



# ANNUAL REPORT 2020

**BRAC LIBERIA  
MICROFINANCE  
COMPANY LIMITED**







*As long as social needs exist, we will keep on working, keep on learning, and keep striving to create an equitable future for all.*

**Sir Fazle Hasan Abed KCMG**  
Founder, BRAC  
1936 – 2019

## TABLE OF CONTENTS

- 02** Letter From the Board Chairperson
- 04** Message From the Chief Executive Officer
- 06** BRAC International Safeguarding Achievements 2020
- 08** BRAC International Microfinance
- 10** BRAC International Holdings B.V. Supervisory Board
- 12** BRAC International Microfinance Management
- 13** BRAC Liberia Microfinance Company Limited Governance And Management
- 14** Our Partners
- 15** Programme Overview
- 18** Social Performance Results
- 19** Branch Locations
- 20** Operational Highlights
- 21** The Star of Voinjama
- 22** BRAC International Programmes
- 24** BRAC Across the world
- 26** Financial Statements





# LETTER FROM THE BOARD CHAIRPERSON

## RESILIENCE IN TIMES OF CRISIS

The year 2020 was an unprecedented time for all of us due to the profound impact caused by the COVID-19 pandemic. As I reflect upon the year, I first and foremost remember the billions of people around the world who have been severely affected by the deadly virus. Millions of lives were lost. Millions more around the world lost their jobs, sometimes their only form of livelihood. And like any catastrophe, natural or human-made, the severity of the pandemic was more acutely felt by people living in poverty and marginalised conditions. It is heartbreaking to see that for the first time in 20 years, global poverty is likely to increase as a result of the COVID-19 pandemic.

Though the pandemic unfolded at different speeds and intensities in the six countries where BRAC International operates its microfinance entities, we have strived to not only look out for our own health and that of our families, collectively as the BRAC family, but also to assure our clients that we remain committed to stand beside them during this difficult time. BRAC's mission to empower people and communities in situations of poverty, illiteracy, disease and social injustice was put to the test once again, and was exhibited through the actions of every member of BRAC's staff.

It is in challenging times like these that we remember the vision of our founder Sir Fazle Hasan Abed. The year 2020 also marked the first death anniversary of Abed bhai, as we lovingly addressed him. Abed bhai was a pioneer of financial services and social enterprises as crucial tools to address poverty and social injustice. His ideology of 'not to lose sight of people who need us the most' is at the heart of BRAC's DNA, and it is the compass that guides us through these times more than ever before.

BRAC International Microfinance's initial response to COVID-19 aimed to enable our clients to withstand the shock of the pandemic, through providing immediate relief by offering



**DR MUHAMMAD MUSA**  
Board Chairperson  
BRAC Liberia Microfinance Company Limited  
  
Executive Director  
BRAC International



*Although the world will remember 2020 as the year of the pandemic, let us also remember it as the year of resilience and empathy. Abed bhai always believed that given the right resources, people living in poverty can change their own destinies. Through the collective effort of our partners, investors, host governments, donors and peers, we can create an equitable world where everyone has the opportunity to realise their potential.*

payment holidays. We rolled-out rescheduling and refinancing mechanisms targeting economic recovery and enhancing the inherent resilience of our clients. After a year of the crisis, we remain steadfast in our focus to bring more people under the umbrella of financial inclusion and improve their financial resilience to combat future shocks.

In partnership with our sister NGO entity in Liberia, BRAC Liberia Microfinance Company Limited (BLMCL) played a vital role in creating awareness amongst our clients and the wider communities about the spread of the virus. We engaged in relief activities for those living in vulnerable conditions. We took special measures to keep our staff safe in the workplace and issued urgent health guidelines following public health directives. We retained all our staff and continued to pay their salaries even as our operations were suspended at various times. We remained on the ground and adapted our strategy as the situation evolved, working in close coordination with the government and local communities.

Despite the required adjustment to our plan for 2020, BLMCL has remained undeterred in its mission to provide financial services to people living in poverty, particularly women and populations living in rural and hard-to-reach areas. In 2020, we completed the second impact survey, a regular exercise to measure our social impact and develop strategies to improve services and reach more people living in poverty. The findings have reinforced the important role that BLMCL plays in fulfilling a critical gap by providing access to finance to underserved communities. Clients reported greater levels of financial resilience and stability, with a remarkable 97% of clients saying that their quality of life has improved after engaging with BRAC, and almost all clients said they could not find a good alternative service.

The results demonstrate that financial services, when delivered in a responsible way, can strengthen the resilience of people living in poverty. That is why microfinance continues to be an important element of BRAC's holistic approach to development ever since we provided our first loan in Bangladesh in 1974. Moving ahead in 2021, BRAC International Microfinance will resume implementation of its Growth for Impact plan, advancing financial inclusion and creating positive impact in the lives of women we serve.

Although the world will remember 2020 as the year of the pandemic, let us also remember it as the year of resilience and empathy. Abed bhai always believed that given the right resources, people living in poverty can change their own destinies. Through the collective effort of our partners, investors, host governments, donors and peers, we can create an equitable world where everyone has the opportunity to realise their potential.

# MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

It was an eventful year for BRAC Liberia Microfinance Company Ltd (BLMCL). A year that was challenging for both the company and our clients due to the impact of the COVID-19 pandemic. As a responsible microfinance institution we felt responsible for staying beside our clients in these difficult times. To ease the economic impact in the lives of our clients we provided moratoriums, loan rescheduling options and refinanced clients to bounce back from the crisis. In addition, we joined forces with BRAC's social development programmes to spread awareness of the virus among the communities. From the very beginning, we ensured that our staff are safe from the virus through establishing health guidelines and providing protective wear to ensure their safety.

BLMCL was launched in 2008 and over the course of a decade, it has expanded its network to 30 branches located in 7 counties, growing to become the largest microfinance institution in the country. As at December 2020, we disbursed USD 15.67 million in loans and served almost 40,000 clients, 97% of whom were women. Our collateral-free, group-based microloans provided exclusively to women, accounted for 93% of overall borrowers.

As part of our commitment to client protection and social performance management, we performed audits and developed action plans to focus on recognised gaps and strengthen our ability to serve our clients responsibly. For the second time, we carried out an impact survey, which will enable us to set targets to attain our social outcomes and reach more clients in line with our mission.

Central to BLMCL's objectives, we have continued our efforts to search for market gaps and broaden our client segment. We partnered with Palladium to conduct an assessment following the Human Centred Design approach for the development of an innovative, client-centric loan product for smallholder farmers. As part of our digitisation initiative, the company received a grant from the Weberg Foundation to fund a feasibility study for the scoping and pilot implementation of the digital field application (DFA).

Our achievements would not have been possible without the tireless efforts of our staff, whose relentless commitment



**KHALED MORSHED**

Chief Executive Officer  
BRAC Liberia Microfinance Company Limited

and dedication towards ensuring the well-being of our clients are a testament of the values of BRAC. We are also grateful for the support of the Liberian government, and to our investors and donors: KIVA, Whole Planet Foundation, FMO, Weberg Foundation and Global Partnerships, for helping us reach people in need, especially women in the most marginalised communities.



**Most of all, we are grateful to our clients, whose incredible spirit and strength continue to inspire, stimulate, and guide our work. Building up on our solid bonds with clients, BLMCL will continue to expand access to responsible, inclusive, and innovative financial solutions and empower people to have better control over their own futures.**



## BRAC INTERNATIONAL

Stichting BRAC International was formed in 2009 as a non-profit foundation in the Netherlands. It governs all entities outside Bangladesh with an objective to engage in charitable and social welfare activities in any country of the world.

## BRAC INTERNATIONAL HOLDINGS B.V.

BRAC International Holdings B.V. (BIHBV) was set up in 2010 as a private limited liability company and is a wholly-owned subsidiary of Stichting BRAC International. BIHBV is a socially responsible for-profit organisation engaging people in sustainable economic and income-generating activities. The core focus of BIHBV is to provide microfinance services to people living in poverty to build financial resilience, contribute to women's economic empowerment and improve the quality of life in the communities it serves.



# BRAC INTERNATIONAL SAFEGUARDING ACHIEVEMENTS 2020

Safeguarding practices were initiated in BRAC from the very inception of the organisation. However, many of the practices were not formalised until 2019 when the organisation produced the overarching safeguarding policy and the five sub-set policies, namely:

- Child and Adolescent Protection policy
- Sexual Harassment Elimination policy
- Prevention of Workplace Bullying and Violence policy
- Adults with Special Needs policy
- Whistleblowing policy.

In 2020, all these policies were adapted in the BRAC International (BI) countries considering the country context and law by review of the Country Management Team and vetting by a legal counsellor. The policies are now implemented in all the BI Country Offices, the Africa Regional Office in Kenya, and the Dhaka Office in Bangladesh. **All staff members have received training and orientation on safeguarding and the five sub-set policies, along with guidelines on the reporting and response mechanism of the organisation.**

All BI offices now have a committee, known as the Human Resource Compliance Committee (HRCC), in place to review and address the complaints received in an appropriate manner. With awareness raising in all countries on safeguarding, whistleblowing and the reporting mechanism, the number of complaints lodged in 2020 spiked to a number of sixty-nine from only five in 2019.

**STAFF TRAINING ON SAFEGUARDING IS AN ONGOING PROCESS. IT IS INCLUDED IN THE INDUCTION OF ANY NEW STAFF JOINING THE ORGANISATION. A NUMBER OF INITIATIVES WERE TAKEN TO MAINSTREAM SAFEGUARDING WITH OTHER KEY SYSTEMS OF THE ORGANISATION**



An online e-course was developed in 2020 when classroom training could not take place due to the COVID-19 pandemic.



A safeguarding checklist was developed for programme design, safeguarding indicators were developed to include in the Audit Charter.



Monitoring Mechanism and risk management framework, and a checklist was developed to assess safeguarding practices in different BI Countries.



Some of the BI countries have started safeguarding awareness building for their programme participants and informed them of the contact details to report any incident violating the safeguarding policy. The safeguarding clause is included in partnership agreements and partners are also oriented on safeguarding and sub-set policies, procedures, and the reporting mechanism.

Towards the end of 2020, BI reviewed the Sexual Harassment Elimination policy to incorporate the key elements of Protection of Sexual Exploitation and Abuse (PSEA). The revised policy was reviewed and vetted by UNICEF. The BI countries have also conducted a mapping exercise to locate service providers to support victims/survivors of safeguarding incidents.

Overall, a good attempt has been made to integrate safeguarding in various systems and processes within the organisation to contribute to building a safeguarding culture. However, a lot remains to be done and much more effort needs to be given in awareness building, incident reporting, case management, risk assessments, and capacity building. There are Safeguarding Focal Points in all the offices of BI who are working relentlessly to advocate and support safeguarding initiatives and ensure the safeguarding standards are met adequately.





In all our endeavours, we adhere to the industry's Universal Standards for Social Performance Management and the Client Protection Principles, **placing clients' well-being at the center of everything we do to achieve our mission.** We are committed to enhance our clients' financial awareness through initiatives such as pre-disbursement orientations and financial literacy training. We regularly measure our social performance and desired client-level outcomes to improve our services and achieve long-term impact.

We are embracing financial technology by digitising field operations and adopting alternative delivery channels to increase operational efficiency and offer greater convenience to our clients. **The client value proposition is at the core of our digital transformation efforts, with a particular emphasis on reducing the gap in women's digital financial inclusion.**

**BRAC believes that sustainable, large-scale change must address and deliver both economic and social progress.** Since we started microfinance activities in Bangladesh in 1974, microfinance has been an integral part of BRAC's holistic approach to development, equipping people with the tools to invest in themselves, their families, and their communities.

# BRAC INTERNATIONAL MICROFINANCE

Following decades of experience and insight in delivering financial services to populations living in poverty in Bangladesh, BRAC first expanded its microfinance operations internationally in 2002 and now operates in six countries in Asia and Africa, serving more than **650,000 clients, 96% of whom are women.**

**Our mission** is to provide a range of financial services responsibly to people at the bottom of the pyramid. We particularly focus on women living in poverty in rural and hard-to-reach areas, to create self employment opportunities, build financial resilience, and harness women's entrepreneurial spirit by empowering them economically.

**We offer inclusive, accessible, and convenient loan and savings products,** tailored to the needs of the local community. Our core credit products include group-based microloans provided exclusively to women, and small enterprise loans for entrepreneurs seeking to grow their businesses. We are also exploring innovative solutions to fulfill the unique financial needs of rural small-holder farmers and the youth population.





# BRAC INTERNATIONAL HOLDINGS B.V.

## SUPERVISORY BOARD



MARILOU VAN GOLSTEIN BROUWERS

Chair

Mari Lou van Golstein Brouwers is a former chair of the Management Board and founder of Triodos Investment Management B.V., a subsidiary of Triodos Bank.

Ms Brouwers is an international entrepreneurial impact investment banker, with more than 30 years of experience in values-driven business and banking, with immense expertise on impact investing.

She started working for Triodos Bank in 1990 and was involved in the founding of Triodos Investment Management, of which she became the managing director in 2003. She was the chair of the Management Board from January 2015 to December 2018.

Ms Brouwers is currently active in a variety of roles. Within Triodos Bank, she is a member of several boards and involved in the start-up of the Triodos Regenerative Money Centre. She is also a member of the Board of Directors of the Global Impact Investing Network and the Special Working Group on impact economy by the Global Steering Group for Impact Investment. She is chair of the Supervisory Board of B Lab Europe and the Supervisory Board of Qredits, The Netherlands, one of the Women Entrepreneurs Finance Initiative Leadership Champions.

Ms Brouwers has served on the board of directors of banks in Uganda, Kenya, Tanzania, Russia, Afghanistan and Pakistan. She was a member of the Group of Advisors for the United Nations Year of Microcredit in 2004 and 2005, of the Executive Committee of CCAP (2003-2008), the Board of Trustees of Women's World Banking (2003-2012), the Advisory Committee of the Mastercard Foundation Fund for Rural Prosperity (2014-2017) and the Advisory Council on International Affairs Committee for Development Cooperation in The Netherlands. She was chair of SBI Limited (2011-2013), the Steering Committee of the Principles for Responsible Investment / Principles for Investors in Inclusive Finance (2011-2013) and the Advisory Board of Women in Financial Services in The Netherlands (2011-2016). She was also treasurer of the Max Havelaar Foundation (2008-2015).

Ms Brouwers studied business and economics at Erasmus University in Rotterdam.



DR MUHAMMAD MUSA

Director

Dr Muhammad Musa is the Executive Director of BRAC International. He comes with an extensive background in leading humanitarian, social development, and public health organisations at national, international, and cross-cultural settings.

Previously, Dr Musa served as the Executive Director of BRAC Bangladesh, where he successfully upheld BRAC's mission to eliminate poverty and inequality. Under his leadership, BRAC launched the Humanitarian Crisis Management Programme in Cox's Bazaar, Bangladesh, in August 2017, which has given BRAC a strong foundation to stand beside people in crisis anywhere in the world.

Prior to joining BRAC, Dr Musa worked with CARE International for 32 years. Twenty of those years were spent working in Ethiopia, Uganda, South Sudan, Tanzania, Thailand, India, and Bangladesh. He also worked as the Asia Regional Director for CARE International for five years. Dr Musa has been successful in bringing convergence of philanthropic approaches and entrepreneurial methodologies to create sustainable development programming that achieves impact on poverty at large scale.

Dr Musa has a proven track record in strategic leadership, governing board management, and successfully chairing a financial institution and an information technology company in Bangladesh for four years. His expertise lies in external relationship management, brand-building, communications, and fundraising for development projects.

Being adept at people management and conflict resolution, Dr Musa has established a reputation for leading complex organisational change processes in multicultural settings. He is known for his unique ability to attract and develop young professionals for humanitarian and social development leadership roles. He is also an internationally recognised senior management trainer.

Dr Musa holds a Master's degree in Public Health from the Johns Hopkins University, USA, and a post-graduate diploma in Maternal and Child Nutrition from the Netherlands. He completed his Bachelor of Medicine and Bachelor of Surgery (MBBS) at Chittagong Medical College, Bangladesh.



PARVEEN MAHMUD FCA

Director

Parveen Mahmud, in her varied professional career has worked with social innovations, entrepreneurship, and sustainable development. Ms Mahmud started her career with BRAC, and has worked with international NGOs and development agencies. She was the deputy managing director of PKSf, Bangladesh's apex funding organisation for Microfinance Institutes. She is the founding managing director of Grameen Telecom Trust.

She was a partner in ACNABIN & Co, Chartered Accountants. She is the first female president of the Institute of Chartered Accountants of Bangladesh (ICAB), as well as the first female board member of the South Asian Federation of Accountants (SAFA), the apex accounting professional body of SAARC. She is the chairperson of CA Female Forum - Women in Leadership Committee, ICAB and is the vice chairperson of the Women in Leadership Committee of SAFA.

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

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

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



GREGORY CHEN

Director

Gregory Chen has worked on financial inclusion for 25 years, with most of his work spanning across South Asia. His work focuses on hands-on advisory and implementation with microfinance institutions and, for the past decade, with newer players in digital finance. This has included work with digital players like bKash, Wave Money and also development organisations including the Aga Khan Development Network, BRAC, and Dvara. His work has included deep technical engagements with more than a dozen financial sector regulators. He has also worked as a corporate banker at Bank of America and with the financial services consulting firm Enclude.

Mr Chen is a member of CGAP's management team and oversees CGAP's policy Engagement. He focuses on helping policy makers adapt to the rapid change in the world of financial services brought on by technology, and particularly to ensure that financial systems can responsibly reach the disadvantaged.

Mr Chen is a regular speaker on microfinance and digital finance at the Boulder Institute for Microfinance, BRAC University, Johns Hopkins, Tufts University, Yale University, and American University, among others. He has a master's degree in international development from Harvard Kennedy School and a bachelor's degree from Wesleyan University.



# BRAC INTERNATIONAL MICROFINANCE MANAGEMENT



SHAMERAN ABED

Managing Director  
BRAC International Holdings B.V.  
Senior Director  
Microfinance & Ultra Poor Graduation  
BRAC and BRAC International

Shameran Abed is Senior Director of BRAC’s Microfinance and Ultra-Poor Graduation programmes. BRAC’s microfinance programme serves more than 8 million clients in seven countries in Asia and Africa, with total assets exceeding USD 3.5 billion. BRAC’s ground-breaking Ultra-Poor Graduation program has helped more than 2 million households pull themselves out of the direst forms of poverty and social deprivation, inspiring BRAC’s Ultra-Poor Graduation Initiative to scale the Graduation approach and help 21 million more people lift themselves from extreme poverty. Abed chairs the board of bKash, BRAC Bank’s mobile financial services subsidiary and one of the world’s largest mobile money providers, and serves on the boards of several institutions including BRAC Bank, BRAC Uganda Bank, and the Global Alliance for Banking on Values (GABV). He is also the chairman of the Microfinance Network and is a member of the Partnership for Responsible Financial Inclusion (PRFI) and the World Economic Forum Financial Inclusion Steering Committee. Abed is a lawyer by training, having been called to the Bar by the Honourable Society of Lincoln’s Inn in the UK.



HANS ESKES

Director  
BRAC International Holdings B.V.

Hans Eskes is a retired audit partner from one of the largest international active audit firms. Presently he holds roles as advisor and as board member in various international companies.

He worked in The Netherlands, Spain and China for clients located throughout Europe, Americas, Africa, and Asia.

During this career his client portfolio became a reflection of most industries and activities that form an important part of society. Within his portfolio he was not only responsible for companies listed on the stock exchanges in London, Frankfurt and Amsterdam, but also for clients active in the financial sector, education, medical institutions and cultural foundations.

Eskes holds a master degree of the Dutch Institute of Chartered Auditors, trainings in the different accounting frameworks and the INSEAD leadership development programs.



BRIDGET DOUGHERTY

Director  
Operations  
BRAC International Holdings B.V.

Bridget Dougherty is the Director of Operations, BRAC International Holdings B.V. Dougherty is responsible for strengthening and supporting the maturing of their Financial Institutions in line with their Growth for Impact strategy, including digital transformation and impact measurement. Dougherty has fifteen years of experience in consulting, project management, process improvement, and systems implementation, working the last ten years in private sector development and financial inclusion.

Prior to joining BRAC, Dougherty was the Project Manager for the Partnership for Responsible Financial Inclusion at the Center for Financial Inclusion at Accion, and has held several other positions including Program Manager for Truelift, and as Executive Operations Manager at an NGO in Vietnam that worked to promote economic development in sectors that had strong market inclusion for the poor and positive global growth prospects. Dougherty began her career at Accenture, where she project managed and deployed large-scale system implementations for Fortune 100 and 500 corporations. She holds a BA in Economics and Spanish from the University of Illinois at Urbana-Champaign.



SYED ABDUL MUNTAKIM

Ag. Director  
BRAC International Holdings B.V.  
Director  
Finance, BRAC International

Mr Muntakim is a Chartered Management Accountant with over 18 years of experience in the FMCG commercial and corporate financial management.

Prior to joining BRAC, he was a Commercial Finance Controller in the Global Operations function of British American Tobacco (BAT) plc. His previous roles include Senior Commercial Audit Manager, Regional Finance Manager, Europe Region and Management Accountant in BAT London, UK. He also worked as the Corporate Analysis Manager and Leaf Finance Manager for BAT in Bangladesh.

Mr Muntakim is a member (ACMA) of the Chartered Institute of Management Accountants (CIMA), UK and Chartered Global Management Accountant (CGMA) of the Association of International Certified Public Accountants, a joint accounting association of AICPA, USA, and CIMA in the UK.

# BRAC LIBERIA MICROFINANCE COMPANY LIMITED GOVERNANCE AND MANAGEMENT

## BOARD OF DIRECTORS

Dr. Muhammad Musa	Chairperson
Shameran Abed	Director
Johannes Maria Antonius Eskes	Director
Syed Abdul Muntakim	Director
Ruth Adhiambo Okowa	Director
Khaled Morshed	Chief Executive Officer & Ex-officio

## COUNTRY MANAGEMENT TEAM

Khaled Morshed	Chief Executive Officer
Rezaul Karim	Programme Manager
Joseph Garmehea	Head of Internal Audit
Evelyn Fuller-Jepekei	Head of Finance
Emmanuel G. Williams	Manager, Business Development
Cynthia C. Oyarbo	Manager, Social Performance Management
Rafiqul Islam	Manager, Finance and Accounts



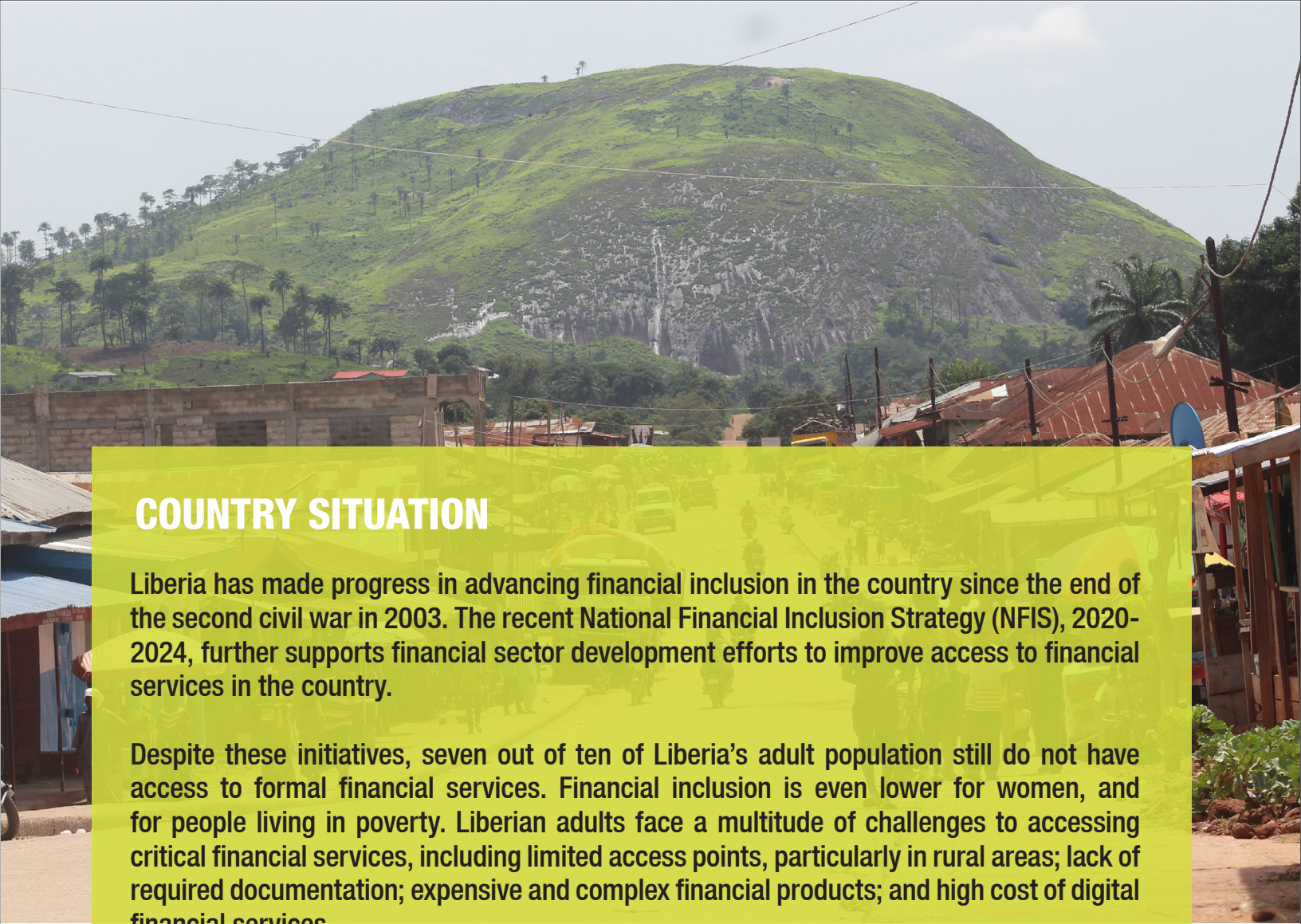
OUR PARTNERS



PROGRAMME OVERVIEW







## COUNTRY SITUATION

Liberia has made progress in advancing financial inclusion in the country since the end of the second civil war in 2003. The recent National Financial Inclusion Strategy (NFIS), 2020-2024, further supports financial sector development efforts to improve access to financial services in the country.

Despite these initiatives, seven out of ten of Liberia’s adult population still do not have access to formal financial services. Financial inclusion is even lower for women, and for people living in poverty. Liberian adults face a multitude of challenges to accessing critical financial services, including limited access points, particularly in rural areas; lack of required documentation; expensive and complex financial products; and high cost of digital financial services.

## OUR APPROACH

BRAC Liberia Microfinance Company Limited (BLMCL) was launched in 2008, and has grown to become the largest microfinance institution in the country. Our mission is to provide a range of financial services responsibly to people at the bottom of the pyramid. We particularly focus on women living in poverty in rural and hard-to-reach areas to create self-employment opportunities, build financial resilience, and promote women’s entrepreneurial spirit by empowering them economically.

Our core products include a group-based microloan provided exclusively to women, and small enterprise loans for entrepreneurs seeking to expand their businesses. We also provide loans for jobholders with low to moderate income who are often unserved by mainstream banks.

In all our endeavours, we adhere to the Universal Standards for Social Performance Management and the Client Protection Principles, placing clients’ well-being at the center of everything we do to achieve our mission.

## SNAPSHOT RESPONSE TO COVID-19

The COVID-19 pandemic has had a profound impact in the lives of our clients. BLMCL took a three-stage approach to respond to the crisis.

**In the relief phase,** we collaborated with BRAC’s social development programmes to raise public awareness on COVID-19. We conducted rapid assessments to understand the impact of the pandemic in clients’ livelihoods and to plan our activities to support them better. We distributed 1,726 hand washing buckets with chlorine and detergent powder to all microfinance groups, provided food packages to visually impaired people in Montserrado County, and ensured that all staff and branches had essential protective equipment such as reusable masks, hand sanitisers, thermal guns, face shields, hand-washing facilities, and gloves. We offered payment holidays to clients, suspended operations temporarily, and continued to pay staff salaries with the goal of being ready once in-country operations recommence.

**In the recovery phase,** the focus was on restoring people’s livelihoods and economic situation that existed immediately prior to the onset of the crisis. We provided loan rescheduling options and refinanced existing clients totalling USD 78,083 as at December 2020.

**In the rebuild phase,** the focus is on improving people’s economic and social situations at an individual and community level by deepening financial inclusion through branch expansions and developing new products so that they are in a stronger position going forward.

## MOVING FORWARD

Alongside its mission and five-year strategic plan, BLMCL will continue to strengthen ongoing initiatives relating to responsible inclusive finance, innovative, client-centric product development, digitisation of field operations, and expansion into new, underserved counties.

In 2021, we plan to pilot a new credit product for smallholder farmers in selected branches. Driven by the government’s prioritisation of the south-east counties in the allocation of development resources, BLMCL also plans to further expand into these regions next year. As part of our digitisation initiative, we will roll out the use of a Digital Field Application to all branches by the end of 2021.





# SOCIAL PERFORMANCE RESULTS

We started to measure our social performance and desired client-level outcomes from 2019 using Lean Data<sup>SM</sup> methodology on five social outcome focus areas of BRAC International Microfinance: quality of life, financial resilience, women’s economic empowerment, self-employment and livelihood opportunities, and household welfare. This regular annual exercise complements our Social Performance Management and Client Protection initiatives, and enables us to set targets and define strategies to reach more people living in poverty to achieve long-term impact at scale.

The second impact survey was completed in 2020 using Lean Data<sup>SM</sup> methodology in partnership with 60 Decibels. All respondents were women.

## HIGHLIGHTS

FROM BLMCL'S 2020 IMPACT SURVEY

**97%** of clients said their quality of life had improved after engaging with BRAC

**98%** of clients earned more after engaging with BRAC

**99%** of clients could not find a good alternative to BRAC

**97%** of clients saved more after engaging with BRAC

**94%** of clients planned their finances better after engaging with BRAC

**88%** of clients reported improved quality of meals after engaging with BRAC



# BRANCH LOCATIONS







## OPERATIONAL HIGHLIGHTS

**97%** of clients are women

**39,594** borrowers

**30** branches

**32%** outreach to people living in rural areas

USD **15.67 million** disbursed in loans in 2020

**51%** outreach to people living in poverty

\*As at December 2020



## THE STAR OF VOINJAMA

Everyone in Doe Hill Community of Voinjama City knows Pallah Masaquoi. She is the owner of the Lone Star Guest House and a successful entrepreneur. Her story of struggle and progress serves as an inspiration to many.

Pallah used to sell dry goods on a table on the streets of Doe Hill Community. She lived in a small rented house with her husband and five children. The income of the family was insufficient to live a comfortable life.

“It was impossible for me to bear the cost of my family”, recalled Pallah. “I worked very hard to improve the situation but failed because I didn’t have enough money at that time”

Pallah took her first loan of LRD 15,000 (USD 167) from BRAC in 2011 and invested the money into her dry goods business. “I was apprehensive at first but decided to take the risk since there was no one else to lend me money at that time”, said Pallah. Her business grew gradually and her profits rose. Over the years, Pallah took more loans and expanded her business. She formed a habit of saving that allowed her to make bigger investments.

“I established the Lone Star Guest House in 2018”, said Pallah. “Now I am earning from the guest house and also wholesale dry goods and rice sacks. I bought land and two houses in Doe Hill Community. I live in one house and have rented the other” said Pallah happily.

Pallah lost her husband three years ago. Her three boys are chauffeurs and one daughter is engaged in the cosmetic business. Her youngest daughter is studying in high school. Pallah’s advice to any entrepreneur is not to give up on their dreams. “Difficult situations in life will test you but if you work hard you will be successful”, said Pallah.



*Difficult situations in life will test you but if you work hard you will be successful*



# BRAC INTERNATIONAL PROGRAMMES



Our **Education programme** focuses on raising awareness on gender and child rights and developing a child-friendly learning atmosphere. Our programme complements the mainstream schooling system by supporting government primary and secondary schools to improve quality and strengthen capacity. We also provide training with support from local vocational and technical institutes.



Our **Early Childhood Development programme** is an investment towards breaking intergenerational cycles of poverty and facilitating economic growth. We provide early learning opportunities through our Play Labs to 3 to 6 year olds, with a low cost and play-based early learning model. Our Play Labs are safe play spaces, providing cost effective local learning materials to children in marginalised communities.



The **Agriculture, Food Security and Livelihood programme** focuses on four strategic directions - a) Strengthen pro-poor market systems, b) Make agriculture systems more resilient to climate change, c) Improve food and nutrition security, and d) Empower women and youth across the value chain.



Through our **Health programme** we partner with respective governments to reduce child mortality, improve maternal and child health, and combat diseases. We work at the community and facility level to strengthen the capacity of female community health volunteers, health workers, and doctors so that they can provide educational, preventive, and curative health services.



Through our **Youth Empowerment programme** we provide life-saving and life-transforming services to adolescent girls to prevent unintended pregnancies, improve their awareness on harmful practices, and empower them financially. We create safe spaces by establishing clubhouses for girls aged 10-21, especially those who are vulnerable, dropped out of school, and at the risk of early marriage and pregnancy.



The **Ultra-Poor Graduation** approach is a comprehensive, time-bound, integrated and sequenced set of interventions that aim to enable extreme and ultra-poor households to achieve key milestones towards sustainable livelihoods and socio-economic resilience, in order to progress along a pathway out of extreme poverty.



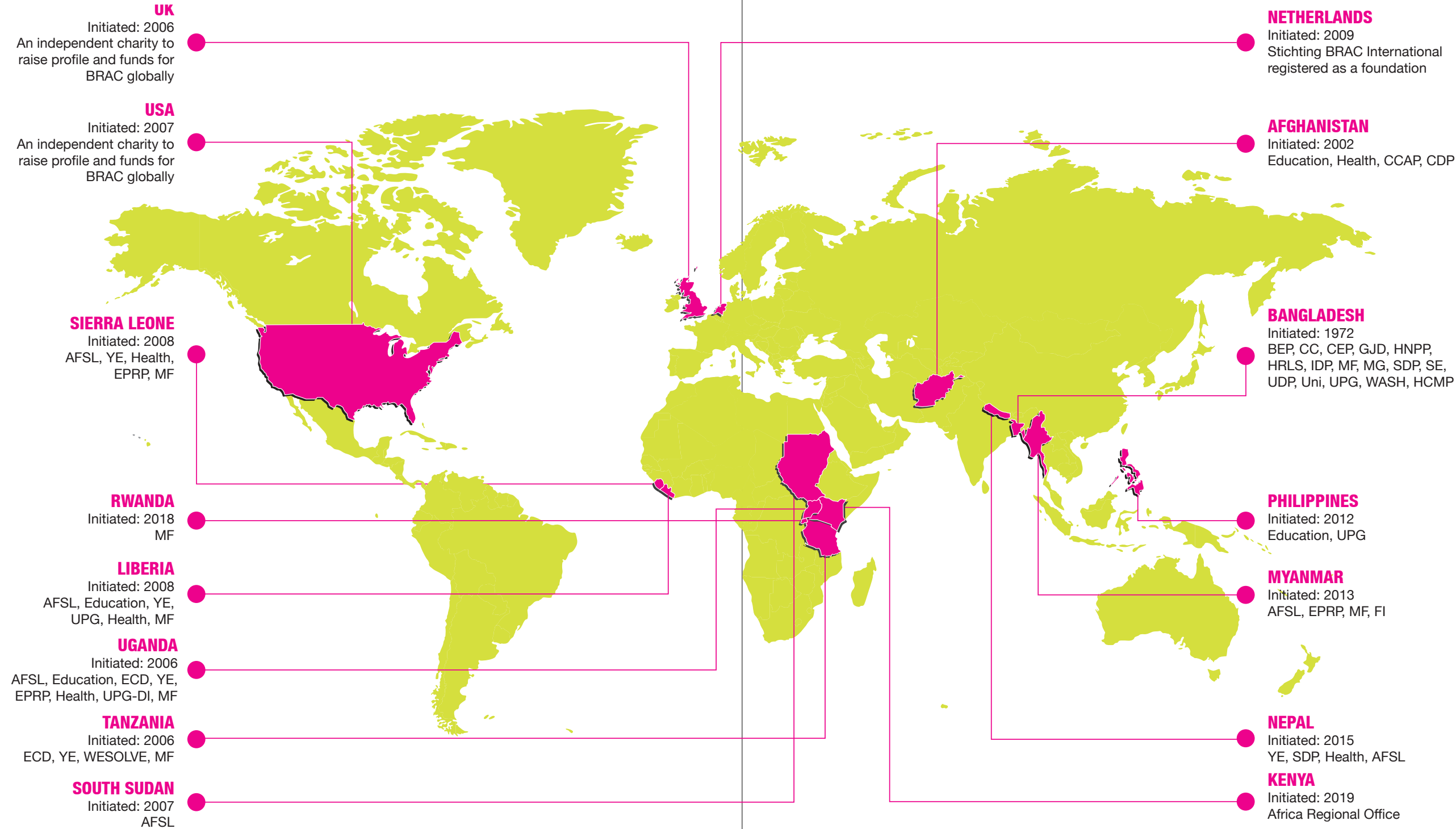
Through our **Emergency Preparedness and Response programme** we build local emergency preparedness and response capacities in communities, schools, and local governments. Using a participatory and inclusive approach, our interventions in urban, rural, and refugee settings prioritise the equitable participation of all groups, particularly women and youth, to ensure that they are able to mitigate risks, save lives, protect livelihoods, and build back better from disasters and crises.



Through our **Microfinance Programme**, we provide a range of financial services responsibly to people at the bottom of the pyramid. We particularly focus on women living in poverty in rural and hard to reach areas, to create self-employment opportunities, build financial resilience, and harness women's entrepreneurial spirit by empowering them economically.



# BRAC ACROSS THE WORLD



- AFSL:** Agriculture, Food Security and Livelihood

**BEP:** BRAC Education Programme

**CC:** Climate Change

**CCAP:** Citizens' Charters Afghanistan Project

**CEP:** Community Empowerment Programme

**CDP:** Community Development Programme
- ECD:** Early Childhood Development

**EPRP:** Emergency Preparedness and Response Programme

**FI:** Financial Inclusion

**GJD:** Gender Justice and Diversity

**HNPP:** Health, Nutrition and Population Programme

**HRLS:** Human Resources and Legal Aid Services

**HCMP:** Humanitarian Crisis Management Programme
- IDP:** Integrated Development Programme

**MG:** Migration

**MF:** Microfinance

**SE:** Social Enterprises

**SDP:** Skills Development Programme

**UDP:** Urban Development Programme
- Uni:** University

**WASH:** Water, Sanitation and Hygiene

**UPG:** Ultra Poor Graduation

**UPG-DI:** Ultra Poor Graduation-Disability Inclusive

**WE SOLVE:** Women Entrepreneurship through Solar Value chain for Economic Development

**YE:** Youth Empowerment



# FINANCIAL STATEMENTS

## OPERATIONAL AND FINANCIAL HIGHLIGHTS OF BRAC LIBERIA MICROFINANCE COMPANY LIMITED

### NET INCOME

BRAC Liberia Microfinance Company Limited maintained its profit trend in 2020 despite the impact of COVID-19 pandemic and posted profit before tax of USD 269,807 (2019: USD 1,212,809). Interest income has decreased by 1% due to the impact of Covid 19 from USD 2.98 Million in 2019 to USD 2.95 million in 2020.

### OPERATING EXPENSES

Total operating expenses for the year was USD 2,873,353 as compared to USD 1,896,841 in 2019 showing an increase of 51%.

### PROVISIONS FOR IMPAIRMENT LOSSES

This year amount charged for impairment on loans was USD 62,365 as against USD 55,357 in 2019, showing an increase of 13% . Portfolio at Risk (PAR>30) is 2.90% (2019: 1.06%) attributing to increased impairment charge in 2020. Total reserve for impairment was USD 94,178 in 2020 compared to USD 66,471 in 2019, representing 1.21% of Gross portfolio.

### FINANCIAL POSITION

In 2020, BRAC Liberia Microfinance company Limited's total assets increased by 21.80% to USD 9,485,204 from USD 7,787,267 in 2019. The increase is mainly due to growth of loan portfolio which has been increased by 23% to USD 7,818,349 from USD 6,357,954 in 2019.

### VALUE ADDED STATEMENTS

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

### VALUE ADDED STATEMENTS

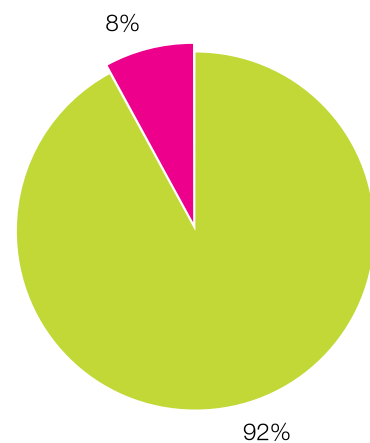
Figures in (USD)	2020		2019	
	Amount	%	Amount	%
Service Charges on Loans	2,950,748	149%	2,980,317	125%
Fees and Commission Income	254,777	13%	184,691	8%
Other Operating Expense	(1,160,078)	-58%	(734,564)	-31%
Loan Provision(doubtful losses)	(62,365)	-3%	(55,357)	-2%
Total	1,983,082	100%	2,375,087	100%



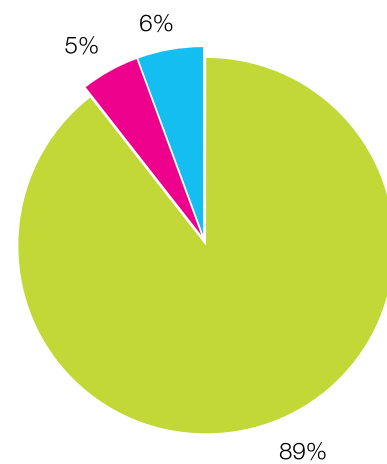
## VALUE DISTRIBUTED STATEMENTS

Value Distributed (USD)	2020		2019	
	Amount	%	Amount	%
<b>Employees</b>				
Salary and Allowances	1,612,117	81%	1,089,774	46%
<b>Local Authorities</b>				
Income Tax	89,251	5%	237,765	10%
Depriciation	101,158	5%	72,503	3%
<b>Growth</b>				
Retained Income	180,556	9%	975,045	41%
<b>Total</b>	<b>1,983,082</b>	<b>100%</b>	<b>2,375,087</b>	<b>100%</b>

Value added 2020



Value distributed 2020



■ Service Charges on loans ■ Fees and commission income ■ Salary and allowances ■ Income Taxes ■ Depreciation

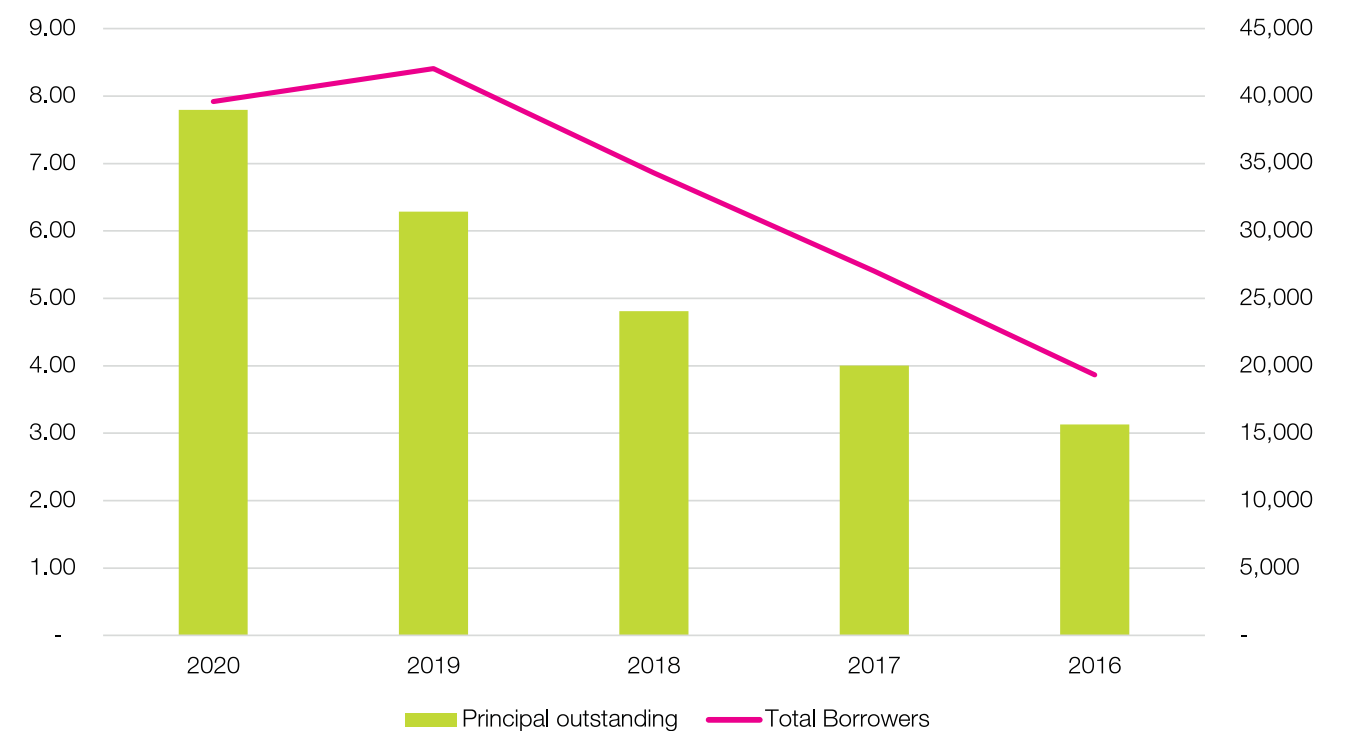
## CONTRIBUTION TO GOVERNMENT EXCHEQUER

	2020	2019
	USD	USD
Income tax	89,251	237,765
Withholding Tax	191,613	120,917
Social Security and Pension	102,000	80,343
<b>Total</b>	<b>382,864</b>	<b>439,025</b>

## FIVE YEAR PERFORMANCE REVIEW

	2020	2019	2018	2017	2016
	USD	USD	USD	USD	USD
<b>Income Statement</b>					
Operating Income	3,205,525	3,165,008	2,438,865	2,061,384	1,597,120
Net Profit/(loss) before Tax	269,807	1,212,809	965,624	603,780	261,393
Total Expenditure	2,935,718	1,952,199	1,473,241	1,457,604	1,335,727
<b>Financial Position</b>					
Total Assets	9,485,205	7,787,268	6,109,012	5,324,238	4,109,955
Net Equity	4,898,258	3,929,975	3,516,075	3,118,531	2,537,013
Principal Outstanding	7,795,442	6,287,044	4,811,271	4,001,242	3,127,965
Yearly Loan Disbursement	15,184,467	15,372,168	11,485,812	8,913,669	6,642,010
Cash at Bank	1,336,387	1,124,184	979,340	1,047,593	718,975
<b>Returns and Ratio</b>					
Return on Asset	3%	16%	16%	11%	6%
Cost to Income	92%	62%	60%	71%	84%
<b>Operational Statistics</b>					
Total Borrowers	39,594	42,047	34,297	27,010	19,333
PAR>30	2.90%	1.06%	0.64%	0.81%	2.67%

## FIVE YEARS PORTFOLIO IN USD' MILLION AND NUMBER OF BORROWER





# BRAC LIBERIA MICROFINANCE COMPANY LIMITED

## INDEPENDENT AUDITORS’ REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

### BRAC LIBERIA MICROFINANCE COMPANY LIMITED

INDEPENDENT AUDITORS’ REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020

---

Corporate Information

Board Of Directors:	Dr Muhammad Musa	-	Chair
	Mr. Johannes Maria Antonius Eskes	-	Director
	Mr. Shameran Abed	-	Director
	Mr. Syed Abdul Muntakim	-	Director
	Ms. Ruth Adhiambo Okowa	-	Director
Chief Executive Officer:	Mr. Md. Khaled Morshed		
Registered Office:	Divine Town, Old Road, Monrovia		
Bankers:	Eco Bank Liberia Limited Randall and Ashman Street, Monrovia		
	International Bank (Liberia) Limited Broad Street, Monrovia		
	The Liberian Bank for Development and Investment 9th Street, Sinkor, Monrovia		
	Guaranty Trust Bank 13th Street, Sinkor, Monrovia		
	Access Bank Liberia Limited 20thStreet, Sinkor, Monrovia		
	United Bank of Africa Broad & Nelson St., Monrovia		
Auditors:	Baker Tilly Liberia (Certified Public Accountants) 21st Street & Gibson Avenue Fiamah, Sinkor Monrovia		
Legal Counsel:	Henries Law Firm 31 Benson Street Monrovia, Liberia		



Report of the Board of Directors

The Board of Directors presents their report and audited financial statements for the year ended December 31, 2020

The Board of Directors' Responsibility Statement

The Company's Board of Directors is responsible for the preparation and fair presentation of the financial statement, comprising the statement of financial position as at December 31, 2020, the statement of profit and loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements. The notes to the financial statements include a summary of significant accounting policies and other explanatory notes, and the report of the Board of Directors in accordance with International Financial Reporting Standards (IFRS), the Disclosure Guidelines for Financial Reporting by Microfinance Institution which guidelines are voluntary norms recommended by a consultative group in international donors including the Consultative Group to Assist the Poor (CGAP) and the members of the Small Enterprise Education and Promotion Network (SEP), the Prudential Regulations for Micro-finance Institutions issued by the Central Bank of Liberia and in the manner required by the provisions of the Articles of Incorporation.

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

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

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

Principal Activities

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

Results

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

Approval of the financial statements

The Board approved the financial statements of Directors on 31st March 2021

Report of the Board of Directors (continued)

Going concern

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

The Board members

The following members served during the year:

Dr. Muhammad Musa  
Mr. Johannes Maria Antonius Eskes  
Mr. Shameran Abed  
Mr. Syed Abdul Muntakim  
Ms. Ruth Adhiambo Okowa

Chief Executive Officer

Mr. Md. Khaled Morshed appointed as Chief Executive Officer on 7th September 2020.

Auditors

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

Duly signed for and on behalf of the Board of Directors.

  
\_\_\_\_\_  
Chief Executive Officer  
Md Khaled Morshed  
BRAC Liberia Microfinance Company Limited

  
\_\_\_\_\_  
Board Chair  
Dr. Muhammad Musa  
Executive Director  
Stitching BRAC International

  
\_\_\_\_\_  
Board Member  
Syed Abdul Muntakim ACMA CGMA  
Director Finance  
Stitching BRAC International





21st Street & Gibson Avenue  
Fiamah, Sinkor  
P.O. Box 10-0011  
1000 Monrovia 10, Liberia

T: +231 (0) 886 514 965  
F: + 1 905 469 0986

info@bakertillyliberia.com  
www.bakertillyliberia.com

## Independent Auditor's Report

To: The members of BRAC Liberia Microfinance Company Limited

### Opinion

We have audited the financial statements of BRAC Liberia Microfinance Company Limited ("BRAC" or "the Company"), which comprise the statement of financial position as at December 31, 2020, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of BRAC Liberia Microfinance Company Limited as at December 31, 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, ("IFRS") the Disclosure Guidelines for financial reporting by Microfinance Institutions, which guidelines are voluntary norms recommended by a consultative group of international donors including the Consultative Group to Assist the Poor(CGAP) and the member of the Small Enterprise Education and Promotion Network (SEP), the Prudential Regulations for Microfinance issued by the Central Bank of Liberia ("CBL"), and in the manner required by the Association's Law Title 5 of the Liberian Code of Laws Revised.

### Basis for opinion

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

### Responsibilities of Management for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standard (IFRSs) the Disclosure Guidelines for financial reporting by Microfinance Institutions which guidelines are voluntary norms recommended by a consultative group of international donors including the Consultative Group to Assist the Poor (CGAP) and the member of the Small Enterprise Education and Promotion Network (SEP), the Prudential Regulations for Microfinance issued by the Central Bank of Liberia and in the manner required by the Association's Law Title 5 of the Liberian Code of Laws Revised



and for such controls as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Company audit. We remain solely responsible for our audit opinion.

ASSURANCE • TAX • ADVISORY

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



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

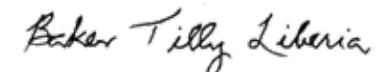
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

#### Report on other legal and regulatory requirement

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

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

  
**(Certified Public Accountants)**  
**March 19, 2021**  
Monrovia

## BRAC LIBERIA MICROFINANCE COMPANY LIMITED


### INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

#### Statement of financial position

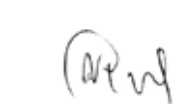
As of December 31


	Notes	2020 LRD	2019 LRD	2020 USD	2019 USD
<b>Assets</b>					
<b>Non-current assets</b>					
Property and equipment	18	28,868,691	22,156,205	179,286	118,857
Leased asset	17(a)	10,304,329	11,434,001	63,994	61,338
Intangibles	16	1,440,041	3,600,103	8,943	19,313
<b>Current assets</b>					
Cash and bank	12	215,185,016	209,559,207	1,336,387	1,124,184
Loans and advances to customers	13	1,258,910,612	1,185,186,186	7,818,349	6,357,954
Other assets	14	9,776,261	17,418,211	60,715	93,440
Deferred tax assets	11(b)	2,822,730	2,270,753	17,530	12,181
<b>Total Assets</b>		<b>1,527,307,680</b>	<b>1,451,624,666</b>	<b>9,485,204</b>	<b>7,787,267</b>
<b>Liabilities and capital fund</b>					
<b>Liabilities</b>					
Loan security funds	19	301,486,914	250,060,389	1,872,357	1,341,454
Related party balances payable	20	94,794,697	123,850,372	588,714	664,398
Borrowings	21	286,081,301	304,225,574	1,776,682	1,632,024
Deferred tax Liabilities		4,137,087	-	25,693	-
Taxes payable	11(c)	985,120	3,009,433	6,118	16,144
Leased liabilities	17(b)	4,328,790	6,868,784	26,884	36,848
Other liabilities	22	40,034,346	31,023,483	248,628	166,426
Donor Funds	23.01	6,741,907	-	41,870	-
<b>Total Liabilities</b>		<b>738,590,162</b>	<b>719,038,035</b>	<b>4,586,946</b>	<b>3,857,294</b>
<b>Capital fund</b>					
Share capital	24	339,339,071	339,339,071	4,076,145	4,076,145
Share premium	25	120,755,662	59,529,493	889,529	500,000
Donated equity	26.01	-	155,670,132	-	990,394
Retained earnings	26.02	363,765,988	235,096,375	2,042,599	1,261,179
Translation difference		(35,143,203)	(57,048,441)	(2,110,015)	(2,897,743)
<b>Total capital fund</b>		<b>788,717,518</b>	<b>732,586,630</b>	<b>4,898,258</b>	<b>3,929,975</b>
<b>Total liabilities and capital fund</b>		<b>1,527,307,680</b>	<b>1,451,624,666</b>	<b>9,485,204</b>	<b>7,787,267</b>

The Board of Directors approved the financial statements on pages 37 – 41 on 31st March 2021.

  
Md. Rafikul Islam  
Acting Head of Finance  
BRAC Liberia Microfinance Company Ltd

  
Dr. Muhammad Musa  
Executive Director  
Stichting BRAC International

  
Md. Khaled Morshed  
Chief Executive Officer  
BRAC Liberia Microfinance Company Ltd

  
Syed Abdul Muntakim  
Director Finance  
Stichting BRAC International

The notes on pages 42 to 65 are an integral part of these financial statements



Statement of profit and loss and other comprehensive income

For the year ended December 31, 2020

Income	Notes	2020 LRD	2019 LRD	2020 USD	2019 USD
Service charge on loans	5	559,336,325	556,693,149	2,950,748	2,980,317
Membership fees and other charges	6	38,466,244	34,319,640	202,927	183,734
Grant Income	7a	6,944,793	-	36,637	-
Other income	7b	2,883,938	178,791	15,214	958
		48,294,975	34,498,431	254,778	184,691
Total operating income		607,631,300	591,191,580	3,205,526	3,165,008
Expenditures:					
Impairment losses on loan and advances to customers	8	(11,821,764)	(10,340,162)	(62,365)	(55,357)
Operating income after impairment charges		595,809,536	580,851,418	3,143,161	3,109,651
Staff costs	9	(305,588,933)	(203,558,840)	(1,612,117)	(1,089,774)
Other operating expenses	10	(219,901,495)	(137,209,189)	(1,160,078)	(734,565)
Depreciation	15, 16 & 18	(19,175,245)	(13,526,606)	(101,158)	(72,503)
Total operating expenses		(544,665,673)	(354,294,635)	(2,873,353)	(1,896,841)
Profit before tax		51,143,863	226,556,784	269,807	1,212,809
Income tax expense	12(a)	(16,918,213)	(44,412,105)	(89,251)	(237,765)
Net Profit for the year		34,225,650	182,144,679	180,556	975,044
Other comprehensive income					
Unrealized exchange (loss)/gains		21,905,237	(2,093,668)	115,560	(11,209)
Total comprehensive income		56,130,887	180,051,011	296,115	963,835

The notes on pages 42 to 65 are an integral part of these financial statements

BRAC LIBERIA MICROFINANCE COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

Statement of changes in equity

For the year ended December 31, 2020

	Share Capital LRD	Share Premium LRD	Donor Funds LRD	Retained Earnings LRD	Donated Equity LRD	Translation Reserve LRD	Total Capital Fund LRD	Total Capital Fund USD
At January 1, 2019	339,339,071	59,529,493	-	53,072,724	155,670,132	(54,954,772)	552,656,648	3,516,075
Recognition of additional impairment Adjustment due to IFRS 16 adoption for the first time	-	-	-	(121,029)	-	-	(121,029)	(648)
Profit for the year	-	-	-	182,144,679	-	-	182,144,679	975,131
Transferred to	-	-	-	-	-	-	-	-
Donated equity	-	-	-	-	-	-	-	-
Translation difference	-	-	-	-	-	(2,093,669)	(2,093,668)	(560,583)
As of 31 December 2019	339,339,071	59,529,493	-	235,096,374	155,670,132	(57,048,441)	732,586,630	3,929,975
At 1 January 2020	339,339,071	59,529,493	-	235,096,374	155,670,132	(57,048,441)	732,586,630	3,929,975
Profit for the year	-	-	-	34,225,650	-	-	34,225,650	180,556
Transferred to	-	-	-	-	-	-	-	-
Donated equity	-	-	-	94,443,963	(94,443,963)	-	-	-
Transferred to	-	-	-	-	(61,226,169)	-	-	-
Share premium	-	61,226,169	-	-	-	-	-	-
Translation difference	-	-	-	-	-	21,905,237	21,905,237	787,728
	339,339,071	120,755,662	-	363,765,987	-	(35,143,204)	788,717,517	4,898,259

The notes on pages 42 to 65 are an integral part of these financial statements



**BRAC LIBERIA MICROFINANCE COMPANY LIMITED**  
INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020

**Statement of cash flows**

*For the year ended December 31, 2020*

Cash flows from operating activities	2020 LRD	2019 LRD	2020 USD	2019 USD
Total comprehensive income	56,130,887	180,051,011	296,115	963,835
Depreciation	19,175,245	13,526,606	101,158	72,503
Loan loss provision	11,821,764	10,340,162	62,365	55,357
<b>Cash flows before changes in working capital</b>	<b>87,127,896</b>	<b>203,917,778</b>	<b>459,638</b>	<b>1,091,696</b>
Increase/(decrease) in provision for taxation	13,474,834	39,435,012	71,086	211,120
<b>Changes in working capital</b>				
(Increase)/decrease in receivables and other current assets	7,641,950	(6,276,408)	40,315	(33,601)
(Increase)/decrease in deferred tax asset	(551,977)	-	(2,912)	-
(Increase)/decrease in interest receivables	6,755,888	(19,179,383)	35,640	(102,679)
Increase in current liabilities	6,220,954	5,288,765	32,818	28,314
Increase/(decrease) in related party balances payables	(22,128,679)	30,164,242	(116,739)	161,488
Advance taxes paid	(15,499,146)	(10,147,549)	(81,765)	(54,326)
<b>Net cash flow from operations</b>	<b>83,041,720</b>	<b>243,202,458</b>	<b>438,082</b>	<b>1,302,011</b>
Loan disbursements	(2,878,329,649)	(2,871,366,000)	(15,184,467)	(15,372,168)
Loan collections	2,786,790,165	2,450,170,460	14,701,556	13,117,252
Interest receivable written-off	(762,594)	(369,417)	(4,023)	(1,978)
<b>Net cash flow used in operating activities</b>	<b>(9,260,358)</b>	<b>(178,362,499)</b>	<b>(48,853)</b>	<b>(954,883)</b>

*The notes on pages 42 to 65 are an integral part of these financial statements*

**BRAC LIBERIA MICROFINANCE COMPANY LIMITED**  
INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020

**Statement of cash flows *(continued)***

Cash flows from operating activities	2020 LRD	2019 LRD	2020 USD	2019 USD
Acquisition/(disposal) of fixed assets	(15,548,018)	(19,474,479)	(82,023)	(104,259)
Acquisition/(disposal) of Leased Assets	(7,049,980)	(19,433,190)	(37,192)	(104,038)
(Acquisition)/disposal of intangible assets	-	-	-	-
<b>Net cash flow used in investing activities</b>	<b>(22,597,998)</b>	<b>(38,907,669)</b>	<b>(119,215)</b>	<b>(208,297)</b>
<b>Cash flow from financing Activities</b>				
Term loans increase/(decrease)	(18,144,273)	178,978,285	(95,719)	958,180
Loan security fund increase/(decrease)	51,426,525	87,170,671	271,298	466,678
Lease Liabilities increase/(decrease)	(2,539,994)	6,868,784	(15,774)	36,773
Retained earnings adjustment due to Adoption of IFRS 16	-	(121,029)	-	(648)
Donor fund decrease/(increase)	6,741,907	-	41,870	-
Donated equity decrease/(increase)	(61,226,169)	-	(380,240)	-
Share Capital increase/( decrease)	61,226,169	-	389,529	-
<b>Net cash flow from financing activities</b>	<b>37,484,165</b>	<b>272,896,711</b>	<b>210,964</b>	<b>1,460,983</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>5,625,809</b>	<b>55,626,542</b>	<b>42,897</b>	<b>297,803</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>209,559,207</b>	<b>153,932,665</b>	<b>1,124,184</b>	<b>979,340</b>
Convenience translation reserve	-	-	169,306	(152,958)
<b>Cash and cash equivalents at the end of the year</b>	<b>12</b>	<b>209,559,207</b>	<b>1,336,387</b>	<b>1,124,185</b>

*The notes on pages 42 to 65 are an integral part of these financial statements*



Notes to the financial statement

1. Reporting company

BRAC Liberia Microfinance Company Limited was established in February of 2020. It is a microfinance institution incorporated and domiciled in Liberia. Its main objective is to contribute to the economic rebuilding of Liberia by providing financial services to low-income entrepreneurs, mostly women while serving as a means to improve the agriculture sector through micro businesses. The Company began operations with five (5) branches in Monrovia - Sinkor, Paynesville, Barnesville, Caldwell, and New Kru Town - in April 2009. Currently, it has twenty-eight branches in six counties in Liberia.

2. Basis of preparation

(a) Basis of presentation of the financial statement

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

(b) Basis of measurement

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

(c) Functional and reporting currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (United States dollars). Major activities are measured in Liberian dollars and translated to United States dollars. The exchange rates used in the financial statements are as follows: 2020 (1USD: 161.02 LRD – closing & 189.56 LRD - Avgas) and 2019 (1USD: 186.41 LRD)

(d) Use of estimates and judgments

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

Notes to the financial statements (continued)

Basis of preparation (continued)

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

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

Notes 3(d) Depreciation

Notes 3(h) Provisions and other liabilities

3. Significant accounting policies

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

(a) Foreign currency transactions

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

(b) Revenue recognition

Service charge on loan

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

IFRS 15 Revenue from Contracts with Customers

IFRS 15, revenue from contracts with customers, which replaced IAS 18, revenue, and IAS 11, construction contracts, has been applied effectively from January 1, 2019 It applies to all contracts with customers except leases, financial instruments, and insurance contracts. The standard establishes a more systematic approach for revenue measurement and recognition by introducing a five-step model governing revenue recognition. The five-step model requires the Company to (i) identify the contract with the customer, (ii) identify each of the performance obligations included in the contract, (iii) determine the amount of consideration in the contract, (iv) allocate the consideration to each of the identified performance obligations and (v) recognize revenue as each performance obligation is satisfied.

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



Notes to the financial statements (continued)

Significant accounting policies (continued)

(c) Provisions and other liabilities

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

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

(d) Loan administration fees

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

(e) Fixed assets (operating assets)

Recognition and measurement

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

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

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

Subsequent costs

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

Depreciation

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

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

- |                                  |          |
|----------------------------------|----------|
| • Vehicles including motorcycles | 5 years  |
| • Furniture                      | 10 years |
| • Equipment                      | 5 years  |
| • Computers                      | 3 years  |



Notes to the financial statements (continued)

Significant accounting policies (continued)

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

Disposals

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

(f) Intangible (operating assets)

Accounting software

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

The expected useful life of this Software is four years.

(g) IFRS 9 Financial Instruments

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

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

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

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

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

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

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

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

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

Notes to the financial statements (continued)

Significant accounting policies (continued)

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

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

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

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

(ii) Impairment of financial assets

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

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

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

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

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

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



Notes to the financial statements (continued)

Significant accounting policies (continued)

When determining whether the credit risk of financial assets has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

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

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

Measurement of ECLs

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

Credit-impaired financial assets

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

Presentation of impairment

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

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

Notes to the financial statements (continued)

Significant accounting policies (continued)

(h) Changes in significant accounting policies

1. IFRS 16 – Leases

(a) Accounting policies adopted

IFRS 16 replaces existing guidance on accounting for leases, including IAS 17, Leases, IFRIC 4, Determining whether an Arrangement contains a Lease, SIC-15, Operating Leases – Incentive, and SIC-27, Evaluating the Substance of Transactions involving the Legal Form of a Lease. IFRS 16 introduces an on-statement of financial position lease accounting model for long term operating leases (short-term leases continue to be treated as off-statement of financial position operating leases). A lessee recognizes a right-of-use asset representing its right to use the underlying assets and a corresponding lease liability representing its obligations to make leases payments. Lessor accounting remains similar to the current standard, i.e., lessors continue to classify leases as either finance or operating leases.

The Company has adopted IFRS 16 from January 1, 2019 and has not restated comparative figures for the 2018 reporting period, as permitted under the specific transitional provisions in the Standard.

On adoption of IFRS 16, the Company has recognized liabilities in respect of leases that had previously been classified as operating leases under IAS 17. These liabilities were measured as the present value of the remaining leases payments, discounted using the Company's incremental borrowing rate of 6% as of January 1, 2019. The associated right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of prepaid lease payments recognized in the statement of financial position immediately before the date of initial application.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. The right-of-use assets are depreciated on a straight-line basis over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-used assets are reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

(b) Impact of adoption

The change in accounting policy affected the following items in the statement of financial position as of January 1, 2019:

Right-of-Use (ROU) assets recognized as operating fixed assets-increased by LRD 10,304,329 (US\$63,994)

Lease liabilities recognized increased by LRD4,328,790 (US\$26,884)

Payments associated with short-term leases are recognized on a straight-line basis as an expense in profit and loss account.



Notes to the financial statements (continued)

Significant accounting policies (continued)

(i) Other Liabilities

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

(j) Employee benefits

Pension obligations

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

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

End of service benefit

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

Medical benefit

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

(k) Inventory

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

(l) Finance income and expenses

Finance income comprises interest received on deposits.

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

(m) Administrative expenses

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

Notes to the financial statements (continued)

Significant accounting policies (continued)

(n) Borrowings

Borrowings are recognized initially at fair value, being the proceeds net of transaction costs incurred. If the amount borrowed is denominated in Liberian dollars, which is the Company's functional and reporting currency, it is maintained at the initial amount recorded, less any repayments made as at the reporting date. If the amount is denominated in a currency other than the reporting currency of the Company, it is revaluated and adjusted though the income statement at each reporting date.

Borrowings are classified as current liabilities unless when the Company has an unconditional right to defer settlement of the liability for at least twelve months after the statement of financial position date.

4. Financial risk factors

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

(a) Credit risk

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

(b) Liquidity risk

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

(c) Currency risk

BRAC's foreign exchange risks comprise transaction risks that arise from loans received and invoiced in currencies other than the local currency. BRAC also maintains and minimal foreign currency deposits and its cash at bank is placed with licensed financial institutions.

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



Notes to the financial statements (continued)

	2020 LRD	2019 LRD	2020 USD	2019 USD
<b>5. Service charge on loans</b>				
Group Loans (Microfinance)	434,088,648	396,090,424	2,290,010	2,120,513
Small Enterprise Program	116,452,245	156,822,814	614,337	839,568
Job Holders' Loan	8,795,432	3,779,911	46,401	20,236
	<u>559,336,325</u>	<u>556,693,149</u>	<u>2,950,748</u>	<u>2,980,317</u>
<b>6. Membership fees and other charges</b>				
Membership fees	9,065,200	5,106,280	47,823	27,337
Loan appraisal fees	28,718,244	28,713,660	151,501	153,722
Loan application fees	682,800	499,700	3,603	2,675
	<u>38,466,244</u>	<u>34,319,640</u>	<u>202,927</u>	<u>183,734</u>
<b>7. Other income</b>				
Other Income	2,863,250	158,322	15,105	848
Grant income	6,944,793	-	36,637	-
Gain due to early repayment	20,688	20,469	109	110
	<u>9,828,731</u>	<u>178,791</u>	<u>51,851</u>	<u>958</u>

Notes to the financial statements (continued)

	2020 LRD	2019 LRD	2020 USD	2019 USD
<b>8. Impairment losses on loans and advances</b>				
General provision	11,821,764	10,340,162	62,365	55,357
	<u>11,821,764</u>	<u>10,340,162</u>	<u>62,365</u>	<u>55,357</u>
<b>9. Staff costs</b>				
Salary & benefits	263,475,180	175,719,266	1,389,949	940,732
Bonus	15,392,768	11,453,031	81,204	61,315
NASSCORP	19,334,843	15,007,298	102,000	80,343
Staff medical and insurance	7,386,142	1,379,245	38,964	7,384
	<u>305,588,933</u>	<u>203,558,840</u>	<u>1,612,117</u>	<u>1,089,774</u>
<b>10. Other operating costs</b>				
Occupancy expenses (Note - 10.01)	33,329,081	21,923,151	175,826	117,368
Staff training and development	982,887	3,606,271	5,185	19,307
Travel and transportation	55,964,343	50,946,264	295,237	272,746
Maintenance & general expenses	11,681,493	8,264,029	61,625	44,242
ERP maintenance cost	12,427,825	9,662,435	65,562	51,729
Printing and office stationeries	6,217,174	4,819,493	32,798	25,802
Legal & other professional fees	17,314,349	6,702,307	91,340	35,882
Registration & License cost	6,608,219	-	34,861	-
Audit fees	1,446,725	1,578,767	7,632	8,452
Insurance claim	2,007,000	1,051,000	10,588	5,627
Internet expenses	12,004,581	2,969,294	63,329	15,896
Finance cost on lease Liabilities	305,494	434,063	1,612	2,324
Bank charge	4,639,166	5,798,640	24,474	31,044
Interest on bank loan	8,765,921	4,273,449	46,244	22,878
Fuel and Vehicle	3,048,217	3,388,720	16,082	18,142
Ho Logistic and Mgt expenses	43,159,020	11,791,306	227,683	63,126
	<u>219,901,495</u>	<u>137,209,189</u>	<u>1,160,078</u>	<u>734,565</u>



Notes to the financial statements (continued)

	2020 LRD	2019 LRD	2020 USD	2019 USD
<b>10.1 Occupancy cost</b>				
Rent	14,689,121	9,425,676	77,492	50,461
Utilities	18,639,960	12,497,475	98,334	66,907
	<u>33,329,081</u>	<u>21,923,151</u>	<u>175,826</u>	<u>117,368</u>
<b>11. Taxation</b>				
<b>a) Income tax expenses</b>				
Corporation tax – Charged/ (Reversed)during the year	13,333,103	44,412,105	70,338	237,765
Deferred tax expense	4,137,087	-	21,825	-
Deferred tax income	(551,977)	-	(2,912)	-
	<u>16,918,213</u>	<u>44,412,105</u>	<u>89,251</u>	<u>237,765</u>
<b>b) Deferred Tax Expense/Asset</b>				
The Company is subject to income taxes in its jurisdiction. The Company recognizes liabilities for anticipated tax issues based on an estimate of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the year in which such determinations are made.				
Deferred tax asset	2,822,730	2,270,753	17,530	12,181
Deferred tax Liabilities	(4,137,087)	-	(25,693)	-
	<u>(1,314,357)</u>	<u>2,270,753</u>	<u>(8,163)</u>	<u>12,181</u>
<b>c) Advance Tax</b>				
Balance b/f	(3,009,433)	26,278,030	(16,144)	140,969
Adjustment for opening balance	(17,873)	-	(111)	-
Tax payable for the period	(13,315,230)	(44,412,105)	(70,244)	(237,765)
Paid during the year	15,499,147	10,147,549	81,765	54,437
Translation difference	(141,731)	4,977,093	(1,384)	26,326
	<u>(985,120)</u>	<u>(3,009,433)</u>	<u>(6,118)</u>	<u>(16,033)</u>
<b>Tax Payable</b>	<u>(985,120)</u>	<u>(3,009,433)</u>	<u>(6,118)</u>	<u>(16,033)</u>

Notes to the financial statements (continued)

	2020 LRD	2019 LRD	2020 USD	2019 USD
<b>12. Cash and bank</b>				
Cash in hand	23,228,697	17,359,827	144,260	93,127
Cash at banks:				
Access Bank	43,039,591	29,819,058	267,293	159,965
Afriland First bank Ltd	7,020,000	-	43,597	-
Eco Bank	4,808,680	37,681,378	29,864	202,142
Guaranty Trust Bank	2,997,781	4,955,269	18,617	26,583
International Bank	891,498	962,002	5,537	5,161
Liberia Bank for Development & Investment	8,511,927	1,505,402	52,863	8,076
Community Bank	19,294,550	4,819,497	119,827	25,854
GN Bank	8,723,009	7,423,728	54,173	39,825
UBA Bank	95,622,639	13,132,916	593,856	70,452
Lonestar Mobile Money	1,046,644	-	6,500	-
UBA Bank (short term deposit)	-	91,900,130	-	493,000
	<u>191,956,319</u>	<u>192,199,380</u>	<u>1,192,127</u>	<u>1,031,058</u>
	<u>215,185,016</u>	<u>209,559,207</u>	<u>1,336,387</u>	<u>1,124,185</u>
<b>13. Loan and advances to customers</b>				
Group loan (Microfinance)	970,772,373	775,378,734	6,028,894	4,159,534
Small enterprises program (SEP)	271,483,267	382,814,569	1,686,022	2,053,616
Job holders' loans	21,251,805	19,237,815	131,982	103,202
Loan written off	(8,285,382)	(5,463,157)	(51,456)	(29,307)
Interest receivable	19,615,697	25,978,408	121,821	139,362
Interest receivable written-off	(762,594)	(369,417)	(4,736)	(1,982)
Impairment loss on loans advances	(15,164,554)	(12,390,766)	(94,178)	(66,471)
	<u>1,258,910,612</u>	<u>1,185,186,186</u>	<u>7,818,349</u>	<u>6,357,954</u>

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

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

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



**BRAC LIBERIA MICROFINANCE COMPANY LIMITED**  
INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020

Notes to the financial statements (continued)

13.1 The movement on loan account is analyzed as shown below:

At 1 January	1,171,967,961	756,235,578	6,287,044	4,811,271
Loan disbursed	2,878,329,649	2,871,366,000	15,184,467	15,372,168
Less: Loan repayment	(2,786,790,165)	(2,450,170,460)	(14,701,556)	(13,117,252)
Translation difference	-	-	1,076,942	(749,835)
	<u>1,263,507,445</u>	<u>1,177,431,118</u>	<u>7,846,897</u>	<u>6,316,352</u>
Less: Loans written-off	(8,285,382)	(5,463,157)	(51,456)	(29,307)
<b>Gross advances to customer</b>	<b>1,255,222,063</b>	<b>1,171,967,961</b>	<b>7,795,441</b>	<b>6,287,045</b>
Interest receivable	19,615,697	25,978,408	121,821	139,362
Interest receivable written off	(762,594)	(369,417)	(4,736)	(1,982)
Impairment loss on loans advanced (13.2)	(15,164,554)	(12,390,766)	(94,178)	(66,471)
	<u>1,258,910,612</u>	<u>1,185,186,186</u>	<u>7,818,348</u>	<u>6,357,954</u>

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

At 1 January	12,390,766	7,883,178	66,471	50,154
Changes in opening balance due to IFRS 9 adoption	-	-	-	-
(Adjustment)/charge for the year	11,821,764	10,340,162	62,365	55,357
Loans written off	(8,285,382)	(5,463,157)	(51,456)	(29,307)
Interest receivable written off	(762,594)	(369,417)	(4,736)	(1,982)
Translation difference	-	-	21,534	(7,752)
<b>At December 31</b>	<b>15,164,554</b>	<b>12,390,766</b>	<b>94,178</b>	<b>66,470</b>

Credit risk analysis:

	<u>2020</u>	<u>2019</u>
	<u>LRD</u>	<u>LRD</u>
Portfolio at risk (PAR) 30 days		
Total loans in arrear of 30 days	36,407,571	12,445,230
Total loans outstanding	1,255,222,063	1,171,967,961
Portfolio at risk (PAR) 30 days	2.90%	1.06%

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

**BRAC LIBERIA MICROFINANCE COMPANY LIMITED**  
INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020

Notes to the financial statements (Continued)

	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	<u>LRD</u>	<u>LRD</u>	<u>USD</u>	<u>USD</u>
<b>14. Other assets</b>				
Advance to 3 <sup>rd</sup> party	209,318	-	1,301	-
Inventory – passbook	3,200,400	2,291,600	19,876	12,293
Prepaid rent	4,372,230	7,938,932	27,153	42,589
Receivable from other country BRAC MF-SL	1,994,313	7,187,679	12,385	38,558
	<u>9,776,261</u>	<u>17,418,211</u>	<u>60,715</u>	<u>93,440</u>
<b>15. Intangible assets:</b>				
Opening Balance	3,600,103	5,760,164	19,313	36,647
ERP cost during the year	-	-	-	-
Amortised for the year	(2,160,062)	(2,160,062)	(11,395)	(11,564)
Translation difference	-	-	1,025	(5,770)
	<u>1,440,041</u>	<u>3,600,102</u>	<u>8,943</u>	<u>19,313</u>
<b>16. Lease asset (right of use):</b>				
Opening Balance	11,434,001	-	61,338	-
Addition of Leased asset	7,049,980	19,433,190	37,192	104,250
Depreciation (Lease asset)	(8,179,652)	(7,999,190)	(43,151)	(42,912)
Translation difference	-	-	8,616	-
	<u>10,304,329</u>	<u>11,434,000</u>	<u>63,994</u>	<u>61,338</u>
<b>17. Lease liabilities</b>				
Lease Liabilities = <1 Year	2,150,799	5,303,643	13,358	28,451
Lease Liabilities = >1 Year	2,177,991	1,565,141	13,526	8,396
	<u>4,328,790</u>	<u>6,868,784</u>	<u>26,884</u>	<u>36,847</u>

Notes to the financial statements (continued)

18. Property, plant, and equipment

	Furniture LRD	Equipment LRD	Motor vehicles LRD	Total LRD	Total USD
<b>Costs</b>					
At January 1, 2019	3,820,341	10,074,941	5,341,650	19,236,932	122,388
Additions	1,998,504	6,662,005	10,813,970	19,474,479	104,259
Translation difference	-	-	-	-	(18,979)
At December 31, 2019	5,818,845	16,736,946	16,155,620	38,711,411	207,668
Additions	2,979,592	12,568,426	-	15,548,018	82,023
Translation difference	-	-	-	-	47,282
At December 31, 2020	8,798,437	29,305,372	16,155,620	54,259,429	336,973
<b>Accumulated depreciation</b>					
At January 1, 2019	3,087,277	6,835,789	3,264,785	13,187,851	83,904
Charge for the year	381,216	1,860,478	1,125,661	3,367,355	18,027
Translation difference	-	-	-	-	(13,120)
At December 31, 2019	3,468,493	8,696,267	4,390,446	16,555,206	88,811
Charge for the year	523,473	5,337,990	2,974,069	8,835,532	46,611
Translation difference	-	-	-	-	22,265
At December 31, 2020	3,991,966	14,034,257	7,364,515	25,390,738	157,687
<b>Netbook value:</b>					
At December 31, 2019	2,350,352	8,040,679	11,765,174	22,156,205	118,857
At December 31, 2020	4,806,471	15,271,115	8,791,105	28,868,691	179,286

Notes to the financial statements (continued)

19. Loan security fund

	2020 LRD	2019 LRD	2020 USD	2019 USD
Opening balance	250,060,389	162,889,718	1,341,454	1,081,773
Received during the year	97,866,453	118,233,758	516,289	632,977
Paid off/adjustments	(46,439,928)	(31,063,087)	(288,411)	(166,300)
Translation difference	-	-	303,025	(206,997)
<b>Closing balance</b>	<b>301,486,914</b>	<b>250,060,389</b>	<b>1,872,357</b>	<b>1,341,454</b>

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

20. Related party payables

	2020 LRD	2019 LRD	2020 USD	2019 USD
Payable to BRAC Bangladesh				
BRAC International Holding B.V	57,378,672	68,011,560	356,345	364,849
Payable to BRAC Liberia	31,706,395	30,427,139	196,910	163,227
	5,709,630	18,484,677	35,459	99,161
	<b>94,794,697</b>	<b>116,923,376</b>	<b>588,714</b>	<b>627,238</b>

The Institution has related party relationship with Stitching BRAC International & BRAC Bangladesh, which provides management and administrative services to BRAC Liberia Microfinance Company.



Notes to the financial statements (continued)

21. Borrowings

	2020 LRD	2019 LRD	2020 USD	2019 USD
KIVA (21.01)	57,970,802	77,613,190	360,022	416,357
Central Bank of Liberia (21.02)	63,939,128	63,939,132	397,088	343,003
Whole Planet Foundation (21.04)	83,499,009	46,310,214	518,563	248,432
Loan from Global Partnership (21.03)	80,672,362	93,392,963	501,008	501,008
Loan from UBA overdraft	-	22,970,075	-	123,223
	<u>286,081,301</u>	<u>304,225,574</u>	<u>1,776,681</u>	<u>1,632,023</u>
<b>21.01 Loan from kiva @ 0%</b>				
Opening balance	77,613,189	47,609,775	416,357	302,900
Received during the year	24,658,109	22,381,635	126,165	121,721
Paid during the year	(36,126,211)	(1,617,208)	(182,500)	(8,263)
Exchange loss/(gain)	(8,174,285)	9,238,987	-	-
	<u>57,970,802</u>	<u>77,613,189</u>	<u>360,022</u>	<u>416,358</u>

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

21.02 Loan from Central Bank of Liberia @ 2%

Opening balance	63,939,132	63,939,136	343,003	406,789
Received during the year	-	-	-	-
Interest payable	1,274,532	1,278,306	7,915	6,857
Paid during the year	(1,274,536)	(1,278,310)	(7,915)	(6,858)
Exchange (gain)	-	-	54,085	(63,787)
	<u>63,939,128</u>	<u>63,939,132</u>	<u>397,088</u>	<u>343,001</u>

The Company received US\$ 325,000 on October 19, 2017, and US\$ 228,712 on May 31, 2018, at 2% interest rate which is to be paid on quarterly basis. The Principal for each loan is to be repaid to the Central Bank of Liberia as installment basis on October 2023 and December 2024 in equivalent local currency as per amendment agreement.

21.03 Global partnership @ 6.6%

Opening balance	93,392,964	-	501,008	-
Received during the year	-	102,770,000	-	500,000
Interest payable	6,412,665	2,220,158	33,550	11,458
Paid during the year	(6,255,893)	(2,032,194)	(33,550)	(10,450)
Exchange (gain)	(12,877,373)	(9,565,000)	-	-
	<u>80,672,363</u>	<u>93,392,964</u>	<u>501,008</u>	<u>501,008</u>

Notes to the financial statements (continued)

The company received US\$ 500,000 from Global Partnership on September 03, 2019 at 6.6% interest rate with quarterly interest repayments. The principal is repayable as USD 125,000 on June 20, 2021 and USD 125,000 on December 20, 2021.

21. 04 Whole planet foundation @ 0%

	2020 LRD	2019 LRD	2020 USD	2019 USD
Opening balance	46,310,214	13,698,378	248,432	87,151
Received during the year	37,188,795	32,611,836	230,958	174,947
Interest payable	-	-	-	-
Paid during the year	-	-	-	-
Exchange (gain)	-	-	39,173	(13,666)
	<u>83,499,009</u>	<u>46,310,214</u>	<u>518,563</u>	<u>248,432</u>

The Company received loan amounts for LRD 13,698,378 on 27 June, 2018 and LRD 32,611,836 on 9 April 2019 and in the current year of January 23 LRD 37,188,795 from Whole Planet Foundation at 0% interest rate. The loans are repayable on 31 July 2021 and 30 April 2022 respectively.

Notes to the financial statements (continued)

	2020 LRD	2019 LRD	2020 USD	2019 USD
<b>21.04 Loan Classification</b>				
Loans repayable in one year	53,953,378	100,583,265	335,073	539,581
Loan repayable in more than one year	232,127,923	203,642,309	1,441,609	1,092,443
<b>Total</b>	<b>286,081,301</b>	<b>304,225,574</b>	<b>1,776,682</b>	<b>1,632,024</b>
	<b>2020 LRD</b>	<b>2019 LRD</b>	<b>2020 USD</b>	<b>2019 USD</b>
<b>22. Other liabilities</b>				
Provision for audit fees	1,369,475	1,398,075	8,504	7,500
Self-insurance fund	265,277	1,116,455	1,646	5,989
Bonus provision	192,580	-	1,196	-
NASSCORP provision	3,314,702	5,554,148	20,586	29,795
Gratuities payable	28,299,773	14,428,869	175,753	77,404
Tax withholdings	5,094,928	3,862,683	31,642	20,721
Salary provisions	949,714	205,797	5,899	1,104
Other provisions	(2,324,440)	4,457,457	(14,436)	23,912
Payable to BRAC IT Services LTD.	2,872,339	14,428,869	17,838	77,404
	<b>40,034,348</b>	<b>45,452,353</b>	<b>248,628</b>	<b>243,829</b>

Notes to the financial statements (continued)

<b>23.1 Donor funds received in advance</b>				
	2020 LRD	2019 LRD	2020 USD	2019 USD
Opening balance	-	-	-	-
Donation received during the year (Note 23.1.1)	13,686,700	-	85,000	-
Transferred to deferred income-investment in fixed asset(Rockefeller)	-	-	-	-
Transferred to Donor Funds investment in loans to group members (ELA)	-	-	-	-
Transferred to Donor Funds investment in loans to group members (Rockefeller)	-	-	-	-
Foreign exchange adjustment	(6,944,793)	-	(36,637)	-
Transferred to statement of income and expenses	-	-	-	-
	<b>6,741,907</b>	<b>-</b>	<b>48,363</b>	<b>-</b>



Notes to the financial statements (continued)

	2020 LRD	2019 LRD	2020 USD	2019 USD
<b>23.1.1 Donations received during the year</b>				
BRAC USA (Weberg Foundation)	13,686,700	-	85,000	-
	-	-	-	-
	<u>13,686,700</u>	<u>-</u>	<u>85,000</u>	<u>-</u>
<b>24. Share capital</b>				
<b>Name</b>	<b>% of holding</b>			
BRAC International Holdings BV	100%	339,339,071	339,339,071	4,076,145
		<u>339,339,071</u>	<u>339,339,071</u>	<u>4,076,145</u>
<b>25. Share premium</b>				
BRAC International Holdings BV		59,529,493	59,529,493	500,000
Received from donated equity		61,226,169	-	389,529
		<u>120,755,662</u>	<u>59,529,493</u>	<u>889,529</u>
<b>26.1 Donated equity</b>				
Opening balance		155,670,132	155,670,132	990,394
Transfer to share premium		(61,226,169)	-	(389,529)
Transfer to retained Earning		(94,443,963)	-	(600,865)
		<u>-</u>	<u>155,670,132</u>	<u>-</u>
<b>26.2. Retained Earning</b>				
Opening balance		235,096,375	53,072,724	1,261,179
Adjustment due to IFRS 16 adoption for the first time		-	(121,029)	-
Profit for the year		34,225,650	182,144,679	180,556
Received from donated equity		94,443,963	-	600,865
		<u>363,765,988</u>	<u>235,096,374</u>	<u>2,042,600</u>

Notes to the financial statements (continued)

27.01 Contingent liabilities

There were no contingent liabilities at year-end (2020: Nil).

27.02. Capital expenditure commitments

There were no material capital expenditure commitments either authorized or contracted as on December 31, 2020 (2019: Nil).

28. Subsequent events

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

**EDITOR**

Tahjib Shamsuddin Kolpo

**CONTRIBUTORS**

Rens van Wijk  
Khaled Morshed  
Nur Alam Siddiki

**GRAPHIC DESIGN**

Sinthia Ahmed  
Shahneela Jabeen

**PHOTO CREDIT**

BRAC Liberia

**BRAC LIBERIA**

Divine Town, Old Road  
Opposite Jubilee Church  
P.O Box No. 1940, 1000 Monrovia, 10 Liberia  
M: +231 886 589 539  
E : bracliberia@brac.net

**BRAC INTERNATIONAL HOLDINGS B.V.**

Spaarneplein 2  
2515 VK The Hague  
The Netherlands  
E: info@bracinternational.nl  
W: www.bracinternational.org

Disclaimer: Some names and identifying details in the case stories may have been changed to protect the privacy of the individuals.