172,046) |
| Closing balance | <u>152,399,273,390</u> | <u>135,509,997,467</u> |
| Compulsory savings | 68,830,788,652 | 66,318,467,641 |
| Voluntary savings | 18,478,995,603 | 15,807,905,031 |
| Term deposits | 65,089,489,135 | 53,383,624,795 |
| Closing balance | <u>152,399,273,390</u> | <u>135,509,997,467</u> |
| Current portion | 71,741,460,179 | 71,612,997,041 |
| Non-current portion | <u>80,657,813,211</u> | <u>63,897,000,426</u> |
| | <u>152,399,273,390</u> | <u>135,509,997,467</u> |

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

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

(a) Compulsory savings

(i) Each member deposits a minimum amount of Tk10. 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 Tk100 to Tk10,000. The interest rate ranges from 6.85% to 11.57%.

(ii) Any member can withdraw his/her savings by giving a prior notice.

(c) Term deposits:

Double deposit scheme:

Each member could save for a period of 4.5 to 8 years for a fixed time period. The amount of deposit range was from Tk10,000 to Tk1,000,000 and interest rate for the maturity period ranges from 8.45% to 10.41%. At the beginning of February 2021, the product tenure was revised to maximum 8 years. However, it has been discontinued from 10 June 2021.

Monthly profit deposit scheme:

Each member can save monthly profit deposit for a period of 1 to 5 years for a fixed time period where the amount of deposit range is from Tk50,000 to Tk1,000,000 and interest rate for the maturity period range.

19. Grants received in advance

| | 30 June 2022 | 30 June 2021 |
|--|------------------|------------------|
| | Taka | Taka |
| Opening balance | | |
| Grants received in advance account | 2,359,189,047 | 2,859,176,014 |
| Grants receivables | (2,611,513,506) | (1,628,273,959) |
| | (252,324,459) | 1,230,902,055 |
| | | |
| Donations received during the period | 11,625,741,765 | 13,482,720,433 |
| Transferred to deferred income: | | |
| - Investment in fixed assets | (161,461,072) | (750,386,161) |
| - Motorcycle replacement fund | (477,200) | - |
| Transfer to statement of income and expenditure | (10,426,323,986) | (14,236,644,651) |
| | 785,155,048 | (273,408,324) |
| | (100,489,712) | 21,083,865 |
| Refund/transfer/adjustment for closed projects | | |
| Closing balance | 2,082,705,577 | 2,611,513,506 |
| Grants receivables | 2,767,370,913 | 2,359,189,047 |
| Closing balance Grants received in advance account | | |

20. Provision for taxation

| | | |
|--------------------------------|-----------------|---------------|
| Opening balance | 6,433,358,848 | 4,582,206,820 |
| Provision made during the year | 2,579,635,752 | 1,851,152,028 |
| Adjustment during the year | (2,508,139,103) | - |
| Closing balance | 6,504,855,497 | 6,433,358,848 |

21. Deferred income

As at 1 July 2021

Transferred from Grants received in advance
Amortization to Statement of Comprehensive Income and Expenditure

As at 30 June 2022

As at 1 July 2020

Transferred from Grants received in advance
Amortization to Statement of Comprehensive Income and Expenditure

As at 30 June 2021

22. Other long term liabilities

Employee gratuity and redundancy fund

Employee earned leave payable

Retirement benefit fund for APC non-confirmed workers

Self-insurance fund

- Employees

- BRAC properties and motorcycles

Other funds

- Special fund for scholarship

- Emergency fund

- Relief and rehabilitation fund

- Staff welfare fund

| Note | Investment in Fixed Assets | Motorcycle Replacement Fund | | Total |
|------|----------------------------|-----------------------------|-----------------------|-------|
| | | Taka | Taka | |
| | Taka | | | Taka |
| | 1,252,638,820 | 6,639,445 | 1,259,278,265 | |
| 19 | 161,461,072 | 477,200 | 161,938,272 | |
| 23 | (346,263,782) | (712,714) | (346,976,496) | |
| | <u>1,067,836,110</u> | <u>6,403,931</u> | <u>1,074,240,041</u> | |
| | | | | |
| | 719,417,698 | 11,134,017 | 730,551,715 | |
| 19 | 750,386,161 | - | 750,386,161 | |
| 23 | (217,165,039) | (4,494,572) | (221,659,611) | |
| | <u>1,252,638,820</u> | <u>6,639,445</u> | <u>1,259,278,265</u> | |
| | | | | |
| | | 30 June 2022 | 30 June 2021 | |
| | | Taka | Taka | |
| | | 3,218,737,989 | 10,833,083,401 | |
| | | 3,614,555,003 | 3,124,087,277 | |
| | | 318,518,075 | 312,631,637 | |
| | | | | |
| | | 507,150,973 | 501,236,650 | |
| | | 956,047,478 | 956,047,478 | |
| | | <u>1,463,198,451</u> | <u>1,457,284,128</u> | |
| | | | | |
| | | 6,677,760 | 6,677,760 | |
| | | - | 100,000,000 | |
| | | 1,938,913,713 | 1,785,632,038 | |
| | | 132,841,419 | 34,425,917 | |
| | | <u>2,078,432,892</u> | <u>1,926,735,715</u> | |
| | | <u>10,693,442,410</u> | <u>17,653,822,158</u> | |

23. Income from donor grants

Donor grants recognised in the statement of income and expenditure:

| | 30 June 2022 | 30 June 2021 |
|--|-----------------------|-----------------------|
| | Taka | Taka |
| Transferred from grants received in advance | 10,426,323,986 | 14,236,644,651 |
| Transferred from deferred income: | | |
| amortization of investment in fixed assets | 21,379,191 | 8,308,149 |
| - unrestricted | 324,884,591 | 208,856,890 |
| - temporarily restricted | 346,263,782 | 217,165,039 |
| amortization of motorcycle replacement fund | | |
| - unrestricted | 712,714 | - |
| - temporarily restricted | 712,714 | 4,494,572 |
| Total donor grants | 10,773,300,482 | 14,458,304,262 |
| Interest on bank accounts and fixed deposits from donor projects | 6,604,549 | 12,301,330 |
| Other income from donor projects | 210,961,309 | 20,898,182 |
| | <u>10,990,866,341</u> | <u>14,491,503,774</u> |

24. Revenue from social enterprises

| | | |
|--|-----------------------|-----------------------|
| Revenue from sales | 19,515,835,709 | 15,211,805,393 |
| Other income | 338,470,431 | 30,643,584 |
| | <u>19,854,306,139</u> | <u>15,242,448,976</u> |
| 24.1 Disaggregation of revenue from sales | | |
| Aarong Rural Craft Centre | 11,417,147,351 | 8,200,682,701 |
| BRAC Printing Pack | 309,499,831 | 296,981,655 |
| BRAC Dairy and Food Project | 4,868,340,142 | 4,221,648,358 |
| Agro-based program support enterprises | 2,905,798,106 | 2,476,292,936 |
| Non-agro-based program support enterprises | 15,050,280 | 16,199,742 |
| | <u>19,515,835,709</u> | <u>15,211,805,393</u> |

| | 30 June 2022 | 30 June 2021 |
|--|-----------------------|-----------------------|
| | Taka | Taka |
| 25. Income from microfinance programme | | |
| Service charge on microfinance loans | 67,234,051,980 | 66,216,124,084 |
| Bank interest against deposits | 2,264,194,439 | 1,463,395,497 |
| | <u>69,498,246,419</u> | <u>67,679,519,581</u> |
| 25.1 Service charge on microfinance loans | | |
| Service charge on microfinance loans | 66,701,170,352 | 66,042,195,946 |
| Membership fees from microfinance program | 11,929,680 | 18,247,651 |
| Others income from microfinance program | 520,951,948 | 155,680,487 |
| | <u>67,234,051,980</u> | <u>66,216,124,084</u> |
| 26. Self-financing social development programme | | |
| Interest on bank accounts and fixed deposits | 291,174,880 | 403,303,857 |
| Other income | 1,114,066,981 | 1,259,605,586 |
| Gain on disposal of investment in tea estates | 1,455,662,885 | - |
| | <u>2,860,904,746</u> | <u>1,662,909,443</u> |
| 26.1 Other income | | |
| Loss on disposal of property, plant and equipment | (15,018,098) | (179,682,701) |
| Reimbursements on cost of programme supplies | 389,853,363 | 906,463,521 |
| Training income | 738,659,379 | 532,824,766 |
| Sale of wastage materials | 572,337 | - |
| | <u>1,114,066,981</u> | <u>1,259,605,586</u> |
| 27. Investment income | | |
| In respect of investments in related undertakings: | | |
| - Cash dividend income | 1,180,301,215 | 2,387,875,499 |
| In respect of investments in securities and others: | | |
| - Interest on Subordinated bond | - | 38,415,397 |
| - Interest on BSP | - | 9,885,730 |
| | <u>1,180,301,215</u> | <u>2,436,176,626</u> |

28. Community contribution

| | 30 June 2022 | 30 June 2021 |
|--|--------------------|--------------------|
| | Taka | Taka |
| Education Programme | 125,034,312 | 83,476,875 |
| Health, Nutrition and Population Programme | 479,527,061 | 440,152,862 |
| Social Empowerment and Legal Protection Programme (SELP) | 6,353,595 | 15,053,558 |
| Skill Development Programme | 16,020,366 | 41,796,492 |
| BRAC WASH in hard to reach and urban areas | 37,108,768 | 21,832,543 |
| Migration Programme | 14,552,959 | 8,310,766 |
| Integrated Development Programme | - | 147,939 |
| | <u>678,597,061</u> | <u>610,771,035</u> |

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

29. Interest on fixed deposits and bank accounts

| | | |
|--|----------------------|----------------------|
| Bank interest against deposits of microfinance programme | 2,264,194,439 | 1,463,395,497 |
| Donor based development Projects | 6,604,549 | 12,301,330 |
| Self-financing social development programmes | 291,174,880 | 403,303,857 |
| | <u>2,561,973,868</u> | <u>1,879,000,684</u> |

30. BRAC's contribution to 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. BRAC contributed Tk3,164,583,498 to support various donor funded programmes during the year ended 30 June 2022 (30 June 2021 : Tk1,862,462,783).

31. Income tax expense

| | | |
|-----------------------------------|----------------------|----------------------|
| Income tax provision for the year | <u>2,579,635,752</u> | <u>1,851,152,028</u> |
| Income tax provision: | | |
| Current year | 2,147,600,000 | 1,660,000,000 |
| Adjustment for previous year | 432,035,752 | 191,152,028 |
| | <u>2,579,635,752</u> | <u>1,851,152,028</u> |

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

The tax charge is in respect of taxable income arising from BRAC's taxable activities in 2021-2022, and is subject to agreement with the tax authorities.

| 32. Schedule of donor grants received | | Taka | |
|---|--|---|--|
| Donor name | Project | 30 June 2022 | 30 June 2021 |
| The Global Fund | Integrated Tuberculosis Care and Prevention for Enhancing Case Findings Health System Strengthening and Sustainability Phased Elimination of Malaria from Bangladesh TB care and prevention with a Focus on case Finding Activities in Bangladesh Phased Elimination of Malaria from Bangladesh-GFATM | 1,743,109,409 416,403,200 89,427,450 - | 657,794,279 181,173,749 2,284,634,970 208,208,630 |
| Department of Foreign Affairs and Trade (DFAT) | Strategic Partnership Arrangement (SPA) Humanitarian Assistance for Rohingya and Host Communities in Bangladesh. Year 3 Community Fort in Resisting Corona (CFRC) Humanitarian Assistance for Rohingya and Host Communities Cox's Bazar in Bangladesh. | 1,266,988,360 159,940,581 1,969,600 - | 1,238,465,000 - - 184,100,000 |
| United Nations High Commissioner for Refugees (UNHCR) | Multi-sectoral emergency assistance for Rohingya SHELTER in Cox Bazar Bangladesh | 293,443,535 | 50,000,000 |
| | Multi-sectoral emergency assistance for Rohingya -Wash sanitation & Hygiene in Cox Bazar Bangladesh | 185,666,985 | 50,000,000 |
| | Multi-sectoral emergency assistance for Rohingya -Shelter in Cox's Bazar Bangladesh. | 120,000,000 | - |
| | Multi-sectoral emergency assistance for Rohingya -SMS in Cox Bazar Bangladesh | 119,859,883 | 100,000,000 |
| | Multi-sectoral emergency assistance for Rohingya -Wash in Cox's Bazar Bangladesh. | 108,031,663 | - |
| | Multi-sectoral emergency assistance for Rohingya -Education in Cox Bazar Bangladesh | 98,517,020 | 50,000,000 |
| | Multi-sectoral emergency assistance for Rohingya -SMS in Cox's Bazar Bangladesh. | 77,000,000 | - |
| | Multi-sectoral emergency assistance for Rohingya -CBP in Cox Bazar Bangladesh. | 45,000,000 | - |
| | Multi-sectoral emergency assistance for Rohingya -SGBV in Cox Bazar Bangladesh | 41,476,703 | 50,000,000 |
| | Multi-sectoral emergency assistance for Rohingya -Education in Cox Bazar Bangladesh. | 41,000,000 | - |
| | Multi-sectoral emergency assistance for Rohingya -SGBV in Cox Bazar Bangladesh. | 32,000,000 | - |
| | Multi-sectoral emergency assistance for Rohingya -Wash Water in Cox Bazar Bangladesh | 28,968,283 | 50,000,000 |
| | Multi-sectoral emergency assistance for Rohingya -TPD-Education in Cox Bazar Bangladesh | 27,000,000 | - |
| | Multi-sectoral emergency assistance for Rohingya -MHPSS in Cox's Bazar Bangladesh. | 25,000,000 | - |
| | Multi-sectoral emergency assistance for Rohingya -Legal in Cox Bazar Bangladesh. | 21,000,000 | - |
| | Multi-sectoral emergency assistance for Rohingya -JPG in Cox Bazar Bangladesh. | 17,500,000 | - |
| | Multi-sectoral emergency assistance for Rohingya -CMS in Cox Bazar Bangladesh | 14,655,842 | 100,000,000 |
| Multi-sectoral emergency assistance for Rohingya -Health in Cox's Bazar Bangladesh. | 14,600,000 | - | |
| Multi-sectoral emergency assistance for Rohingya -Community Health Workers (CHWs) in Cox Bazar Bangladesh | 13,108,005 | 78,896,992 | |
| Multi-sectoral emergency assistance for Rohingya refugees in Cox's Bazar, Bangladesh | 7,468,450 | 10,677,221 | |
| Multi-sectoral emergency assistance for Rohingya -JPG in Cox Bazar Bangladesh | 6,667,312 | 20,000,000 | |

32. Schedule of donor grants received

| Donor name | Project | Taka | |
|---|---|---|---------------|
| | | 30 June 2022 | 30 June 2021 |
| United Nations High Commissioner for Refugees (UNHCR) | Multi-sectoral emergency assistance for Rohingya -AAF (Self-reliance) in Cox's Bazar Bangladesh | 6,200,000 | - |
| | Multi-sectoral emergency assistance for Rohingya -MHPSS in Cox Bazar Bangladesh | 2,408,248 | 60,000,000 |
| | Multi-sectoral emergency assistance for Rohingya -Self Reliance in Cox Bazar Bangladesh | 2,304,983 | 40,000,000 |
| | Multi-Sectoral Emergency assistance for Rohingya-CMS in Cox's Bazar Bangladesh | - | 56,059,812 |
| | Multi-Sectoral Emergency assistance for Rohingya-HCSP in Cox's Bazar Bangladesh | - | 10,000,000 |
| | Multi-Sectoral Emergency assistance for Rohingya-MHPSS in Cox's Bazar Bangladesh | - | 10,000,000 |
| | Multi-Sectoral Emergency assistance for Rohingya-Shelter in Cox's Bazar Bangladesh | - | 430,000,000 |
| | Multi-Sectoral Emergency assistance for Rohingya-SMS in Cox's Bazar Bangladesh | - | 168,513,320 |
| | Multi-Sectoral Emergency assistance for Rohingya-Wash sanitation in Cox's Bazar Bangladesh | - | 238,171,053 |
| | Department of Foreign Affairs, Trade and Development (DFATD) | Strategic Partnership Arrangement (SPA) | 1,258,678,925 |
| United Nations International Children's Emergency Fund (UNICEF) | Access to quality informal Education for Rohingya Refugee children in Rohingya Camp, Cox's Bazar | 296,661,910 | - |
| | Alternative Learning Programme for Out of School Adolescent | 140,351,028 | 45,762,495 |
| | Integrated Protection Services for Vulnerable Children, Adolescents and Women of Rohingya and Host Community in Cox's Bazar District | 105,794,688 | - |
| | Improved WASH Services to the Myanmar Refugees Population in camp 8W, 14 and 15 of Ukhiya Upazila, Cox's Bazar District | 96,673,483 | - |
| | Scale-Up of Early Learning and in-formal basic education for Rohingya Refugee children 4-14 years from Myanmar in Bangladesh. | 88,653,082 | 219,901,990 |
| | Provision of life saving WASH services to the Rohingya Refugees in camps (14, 15 & 8W) in Cox's Bazar | 30,018,515 | 95,122,698 |
| | Provide technical and operational support to children (11-18 years) and teachers through Myanmar Curriculum (MC)-based Education in Rohingya refugee camps. [Donor: UNICEF] P-1111 | 27,611,178 | - |
| | Access to improved WASH services for Rohingya Refugees on Bhasan Char Island | 15,272,828 | - |
| | Integrated joint protection and education services for vulnerable Rohingya adolescent, children, women, men and communities including host community in Ukhiya and Teknaf of Cox's Bazar district | 14,389,777 | 324,948,163 |
| | Scaling up Mother@Work programme at Ready-Made Garment Factories Better Business for Children | 4,591,414 | 7,251,766 |
| | | - | 1,509,177 |

32. Schedule of donor grants received

| Donor name | Project | Taka | |
|---|---|--------------|--|
| | | 30 June 2022 | 30 June 2021 |
| United Nations International Children's Emergency Fund (UNICEF) | Development, Production and Distribution of Teaching & Learning Materials for Learning Competency Framework and Approach (LCFA) | - | 21,270,928 |
| | Development, Review, Adaption and compilation of teaching and learning materials for learning competency Framework and Approach (LCFA) Level (i - iv) Engaging communication through religious leaders network Improved WASH Service to the Rohingya Refugees Population in Ukhiya Cox's Bazar NYCF Focused Emergency Nutrition Response to Forcibly Displaces Rohingya Nationals on Cox's Bazar Scale up of Early learning and informal basic education for FDMN | - | 32,787,137 6,061,950 41,126,138 1,783,605 44,870,745 |
| Sesame Workshop | Escalating Early Childhood Development (ECD) through Play in Emergency setting for Rohingya Community | 237,120,754 | - |
| | Strengthening Play based ECD in Humanitarian Crisis Settings for Rohingya Refugees | 213,459,370 | - |
| | Enhancing Early Learning through Play in Humanitarian setting for Rohingya Community | 98,006,310 | 69,940,870 |
| | Enhancing Early Learning through Play in Humanitarian setting for Host Community | 29,028,088 | 23,313,623 |
| | Early Learning and development through play in Emergency setting for Host Community | 1,051,847 | 12,984,802 |
| | Early Childhood Development & Play in Humanitarian Settings-Host community project | 257,719 | - |
| | Play based ECD in Humanitarian Settings for Host Community | - | 55,037,116 |
| | Play based ECD in Humanitarian Settings for Rohingya Refugees | - | 165,111,264 |
| | Early childhood development and psychosocial support through Pashe Achhi Community Fort in Resisting Corona (CFRC) | 137,956,307 | - |
| | Emergency Response to Typhoon/Cyclone Amphan in Bangladesh | 58,236,433 | - |
| BRAC USA (Affiliate) | Provision of comprehensive WASH services in camps 8W and 9 and among the surrounding host community in Balukhali | 42,415,754 | 24,950,136 |
| | BRAC Chevron Enterprise Development Project (JIBIKA) Phase -II | 38,484,315 | - |
| | ECD through Pashe Achhi & Vroom | 31,317,709 | 38,294,737 |
| | Bhasan Char Health Nutrition Education | 25,209,793 | - |
| | Helping underserved communities to stay safe online | 22,440,378 | - |
| | BRAC response for Rohingya communities in Bhasan Char, Noakhali, Bangladesh in 2021 | 21,863,933 | - |
| | BRAC Play Lab Project | 18,200,625 | - |
| | "Non-Communicable Disease (NCD) Prevention and Control Project in Bangladesh | 16,153,767 | - |
| | Healthy Women, Healthy Families "Sustha Ma, Shustha Poribar | 15,532,782 | 14,845,403 |
| | | 11,583,086 | - |

32. Schedule of donor grants received

| Donor name | Project | Taka | |
|-----------------------------------|--|--------------|--------------|
| | | 30 June 2022 | 30 June 2021 |
| BRAC USA (Affiliate) | Detail Budget for the project Safe Water Supply in Coastal and Offshore Islands in Bangladesh | 8,155,750 | - |
| | Affinity Impact Support for Performance Management in Bangladesh | 7,954,978 | - |
| | Life skills Education and learning opportunities for Rohingya communities at Bhasan Char, Noakhali, Bangladesh [P- 1040] | 4,693,567 | - |
| | Responsible Recruitment of Bangladeshi worker Project | 4,025,625 | - |
| | Goldsmith Digital Health Grant in Bangladesh | 3,078,000 | - |
| | BRAC Vision Bangladesh Phase-II | - | 1,186,801 |
| | BRAC-CDC community surveillance and response project | - | 4,237,500 |
| | Delivering essential healthcare during COVID-19 in Cox's Bazar | - | 39,635,965 |
| | Emergency Support for 2020 Flood Affected Households in Bangladesh | - | 24,213,075 |
| | Implementation of Comprehensive STH Control (Deworming) | - | 2,975,827 |
| | Initiative for Data-Driven COVID-19 Response | - | 7,261,253 |
| | Medicare Support and Economic & Social Recovery for Vulnerable Survivors of Rana Plaza | - | 35,934,000 |
| | Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3 | - | 7,406,262 |
| | Remote Learning through Play COVID19 Response Program | - | 42,573,993 |
| Universal Mask for the ultra-poor | - | 3,919,688 | |
| World Food Programme (WFP) | DRR Host Community interventions on Community Asset Creation and Capacity Strengthening in Cox's Bazar | 117,271,822 | - |
| | Self-Reliance for Rohingyas in Cox's Bazar | 93,194,708 | 14,640,153 |
| | General Food Assistance Programme in Cox Bazar Bangladesh | 87,005,837 | 32,019,232 |
| | Integrated assistance package (self Reliance) in CXB | 28,287,603 | - |
| | Integrated General Food Assistance Programme in Cox Bazar Bangladesh | 22,875,428 | - |
| | WFP Food security for households most affected by the COVID-19 crisis in low-income urban areas of Dhaka | 18,232,130 | 185,571,161 |
| | Communication with Communities- CwC for Rohingyas in Cox's Bazar | 9,859,573 | - |
| | Regarding the Implementation of a WFP Food Assistance programme in Cox's Bazar | 9,209,317 | 81,149,916 |
| | Enhancing Disaster Resilience Project | - | 16,832,692 |
| | GFA and Nutrition Implementation in Cox's Bazar Bangladesh | - | 337,785,343 |
| | Regarding the Implementation of a WFP Assistance Programme –Self Reliance | - | 2,368,177 |

32. Schedule of donor grants received

| Donor name | Project | Taka | | |
|--|---|---|--------------|------------|
| | | 30 June 2022 | 30 June 2021 | |
| Lego Foundation | BEP Accelerated Learning Program for Vulnerable and Out-of-school Children in Bangladesh Learning through Play: Creating Implementing sustaining a Model of playful pedagogy in Government Primary school in Bangladesh | 307,884,000 39,770,359 | - - | |
| International Organization for Migration (IOM) | Sustainable reintegration and Improved Migration Governance In Bangladesh | 219,356,650 | - | |
| | Lifesaving and transitional WASH support to Refugees and Host communities in Cox's Bazar District, Bangladesh | 28,142,613 | - | |
| | Lifesaving And Transitional Wash Support To Refugees And Host Communities In Cox's Bazar District, Bangladesh. [Donor: IOM] P-1090 | 16,969,274 | - | |
| | LIVELIHOODS AND SOCIAL COHESION IN COX'S BAZAR | 4,632,656 | 29,425,977 | |
| | Provision of Comprehensive WASH Services to the Rohingya Refugees Living in the Camps in Cox's Bazar, Bangladesh | 1,845,112 | 33,723,076 | |
| | Provision of Comprehensive WASH services for the Rohingya refugees and the host communities living in Cox's Bazar, Bangladesh | - | 16,923,165 | |
| | Provision of life-Saving and Transitional WASH Services to affected Rohingya Population and Host Communities in Cox's Bazar | - | 45,660,174 | |
| | WASH Support to The displaced Rohingya population in Ukhiya and Teknaf Upazilla, Cox's Bazar District | - | 36,879,287 | |
| | United Nations Population Fund (UNFPA) | Integrated and Equitable SRH Services | 147,409,195 | 22,216,548 |
| | | Standardization of WFS operations with the provision of health sector response to GBV | 52,277,688 | - |
| Improving case management and enhanced social mobilisation at union level in frames of Health and Gender Support Project | | 34,002,952 | 586,500 | |
| Solving referral challenges for urban poor to access Emergency Obstetric and New-born Care | | 33,475,635 | - | |
| Swiss Agency for Development and Cooperation (SDC) | Community Fort in Resisting Corona (CFRC) | 182,000,000 | - | |
| | SDC BRAC Social Cohesion Fund for Cox's Bazar District (Tranche-2) | 64,000,000 | - | |
| | Recruitment and contracting of staff for the WASH Sector Coordination in Cox's Bazar (SDC)- P-1122 | 2,000,000 | - | |

32. Schedule of donor grants received

| Donor name | Project | Taka | |
|--|--|--------------|--------------|
| | | 30 June 2022 | 30 June 2021 |
| United Nations Development Programme (UNDP) | Enhancing adaptive capacities of coastal communities, especially women, to cope with climate change induced salinity, Bangladesh | 103,024,685 | 4,423,465 |
| | Solid waste management in Host Communities and camps in teknaf Ukhaia Upazila under Cox's Bazar district (Package-A-Teknaf and Package-B-Ukhaia) | 31,952,860 | 41,602,872 |
| | Waste Management (SWM) [Donor: UNDP] | 15,886,063 | - |
| | Local Government Initiative on Climate change (LoGIC) | 14,845,674 | - |
| | Localization of the Solid Waste Management system in Ukhaia and Teknaf, Cox's Bazar District. [Donor: UNDP], P-1122 | 4,162,086 | - |
| Royal Danish Emergency | Strengthening Inclusive Development in Chittagong Hill Tracts | 3,730,193 | 12,130,092 |
| Stiftung Auxikiam | Socio-economic reintegration of returnee migrant workers of Bangladesh Phase-II | 137,021,717 | - |
| | Changing The Perception of Youth in Bangladesh about Skill Development | - | 40,401,325 |
| | Empowering the readymade garment workers living in slums of Dhaka | 58,176,871 | 68,109,400 |
| Bureau of Non-Formal Education (BNFE) | Advocacy for Play & early Learning in Bangladesh | 55,727,698 | 107,759,376 |
| | Transition towards quality education for displaced Rohingya children | 9,448,352 | - |
| Danish Ministry of foreign affairs (Danish MoFA) | Transition towards quality education for marginalized Host Communities | 5,565,635 | - |
| | For Second Chance Education Pilot Program (Cohort)-Out Of Children (PEDP4) | 76,977,606 | 125,744,450 |
| | Second Chance Education Program under PEDP-4 at Dhaka | 24,092,736 | - |
| | Second Chance Education Program under PEDP-4 at Cumilla | 13,207,013 | - |
| Charity Global | Enhancing Safe Drinking Water Security and Climate Resilience through Rainwater Harvesting | 84,210,729 | - |
| | Southeast Asian Community-based Trials Network (SEACTN) | 5,990,457 | - |
| | Comprehensive Village Development Programme (CVDP-3) | 4,754,790 | - |
| Global Affairs Canada (GAC) | Water Sanitation & Hygiene Programme in WASH In Schools | 85,000,000 | - |
| | Addressing Gaps in Refugee Access to Health in Cox's Bazar | 140,951,729 | - |
| | Gender Responsive Education and Skills programme in Chittagong Hill Tracts | 40,618,124 | 124,551,577 |
| The Embassy of Denmark | Livelihood Support and Women's Empowerment in Cox's Bazar | 29,732,566 | 215,443,526 |
| | Integrated primary healthcare and community-based health services for Rohingya refugees in Cox's Bazar, Bangladesh. | - | 101,152,482 |
| | Provision of Critical WASH and Protection Services to Rohingyas and Affected Host Community 2020 | - | 94,646,912 |
| | Improving well-being of Vulnerable communities in Cox's Bazar through decent employment opportunities. Protection services and humanitarian Assistance | 69,000,000 | 90,000,000 |

32. Schedule of donor grants received

| Donor name | Project | Taka | |
|---|---|--------------|---------------|
| | | 30 June 2022 | 30 June 2021 |
| Dutch Bangla Bank Ltd. | CFPR Phase IV | 55,000,000 | - |
| Grameenphone (GP) | Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3 | 51,749,170 | - |
| Foreign, Commonwealth & Development Office (FCDO) | COVID-19 response through community mobilization and strengthening of community clinic Strategic Partnership Arrangement (SPA) | - | 452,000,000 |
| BRAC Bank | Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3 | 45,967,574 | 1,450,240,000 |
| BRAC Staff Contribution | Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3 | 44,852,844 | - |
| Vision Spring | Reading Glasses for Improved livelihoods Project Phase-II | 44,309,863 | 29,797,728 |
| World Bank | BRAC Vision Bangladesh Phase-II | - | 2,260,706 |
| Education Above All (EAA) | Income Support Programme for the poorest (ISPP) JAWTNO Project | 34,569,207 | 108,405,251 |
| United States Agency for International Development (USAID) | Non-Formal Primary level education to Forcibly-Displaced Myanmar citizen (December'2019 to April'2020) | 33,438,078 | - |
| United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) | Community Health Systems Strengthening for Improved Health | 32,148,622 | - |
| Embassy of the Kingdom of the Netherlands (EKN) | Bangladesh Digital Ecosystem Activity for COVID-19 Rapid Response Project | 293,705 | 32,782,270 |
| | Promoting women and Girls empowerment through enhancing protection and economic resilience and access to market of Rohingya women and adolescent girls in camps | 32,214,927 | 35,317,479 |
| | Integration WASH | 29,216,885 | - |
| | Sustainable WASH for Rohingya Crisis (Host Community) | - | 19,999,029 |
| | Disability Inclusive Vocational employment and Youth Employment | 23,343,070 | - |
| | Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3 | 2,785,250 | 449,704 |
| | Collective Healing and Support for Rohingya Adolescents | - | 9,162,360 |
| | Disrupting cross Border Trafficking Networks in Jessore, Bangladesh | - | 44,067,881 |
| | Emergency Response to Typhoon/Cyclone Amphan in Bangladesh | - | 108,095 |
| | Inclusive Covid-19 Response in Bangladesh (Disability Inclusive Development Task Order 35) | - | 6,138,760 |
| BRAC UK (Affiliate) | Integrated Comprehensive Essential Primary Health Care for Rohingya Refugees in Cox's Bazar | - | 1,692,881 |
| | Learning Quality Improvement of forcibly displaced Myanmar Nation (FDMN) Children in Cox's Bazar | - | 6,336,963 |
| | Rehabilitation of Livelihood and Vulnerability Eradication (RELIVE) for flood affected population in Bangladesh | - | 7,611,122 |

32. Schedule of donor grants received

| Donor name | Project | Taka | |
|---|---|-----------------------|-----------------------|
| | | 30 June 2022 | 30 June 2021 |
| IFARA Service Ltd | Sustainable Reintegration of Bangladesh Returnees | 21,932,973 | 24,393,573 |
| Hongkong and Shanghai Banking Corporation Foundation (HSBC) | Improving Post-Harvest Storage Facilities in Climate Vulnerable Areas for Ensuring Food Security amid COVID-19 Pandemic | 10,000,000 | - |
| | Build Back Better (B3)- Building Back Businesses Better Through Financial Education | 14,935,182 | - |
| | Nakshi-Skill Development on handicraft for covid-19 and flood recovery | - | 6,780,000 |
| | Nakshi-Skill Development on handicraft for covid-19 and flood recovery | 8,500,000 | - |
| Various Donor | Mangrove Plantation for Climate Mitigation (MPCM) | 3,321,305 | - |
| | Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3 | 20,836,712 | 3,607,523 |
| Dhaka Bank | Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3 | 20,300,000 | - |
| Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) | Improvement of the Real Situation of Over Crowding in Prisons | 11,094,169 | 5,710,337 |
| | Justice and Prison Reform for Promoting Human Rights and Preventing Corruption in Bangladesh | 5,862,472 | 3,608,498 |
| World Fish | Women's Empowerment by contributing in Aquaculture and Nutrition | - | 3,829,194 |
| Skills for Employment Investment Program (SEIP) | SEIP-BRAC | 10,831,889 | 43,573,628 |
| | BRTC-SEIP TOT Project | 2,801,250 | 987,000 |
| Charity Water | Increasing Access to Improved water, sanitation & Hygiene service in School Project. | 12,710,975 | 100,625,414 |
| | Increasing Access to Improved Water, Sanitation and Hygiene Services in School Project | - | 47,114,653 |
| Bank Asia | Reducing the Risk of Corona Virus (COVID-19) in Bangladesh-3 | 10,000,000 | - |
| Other Donors | Multiple projects | 357,306,277 | 1,411,459,373 |
| Donation Received | | 11,625,741,765 | 13,482,720,433 |

Refunded to Donors

| | | | |
|---|--|--------------|-------------|
| United Nations Population Fund (UNFPA) | Improving case management and enhanced social mobilisation at union level in frames of Health and Gender Support Project | (1,406,527) | - |
| | Integrated and Equitable SRH Services | (37,328,525) | - |
| | Standardization of WFS operations with the provision of health sector response to GBV | (4,353,530) | - |
| United Nations International Children's Emergency Fund (UNICEF) | Access to quality informal Education for Rohingya Refugee children in Rohingya Camp, Cox's Bazar | (11,965,607) | - |
| | Alternative Learning Programme for Out of School Adolescent | - | (7,343,896) |
| | Engaging communication through religious leaders network | - | (342,487) |
| | Improved WASH Service to the Rohingya Refugees Population in Ukhiya Cox's Bazar | - | (107,185) |
| | Improved WASH Services to the Myanmar Refugees Population in camp 8W, 14 and 15 of Ukhiya Upazila, Cox's Bazar District | (1,982,362) | - |

32. Schedule of donor grants received

| Donor name | Project | Taka | |
|---|---|---------------------|---------------------|
| | | 30 June 2022 | 30 June 2021 |
| United Nations International Children's Emergency Fund (UNICEF) | Integrated joint protection and education services for vulnerable Rohingya adolescent, children, women, men and communities including host community in Ukhiya and Teknaf of Cox's Bazar district | (8,051,052) | - |
| United Nations High Commissioner for Refugees (UNHCR) | Integrated Protection Services for Vulnerable Children, Adolescents and Women of Rohingya and Host Community in Cox's Bazar District | (4,744,436) | - |
| Embassy of Denmark | Scale-Up of Early Learning and in-formal basic education for Rohingya Refugee children 4-14 years from Myanmar in Bangladesh. | (2,863,713) | - |
| International Labour Organization (ILO) | Scaling up Mother@Work programme at Ready-Made Garment Factories | (84,636) | (241,700) |
| Amplify Change | Multi-sectoral emergency assistance for Rohingya refugees in Cox's Bazar, Bangladesh | (10,630,746) | - |
| James P Grant School of Public Health (JPGSPH) | Changing The Perception of Youth in Bangladesh about Skill Development | (6,631,803) | - |
| Ministry of Finance (ADB) | Advocacy and communication campaign on Covid-19 | (805,893) | - |
| Echotex Ltd. | Promotion of Gender Justice Strengthening Engage Men and Boys Network for Reducing Violence Against Women and Children in Bangladesh | (185,541) | - |
| United Nations High Commissioner for Refugees (UNHCR) | HNPP's SPA Supported Project (Rural, Urban & CMC) | (10,476) | - |
| United Nations High Commissioner for Refugees (UNHCR) | Skills for Employment investment Programme (SEIP) Project- Tranch-1 | - | (3,041,131) |
| United Nations High Commissioner for Refugees (UNHCR) | Strengthening and Cultivating Opportunities in Production for Empowerment (SCOPE) | - | (924,308) |
| United Nations Office for Project Services (UNOPS) | Multi sectoral Emergency Assistance for Myanmar - Wash Sanitation | - | (56,362,847) |
| United Nations Office for Project Services (UNOPS) | Unit for Body Rights Program (UBR-2) | - | (1,271,968) |
| United Nations Office for Project Services (UNOPS) | Humanitarian Support to cyclone Bulbul Affected people in Satkhira Municipality | - | (222,840) |
| United Nations Office for Project Services (UNOPS) | Humanitarian Response to restore Safety, Dignity and Resilience (HRSR) of flood-affected people in Bangladesh | - | (2,383,616) |
| Refunded to Donors | | (91,044,847) | (72,241,978) |

32. Schedule of donor grants received

Taka Taka

| Donor name | Project | 30 June 2022 | 30 June 2021 |
|--|--|--------------|--------------|
| Open Society Foundations (OSF) | BRAC Humitarian Response In Cox Bazar : Education and Critical infrastructure Development Support | (34,436,516) | - |
| United Nations High Commissioner for Refugees (UNHCR) | Multi-sectoral emergency assistance for Rohingya -Community Health Workers (CHWs) in Cox Bazar Bangladesh | - | (11,891,707) |
| | Multi-Sectoral Emergency assistance for Rohingya-HCSP in Cox's Bazar Bangladesh | - | 747,005 |
| | Multi-Sectoral Emergency assistance for Rohingya-MHPSS in Cox's Bazar Bangladesh | - | (25,563,162) |
| | Multi-Sectoral Emergency assistance for Rohingya-UJG in Cox's Bazar Bangladesh | - | 7,637,205 |
| | Multi-Sectoral Emergency assistance for Rohingya-Wash Water in Cox's Bazar Bangladesh | - | (3,073,405) |
| | Multi-Sectoral Emergency assistance for Rohingya-Legal in Cox's Bazar Bangladesh | (52,489) | (1,315,626) |
| | Multi-Sectoral Emergency assistance for Rohingya-Protection Monitoring in Cox's Bazar Bangladesh | (185,530) | (3,881,141) |
| | Multi-Sectoral Emergency assistance for Rohingya-CMS in Cox's Bazar Bangladesh | (337,687) | - |
| | Multi-Sectoral Emergency assistance for Rohingya-Self reliance in Cox's Bazar Bangladesh | (377,513) | 6,453,282 |
| | Multi-Sectoral Emergency assistance for Rohingya-SGBV in Cox's Bazar Bangladesh | -419209 | (7,634,242) |
| | Multi-Sectoral Emergency assistance for Rohingya-Education in Cox's Bazar Bangladesh | (432,045) | (20,870,535) |
| | Multi-Sectoral Emergency assistance for Rohingya-Wash sanitation in Cox's Bazar Bangladesh | (994,689) | - |
| | Multi-Sectoral Emergency assistance for Rohingya-SMS in Cox's Bazar Bangladesh | -1542527 | - |
| Multi-Sectoral Emergency assistance for Rohingya-Shelter in Cox's Bazar Bangladesh | -5317255 | (8,653,523) | |
| Multi sectoral Emergency Assistance for Myanmar - Wash Sanitation | (5,540,443) | - | |
| BRAC Innovation Fund for Digital Financial Service | | (7,641,148) | - |
| BRAC Shakti Pilot Project | | 7,641,148 | - |
| Educate A Child (EAC) | Non Formal Primary level education to forcibly Displaced Myanmar Nation | (3,665,654) | - |
| | Non-Formal Primary level education to Forcibly-Displaced Myanmar citizen (December'2019 to April'2020) | (3,665,654) | - |
| United Nations International Children's Emergency Fund (UNICEF) | Improved WASH Services to the Myanmar Refugees Population in camp 8W, 14 and 15 of Ukhiya Upazila, Cox's Bazar District Community Mobilization Volunteers(CMV)Network for life Saving Message on health hygiene, nutrition, Sanitation and Protection in humanitarian crisis in Cox's Bazar | 679,965 | - |
| | | - | (14,013,893) |

32. Schedule of donor grants received

| | | Taka | | Taka |
|---|---|--------------|--------------|------------|
| Donor name | Project | 30 June 2022 | 30 June 2021 | |
| United Nations International Children's Emergency Fund (UNICEF) | Development; Production and Distribution of Teaching & Learning Materials for Learning Competency Framework and Approach (LCFA) Levels I-IV | - | (970,761) | |
| | Improved Wash service for the Rohingya Refugee and Host Communities in Cox's Bazar | - | 21,435,957 | |
| | Integrated joint protection and education services for vulnerable Rohingya adolescent, children, women, men and communities including host community in Ukhiya and Teknaf of Cox's Bazar district | - | (8,534,148) | |
| | NYCF Focused Emergency Nutrition Response to Forcibly Displaces Rohingya Nationals on Cox's Bazar | - | (1,072,076) | |
| International Organization for Migration (IOM) | Provision of life saving WASH services to the Rohingya Refugees in camps (14, 15 & 8W)" in Cox's Bazar | (679,965) | - | |
| | Improved WASH Service to the Rohingya Refugees Population in Ukhiya Cox's Bazar | (937,089) | - | |
| | Provision of life-Saving and Transitional WASH Services to affected Rohingya Population and Host Communities in Cox's Bazar | - | (318,281) | |
| | WASH Support to The displaced Rohingya population in Ukhiya and Teknaf Upazilla, Cox's Bazar District | - | (1,751,168) | |
| Global Affairs Canada (GAC) | Provision of Comprehensive WASH Services to the Rohingya Refugees Living in the Camps in Cox's Bazar, Bangladesh | (182,839) | - | |
| | Comprehensive Integrated Health Services for the Displaced Rohingya in Cox's Bazar Community Fort in Resisting Corona (CFRC) | (91,864) | (583,823) | |
| Central Emergency Response Fund (CERF) | Sustain and expand basic life-savings in WASH with Focus on COVID-19 for Forcibly Displaced Myanmar Nationals (FDMNs) Population in Cox's Bazar District. | (43,749) | - | |
| | Early childhood development and psychosocial support through Pashe Achhi Bhasan Char Health Nutrition Education | 2,108,219 | - | |
| BRAC USA (Affiliate) | Life skills Education and learning opportunities for Rohingya communities at Bhasan Char, Noakhali, Bangladesh [P-1040] | 1,456,945 | - | |
| | BRAC Humanitarian Response in Cox's Bazar (Host) | 1,412,395 | - | |
| | BRAC's Humanitarian Assistance for Myanmar Refugees in Bangladesh | - | (4,480,841) | |
| | BRAC's humanitarian response in Cox's Bazar | - | (35,023,471) | |
| | Emergency support for 2019 flood affected house holds in Bangladesh | - | (238,414) | |
| | Ensuring Long Term Medical Services & Post Award Livelihood Support for the Victims of Rana Plaza | - | (635,471) | |
| | Essential Primary Healthcare Support for Rohingya Communities & Disaster Risk Management in Cox's Bazar Host Communities in Bangladesh. | - | (10,970,155) | 34,349,435 |

| 32. Schedule of donor grants received | Donor name | Project | Taka | |
|---------------------------------------|---|--|---------------------------|-----------------------|
| | | | 30 June 2022 | 30 June 2021 |
| | BRAC USA (Affiliate) | Medicare Support and Economic & Social Recovery for Vulnerable Survivors of Rana Plaza Delivering essential healthcare during COVID-19 in Cox's Bazar | - (268,622) | 10,970,155 |
| | Other donors | "Non-Communicable Disease (NCD) Prevention and Control Project in Bangladesh Multiple projects | (2,108,219) 46,177,169 | - 8,475,000 |
| | Transfer/adjustment for closed projects | | (9,444,865) | (106,292,076) |
| | Refund/transfer/adjustment for closed projects | | (100,489,712) | (178,534,054) |
| | Grand total | | 11,525,252,053 | 13,304,186,379 |

33. Segmental financial information

| | Unrestricted | | | | | | | | | | Total 30 June 2022 |
|---|----------------------------|-----------------------|--------------------------------|--|--|---------------------------|--|---------------------------------|------------------------|-------------------------|------------------------|
| | Unrestricted | | | | | Temporarily restricted | | | | | |
| | BRAC Rural Craft Centre | BRAC Printing Pack | BRAC Dairy and Food Project | Agro based Programme Support Enterprise | Non-agro based Programme Support Enterprise | Microfinance Programme | Self-financing Social Development Programme | House Property (Building) | Total Unrestricted | Development Projects | |
| | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka |
| Assets | | | | | | | | | | | |
| Non-current assets | | | | | | | | | | | |
| Property, plant and equipment | 2,802,914,701 | 44,267,533 | 1,227,911,807 | 554,601,620 | 4,929,852 | 5,594,652,702 | 9,915,066,600 | 68,998,686 | 20,213,342,500 | 918,188,671 | 21,131,531,172 |
| Intangible assets | 27,470,617 | - | 15,436,939 | 4,052,172 | - | - | 8,350,125 | - | 55,309,853 | 200,119,198 | 255,429,051 |
| Biological assets | - | - | - | 52,323,755 | - | - | - | - | 52,323,755 | - | 52,323,755 |
| Investments in related undertakings | - | - | - | - | - | - | 34,631,559,866 | - | 34,631,559,866 | - | 34,631,559,866 |
| Investments in securities and others | - | - | - | - | - | - | 47,400,000 | - | 47,400,000 | - | 47,400,000 |
| Total non-current assets | 2,830,385,318 | 44,267,533 | 1,243,348,746 | 610,977,547 | 4,929,852 | 5,594,652,702 | 44,602,375,591 | 68,998,686 | 54,999,935,974 | 1,118,307,869 | 56,118,243,844 |
| Current assets | | | | | | | | | | | |
| Biological assets | - | - | - | 50,840,805 | - | - | - | - | 50,840,805 | - | 50,840,805 |
| Inventories | 5,097,940,970 | 48,808,096 | 360,533,031 | 997,526,551 | 1,843,456 | 101,507,970 | 87,123,728 | - | 6,695,283,801 | 50,350,864 | 6,745,634,665 |
| Grants and accounts receivable | 226,762,232 | 53,490,774 | 86,643,631 | 117,136,943 | 1,727,612 | 1,338,571,391 | 459,345,333 | 32,073,239 | 2,315,751,155 | 2,082,564,837 | 4,398,315,992 |
| Microfinance loans | - | - | - | - | - | 309,550,683,046 | - | - | 309,550,683,046 | - | 309,550,683,046 |
| Advance, deposits and prepayments | 3,090,606,626 | 277,081,830 | 936,054,538 | 251,293,792 | 12,394,834 | 5,603,058,691 | 2,117,377,425 | 12,447 | 12,287,880,183 | 2,113,724,303 | 14,401,604,486 |
| Inter-programme current account | - | - | - | - | - | - | - | - | - | - | - |
| Investments in securities and others | - | - | - | - | - | 33,374,989,476 | 7,080,605,374 | - | 40,455,594,850 | - | 40,455,594,850 |
| Cash and cash equivalents | 193,435,320 | 5,286,947 | 20,986,695 | 1,850,647,399 | 1,792,259 | 2,188,835,635 | (79,338,356) | 2,926,454,712 | 6,408,100,810 | (2,015,479) | 6,406,085,331 |
| Total current assets | 8,608,745,147 | 384,667,647 | 1,404,218,094 | 3,267,445,490 | 17,759,160 | 352,157,646,209 | 8,965,113,504 | 2,958,540,398 | 377,764,134,650 | 4,244,624,525 | 382,008,759,175 |
| Total assets | 11,439,130,465 | 428,935,180 | 2,647,566,840 | 3,878,423,036 | 22,688,012 | 357,752,298,911 | 53,567,489,096 | 3,027,539,084 | 432,764,070,625 | 5,362,932,394 | 438,127,003,019 |
| Capital fund and liabilities | | | | | | | | | | | |
| Capital fund | 7,611,136,551 | 309,639,980 | 2,057,613,697 | 2,979,748,074 | 14,908,046 | 118,104,881,070 | 33,456,675,287 | 3,027,010,814 | 167,561,613,518 | 415,663,824 | 167,977,277,342 |
| Liabilities | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | |
| Liabilities for expenses and materials | 1,629,964,300 | 35,584,293 | 382,731,143 | 375,882,414 | 4,696,330 | 19,488,266,945 | 6,562,703,196 | 528,270 | 28,480,356,891 | 1,150,309,027 | 29,630,665,919 |
| Bank overdrafts | - | - | - | - | - | 6,192,590,954 | - | - | 6,192,590,954 | - | 6,192,590,954 |
| Term loans | - | - | - | - | - | 24,858,689,894 | - | - | 24,858,689,894 | - | 24,858,689,894 |
| Zero coupon bond | - | - | - | - | - | 1,413,155,952 | - | - | 1,413,155,952 | - | 1,413,155,952 |
| Members' savings deposits | - | - | - | - | - | 71,741,460,179 | - | - | 71,741,460,179 | - | 71,741,460,179 |
| Grants received in advance account | - | - | - | - | - | - | - | - | - | 2,767,370,913 | 2,767,370,913 |
| Loan loss provision | - | - | - | - | - | 21,943,155,678 | - | - | 21,943,155,678 | - | 21,943,155,678 |
| Provision for taxation | 1,879,511,539 | 83,710,907 | 207,222,000 | 522,792,548 | 3,083,636 | 680,000,000 | 3,128,534,866 | - | 6,504,855,497 | - | 6,504,855,497 |
| Total current liabilities | 3,509,475,840 | 119,295,200 | 589,953,143 | 898,674,962 | 7,779,966 | 146,317,319,602 | 9,691,238,062 | 528,270 | 161,134,265,045 | 3,917,679,941 | 165,051,944,986 |
| Non-current liabilities | | | | | | | | | | | |
| Term loans | - | - | - | - | - | 3,274,166,667 | - | - | 3,274,166,667 | - | 3,274,166,667 |
| Zero coupon bond | - | - | - | - | - | 9,398,118,361 | - | - | 9,398,118,361 | - | 9,398,118,361 |
| Members' savings deposits | - | - | - | - | - | 80,657,813,211 | - | - | 80,657,813,211 | - | 80,657,813,211 |
| Deferred income | - | - | - | - | - | - | 44,651,412 | - | 44,651,412 | 1,029,588,629 | 1,074,240,041 |
| Other long term liabilities | - | - | - | - | - | - | 10,693,442,410 | - | 10,693,442,410 | - | 10,693,442,410 |
| Total non-current liabilities | 318,518,075 | - | - | - | - | 93,330,098,239 | 10,419,575,747 | - | 104,068,192,061 | 1,029,588,629 | 105,097,780,690 |
| Total liabilities | 3,827,993,915 | 119,295,200 | 589,953,143 | 898,674,962 | 7,779,966 | 239,647,417,841 | 20,110,813,809 | 528,270 | 265,202,457,106 | 4,947,268,570 | 270,149,725,676 |
| Total capital fund and liabilities | 11,439,130,465 | 428,935,180 | 2,647,566,840 | 3,878,423,036 | 22,688,012 | 357,752,298,911 | 53,567,489,096 | 3,027,539,084 | 432,764,070,625 | 5,362,932,394 | 438,127,003,019 |

-Capital fund of microfinance includes statutory reserve fund of Tk13,080,605,798

33. Segmental financial information

Statement of financial position as at 30 June 2021

| | Unrestricted | | | | | | | | | | Temporarily restricted | Total | | |
|---|---------------------------|--------------------|-----------------------------|-------------------------------|-----------------------------------|------------------------|---|---------------------------|------------------------|----------------------|------------------------|-------|----------------------|--------------------|
| | Unrestricted | | | | | | | | | | | | Development Projects | Total 30 June 2021 |
| | Aarong Rural Craft Centre | BRAC Printing Pack | BRAC Dairy and Food Project | Agro based Support Enterprise | Non-agro based Support Enterprise | Microfinance Programme | Self-financing Social Development Programme | House Property (Building) | Total Unrestricted | Taka | | | | |
| | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | | |
| Assets | | | | | | | | | | | | | | |
| Non-current assets | | | | | | | | | | | | | | |
| Property, plant and equipment | 2,674,263,998 | 43,725,470 | 1,357,405,980 | 544,281,128 | 6,110,597 | 4,994,913,392 | 9,513,528,094 | 58,470,843 | 19,192,699,501 | 1,115,905,101 | 20,308,604,602 | | | |
| Intangible assets | - | - | 19,944,774 | 2,122,928 | - | - | - | - | 22,067,702 | 150,483,314 | 172,551,016 | | | |
| Biological assets | - | - | - | 35,435,195 | - | - | - | - | 35,435,195 | - | 35,435,195 | | | |
| Investments in related undertakings | - | - | - | - | - | - | 34,410,629,577 | - | 34,410,629,577 | - | 34,410,629,577 | | | |
| Investments in securities and others | - | - | - | - | - | - | 661,200,000 | - | 806,600,000 | - | 806,600,000 | | | |
| Total non-current assets | 2,674,263,998 | 43,725,470 | 1,377,350,754 | 581,839,251 | 6,110,597 | 5,142,313,392 | 44,585,357,671 | 58,470,843 | 54,469,431,975 | 1,266,388,415 | 55,735,820,390 | | | |
| Current assets | | | | | | | | | | | | | | |
| Biological assets | - | - | - | 42,062,559 | - | - | - | - | 42,062,559 | - | 42,062,559 | | | |
| Inventories | 5,251,045,581 | 76,081,844 | 446,571,625 | 1,000,924,005 | 1,570,486 | 143,269,736 | 92,560,309 | - | 7,012,023,587 | 10,789,177 | 7,022,812,764 | | | |
| Grants and accounts receivable | 248,138,374 | 50,418,722 | 87,321,038 | 187,590,461 | 1,954,271 | 1,005,404,881 | (155,522,266) | 5,577 | 1,425,311,059 | 2,621,475,754 | 4,046,786,812 | | | |
| Microfinance loans | - | - | - | - | - | 271,869,452,253 | - | - | 271,869,452,253 | - | 271,869,452,253 | | | |
| Advance, deposits and prepayments | 393,349,200 | 259,474,474 | 555,897,976 | 83,452,901 | 465,234 | 5,126,604,649 | 4,642,977,905 | 28,184,286 | 11,090,406,625 | 2,357,049,839 | 13,447,456,464 | | | |
| Inter-programme current account | 568,455,202 | (13,242,545) | 233,450,359 | (116,628,982) | (797,662) | 22,845,018 | (650,970,951) | - | 43,110,438 | (43,110,438) | - | | | |
| Investments in securities and others | - | - | - | - | - | 27,773,149,347 | 2,862,888,317 | - | 30,636,037,664 | - | 30,636,037,664 | | | |
| Cash and cash equivalents | 77,421,239 | 2,938,445 | 20,956,287 | 1,634,437,648 | 10,344,922 | 9,075,859,842 | 4,935,489,740 | 2,450,927,127 | 18,208,375,250 | (898,946,783) | 17,359,428,467 | | | |
| Total current assets | 6,538,409,596 | 375,670,940 | 1,344,197,286 | 2,831,839,592 | 13,537,251 | 315,016,595,726 | 11,727,423,055 | 2,479,116,990 | 340,326,779,435 | 4,097,257,548 | 344,424,036,983 | | | |
| Total assets | 9,212,673,594 | 419,396,410 | 2,721,548,040 | 3,413,677,843 | 19,647,848 | 320,158,899,118 | 56,312,780,725 | 2,537,587,833 | 394,796,211,410 | 5,363,645,963 | 400,159,857,373 | | | |
| Capital fund and liabilities | | | | | | | | | | | | | | |
| Capital fund | 6,332,703,991 | 283,288,322 | 1,886,008,894 | 2,450,520,428 | 7,613,711 | 109,806,127,813 | 29,675,648,876 | 2,537,521,640 | 152,979,433,675 | 481,581,742 | 153,461,015,417 | | | |
| Liabilities | | | | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | | | | |
| Liabilities for expenses and materials | 911,808,521 | 24,330,250 | 563,391,550 | 428,231,976 | 4,921,521 | 13,596,860,046 | 5,362,014,355 | 66,193 | 20,891,624,411 | 1,342,622,796 | 22,234,247,207 | | | |
| Bank overdrafts | - | 3,035,172 | - | - | - | 165,841,886 | - | - | 168,877,058 | - | 168,877,058 | | | |
| Term loans | - | - | - | - | - | 36,009,174,074 | - | - | 36,009,174,074 | - | 36,009,174,074 | | | |
| Zero coupon bond payable | - | - | - | - | - | - | - | - | - | - | - | | | |
| Members' savings deposits | - | - | - | - | - | 71,612,997,041 | - | - | 71,612,997,041 | - | 71,612,997,041 | | | |
| Grants received in advance account | - | - | - | - | - | - | - | - | - | 2,359,189,047 | 2,359,189,047 | | | |
| Loan loss provision | - | - | - | - | - | - | - | - | 21,032,842,277 | - | 21,032,842,277 | | | |
| Provision for taxation | 1,655,529,444 | 70,655,728 | 251,085,882 | 534,925,439 | 7,112,617 | - | 3,914,049,737 | - | 6,433,358,847 | - | 6,433,358,847 | | | |
| Total current liabilities | 2,567,337,965 | 98,021,150 | 814,477,431 | 963,157,415 | 12,034,137 | 142,417,715,324 | 9,276,064,092 | 66,193 | 156,148,873,708 | 3,701,811,843 | 159,850,685,551 | | | |
| Non-current liabilities | | | | | | | | | | | | | | |
| Term loans | - | - | - | - | - | 4,038,055,556 | - | - | 4,038,055,556 | - | 4,038,055,556 | | | |
| Zero coupon bond payable | - | - | - | - | - | 63,897,000,426 | - | - | 63,897,000,426 | - | 63,897,000,426 | | | |
| Members' savings deposits | - | - | - | - | - | 57,964,173 | - | - | 57,964,173 | - | 57,964,173 | | | |
| Deferred income | - | - | - | - | - | 17,303,103,584 | - | - | 17,303,103,584 | - | 17,303,103,584 | | | |
| Other long term liabilities | 312,631,637 | 38,086,937 | 38,086,937 | - | - | 67,935,055,982 | 17,361,067,757 | - | 85,667,904,027 | 1,180,252,379 | 86,848,156,405 | | | |
| Total non-current liabilities | 312,631,637 | 38,086,937 | 38,086,937 | - | - | 67,935,055,982 | 17,361,067,757 | - | 85,667,904,027 | 1,180,252,379 | 86,848,156,405 | | | |
| Total liabilities | 2,879,969,603 | 136,108,088 | 835,539,146 | 963,157,415 | 12,034,137 | 210,352,771,305 | 26,637,131,849 | 66,193 | 241,816,777,735 | 4,882,064,222 | 246,698,841,956 | | | |
| Total capital fund and liabilities | 9,212,673,594 | 419,396,410 | 2,721,548,040 | 3,413,677,843 | 19,647,848 | 320,158,899,118 | 56,312,780,725 | 2,537,587,833 | 394,796,211,410 | 5,363,645,963 | 400,159,857,373 | | | |

-Capital fund of microfinance includes statutory reserve fund of Tk11,960,730,472

33. Segmental financial information

| | Unrestricted | | | | | | | | | | Total for the year ended 30 June 2021 | |
|--|---------------------------|--------------------|-----------------------------|---|---|------------------------|---|---------------------------|-----------------------|---|---------------------------------------|------------------------|
| | Taka | | | | | | | | | | | |
| | Aarong Rural Craft Centre | BRAC Printing Pack | BRAC Dairy and Food Project | Agro based Programme Support Enterprise | Non-agro based Programme Support Enterprise | Microfinance Programme | Self-financing Social Development Programme | House Property (Building) | Total Unrestricted | Temporarily restricted Development Projects | | |
| Income | | | | | | | | | | | | |
| Donor grants | - | - | 7,645,628 | - | - | - | - | - | 37,954,388 | 14,420,349,873 | - | 14,458,304,262 |
| Social enterprises | 8,200,682,701 | 296,981,655 | 4,221,648,358 | 2,476,292,936 | 16,199,742 | - | - | - | 15,211,805,393 | - | - | 15,211,805,393 |
| Microfinance programme | - | - | - | - | - | 66,216,124,084 | - | - | 66,216,124,084 | - | - | 66,216,124,084 |
| Self-financing social development programme | - | - | - | - | - | - | 403,303,857 | - | 403,303,857 | 12,301,330 | - | 415,605,187 |
| Investment income | - | - | - | - | - | - | 2,436,176,626 | - | 2,436,176,626 | - | - | 2,436,176,626 |
| Other income | - | - | - | 30,643,584 | - | 1,463,395,497 | - | - | 2,753,644,666 | 20,898,182 | - | 2,774,542,849 |
| Community contribution | - | - | - | - | - | - | 158,065,894 | - | 158,065,894 | 452,705,141 | - | 610,771,035 |
| House property | - | - | - | - | - | - | 110,538,956 | - | 110,538,956 | - | - | 110,538,956 |
| Total income | 8,200,682,701 | 296,981,655 | 4,229,293,986 | 2,506,936,520 | 16,199,742 | 67,679,519,581 | 4,287,460,723 | 110,538,956 | 87,327,613,865 | 14,906,254,526 | - | 102,233,868,391 |
| Expenditure | | | | | | | | | | | | |
| Social Enterprises | 7,440,105,876 | 232,446,655 | 3,966,456,738 | 1,974,173,487 | 13,389,583 | - | - | - | 13,626,572,340 | - | - | 13,626,572,340 |
| Micro Finance Programme | - | - | - | - | - | 54,794,547,966 | - | - | 54,794,547,966 | - | - | 54,794,547,966 |
| House property | - | - | - | - | - | - | - | 48,911,989 | 48,911,989 | - | - | 48,911,989 |
| Agriculture and Food Security | - | - | - | - | - | - | 7,893,368 | - | 7,893,368 | 1,461,027 | - | 9,354,395 |
| Community Empowerment Programme | - | - | - | - | - | - | 317,976,258 | - | 317,976,258 | 1,583,238,419 | - | 1,901,214,677 |
| Education Programme | - | - | - | - | - | - | - | - | - | - | - | - |
| Gender, Justice and Diversity | - | - | - | - | - | - | 153,542,974 | - | 153,542,974 | 4,892,303,167 | - | 5,045,846,141 |
| Health Programme | - | - | - | - | - | - | 2,974,417 | - | 2,974,417 | 289,573,555 | - | 292,547,972 |
| Human Rights and Legal Aids Services | - | - | - | - | - | - | - | - | - | 46,278,156 | - | 46,278,156 |
| Policy Advocacy | - | - | - | - | - | - | - | - | - | 353,273,845 | - | 353,273,845 |
| Water, Sanitation and Hygiene Programme | - | - | - | - | - | - | - | - | - | 1,798,150,145 | - | 1,798,150,145 |
| Ultra Poor Programme | - | - | - | - | - | - | - | - | - | 4,462,200,099 | - | 4,462,200,099 |
| Forcibly-displaced Myanmar Nationals | - | - | - | - | - | - | - | - | - | 627,987,074 | - | 627,987,074 |
| Disaster Management and Climate Change | - | - | - | - | - | - | - | - | - | 619,434,463 | - | 619,434,463 |
| Skills Development Programme | - | - | - | - | - | - | 3,946,232.5 | - | 3,946,232.5 | 397,693,494 | - | 397,693,494 |
| Migration Programme | - | - | - | - | - | - | - | - | - | 659,271,606 | - | 659,271,606 |
| Social Development Programme | - | - | - | - | - | - | 230,295,929 | - | 230,295,929 | 1,333,150,622 | - | 1,563,446,551 |
| Other Development Projects | - | - | - | - | - | - | 193,012,379 | - | 193,012,379 | - | - | 193,012,379 |
| Grants | - | - | - | - | - | - | - | - | - | - | - | - |
| Total expenditures | 7,440,105,876 | 232,446,655 | 3,966,456,738 | 1,974,173,487 | 13,389,583 | 54,794,547,966 | 1,568,913,164 | 48,911,989 | 70,038,945,459 | 16,768,717,309 | - | 86,807,662,768 |
| Net surplus stated in statement of income and expenditure before inter-programme allocation | 760,576,825 | 64,535,000 | 262,837,248 | 532,763,033 | 2,810,159 | 12,884,971,615 | 2,718,547,559 | 61,626,967 | 17,288,668,406 | (1,862,462,783) | - | 15,426,205,623 |
| Inter-programme allocations | - | (18,894,433) | (97,595,550) | (236,637,571) | - | - | 353,127,554 | - | - | - | - | - |
| Net surplus stated in statement of income and expenditure before inter-programme allocation | 760,576,825 | 45,640,567 | 165,241,698 | 296,125,462 | 2,810,159 | 12,884,971,615 | 3,071,675,113 | 61,626,967 | 17,288,668,406 | (1,862,462,783) | - | 15,426,205,623 |
| BRAC Contribution to support Donor Funded Programmes | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus of income over expenditure before taxation | 760,576,825 | 45,640,567 | 165,241,698 | 296,125,462 | 2,810,159 | 12,884,971,615 | 3,071,675,113 | 61,626,967 | 17,288,668,406 | (1,862,462,783) | - | 15,426,205,623 |
| Income tax expense | (29,416,440) | (20,973,871) | (42,204,973) | (129,325,279) | (226,747) | - | (1,429,004,712) | - | (1,851,152,028) | - | - | (1,851,152,028) |
| Net surplus for the year | 531,160,384 | 24,666,690 | 123,036,725 | 166,800,183 | 2,583,412 | 12,884,971,615 | 1,642,670,401 | 61,626,967 | 15,437,516,378 | (1,862,462,783) | - | 13,575,053,595 |

34. Statement of functional expenses

| | Unrestricted | | | | | | | | | | Total for the year ended 30 June 2022 |
|--|---------------------------|--------------------|-----------------------------|---|---|------------------------|---|---------------------------|--------------------|----------------------|---------------------------------------|
| | Unrestricted | | | | | Temporarily restricted | | | | | |
| | Aarong Rural Craft Centre | BRAC Printing Pack | BRAC Dairy and Food Project | Agro based Programme Support Enterprise | Non-agro based Programme Support Enterprise | Microfinance Programme | Self-financing Social Development Programme | House Property (Building) | Total Unrestricted | Development Projects | |
| | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka |
| Salaries and benefits | 1,231,799,847 | 23,260,441 | 422,429,872 | 291,289,061 | 6,085,628 | 21,934,338,508 | 62,016,251 | - | 23,971,219,608 | 5,790,700,597 | 29,761,920,206 |
| Travelling and transportation | 63,829,825 | 1,979,236 | 167,412,211 | 34,410,581 | 981,464 | 1,804,294,463 | 88,938,333 | - | 2,161,845,913 | 705,973,593 | 2,867,819,506 |
| Teachers' salaries | - | - | - | - | - | - | 95,676,192 | - | 95,676,192 | 270,036,226 | 365,712,418 |
| Teachers' training | - | - | - | - | - | - | 907,830 | - | 907,830 | 91,489,220 | 92,397,050 |
| School rent and maintenance | - | - | - | - | - | - | 15,676,820 | - | 15,676,820 | 61,374,682 | 77,051,502 |
| Stationery, rent and utilities | 463,227,386 | 917,266 | 31,306,503 | 22,773,896 | 1,875,159 | 1,353,933,995 | 89,788,121 | 15,856,932 | 1,979,679,259 | 772,032,194 | 2,751,711,452 |
| Maintenance and general expenses | 332,547,224 | 6,930,003 | 71,603,884 | 91,916,251 | 806,431 | 1,185,038,822 | 113,476,415 | 17,035,347 | 1,819,554,378 | 227,771,975 | 2,047,326,353 |
| Collection charge digital wallet | - | - | - | - | - | 2,004,459,643 | 25,861 | - | 2,004,485,504 | 3,651,691 | 2,008,137,195 |
| Members' training | - | - | - | - | - | - | - | - | - | 7,131,855 | 7,131,855 |
| Staff training and development | 2,031,310 | 135,069 | 11,685,959 | 15,047,703 | 12,405 | 65,617,556 | 101,900,757 | - | 196,430,759 | 492,181,462 | 688,612,221 |
| Programme supplies | - | - | - | - | - | 476,360,974 | 95,191,047 | - | 571,552,021 | 5,785,933,024 | 6,357,485,045 |
| Interest on members' savings deposits | - | - | - | - | - | 11,583,999,328 | - | - | 11,583,999,328 | - | 11,583,999,328 |
| Interest on long term loans | - | - | 2,208,282 | 462,808 | - | 2,294,347,937 | - | - | 2,297,019,027 | - | 2,297,019,027 |
| Bank overdraft interest and charges | 7,380,776 | 125,741 | - | - | - | 233,711,738 | 236,481,539 | - | 477,699,794 | - | 477,699,794 |
| Cost of goods sold of social enterprises | 6,941,146,899 | 213,353,411 | 3,868,337,616 | 1,907,624,914 | 3,308,808 | - | - | - | 12,933,771,648 | - | 12,933,771,648 |
| Publicity, advertisement and sales commissions | 280,259,010 | - | 83,723,837 | 148,271,767 | - | - | 23,605,396 | - | 535,860,010 | 41,262,200 | 577,122,210 |
| Loan loss provision for microfinance loans | - | - | - | - | - | 13,881,531,080 | - | - | 13,881,531,080 | - | 13,881,531,080 |
| Depreciation and amortization | 237,398,379 | 1,495,692 | 12,402,089 | 24,124,097 | 1,189,878 | 402,992,910 | 285,707,432 | 16,353,010 | 981,663,487 | 341,429,356 | 1,323,092,843 |
| Provision for bad and doubtful debts | - | - | 4,407,712 | 7,370,711 | 50,707 | - | - | - | 11,829,130 | - | 11,829,130 |
| Grants | - | - | - | - | - | - | - | - | 19,353,360 | - | 19,353,360 |
| Foreign exchange loss/(gain) | 9,559,620,456 | 248,196,858 | 4,675,517,966 | 2,543,291,789 | 14,310,481 | 57,619,493,162 | 1,123,376,588 | 49,245,289 | 75,833,052,590 | 14,590,968,074 | 90,424,020,664 |

Cost of goods sold of BRAC Dairy, Printing Pack and Agro based PSE included depreciation of property and equipment amounting to Tk192,359,564, Tks,569,895 and Tk47,261,132 respectively (Total depreciation of Tk245,190,591).

34. Statement of functional expenses

| | Unrestricted | | | | | | | | | | Total for the year ended 30 June 2021 |
|--|---------------------------|--------------------|-----------------------------|---|---|------------------------|---|---------------------------|--------------------|---|---------------------------------------|
| | Unrestricted | | | | | | | | | | |
| | Aarong Rural Craft Centre | BRAC Printing Pack | BRAC Dairy and Food Project | Agro based Programme Support Enterprise | Non-agro based Programme Support Enterprise | Microfinance Programme | Self-financing Social Development Programme | House Property (Building) | Total Unrestricted | Temporarily restricted Development Projects | |
| Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | |
| Salaries and benefits | 1,010,429,668 | 19,915,912 | 366,321,779 | 254,996,956 | 5,320,794 | 18,740,502,819 | 49,519,005 | - | 20,447,006,935 | 6,367,559,094 | 26,814,566,029 |
| Travelling and transportation | 95,053,655 | 1,697,347 | 141,360,900 | 31,558,581 | 598,571 | 1,640,385,559 | 68,251,424 | - | 1,978,906,035 | 771,272,479 | 2,750,178,514 |
| Teachers' salaries | - | - | - | - | - | - | 122,090,766 | - | 122,090,766 | 413,971,844 | 536,062,610 |
| Teachers' training | - | - | - | - | - | - | 553,041 | - | 553,041 | 15,627,371 | 16,180,412 |
| School rent and maintenance | - | - | - | - | - | - | 23,090,566 | - | 23,090,566 | 101,515,021 | 124,605,587 |
| Stationery, rent and utilities | 464,988,187 | 859,396 | 29,715,693 | 24,199,690 | 869,806 | 1,274,341,071 | 41,972,270 | 15,776,032 | 1,852,722,145 | 785,356,391 | 2,638,078,536 |
| Maintenance and general expenses | 266,160,219 | 7,580,154 | 53,133,178 | 74,604,449 | 690,979 | 930,183,904 | 277,582,797 | 8,186,325 | 1,618,122,004 | 321,484,295 | 1,939,606,299 |
| Collection charge digital wallet | - | - | - | - | - | 1,319,308,007 | - | - | 1,319,308,007 | - | 1,319,308,007 |
| Members' training | - | - | - | - | - | - | - | - | - | 41,375,993 | 41,375,993 |
| Staff training and development | 1,608,275 | - | 2,751,439 | 8,272,825 | - | 32,273,985 | 97,268,480 | - | 142,175,004 | 470,229,705 | 612,404,709 |
| Programme supplies | - | - | - | - | - | 508,743,818 | 215,794,422 | - | 724,538,240 | 7,212,678,807 | 7,937,217,047 |
| Interest on members' savings deposits | - | - | - | - | - | 9,834,740,608 | - | - | 9,834,740,608 | - | 9,834,740,608 |
| Interest on long term loans | - | - | - | - | - | 3,676,537,157 | - | - | 3,676,537,157 | - | 3,676,537,157 |
| Bank overdraft interest and charges | - | - | - | - | - | 1,481,964,358 | - | - | 1,481,964,358 | - | 1,481,964,358 |
| Cost of goods sold of social enterprises | 20,055,557 | 4,757,551 | 3,310,015,046 | 1,350,820,444 | 4,628,923 | 176,942,148 | - | - | 10,015,197,400 | - | 10,015,197,400 |
| Publicity, advertisement and sales commissions | 5,153,681,890 | 196,051,097 | 52,152,247 | 168,910,770 | - | - | 46,977,775 | - | 463,151,291 | 40,286,771 | 503,438,062 |
| Loan loss provision for microfinance loans | 195,110,499 | - | - | - | - | - | - | - | - | - | - |
| Depreciation and amortization | 229,014,771 | 1,585,199 | 8,342,374 | 24,109,103 | 1,240,054 | 15,075,810,946 | 257,128,213 | 24,949,632 | 15,075,810,946 | 227,359,539 | 15,075,810,946 |
| Provision for bad and doubtful debts | 4,003,156 | - | 2,664,082 | 36,700,669 | 40,457 | 271,755,733 | 30,950 | - | 818,125,079 | 227,359,539 | 1,045,484,618 |
| Grants | - | - | - | - | - | - | 193,012,379 | - | 193,012,379 | - | 193,012,379 |
| Foreign exchange loss/(gain) | - | - | - | - | - | 8,000,000 | (1,301,073) | - | 6,698,927 | - | 6,698,927 |
| | 7,440,105,876 | 232,446,655 | 3,966,456,738 | 1,974,173,487 | 13,389,583 | 54,794,547,966 | 1,568,913,164 | 48,911,989 | 70,038,945,459 | 16,768,717,309 | 86,807,662,768 |

Cost of goods sold of BRAC Dairy, Printing Pack and Agro based FSE included depreciation of property and equipment amounting to Tk160,263,295, Tk5,033,618 and Tk45,419,185 respectively. (Total depreciation of Tk210,716,078)

Annexure-A/2

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

Eligibility Criteria Compliance Certification for the year ended 30 June 2022

| SL# | Eligibility Criteria | Audited Figures or Compliance | | |
|-----|---|-------------------------------|-----------|-----------|
| | | | 2021-2022 | 2020-2021 |
| (1) | Minimum loan recovery rates, computed quarterly, based on the following: | | | |
| | (i) 95% minimum cumulative loan collection ratio on total dues: | | | |
| | Actual cumulative collections | 3,240,551,836,641 | = 99.47% | 99.84% |
| | Cumulative collectibles | 3,257,953,445,527 | | |
| | (ii) 92-100% minimum loan collection ratio on current dues (on running 12- months basis): | | | |
| | Actual collections during the past 12 months on current dues | 443,695,442,132 | = 95.08% | 98.57% |
| | Collectible on current dues | 466,631,953,893 | | |
| (2) | Minimum liquidity ratio of 10% | | 23.34% | 27.30% |
| (3) | Minimum current ratio of 2.0:1 | | 2.41:1 | 2.44:1 |
| (4) | Minimum capital adequacy ratio of 15% | | 33.22% | 35.30% |
| (5) | Minimum debt service cover ratio of 1.25:1 | | 1.82:1 | 1.86:1 |
| (6) | Debt capital ratio 9:1 | | 0.38:1 | 0.37:1 |
| (7) | Minimum rate of return on capital of 1% | | 9.83% | 12.28% |

See Exhibit 1 for formula and assumption.

Dhaka, Bangladesh
Dated: 27 November 2022



Nurul Faruk Hasan & Co
Chartered Accountants

BRAC
 (Registered in Bangladesh under the Societies Registration Act, 1860)
Microfinance Programme
Portfolio report for the year ended 30 June 2022
Review of loan classification and provisions

(i) Classification of loan and loan loss provision

| Sl. No. | Particulars | No. of days outstanding | Outstanding loan | | Required provision | |
|---------|------------------------|--|------------------------|----------|--------------------|-----------------------|
| | | | Amount (Taka) | Rate (%) | Amount (Taka) | |
| 1 | Total loan outstanding | | 304,008,233,693 | | | |
| 2 | Total overdue | More than 1 installment missed | 25,329,649,179 | | | |
| 3 | Regular | Loans with no overdue installments | 275,494,391,482 | 1% | 2,754,943,915 | |
| | | Additional provision kept by the Entity | | | 35,795,535 | |
| 4 | Watchful | Loan default duration between 1 and 30 days | 3,184,193,032 | 5% | 159,209,652 | |
| 5 | Sub-standard | Loan default duration between 31 and 180 days | 7,857,287,633 | 25% | 1,964,321,908 | |
| 6 | Doubtful | Loan default duration between 181 and 365 days | 1,773,907,511 | 75% | 1,330,430,633 | |
| 7 | Bad loan | Loan default duration above 365 days | 15,698,454,035 | 100% | 15,698,454,035 | |
| | Total | | 304,008,233,693 | | | 21,943,155,678 |

(ii) Loan Loss Provision LLP status of the PO

| Particulars | Amount in (Taka) |
|--|-----------------------|
| Actual Provision made by the MFI | 21,943,155,678 |
| Required Provision as per MRA policy | 21,907,360,143 |
| Excess provision | 35,795,535 |
| Comment on LLP | |
| Disclosure on written off Loan: | |
| Loan written off balance 01 July 2021 | 24,803,786,314 |
| Loan written off during the year 2021-2022 | 12,971,217,679 |
| Written off Loan recovered during the year 2021-2022 | (504,681,963) |
| Loan written off balance 30 June 2022 | 37,270,322,030 |

Portfolio report for the year ended 30 June 2022

(iii) Loan Operational Report

| Sl No. | Particulars | 2021-2022 | | | 2020-2021 | | |
|--------|---|----------------|-----------|-----------------|----------------|-----------|-----------------|
| | | Male | Female | Total | Male | Female | Total |
| 1 | Financial service product: | | | | | | |
| | Loan product: | | | | | | |
| | PKSF funded loan | - | - | - | - | - | - |
| | Housing loan | - | - | - | - | - | - |
| | Sanitation loan | - | - | - | - | - | - |
| | Term loan from commercial banks | 28,132,856,561 | | | 40,047,229,629 | | |
| | Zero coupon bond (ZCB) | 10,811,274,313 | | | - | | |
| | Other short term loan (Bank overdraft) | 6,192,590,954 | | | 165,841,886 | | |
| | Savings product: | | | | | | |
| | Compulsory savings | 68,830,788,652 | | | 66,318,467,641 | | |
| | Voluntary savings | 18,478,995,603 | | | 15,807,905,031 | | |
| | Term deposit | 65,089,489,135 | | | 53,383,624,795 | | |
| | Insurance product: | | | | | | |
| | Life | - | - | - | - | - | - |
| | Livestock | - | - | - | - | - | - |
| | Others | - | - | - | - | - | - |
| 2 | Number of branches | | | 2,665 | | | 2,280 |
| 3 | Number of samities | 31,571 | 287,244 | 318,815 | 21,107 | 264,182 | 285,289 |
| 4 | Number of members | 889,705 | 7,407,720 | 8,297,425 | 1,370,240 | 7,103,215 | 8,473,455 |
| 5 | Number of borrowers | 649,956 | 5,281,519 | 5,931,475 | 647,673 | 6,005,795 | 6,653,468 |
| 6 | Number of microfinance staff* | 21,847 | 12,316 | 34,163 | 21,450 | 11,892 | 33,342 |
| 7 | Amount (Taka) of Loan outstanding with samiti members | | | 304,008,233,693 | | | 266,150,314,810 |
| 8 | Member: borrower | | | 1,40:1 | | | 1,27:1 |
| 9 | Average loan size [Note A] | | | 82,226 | | | 75,551 |

*From this year, the total staff number has been provided (with the comparative) instead of the number of programme and credit officers.

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

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Microfinance Programme
Budget Variance Report

Financial year: 2021-2022

Name of organization: BRAC

License number: 00488-00186-00065

| Description | 2021-2022 | | Variance |
|---------------------------|-----------------|-----------------|----------|
| | Projected | Actual | % |
| 1. New area coverage | | | |
| District | - | - | |
| Upazilla | - | - | |
| Union | - | - | |
| Village | - | - | |
| 2. Branch opening | - | 76 | |
| 3. Group/Samity formation | - | 2,383 | |
| 4. Add new member | 2,264,165 | 1,587,983 | -30% |
| 5. Add new borrower | 2,490,582 | 1,512,112 | -39% |
| 6. Staff recruitment | 1,000 | 1,953 | 95% |
| 7. Deposits collection | 54,833,627,540 | 78,269,744,251 | 43% |
| 8. Refund deposit | 46,797,253,619 | 61,380,468,328 | 31% |
| 9. loan recovery | 445,256,223,657 | 453,802,819,907 | 2% |
| 10. Loan disbursement | 471,908,517,687 | 491,660,738,790 | 4% |
| 11. loan borrowing | 45,498,769,407 | 50,524,095,891 | 11% |
| 12. Loan returns | 36,008,285,177 | 62,430,469,958 | 73% |
| 13. Total income | 69,456,763,799 | 69,498,246,419 | 0% |
| 14. Total expenditure | 55,286,193,134 | 58,299,493,162 | 5% |

| Description | Position as on 30 June 2022 |
|-------------------------------|-----------------------------|
| 1. Area coverage | |
| District | 64 |
| Upazilla | 532 |
| Union | 5,215 |
| Village | 69,421 |
| 2. Number of branch | 2,665 |
| 3. Number of group | 318,815 |
| 4. Number member | 8,297,425 |
| 5. Number borrower | 5,931,475 |
| 6. Manpower | 34,177 |
| 7. Deposit balance | 152,399,273,390 |
| 8. Principal loan outstanding | 304,008,233,693 |
| 9. Loan outstanding | 45,136,721,828 |
| 10. Cumulative surplus | 118,104,881,070 |

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Microfinance programme
Budget Variance Report
Financial Year : 2021-2022

| Sl. No. | Particulars | 2021-2022 | | | Note |
|---------|-----------------------------------|------------------------|------------------------|------------|------|
| | | Projected | Actual | Variance | |
| 1 | Microfinance loan recovery | | | | |
| | RMC | 65,081,768,793 | 149,496,037,544 | 130% | 1 |
| | UMC | 20,943,030,287 | 8,766,120,412 | -58% | |
| | ME | 156,155,490,818 | 190,242,149,809 | 22% | |
| | Seasonal | 4,757,351,483 | 2,408,583,987 | -49% | |
| | Livestock | 41,612,943,437 | 7,354,072,287 | -82% | |
| | Agriculture | 128,813,455,663 | 78,824,912,772 | -39% | |
| | Others | 27,892,183,176 | 16,710,943,096 | -40% | |
| | Total | 445,256,223,657 | 453,802,819,907 | 2% | |
| 2 | Fund collection | | | | |
| | 1. Savings collection | | | | |
| | Force savings | 26,624,462,165 | 50,609,220,333 | 90% | 2 |
| | Voluntary savings | 5,163,247,301 | 8,109,377,218 | 57% | |
| | Fixed deposit | 23,045,918,074 | 19,551,146,700 | -15% | |
| | Total | 54,833,627,540 | 78,269,744,251 | 43% | |
| | Loan receive | | | | |
| | 2. Bank loan | 45,498,769,407 | 50,524,095,891 | 11% | 3 |
| 3 | Utilization of fund | | | | |
| | Loan disbursement | | | | |
| | RMC disbursement | 70,292,070,335 | 159,258,075,503 | 127% | 4 |
| | UMC disbursement | 21,832,891,745 | 9,560,964,940 | -56% | |
| | ME disbursement | 167,925,466,361 | 217,339,605,322 | 29% | |
| | Seasonal disbursement | 4,914,954,646 | 4,026,877,111 | -18% | |
| | Livestock disbursement | 42,918,687,511 | 5,525,240,746 | -87% | |
| | Agriculture disbursement | 133,899,274,598 | 83,527,853,766 | -38% | |
| | Others disbursement | 30,125,172,490 | 12,422,121,402 | -59% | |
| | Total | 471,908,517,687 | 491,660,738,790 | 4% | |
| | Savings returns | | | | |
| | Force savings | 41,496,668,667 | 48,086,359,256 | 16% | 5 |
| | Voluntary savings | 3,207,474,953 | 5,439,206,647 | 70% | |
| | Fixed deposit | 2,093,110,000 | 7,854,902,425 | 275% | |
| | Total | 46,797,253,619 | 61,380,468,328 | 31% | |
| | Loan repayment | | | | |
| | Bank loan | 36,008,285,177 | 62,430,469,958 | 73% | 6 |
| | Total | 36,008,285,177 | 62,430,469,958 | 73% | |
| 4 | Fixed assets addition | | | | |
| | Land development | - | 884,234 | 100% | 7 |
| | Building construction | 600,386,000 | 380,745,097 | -37% | |
| | Furniture & fixtures | 33,114,000 | 146,480,327 | 342% | |
| | Office equipment | 184,744,986 | 43,744,086 | -76% | |
| | Computer and accessories | 259,130,014 | 466,633,774 | 80% | |
| | Vehicles | - | - | | |
| | Total | 1,077,375,000 | 1,038,487,518 | -4% | |
| 5 | Income | | | | |
| | 1. Service charge | 67,886,111,109 | 66,701,170,352 | -2% | 8 |
| | 2. Interest on investment | 1,479,789,115 | 2,264,194,439 | 53% | |
| | 3. Entry fees | 22,641,652 | 11,929,680 | -47% | |
| | 4. Recovery of right off loan | 17,055,481 | 504,681,973 | 2859% | |
| | Other income | 51,166,442 | 16,269,975 | -68% | |
| | Total | 69,456,763,799 | 69,498,246,419 | 0% | |

| Sl. No. | Particulars | 2021-2022 | | | Note |
|---------|--|-----------------------|-----------------------|-------------|------|
| | | Projected | Actual | Variance | |
| 6 | Expenditure | | | | |
| | Financial expenditure | | | | |
| | 5. Savings interest | 10,505,604,342 | 11,583,999,328 | 10% | 9 |
| | 6. Interest on bank loan | 3,818,506,442 | 2,926,925,883 | -23% | |
| | Total financial expenditure | 14,324,110,784 | 14,510,925,211 | 1% | |
| | General and administrative expenses | | | | |
| | 7. Salary and allowances | | | | |
| | Basic pay | 9,496,314,501 | 10,967,169,254 | 15% | 10 |
| | House rent allowance | 5,697,788,701 | 6,580,301,552 | 15% | |
| | Medical allowance | 1,899,262,900 | 2,193,433,851 | 15% | |
| | Conveyance allowance | 1,899,262,900 | 2,193,433,851 | 15% | |
| | Total | 18,992,629,003 | 21,934,338,508 | 15% | |
| | 8. Office rent and utilities | 1,120,156,233 | 981,650,514 | -12% | |
| | 9. Printing and stationeries | 413,517,992 | 372,283,482 | -10% | |
| | 10. Travel expenses | | | | |
| | Domestic | 1,818,506,512 | 1,804,294,463 | -1% | |
| | 11. Repairs and maintenance | | | | |
| | Office building | - | - | | |
| | 12. Fuel expenses | | | | |
| | Gas, electric and water bill | - | - | | |
| | 13. Entertainment and general expenses | - | - | | |
| | 14. Training expense | | | | |
| | Local training | 160,000,000 | 65,617,556 | -59% | |
| | Total | 3,512,180,737 | 3,223,846,014 | -8% | |
| | 15. Others operational expense | 2,796,516,751 | 3,867,198,465 | 38% | |
| | Member death benefits | - | - | | |
| | Data processing expenses | 364,759,667 | 476,360,974 | 31% | |
| | 16. Audit fees | 2,500,000 | 2,300,000 | -8% | |
| | 17. Depreciation | 293,496,191 | 402,992,910 | 37% | |
| | Total operational expenses | 25,962,082,349 | 29,907,036,871 | 15% | |
| | 18. Loan loss provision | 15,000,000,000 | 13,881,531,080 | -7% | 11 |
| | 19. Net Surplus | 14,170,570,665 | 11,198,753,257 | -21% | |
| | 20. Transfer to various fund | 3,188,378,400 | 2,900,000,000 | -9% | |
| | Reserve fund | 1,417,057,067 | 1,119,875,326 | -21% | |
| | Total | 4,605,435,466 | 4,019,875,326 | -13% | |

- 1 Loan recovery was at per budget and plan which was driven by extensive supervision.
- 2 As the economy was healing after the COVID shock, there was a jump in savings collection higher than the pandemic period.
- 3 During the fiscal year, bank loan increased because of the incremental disbursement impact.
- 4 Loan disbursement was at per budget and plan as the normal operation was gradually resuming.
- 5 Savings return was higher than the budget as there was rising trend of early encashment.
- 6 Because of the high response on savings deposit, there was a higher bank loan repayment than the budget.
- 7 Fixed asset addition was at per budget as new furniture were bought for branch offices.
- 8 Total income was at per budget in this fiscal year.
- 9 Total financial expenditure was at per budget in this fiscal year.
- 10 Total operational expenditure is increased than the budgeted amount mainly driven by the additional headcount, promotional and incentive impact.
- 11 This year had a better LLP than the budget because of the improvement in loan quality.

Microfinance programme
Fixed Asset Schedule

| Particulars | Cost | | | | Depreciation | | | Amount in Taka | | | |
|---------------------------|--------------------------------|-----------------------------|-------------------------------|-----------------------------|---------------------------------|--------------------------------|---------------------------|--|---------------------------------|------------------------------------|------------------------------------|
| | Opening balance At 1 July 2021 | Additions during the period | Transferred during the period | Disposals during the period | Closing balance At 30 June 2022 | Opening balance At 1 July 2021 | Charged during the period | Adjustment/disposals during the period | Closing balance At 30 June 2022 | Written down value At 30 June 2022 | Written down value At 30 June 2021 |
| Freehold land | 2,702,159,375 | 884,234 | 917,473 | (2,632,836) | 2,701,328,246 | - | - | - | - | 2,701,328,246 | 2,702,159,375 |
| Buildings | 2,470,035,268 | 380,745,097 | (1,619,944) | (35,459,602) | 2,813,700,819 | 907,616,466 | 82,801,411 | (21,617,982) | 988,799,895 | 1,844,900,924 | 1,562,418,802 |
| Furniture & fixtures | 975,761,982 | 146,480,327 | 9,198,194 | (24,325,682) | 1,107,114,821 | 627,970,831 | 96,435,583 | (26,955,393) | 697,451,021 | 409,663,800 | 347,791,151 |
| Equipment | 243,651,683 | 27,605,673 | 1,159,670 | (10,263,029) | 262,153,997 | 162,251,276 | 45,661,792 | (14,265,469) | 193,647,599 | 68,506,398 | 81,400,407 |
| Computer | 709,725,377 | 466,633,774 | 1,693,919 | (223,642,599) | 954,410,471 | 621,492,663 | 133,245,983 | (183,258,987) | 571,479,659 | 382,930,812 | 88,232,714 |
| Vehicles | 118,559,000 | - | - | - | 118,559,000 | 51,208,593 | 21,357,600 | - | 72,566,193 | 45,992,807 | 67,350,407 |
| Bicycles | 363,977 | - | 10,645 | (188,989) | 185,633 | 363,965 | 26,003 | (204,375) | 185,593 | 40 | 12 |
| Machineries | 152,872,088 | 16,138,413 | 910,331 | (7,100,373) | 162,820,459 | 7,311,564 | 23,464,538 | (9,285,318) | 21,490,784 | 141,329,675 | 145,560,524 |
| Total 30 June 2022 | 7,373,128,750 | 1,038,487,518 | 12,270,288 | (303,613,110) | 8,120,273,446 | 2,378,215,358 | 402,992,910 | (255,587,524) | 2,525,620,744 | 5,594,652,702 | 4,994,913,392 |
| Total 30 June 2021 | 6,733,929,425 | 829,669,887 | - | (190,470,562) | 7,373,128,750 | 2,150,365,187 | 271,755,733 | (43,905,562) | 2,378,215,358 | 4,994,913,392 | - |

Microfinance programme

Formula and assumption

| SL# | Eligible criteria | Formula details |
|-----|---|---|
| 1 | (i) Cumulative loan collection ratio on total dues | $\frac{\text{Actual cumulative collection} = \text{Total cumulative collection up to 30 June 2021} + \text{current year principal realization from microfinance loans} + \text{Loan write off}}{\text{Cumulative collectibles} = \text{Actual cumulative collection} + \text{total dues as on 30 June 2022}}$ |
| | (ii) Loan collection ratio on current dues (on running 12 - months basis) | $\frac{\text{Actual collections during the past 12 months on current dues} = \text{Total microfinance loans principal outstanding realization}}{\text{Collectible on current dues} = \text{Total microfinance loan principal outstanding realization} + \text{total loan dues as on 30 June 2022} + \text{total microfinance loan principal outstanding write-off} + \text{total dues 30 June 2021}}$ |
| 2 | Minimum liquidity ratio | $\frac{\text{Cash and cash equivalents} + \text{investment in securities and others (current)}}{\text{Total members' savings deposits}}$ |
| 3 | Minimum current ratio | $\frac{\text{Current assets}}{\text{Current liabilities}}$ |
| 4 | Minimum capital adequacy ratio | $\frac{\text{Capital fund}}{\text{Total assets} - \text{Cash and cash equivalents}}$ |
| 5 | Minimum debt service cover ratio | $\frac{\text{Net surplus} + \text{depreciation and amortization} + \text{interest on members' savings deposits} + \text{interest on long term loans} + \text{bank overdraft interest and charges}}{\text{Interest on members' savings deposits} + \text{interest on long term loans} + \text{bank overdraft interest and charges}}$ |
| 6 | Debt capital ratio | $\frac{\text{Term loan} + \text{Zero coupon bond} + \text{bank overdraft}}{\text{Capital fund}}$ |
| 7 | Minimum rate of return on capital | $\frac{\text{Net surplus}}{\text{Average Capital Fund} = (\text{Current year capital fund} + \text{prior year capital fund})/2}$ |