



ANNUAL REPORT 2013



BRAC

ANNUAL REPORT
2013

VISION

A WORLD FREE FROM ALL
FORMS OF **EXPLOITATION**
AND **DISCRIMINATION**
WHERE EVERYONE HAS THE
OPPORTUNITY TO **REALISE**
THEIR POTENTIAL

MISSION

OUR MISSION IS TO
EMPOWER PEOPLE AND COMMUNITIES
IN SITUATIONS OF POVERTY, ILLITERACY,
DISEASE AND SOCIAL INJUSTICE.
OUR INTERVENTIONS AIM TO **ACHIEVE**
LARGE SCALE, POSITIVE CHANGES
THROUGH ECONOMIC AND
SOCIAL PROGRAMMES THAT ENABLE
WOMEN AND MEN TO **REALISE**
THEIR POTENTIAL

VALUES

INTEGRITY
INNOVATION
INCLUSIVENESS
EFFECTIVENESS

CONTENTS

- 01** Our Vision, Mission and Values
- 03** Chairperson's Statement
- 04** Headlines from the Year
- 06** From the Desk of Executive Director
- 07** Selected Research Snapshots 2013
- 08** ECONOMIC DEVELOPMENT AND SOCIAL PROTECTION
 - 10** Agriculture and Food Security
 - 12** Integrated Development
 - 14** Microfinance
 - 18** Enterprises and Investments
 - 22** Targeting the Ultra Poor
- 24** WELL BEING AND RESILIENCE
 - 26** Disaster, Environment and Climate Change
 - 28** Health, Nutrition and Population
 - 32** Water, Sanitation and Hygiene
- 34** EXPANDING HORIZONS
 - 36** Education
 - 40** Migration
- 42** EMPOWERMENT
 - 44** Community Empowerment
 - 46** Gender Justice and Diversity
 - 48** Human Rights and Legal Aid Services
- 50** GOVERNANCE, MANAGEMENT AND CAPACITY BUILDING
 - 54** BRAC Management
 - 56** BRAC Organogram
 - 57** BRAC Governing Body
 - 59** Stichting BRAC International Governing Body
 - 62** Development Partners
 - 64** Financials
 - 68** BRAC Across the World
 - 70** Audited Financial Statements

CHAIRPERSON'S STATEMENT

In more than 40 years since BRAC was founded, the organisation has extended its reach to 11 countries, serving 135 million people with a broad range of development programmes and social enterprises. BRAC works to empower poor people to lift themselves out of poverty and to improve their lives through microfinance, health, education, agricultural extension and legal services, access to safe drinking water and sanitary latrines, livelihood training, support for safe migration and assistance during natural disasters.

2013 was characterised by intense political conflict throughout the country in the run-up to national elections. This created a challenging environment for the operation of BRAC's social enterprises and investments and for the delivery of our programmes such as microfinance.

Between 2012 and 2013, the total revenue of BRAC's 18 social enterprises increased by just two per cent, from BDT 12.51 billion to BDT 12.8 billion.

In spite of turmoil, the microfinance programme had a strong year, achieving good growth while maintaining asset quality at a high level. In 2013, nearly four million loans worth USD 1.5 billion were disbursed and at year end members' savings totalled USD 373 million. The programme continues to emphasise responsible lending practices and strict adherence to client protection standards.

On 24 April 2013, a tragedy struck the country with the collapse of the nine-storey Rana Plaza building in Savar, home to five garment factories. In the accident, more than 1,100 people died and over 2,500 were rescued with injuries, leaving more than one hundred people unaccounted for.

From the early hours of the disaster, a number of BRAC programmes supported survivors and the families of victims in various ways. Emergency medical teams were deployed during the rescue operations. The BRAC Limb and Brace Centre provided 37 braces to survivors with spinal injuries and 12 prosthetic limbs to amputees. More than 470 survivors and victims' families received trauma counselling. A verified database of 1,693 affected households was created. Support for the long-term rehabilitation of survivors and the families of the deceased and missing continued through livelihood assistance to more than 450 individuals.

Continuing BRAC's long-term collaboration with the National TB Control Programme, the detection of non-infectious TB cases has been strengthened. In 2013, 71,674 smear-

positive, 30,497 smear-negative and 18,309 extrapulmonary cases were detected. Care for multidrug-resistant patients is also being enhanced and urban DOTS (directly observed treatment short-course) introduced for hard-to-reach, migratory urban populations.

A community-based strategy has been developed to address the increasing non-communicable disease burden. *Shasthya shebikas* (community health promoters) screen individuals for hypertension and diabetes and refer suspected patients to appropriate health facilities for further diagnosis and treatment. Follow-up is provided at home. Our *shasthya shebikas* are also playing an important role in Vision Bangladesh, a partnership venture with National Eye Care to prevent cataract blindness. They bring suspected cases for screening and follow up post-surgical cases at home. In 2013, Vision Bangladesh was scaled up from Sylhet division to the slums of three city corporations.

Water, sanitation and hygiene (WASH) programme's phase I (completed) and phase II (ending in 2015) have been implemented in a total of 250 sub-districts (53 districts) of the country. To date, two million people have been served with safe drinking water through 5,372 deep tube wells, 645 arsenic removal filters, 23 pond sand filters and five piped water supply systems. In the WASH I sub-districts, 84 per cent sanitation coverage has been achieved, while in WASH II sub-districts the figure is 34 per cent.

In December 2013, the total number of BRAC primary and pre-primary schools was 39,869, of which 87 per cent were in rural areas. We are working to redress this geographical imbalance and ensure poor urban children's basic right to education by expanding our urban schools across the country. The number of urban primary schools nearly doubled between 2012 and 2013, from 2,104 to 4,106, with most schools situated in and around slums.

Human rights and legal aid services (HRLS) completed the second phase of its work to reduce overcrowding in prisons through the release of under-trial prisoners, especially in Dhaka Central and Kashimpur jails. A total of 1,204 under-trial prisoners were released on bail, 1,057 of these being reunited with their families. At a global level, BRAC has advocated successfully for the inclusion of justice and legal empowerment of the poor in the post-2015 development agenda. During 2013, more than 18,000 drama shows staged by the community empowerment programme's (CEP) popular theatre groups



delivered information and development messages on a wide range of issues, including poverty, health, child marriage, dowry, domestic violence, migration, right to information and good governance to around 6.5 million people in rural Bangladesh. This effective communication and social mobilisation tool was used by 17 different BRAC projects.

As BRAC moves to the next stage of global growth, we are working to ensure that we continue to have a strong culture driven by our values. We are also focusing on issues critical to longer-term organisational development and sustainability, namely leadership development and succession planning, strategic HR, capacity building of mid-level managers and better internal communication.

BRAC has been honoured with the following awards in 2013:

- One of the recipients of the first global GSK and Save the Children USD 1 million Healthcare Innovation Award for BRAC's Manoshi programme. The award of USD 300,000 will be used to pilot the Manoshi model in slums of Freetown, Sierra Leone.
- World Justice Project Rule of Law Award for demonstrating a global model linking development interventions and justice delivery services.
- Family Planning Media Award 2012-13 from Ministry of Health and Family Planning and Meena Media Award 2013 from UNICEF Bangladesh for CEP's Radio Pollikontho.

This report summarises our main achievements in the year 2013. We look forward to continuing our efforts for many more years to come.

Sir Fazle Hasan Abed, KCMG
Founder and Chairperson

HEADLINES FROM THE YEAR

JANUARY 2013

BRAC ranked #1

BRAC was ranked as the top NGO in the Global Journal's list of the 100 best NGOs in the world in 2013. The only NGO from Asia in the top 10, BRAC exceeded its previous rank of fourth place in 2012, surpassing other global NGO's such as Oxfam, Care International, and Save the Children International.

FEBRUARY 2013

Rising with one billion

BRAC stood up in solidarity with the One Billion Rising (OBR) movement to curb violence against women and girls. The OBR movement, which is active in more than 200 countries, aims to bring together women and men to take a public stance against violence against women and girls.



MARCH 2013

Scaling frugal

The first Frugal Innovation Forum, organised by BRAC's social innovation lab, took place in March. The theme of this forum was to build a learning network among like-minded innovative organisations from the region to take innovative technologies to scale.



APRIL 2013

Responding to Rana Plaza

In order to help the victims of the Rana Plaza tragedy, BRAC initiated a host of emergency support activities through multiple medical and psychosocial counselling teams. BRAC's health, nutrition and population programme's medical team worked as first responders during the rescue operations providing treatment to approximately 117 survivors. BRAC also provided emergency supplies, medicine, food and water.



MAY 2013

Creating impact for tenant farmers

BRAC's tenant farmer development project, Borga Chashi Unnayan Prokolpo, completed its third year of operation by sharing the results of the impact assessment studies with key stakeholders and industry experts. Under the programme, tenant farmers were given credit against minimal interest rate and extension services without extra charge. 14,000 village organisations are currently under the scheme, reaching more than 300,000 tenant farmers. This success has prompted the disbursement to be raised from BDT 5 billion to BDT 6.3 billion.



JUNE 2013

Voices from the grassroots

Looking ahead to the post-2015 agenda, BRAC surveyed 30,234 grassroots voices on high priority development interventions. The findings from the survey surmised that gender justice, prevention of child marriage and dowry, reduction of poverty, food security, universal primary schooling, greater employment generation, safe drinking water and good sanitation for all, and ensure safer roads are high priorities for people living in rural areas.

JULY 2013

Upholding the rule of law

BRAC was awarded the World Justice Project (WJP) Rule of Law Award for visionary leadership in advancing the rule of law. The award is in recognition of BRAC's revolutionary achievements in some of the most vulnerable communities of Bangladesh.



AUGUST 2013

A new vision

Aligning itself with the Bangladesh government's national goal of eliminating avoidable blindness by 2020, BRAC, in collaboration with the government, started the second phase of the very successful eye care project: Vision Bangladesh, in 10 city corporations.

SEPTEMBER 2013

Four wheels to freedom

The third batch of women drivers graduated from BRAC driving school, an initiative of BRAC's road safety programme – bringing the number of graduated women drivers to 76. BRAC driving school, in partnership with Bangladesh Road Transport Authority, started the women steering forward project in September 2012 with the goal to create 600 trained women drivers.



Pollikontho wins promoting child rights

BRAC Community Empowerment Programme's Radio Pollikontho (99.2 FM) was awarded the Menna Media Award for their outstanding work in promoting child rights. Instituted by UNICEF, the award celebrates excellence in both print and electronic media on child rights issues.

The station was launched in 2011 with the aim to increase access to information and strengthen grassroots voices. Reaching nearly 400,000 rural listeners in four sub-districts of Moulvibazar, the station broadcasts programming for eight hours a day. The programmes are designed to address socioeconomic issues within the community, prioritising issues around women and children.

In July 2013, the station was also awarded the Family Planning Media Award from the Bangladesh Ministry of Health and Family Planning.



OCTOBER 2013

Partnering for scale

BRAC and NoVo Foundation announced a USD 5 million, five-year partnership to support the education and empowerment of adolescent girls through BRAC programmes in multiple countries, starting in South Sudan and Afghanistan. Targeting girls in hard-to-reach communities, the partnership will scale up several of BRAC's existing education and empowerment programmes, including primary education for young girls and safe spaces for adolescents, from 2013 to 2018.

NOVEMBER 2013

Taking solutions born in Bangladesh to Africa

BRAC's urban healthcare intervention Manoshi, which transforms health for women and children living in urban slums, was awarded a prize in the first global GlaxoSmithKline and Save the Children Healthcare Innovation Award. BRAC received USD 300,000 to pilot test Manoshi, in the slums of Freetown, Sierra Leone, where under-five and maternal mortality rates are amongst the highest in the world.



Remarkable progress in health sector despite poverty

The Lancet medical journal published a special research series highlighting accomplishments in Bangladesh's health sector. Despite widespread poverty, exceptional improvements in maternal child health, immunisation coverage, and tuberculosis control are part of this remarkable success story.

"Over the past 40 years, Bangladesh has outperformed its Asian neighbours, convincingly defying the expert view that reducing poverty and increasing health resources are the key drivers of better population health," explained one of the series leaders and BRAC's interim executive director, Mushtaque Chowdhury. BRAC's own health programme and extensive community-based health network was identified as a crucial contributing factor to these achievements.



DECEMBER 2013

The first step to rehabilitation

Twelve disabled survivors from the Rana Plaza building collapse received their mechanical prosthetic limbs from the BRAC Limb and Brace Centre (BLBC). BRAC also started providing fixed deposits of BDT 100,000 for each of the 12 survivors to support their long-term rehabilitation.

Since the tragic incident in Savar on 24 April 2013, BRAC has been working in close collaboration with the National Institute of Traumatology, Orthopaedics and Rehabilitation (NITOR), Ministry of Health and Family Welfare under the leadership of the Prime Minister's Office (PMO) to support survivors. So far, BLBC had supported 29 survivors with free taylor braces.

FROM THE DESK OF **EXECUTIVE DIRECTOR**

URBANISATION, DEVELOPMENT CHALLENGES AND **BRAC'S RESPONSE**

Growing urbanisation is an inevitable process of development. Economic growth entails a shift from pre-dominantly agriculture-based economic activities to the gradual domination of industry and formal services concentrated in urban areas. As incomes rise, the market for manufacturing goods increases proportionately more than agricultural products, creating more productive and higher remunerative jobs that attract labour, capital and entrepreneurship from rural to urban areas. Economic viability of infrastructures that require lumpy investments depends on the concentration of population and hence urban settlements.

Before independence, Bangladesh was predominantly an agrarian economy with only eight per cent of the population living in urban areas. It is projected that almost 40 per cent of the population will live in urban areas by 2030, and by 2050, the urban population will exceed the rural population. Urbanisation in Bangladesh is predicted to grow faster than other least developed countries.

Urbanisation and urban growth takes place through a combination of a) natural growth of population, b) expansion of urban agglomerates to surrounding rural areas to accommodate growing industrialisation and commercial development, and c) rural to urban migration of the population. In Bangladesh, the natural growth of the population in urban areas is lower than in rural areas, but the existing towns and cities continue to engulf surrounding rural areas, leading to rapid rural to urban migration.

According to a study conducted in 1998 by the Bangladesh Institute of Development Studies in four wards of Dhaka city, the drivers of migration to Dhaka were found as seeking employment opportunities (52 per cent), unemployment in areas of origin (28 per cent), river

erosion (11 per cent) and to join relatives (8 per cent). A survey conducted by BRAC in 2010 in the same wards found the motives to be still similar; 49 per cent to find a job, 27 per cent due to unemployment in the area of origin and 11 per cent to join relatives or accompany families. The survey also noted a high incidence of child labour.

It is a stylised fact that urbanisation is an effective engine of economic growth and socio-cultural development. The thousands of women engaged in the garment industry contribute to the modernisation of ideas and values, women's empowerment, reduction in child marriage, expansion of markets for labour-intensive industrial products such as clothing, footwear and toiletries.

Rapid urban growth has, however, made heavy demands on urban utilities and services, such as housing, water supply and sanitation. Inability to provide these services at the rate of demand leads to degradation of the urban environment. This situation can be found in Dhaka which has been labeled as one of the worst cities in the world in terms of living conditions. According to the World Bank, in Dhaka city alone, nearly 3.5 million lived in slums in 2005; they constituted 37 per cent of the city's population.

There has been some improvement in a few indicators in recent years. In 2010, 21 per cent of the children of the age group of six to 15 years were out of school (an improvement from the 43 per cent in 1998) compared to only six per cent for non-slum households. In 2010, nearly 60 per cent of the houses had corrugated tin for roofs and walls and the floor paved with cement. The improvement in housing conditions were largely due to

the evictions of squatters who take shelter mostly in one-room houses rented from others. The remaining squatter households live in constant fear of eviction by the government.

The government has a negative policy with regard to provision of services to slum dwellers on the grounds that the support will encourage more rural people to migrate to urban areas and further pressure the provision of basic services. Many civil society organisations and NGOs have been addressing these issues, but in an inadequate scale.

BRAC has developed its reputation as a multi-faceted rural development organisation. It felt the need to extend its services to poor households in urban areas to carry on with its mission to empower the marginalised. Initially it started non-formal schools and extended its microfinance services to engage slum dwellers in informal income-generating activities. BRAC has a large programme for maternal, neonatal and child health with quality services for antenatal care, safe deliveries in basic maternity centres, arrangements for hospital referrals for problematic pregnancies, and postnatal care of newborn babies. BRAC's schools in slums also began offering skills training to adolescents, many of whom are already in the job market. BRAC has recently initiated a pilot project for the protection of street children who are provided with shelter, food, basic education and skills training. BRAC also plans to extend its water, sanitation and hygiene work to urban slums. The challenge is to develop a new urban strategy that will engage various stakeholders and city corporations and scale up existing activities to have a visible impact on urban poverty and livelihood.



SELECTED RESEARCH SNAPSHOTS 2013



Going mobile with healthcare

BRAC's m-Health project was initiated to make the service delivery model more efficient by usage of mobile phones. The study, designed to find the quality of implementation of the project, found that the primary service providers, ie, the frontline community health workers, were handling all applications of the software such as capturing photos using mobile phones, entering information, changing modules, voice recording of open ended questions, providing advice and sending data, very efficiently.



Changes in knowledge and attitudes of school girls towards sexual harassment

Findings show that most of the girls in the intervention areas had better knowledge and appropriate attitudes about sexual harassment compared to the girls in the control area. Also, the reporting rate of the incidence of harassment in the project area was reported much higher compared to the area where there was no project.



Women more exposed to drinking arsenic contaminated water

A research was conducted to measure the degree of change in arsenic test and exposure to drinking arsenic contaminated tube well water. Analysis revealed

that women were more exposed to drinking arsenic contaminated water than men. With the increase of education level the tendency of drinking arsenic contaminated water decreased. The respondents having access to media, eg, television and radio, showed significantly lower odds ratio with reference to no media access category for drinking arsenic contaminated water.



Post-harvest perishable food loss in Bangladesh

The study addresses the potential of utilising solar powered energy to facilitate the introduction of cold storage. The use of solar energy was identified as a high potential solution to current energy limitations in Bangladesh. The study concludes that a set of diverse though interlinked reasons between different stakeholders and geographic locations are related to perishable vegetable loss. Finally, solar panels for agricultural commercial practices were not found to be currently economically and technically feasible for smallholder practices.



Tenant farmers access to credit and extension services: BRAC tenant farmer development project in Bangladesh

Using several large scale datasets and reports this paper provides extensive information on the changes in the tenancy market and shows the number of small and marginal farm households have been growing despite rapid rural urban migration and expansion of rural non-farm economy.



Sustainability of groundwater use for irrigation in north-west Bangladesh

The findings reveal a declining trend of groundwater table over the last 30 years (1981-2011), which implies groundwater use is not sustainable in the study area. The severely depleted district has been identified as Rajshahi followed by Pabna, Bogra, Dinajpur and Rangpur. The magnitude of the decline in groundwater table has been found between 2.3 to 11.5 metres during the study period. The findings also show a recurrent below average rainfall over the year. For groundwater recharge, rainfall and flood are two major contributors where wetland plays as media for continuously recharging aquifer. Analysis also reveals that due to non-availability of surface water, farmers were bound to lift groundwater which increases irrigation cost. Also, with the gradual price hike of agricultural inputs like fuel, electricity, agrochemicals, rent of land and labour, the ultimate production cost is on the rise, threatening the overall sustainability of agricultural production in the north-west region of Bangladesh.



Popular theatre: Knowledge and effects

The study observes that people have no problem in identifying popular theatre as a distinct form for entertainment and communication. Drama groups are viewed as change-makers. There is a need for post-performance

dialogue, which is not practiced regularly. Nevertheless, popular theatre, if properly practiced in combination with other development programmes, is likely to help develop a counter discourse that is required for sustainable social development.



Economic empowerment of rural women

The evaluation tracks 7,000 poorest women in the treatment and control communities who were simultaneously provided assets and training for over four years. We find the programme transforms the occupational choices of the poor: treated women spend 92 per cent more hours in self-employment activities, and 26 per cent less hours in wage employment. This shift from insecure wage labour to self-employment is associated with a 38 per cent increase in earnings, and the share of clients living on less than a dollar a day dropping by 9 percentage points. The eligible women, who were largely asset-less and illiterate agricultural labourers at the baseline, overtook the near-poor and begin to close the gap with middle class women on dimensions such as occupational choice, regularity of earnings, household per capita expenditure and happiness.

For more information about BRAC's research, please visit <http://research.brac.net>



**ECONOMIC
DEVELOPMENT
AND SOCIAL
PROTECTION**

AGRICULTURE AND FOOD SECURITY
COMMUNITY EMPOWERMENT **DISASTER,**
ENVIRONMENT AND CLIMATE
CHANGE EDUCATION **GENDER JUSTICE**
AND DIVERSITY HEALTH, NUTRITION
AND POPULATION **INTEGRATED**
DEVELOPMENT HUMAN RIGHTS AND
LEGAL AID SERVICES **MIGRATION**
MICROFINANCE **COMMUNITY**
EMPOWERMENT WATER, SANITATION
AND HYGIENE **MICROFINANCE**
AGRICULTURE AND FOOD SECURITY
ENTERPRISES AND INVESTMENTS
DISASTER, ENVIRONMENT AND CLIMATE
CHANGE **EDUCATION** GENDER JUSTICE
AND DIVERSITY **ENTERPRISES AND**
INVESTMENTS HEALTH, NUTRITION
AND POPULATION **MICROFINANCE**
TARGETING THE ULTRA POOR **HUMAN**
RIGHTS AND LEGAL AID SERVICES
MIGRATION **ROAD SAFETY** WATER,
SANITATION AND HYGIENE **TARGETING**
THE ULTRA POOR

BRAC's agriculture programme builds systems of production distribution and markets quality seeds at fair prices. Research is conducted to develop better varieties and practices for the agricultural sector. Credit is offered to support poor farmers, and we promote the use of efficient farming techniques and proven technologies.

HIGHLIGHTS 2013

Along with the development project for tenant farmers known as Barga Chashi Unnayan Prokolpo (BCUP) and the northern crop diversification project (NCDP), the secondary crop diversification project (SCDP) has been initiated in collaboration with Asian Development Bank and the Bangladesh Bank. About **31,088** village organisations were formed, **279,530** farmers were trained in modern agrotechnology, and USD **250** million was disbursed as loans among **391,244** farmers under this project.

BRAC has released three hybrid rice varieties and three vegetable varieties for commercial cultivation. Agronomic experiments are conducted at different agro-ecological zones of Bangladesh to evaluate intensified cropping system in terms of yield and other agronomic traits, and productivity and profitability.

Currently, BRAC's agriculture and aquaculture extension activities are operating in **51** sub-districts of **12** districts with financial support from DFID and AusAID. New agricultural technologies have been demonstrated among **38,500** farmers through this project, targeting **60,000** direct participants with improved technologies by 2015. USAID's horticulture project was also implemented in the southern

part of Bangladesh in collaboration with the International Potato Centre and Asian Vegetable Research Development Centre. The project aims to increase income and nutrition of poor farmers through the value chain development of potatoes, sweet potatoes and other vegetables. Approximately **6,640** participants have been covered under this project.

BRAC has produced **9,400MT** of seeds between 2012 and 2013, which covered **25** per cent of the market share in hybrid rice, **50** per cent in hybrid maize, **12** per cent in potato and five per cent in vegetables.

BRAC's biotechnology laboratory has developed a method for reducing the total cost of in vitro micropropagation of plants such as potatoes, bananas and cassava by using natural light, ambient temperature and humidity regimes. The significant cost reduction is achieved without compromising the quality and quantity of the in vitro plants produced. Our innovation is repeatable, environmentally friendly and socially impartial and will contribute to the efforts in achieving food security by producing cheaper clones of in vitro plants. This will benefit both the urban and rural poor with a minimal capital outlay.

Farmers trained

Number of farmers trained in modern agrotechnology



40,315

2011



53,250

2012



84,834

2013

Case Story



Parvin's success

My name is Parvin Akther. I live in the village of Dhanua in Narshindi district with my husband and two children. My husband used to work in the fields as an agricultural labourer, but his small income failed to bear our daily expenses.

In December 2011, I enrolled as a tenant farmer in BRAC's Chashi Unnayan Prokolpo. I received BDT 10,000 in loans to cultivate crops, which brought us some profit and allowed me to repay my first loan. A year later I received a second loan of BDT 50,000 and bought two cows, which gave up to 12 litres of milk per day. I began saving money after meeting family expenses and after taking another loan, I was able to purchase a third cow. Meanwhile, I sold one of my older cows and used the money to buy more land near my village.

Today I own four cows, which give 35 litres of milk per day, and I receive a profit of BDT 15,000 per month. I have also set up a biogas plant that covers the fuel requirements for my homestead. After seeing my accomplishments, others from my village have started valuing my opinion when it comes to their own livelihood choices.



Launched in 2012, **BRAC's integrated development programme (IDP)** addresses the needs of the most marginalised and deprived communities who are socially and geographically excluded from the mainstream development interventions in specific areas of Bangladesh. IDP reaches its target group with a coordinated version of all BRAC interventions including health, education, microfinance and overall social development. IDP grants the poor living in hard-to-reach areas with access to basic services, creates livelihood opportunities, mobilises communities for their empowerment and continually improves its services from research findings.

HIGHLIGHTS 2013

ONE-STOP SERVICE POINT

IDP piloted its 'one-stop service point' intervention in Chamakur and Shyamar Char in Baniachong and Derai sub-districts of Sylhet. A single programme officer (PO) delivers services from all programme interventions. To serve the purpose, village development organisations (VDO) are formed with 30-40 households in each village; one PO covers 250-300 households.

VILLAGE DEVELOPMENT COMMITTEE

Instead of conducting different community based forums, IDP piloted a unique community solidarity platform called a village development committee (VDC) in 2013. The VDCs are comprised of people from selected communities with various economic backgrounds irrespective of gender, ethnicity or religion to support the development initiatives of BRAC. This has created synergies among the programmes and allowed various community leaders to devote time to the advancement of the poor and ultra poor in the hard-to-reach areas.

INTEGRATED PROJECT FOR PEOPLE IN HAOR AREAS

IDP aims to improve the socioeconomic conditions of *haor* dwellers through increased access to a set of basic services and sustainable livelihoods. Under this project:

- **229** primary and **241** pre-primary schools were established
- **4,500** ultra poor members received assets or soft loans and livelihood training
- **591** community health promoters and **176** community health workers were developed and functional, **542** complicated pregnancy cases received safe birth delivery services
- **2,007** ultra poor have received and installed improved latrines
- **1,997** households established homestead vegetable gardens, **55** livestock extension workers are serving communities, **387,900** fingerlings released in open water to improve source of protein for the poor
- **1,308** Polli shomaj formed and **471** popular theatre shows performed to enhance social awareness
- **5,098** received human rights and legal education, **310** disputes resolved
- **442** staff received gender sensitising training
- **130** courtyard meetings conducted on safe migration, **795** persons migrated safely to different countries for better livelihoods
- **15,767** clients borrowed microloans through **948** village organisations

CHAR DEVELOPMENT AND SETTLEMENT PROJECT

The project provided its services to help *char* dwellers overcome their vulnerabilities, primarily caused by natural disasters. Through the project:

- **41,550** people were made aware of better health practices through the health forums
- **2,741** households borrowed microloans of BDT **25** million and **3,372** clients trained on income-generating activities
- **990** groups (**24,750** people) received disaster preparedness support
- **1,081** completed a legal and human rights course
- **960** farmers trained on fruit and vegetables cultivation

PROJECT FOR INDIGENOUS COMMUNITIES

IDP provides livelihood development, education, health and legal services to indigenous communities to help them mobilise resources and get better access to development programmes. Through National Coalition for Indigenous People (NCIP), IDP also provides advocacy support to the communities.

Case Story



Rising up

My name is Fatema Begum and I am a 39-year-old homemaker and mother of six. I live in Baniachong, Sylhet. My husband was the sole breadwinner of the family but his humble income was not enough to provide for us. His poor health condition and our lack of alternate opportunities meant we sought out heavy loans from a local money lender.

Through IDP, I was identified as ultra poor and received livestock and training. I also received a subsistence allowance every week to reduce my family's chronic malnutrition. The support I received has now created a reliable source of income for me.

I understand the importance of education and send my children to a BRAC primary school. I also receive agricultural support and by producing leaf vegetables, radish and sweet gourd, I generate extra income by selling them. After consulting BRAC WASH, my family learnt about hygiene and started using sanitary latrines. BRAC's continuous support has opened new doors for me and my family. Now I am more skilled to work and hopeful.

- **555** households received livelihood training and support
- **202** children enrolled in BRAC schools
- **100** households received improved sanitation facilities
- **452** people received enhanced vocational skills through training
- Capacity of **393** community leaders and 390 youth leaders were strengthened

INNOVATIONS

The programme experimented with *haor*-friendly floating latrines, cage culture for income generation, open water fish culture and modern agricultural technologies. It developed livestock extension workers and innovative service deliveries such as boat schools and boat clinics to improve school attendance and access to health services. IDP also explored the use of matrix management systems for integrated development and created a development model for hard-to-reach areas.



Over the course of the last four decades, **BRAC Microfinance** has grown to become one of the largest providers of financial services to the poor, providing tools, which millions can use for the betterment of their lives. Through its innovative, client-focused and sustainable approach, we continue to illustrate that microfinance can yield substantial results for the world's poor. BRAC's microfinance programme is a critical component of our holistic approach to support livelihoods.

HIGHLIGHTS 2013

In 2013, BRAC's microfinance programme disbursed over USD **1.5** billion to **4.2** million borrowers, the majority of whom are women. Also, the programme continued its progress on other fronts – improving human resources, strengthening internal operations and innovating to enhance products and services to better meet its clients' needs. As a result, the loan portfolio has seen a substantial growth for the third straight year in 2013, increasing by USD **152** million (**20** per cent) to USD **928** million.

Our range of financial services primarily reaches those without access to conventional banking systems. In 2013, we held USD **373** million in savings for **5.6** million members, **90** per cent of whom are women.

Since inception

4.2
million borrowers

USD 1.5 billion
disbursed in loans

USD 928 million
loan portfolio

USD 373 million
held in savings



Case Story

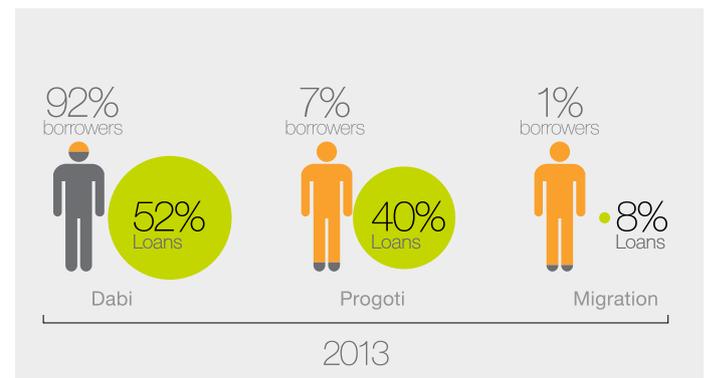
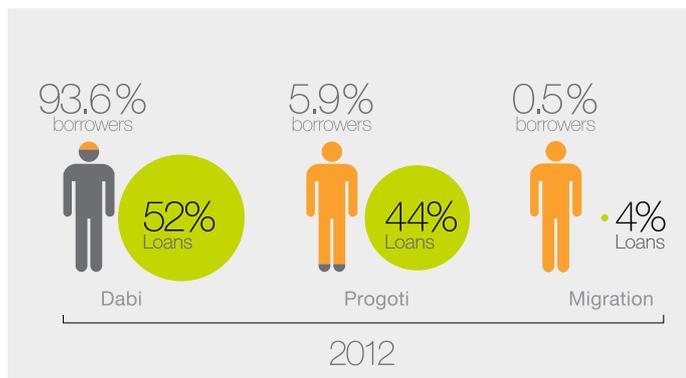
Spreading the light

My name is Abul Kashem. I am a 53-year-old man and living in Dhaka with my family. In 2001, I suffered a stroke, which partially paralysed my body. After years of treatment, I recovered, but was unable to do any physical work. The whole experience left me mentally distressed. I was a member of the community group for people with disabilities, from where I learned about BRAC's loan project for people with special needs. I took my first loan in 2013 to buy a two-wheeler van to sell *chatpati* and *fuchka* (local savoury delicacies). My wife Maneeta helps me run this business by preparing the food at home, which I sell beside a school and earn my living. After repaying my loan instalments and covering other expenses, we are able to make a small profit from the business.

To inspire other people with special needs, I established an informal organisation, which works towards organising people in the community and connects them with different government and private organisations. It also helps people like me to receive training, awareness and livelihood development skills. I am pleased to have changed the course of my life and hope to help others like myself.

Financial Services ←

Percentage of loans for the loan services offered and borrower distribution





Women who are members of our village organisations can take out a loan of up to USD 1,000.

BANKING FOR THE POOR

The microfinance programme brings collateral-free credit and savings services to the poor, primarily through village organisations (VO) made up of 20 to 30 women from a local community. These VOs serve as a platform for women to gather and discuss issues concerning their daily lives. Our holistic, credit-plus approach also ensures that our borrowers are supported, can exchange information and learn about health, social and legal issues.

Our Dabi loan package, exclusively for women who

are part of VOs, is provided for small enterprise ventures such as rearing poultry and livestock, growing vegetables and making handicrafts. Loans range from USD 100 to 1,000, with an average loan size of USD 275. In 2013, USD 810 million was distributed in loans among four million borrowers.

To reach micro and small entrepreneurs, whose shops, agricultural businesses or manufacturing activities do not qualify for credit from commercial banks, we have our Progoti loan package. Given to both men and women, the loans range from USD 1,000 to 10,000, with an average loan size of USD 2,200.

In 2013, a total of USD 668 million was distributed in Progoti loans among 300,000 borrowers. We also provide loans for migrants to finance their outgoing costs and the immediate needs of their household after their departure. Loans range from USD 600 to 4,000, with an average loan size of USD 2,300. In 2013, USD 82 million was distributed in loans to 40,000 borrowers.

INNOVATIONS AND FUTURE OUTLOOK

In 2013, BRAC's microfinance programme launched a pilot project on financial education. This project aims to empower microfinance clients by giving them a greater understanding of financial management. Over the next year, the programme will roll out an expanded curriculum, which includes classroom as well as community-based components. The programme has also focused on improving customer service and ensuring that it adheres to client protection standards.



The programme expanded on its earlier pilot enabling clients to make loan instalments via mobile money, to offer this facility for savings deposits. In 2014, the programme plans to investigate other ways that mobile money can be used to increase client convenience and financial inclusion.

One of the major causes of loan defaults is health emergencies within a family. These incidents can be costly and magnify household vulnerability. To help clients cope with these events, the programme is piloting a health loan. Existing clients can quickly access loans for are available for medical services like consultation, diagnosis, surgery, and hospitalisation, while patients can decide on their service provider.

Number of clients



Total number of clients and annual disbursement (USD)



6.7 million clients



1.1 billion disbursement

2011



5.8 million clients



1.3 billion disbursement

2012



5.6 million clients



1.5 billion disbursement

2013

ENTERPRISES AND INVESTMENTS



BRAC Enterprises comprises of 18 development-focused enterprises across the health, agriculture, livestock, fisheries, education, green energy and retail sectors, making a significant contribution to local communities. It nurtures the same goals of alleviating poverty, creating livelihood opportunities and improving the well-being of the community members like BRAC's other development interventions do. It does this by serving the needs of the poor, being environmentally friendly and ensuring development efforts are sustainable.

BRAC Investments ensures financially profitable investments in socially responsible areas, such as low income housing, small and medium enterprise loans, information technology and clean development mechanisms. Dividends from our investments support the financial health of the organisation and reduce our dependency on donors.

HIGHLIGHTS 2013

ENTERPRISES

In 2013, **BRAC Fisheries** produced a high-yielding variety of 57.6 million GIFT Monosex Tilapia, 17 million post-larvae prawns and improved varieties of carp spawn and fingerlings in well-managed production centres. The enterprise created employment for 445 people and contributed in protecting indigenous fish varieties. BRAC Fisheries also received gold medal from the Bangladesh government in the National Fisheries Award 2013, for production of high-yield fish (fry) and its contribution to the national fisheries sector.

Aarong launched its artisan development initiative in 2013. It is an integrated livelihood development programme, working with core BRAC programmes, which takes selected awareness and service components of BRAC's development interventions and facilitates them at Ayesha Abed Foundation sub-centres on a monthly basis. It works alongside BRAC's health, education, community empowerment, human rights and legal services, microfinance and water, sanitation and hygiene programmes. In 2013, Aarong also opened its 12th outlet in Narayanganj and received the highest VAT payer award from the Bangladesh government.

BRAC Nursery bagged first prize in National Tree Fair for maintaining good standards in plant varieties, display, customer service and overall presentation.

IN FOCUS: SEEDS

The sowing of an idea

Agriculture has been the single largest producing sector in Bangladesh. In the late 70s, BRAC realised that one of the major constraints to increasing Bangladesh's agricultural productivity was a shortage of high quality seeds. Only 13 per cent of seeds available to farmers were produced in controlled conditions to ensure a high yield. Having imported and developed hybrid seeds itself from the 1980s, BRAC's agriculture programme began distributing quality seeds to farmers' doorsteps through its village organisations (VOs).

In 1996, BRAC Seeds was established as an enterprise and added hybrid maize, rice and tissue culture potatoes to its product list. In the early 2000s, BRAC moved towards a dual approach of marketing its seeds by including professional dealers and distributors in the system along with the VO members. In 2005, BRAC began distributing entirely through professional dealers across the country and in 2013, BRAC Seeds was the country's largest distribution channel with 550 dealers and distributors and over 4,000 retailers.



Adding value to industry and communities

One of BRAC Seeds' goals is to improve farmers' skills and capacity by engaging them beyond the sales transaction. A third of a BRAC Seeds salesperson's time is spent supporting farmers in improving their knowledge of modern agro-technologies and harvestable yield. In 2013, information on cultivation processes and modern farming technologies were relayed through more than 500 multi-method presentations made across the country to an audience of 250,00.

Over the years, BRAC has found that women prove to be better farmers because they are more thorough and detail oriented. Farmers engaged with BRAC seed production, a large portion of whom are women labourers, receive the initial seeds for production and sell back the produced seeds to BRAC at a premium price. By working with its women farmers, BRAC Seeds endeavours to help these women realise their full potential in this industry. It also works with smaller profit margins than its competitors because its main purpose is to develop the agriculture industry and help towards achieving food security.

In 2013, BRAC Seeds started working with the International Potato Research Center to address the issue of nutrition. It found that sweet potatoes, produced in southern Bangladesh, to be high in nutritional value with beta-carotene and vitamins A and D. For this reason, they have been introduced into school meals in some parts of Bangladesh.



SEEDS IN 2013

- Total sales increased by 33 per cent
- 11,600 metric tons of seeds produced
- Two varieties of hybrid rice were introduced and sales increased by 10 per cent
- As the only producer of the two highest quality potato seeds, BRAC Seeds scaled up its sales volume
- BRAC was the largest producer of hybrid maize, with 30 per cent of the market share. It was also the largest producer of potato after the government with 25 per cent of the market share
- The market share of hybrid rice was 15 per cent, making BRAC the second largest among hybrid rice producers

SNAP SHOT: DAIRY

As milk demand in villages was low and there were no refrigerated storage facilities for unsold milk, BRAC established milk chilling centres and a processing plant to collect milk from rural dairy farmers at a fair price and sell it to the urban market. This established regular business for 50,000 rural dairy farmers in western Bangladesh, some of whom are BRAC's microfinance or targeting the ultra poor programmes' clients. Processing up to 170,000 litres of milk a day, BRAC Dairy holds 24 per cent of the national market share.

INVESTMENTS

BRAC Bank disbursed BDT 33,938 million in SME loans, helped 434,050 SME entrepreneurs and generated 1.6 million grassroots employment. It received the 'Best Managed Bank Award' by The Asian Banker and 'Best Bank Award' by FinanceAsia in 2013.

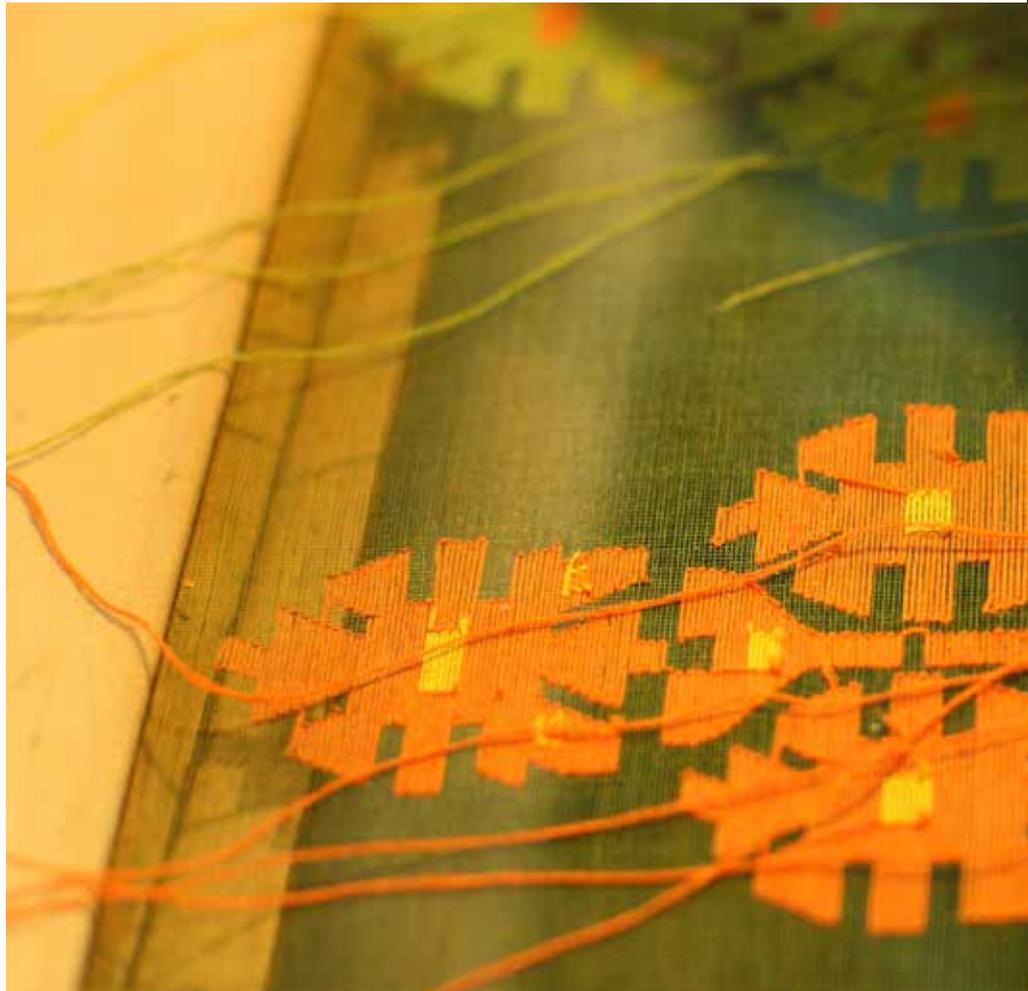
BRAC Saajan Exchange reached major cities in Europe and commands a market share of 23.4 per cent for UK-Bangladesh corridor in UK. It launched a subsidiary named BRAC Saajan (FR) SARL in France and started operations in Greece.

BRAC EPL Stock Brokerage Limited ranked third in the market and received a Global Citation Award for research services from Morgan Stanley.

BRAC EPL Investments Limited has worked as the lead advisor for demutualisation of the Dhaka Stock Exchange.

bKash graduated to be one of the top three mobile payment service companies in the world. Capturing approximately 90 per cent of the total market share in Bangladesh, bKash's customer base now stands at over 10 million. It now handles around one million transactions a day.

BRAC IT Services Limited (biTS) innovated a microfinance solution named 'sbiCloud' and successfully implemented it in Uganda for BRAC International. It also became a gold partner of Oracle to provide IT services and solutions in the local market.



BEYOND 2013

BRAC EPL Stock Brokerage Limited plans to increase customer base from 33,000 to 53,000 and aims to be remained the top three brokers by maintaining high standard compliance.

BRAC Saajan Exchange Limited plans to catalyse sustainable business growth by providing its services to communities in UK to facilitate remittance to India, Pakistan, Sri Lanka, Poland, Philippines and Romania. It also aims to facilitate 30 per cent of the total remittance from UK to Bangladesh.

bKash plans to expand its platform to cater high volumes of transactions and increase its merchant network. It also aims to provide its services to a larger chunk of population by extending its product line and increase brand loyalty among customers.

BRAC IT Services Limited (biTS) aims to establish itself as the premier support and solution partner of world-renowned companies like Oracle, IFS, GRG, Microsoft and IBM in Bangladesh. It plans to feature itself as a credible infrastructure collocation and hosting service provider in Bangladesh. biTS aspires to have a strong market presence in the field of application software development for banking, microfinance, NGO and education sector by 2015.

BRAC EPL Investments Limited aims to facilitate a potential national infrastructure deal of USD 200 million in 2014. It also plans to expand the advisory business with a focus on foreign investment and develop a strategic partnership with DEFTA Partners as the local fund manager for private equity investments of an international fund.



LIST OF ENTERPRISES AND INVESTMENTS

BRAC Enterprises

Aarong
 BRAC Artificial Insemination
 BRAC Chicken
 BRAC Cold Storage
 BRAC Dairy
 BRAC Feed Mills
 BRAC Fisheries
 BRAC Nursery
 BRAC Poultry
 BRAC Poultry Rearing Enterprise
 BRAC Printers
 BRAC Printing Pack
 BRAC Recycled Handmade Paper
 BRAC Salt
 BRAC Sanitary Napkins and Delivery Kits
 BRAC Seeds
 BRAC Sericulture
 BRAC Solar

BRAC Investments

BRAC subsidiaries and associates
 BRAC Bank Limited
 Delta BRAC Housing Finance Corporation Limited (DBH)
 BRACNet Limited
 Guardian Life Insurance Limited
 BRAC Impact Ventures Limited (BIML)
 BRAC Environment Enterprises Limited (BEEL)
 BRAC Probashbandhu Limited
 BRAC Tea Estates
 Ayesha Abed Foundation (AAF)

BRAC Bank subsidiaries

BRAC EPL Investments Limited
 BRAC EPL Stock Brokerage Limited
 BRAC Saajan Exchange Limited
 BRAC Saajan (FR) SARL
 bKash Limited
 BRAC IT Services Limited (biTS)
 BRAC Asset Management Company Limited

BRAC Bank associates

CSR Centre
 Bangladesh Rating Agency Limited (BDRAL)
 Industrial and Infrastructure Development
 Finance Company Limited (IIDFC)

TARGETING THE ULTRA POOR



BRAC's groundbreaking ultra poor programme focuses on improving the socioeconomic situation of those at the base of the economic pyramid. Living in extreme poverty, this group struggles to meet the minimal dietary requirements and faces difficulty to reach mainstream anti-poverty programmes like microfinance. To help this population at least get on the bottom rung of the economic ladder, our process includes a deliberate sequencing of interventions including asset grants, skills development and personalised healthcare support. According to the latest impact assessment study, about 95 per cent of those in the programme 'graduate' from extreme poverty – and have stayed out six years after the programme ends. Most go on to take advantage of more mainstream opportunities like microfinance. The programme is now being adapted by other organisations in different countries around the world.

HIGHLIGHTS 2013

In 2013, we reached **56,050** new households through a full grant-based approach and another **35,250** households through a credit plus grant-based approach in **37** districts. **2,035** students from TUP households received free coaching arranged by Gram Daridro Bimochon committees (GDBC). Also, **4,786,140** micronutrient sachets have been distributed among **79,769** children aged six months to five years.

We started a new initiative, addressing climate change-related destitution (ACCD), to build ultra poor people's resilience to climate change vulnerabilities. The programme covered **22,000** of the new **56,050** households in six southern regions this year, constructed **50** disaster-resilient houses for selected families and started construction for another **100** houses.

In collaboration with the forestry department, ACCD's social forestry activity aims to assist participants to undertake tree plantation in their homesteads, along roadsides and on embankment slopes. TUP distributed **113,480** saplings of different species among **9,924** households to facilitate plantation activities.

Under our pilot initiative for urban street children, we opened **17** children centres in Dhaka with **1,650** children enrolled in total. Students will receive two to three years of special care at these centres, including basic education, employment creation, life skills training, health support, savings, extracurricular activities, resting, bathing and locker facilities. Linkages are created with other service providers to assist the children in continuing their education and employment. Linkages are also being created with external cultural and educational centres for their cognitive development.

Targeting the ultra poor



Number of ultra poor households under grant-based and grant-plus credit-based approach



Case Story



Livelihood development for dignity

I am Amina from Madhukhali, Faridpur. My father would cut bamboo to provide for our family but we neither had access to proper food and shelter nor education. I was quite young when I got married. After 10 years of marriage and two daughters, I found out my husband had three other wives and all of us were living in extreme poverty. Naturally I was devastated and I decided to move back in with my parents. To earn my own living, I started working at a local brickfield where my wage was BDT 30 per day.

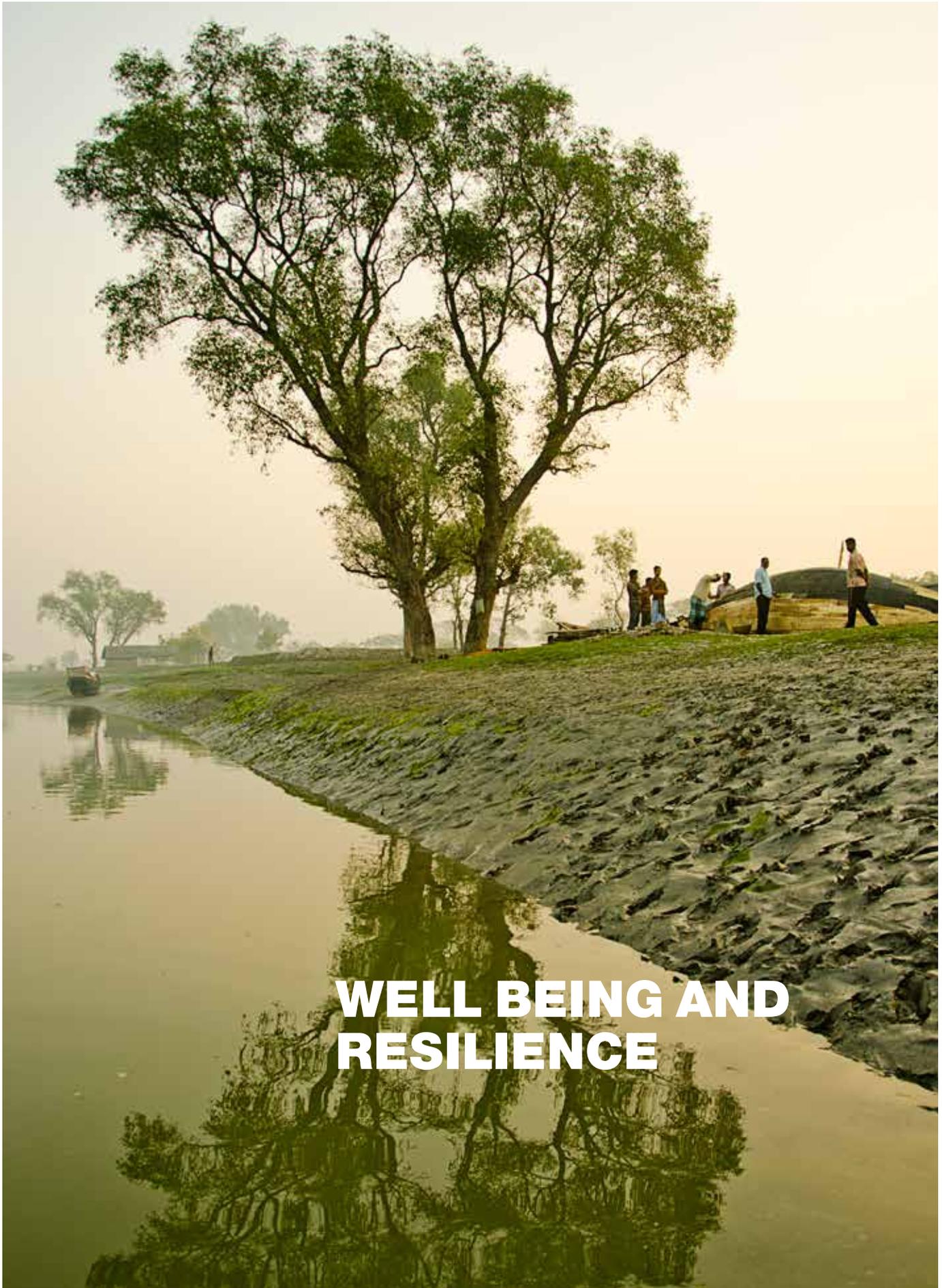
I don't live with my husband anymore but we didn't get a divorce. I had another daughter and I fended for all my children since my husband would not give us any financial support. I could barely feed my family with what I earned. So by taking help from others, I married off two of my daughters. After leaving my job at the local brickfield, I started working at other people's households.

In 2009, BRAC selected me for its programme for ultra poor people. I was trained in horticulture nursery development. BRAC gave me rented land and other necessary inputs to start my nursery business. They also linked me with community people through the village poverty reduction committee so locally there would be people to look out for me. In addition, I was supported with a weekly subsistence allowance, basic healthcare, and basic awareness and education on different social and life skill issues.

I also started growing vegetables around the nursery. After keeping enough of it for my family, I would sell the rest. Within the next 10 months, I started selling fruit saplings. I reinvested my profits from the nursery business to purchase a cow and a goat. By selling milk and products from the nursery I eventually set up a grocery shop.

After graduating from the programme, I took two loans worth BDT 16,000 from BRAC's microfinance programme. With the first loan I bought bricks for my shop and using my savings and the second loan, I purchased a small piece of land to build my own house.

Today I have a nursery, a grocery shop and two cows, one goat, nine hens and four ducks. I have become confident because of the skills that I developed and all that I have achieved so far. Now I hope to get my youngest daughter married into a good family.



**WELL BEING AND
RESILIENCE**

AGRICULTURE AND FOOD SECURITY
COMMUNITY EMPOWERMENT **DISASTER,**
ENVIRONMENT AND CLIMATE
CHANGE GENDER JUSTICE AND
DIVERSITY HEALTH, NUTRITION AND
POPULATION **HUMAN RIGHTS AND**
LEGAL AID SERVICES INTEGRATED
DEVELOPMENT **MICROFINANCE**
MIGRATION **TARGETING THE ULTRA**
POOR WATER, SANITATION AND HYGIENE
HEALTH, NUTRITION AND POPULATION
ENTERPRISES AND INVESTMENTS
AGRICULTURE AND FOOD SECURITY
COMMUNITY EMPOWERMENT
TARGETING THE ULTRA POOR **DISASTER,**
ENVIRONMENT AND CLIMATE CHANGE
GENDER JUSTICE AND DIVERSITY
EDUCATION HUMAN RIGHTS AND LEGAL
AID SERVICES **WATER, SANITATION AND**
HYGIENE MIGRATION ENTERPRISES
AND INVESTMENTS **ROAD SAFETY**

DISASTER, ENVIRONMENT AND CLIMATE CHANGE



Natural disasters and climate change may be global concerns, but they pose serious threats to developing countries in particular. **BRAC's disaster, environment and climate change (DECC)** programme enhances BRAC's institutional capacity to respond to natural disasters, builds competence at the community level on disaster preparedness and increases coping ability during natural disasters with preventive and adaptive strategies. We conduct predictive research, enable information sharing and provide education, training, simulation sessions and situation reports to both our staff and communities to improve preparedness. When disaster strikes, our emergency relief and rehabilitation support help communities restore their lives and livelihoods. In the long run, all these measures are aimed at reducing vulnerability of the exposed population.

HIGHLIGHTS 2013

PSYCHOSOCIAL (TRAUMA) COUNSELLING

We offered trauma counselling to our clients at the grassroots level. Although marginalised members of our society are most exposed and vulnerable to disasters and its impacts, they are the ones without any access to professional counselling. We understand that without psychological resilience, material aid is insufficient to cope with adversities. As such, along with other measures, DECC trained **10,000** rural women from disaster-prone areas on trauma counselling to enhance their resilience to climate change risks and other stresses, aiming to reach **20,000** over the next two years. Two of our in-house master trainers, who have participated in various trauma management training before, trained one member of each women's group to be a trainer. The women then returned to their villages where they trained the rest of their group.

EXPANDING PROGRAMME COVERAGE

Our programme extended its coverage to respond to manmade disasters post the Rana Plaza building collapse. Two medical teams each consisting of six members supported survivors through various measures such as healthcare (an emergency medical team during the rescue operations, counselling services and later prosthetic support) and livelihood support, with certain plans to increase coverage to the affected. DECC also completed its work on a standard operating procedure for manmade emergencies for BRAC.

DEVELOPING BRAC INTERNATIONAL'S EMERGENCY RESPONSE CAPACITY

Following the development of the standard operating procedures for emergencies in Bangladesh, DECC expanded similar measures to introduce disaster management guidelines to the BRAC International offices in Pakistan, Afghanistan, South Sudan, Liberia, Sierra Leone, Tanzania and Uganda. This will equip the communities where BRAC serves to respond to disasters, mitigate negative effects and increase their resilience to withstand impacts.

Case Story



Facing trauma together

I am Shima Rani Das from a remote village of Andharmanik in Khulna. The area I am from is extremely vulnerable to natural disasters like floods and cyclones. My village is completely surrounded by water and it doesn't take much for the water level to rise when there is a storm.

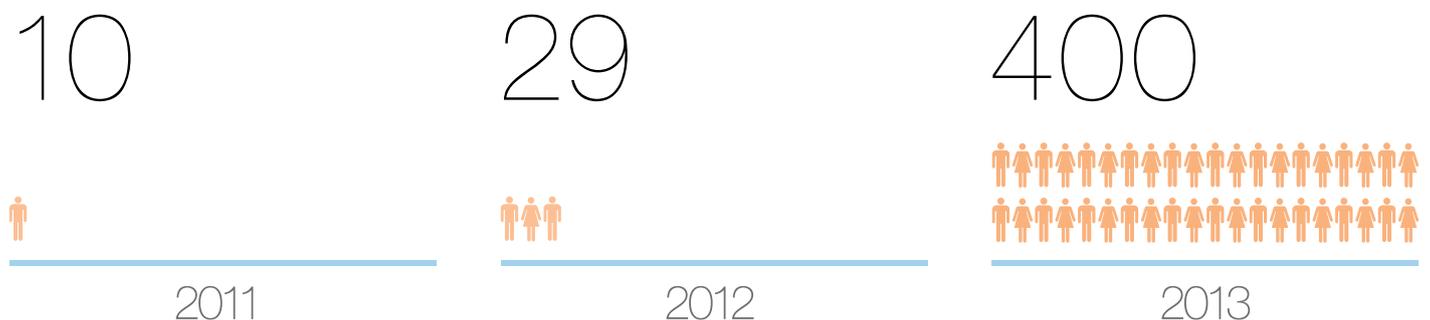
During floods or cyclones we often fail to get out of the area and find a secure shelter because we lack transportation and proper roads. While some of us are at risk of losing our homes and assets in such disasters, many of can also lose family members. There is no end to our suffering at times like this. Most of the time, we cannot deal with the losses and have breakdowns. Things worsen when we cannot move beyond our grief.

BRAC trained me on trauma counselling and selected me as the leader of the women's group of our village. As the group leader, I identify women who require BRAC's livelihood support and counsel women who are traumatised due to the losses they experienced.

Now I know how to deal with trauma and can teach others what I know. We can provide support and give mental strength to one another. I am now hopeful that my training will help ease the traumatic experiences of others.

Psychosocial training ←

Number of people provided psychosocial training





BRAC's health, nutrition and population programme (HNPP) aims to improve reproductive, maternal, neonatal, and child health and nutritional status, reduce vulnerability to communicable diseases, combat non-communicable diseases and enhance the quality of life. By combining preventive, promotive, curative and rehabilitative health services, we serve the disadvantaged, socially excluded and hard-to-reach populations. Our integrated service delivery model utilises frontline community health workers, creating an effective bridge between underserved communities and formal healthcare systems including BRAC-run health facilities, for improving access, coverage and quality of health services in communities across the country.

HIGHLIGHTS 2013

COMBATING COMMUNICABLE DISEASES

In 2013, BRAC in partnership with the government and NGOs worked in **47** districts to combat tuberculosis, where the number of cases notified increased from **113** to **127** per **100,000** people from 2012 to 2013. BRAC's special diagnosis support helped identifying non-infectious (smear-negative and extrapulmonary) TB cases. In 2013, cases of TB infections were **76** per **100,000** people, against the national target of **70**.

In 2013, BRAC treated **11,428** patients of malaria, contributing to **43** per cent of the national achievement of **26,891**. This was done in partnership with the government and local NGOs. In addition, BRAC solely distributed about **120,000** long-lasting insecticide-treated nets (LLIN) at the community level.

NUTRITION

In BRAC-affiliated areas, **91** per cent mothers breastfed their newborns within one hour of birth and no other liquids (ie, water and traditional food) were given. About **83** per cent of the babies (from birth to six months) were exclusively breastfed and **86** per cent of the babies (six to nine months) were introduced to age-appropriate food.

HEALTHCARE FOR MOTHERS AND NEWBORNS

In 2013, we reached **9.7** million couples who adopted modern family planning methods. BRAC's frontline community health workers maintain regular communication with pregnant women throughout their pregnancy and counsel families to go to skilled providers during delivery. This raised skilled birth attendance in BRAC-operating areas. Additionally, about **1,000** health workers were trained for six months on midwifery, to develop their skills in providing safe delivery at home.

In 2013, **999,110** women and children with maternal and child health complications were referred to formal healthcare facilities through BRAC's referral system. The use of mobile phones for complication notification, arranging locally available vehicles, marking pickup points and guiding staff to facilities have strengthened the referral system reducing delay in seeking care at those facilities.

Case Story



Birth on the River

My name is Asma Begum. I live in an isolated *char* (island of silt within rivers) in Gaibanda district. I became pregnant with my first child when I was only 19 years old. BRAC's *shasthya kormis* (frontline community health workers) visited me for antenatal check-ups, and urged me to temporarily move to the mainland so that I could deliver my baby at a proper health facility. Since I was unable to do so, they told me about BRAC's delivery boat, which has a skilled birth attendant and a paramedic stationed round the clock. They reassured me that the boat is equipped to conduct normal deliveries as well as transport patients to nearby facilities. To further ease my worries, they gave me the delivery boat's phone number in case of an emergency.

One morning, I woke up with labour pain and knew it was time for my baby to come. My family called in a local *dai* (traditional birth attendant), even though I wanted to call the delivery boat. I finally convinced my family that it was the right thing to do for myself and my baby. The delivery boat arrived within an hour of being called. After a five-hour labour, my baby was born and we were both happy and healthy.

My family realised that they did the right thing by calling the delivery boat. It saved time, money and most importantly, my child's life and my own.

NON-COMMUNICABLE DISEASES

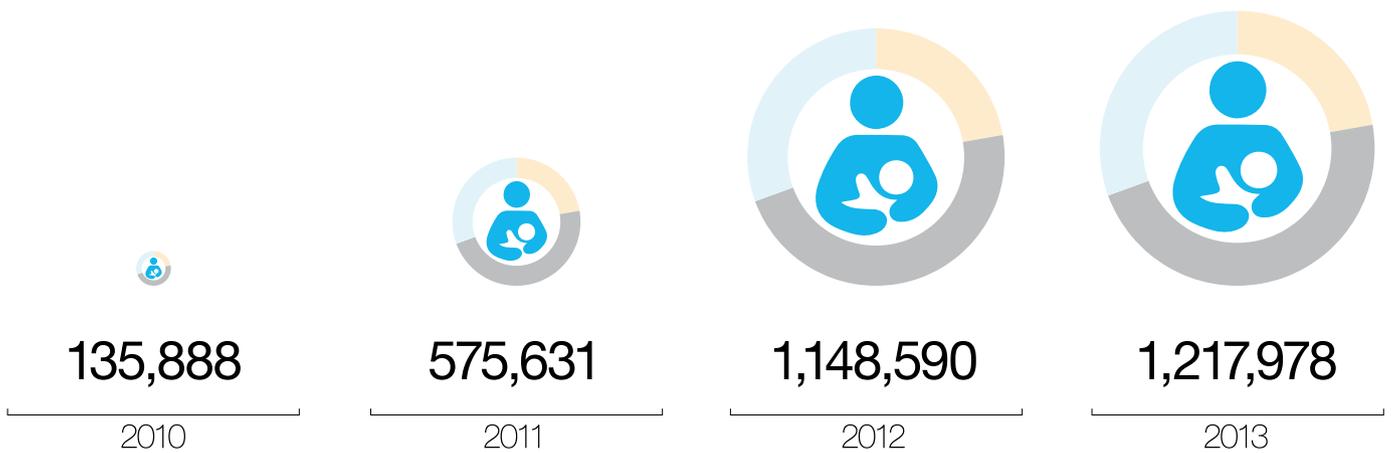
A community-based strategy is developed to address the increasing rate of non-communicable diseases in Bangladesh. In 2013, we trained over 2,500 frontline community health promoters to screen people for hypertension and diabetes by measuring blood pressure and sugar markers. Suspected patients were referred to appropriate health facilities for further diagnosis and treatment. In 2013, 16,816 hypertensive and 9,076 diabetic patients were screened and referred for further treatment.

VISION BANGLADESH

To prevent avoidable blindness, BRAC in partnership with the government and private sector hospitals examined 339,923 patients with eye problems in Sylhet. After diagnosis, 110,000 cataract surgeries were performed, which exceeded our estimated target. In 2013, this initiative scaled up to three urban slums and will gradually reach all city corporations of Bangladesh.

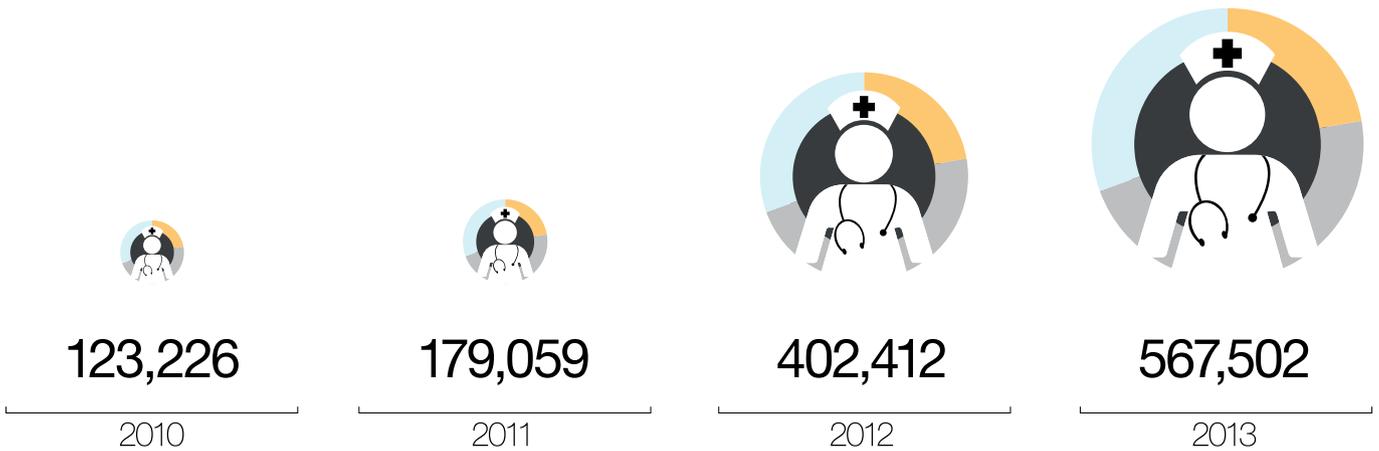


Number of newborn breastfed within one hour of birth ←





Number of women had skilled attendance at birth





The water, sanitation and hygiene (WASH) programme

provides sustainable and integrated services in rural and isolated areas, breaking the cycle of contamination caused by unsanitary latrines, unclean water and unsafe hygiene practices. We ensure sustainability of these interventions by encouraging community ownership, developing linkages with local government, and encouraging local entrepreneurs to supply low-cost hardware.

HIGHLIGHTS 2013

WASH observed National Sanitation Month along with Handwashing Day in **250** sub-districts, **31** districts and **4** city corporations, in collaboration with district and sub-district administrations and the Department of Public Health Engineering in respective areas. The programme also participated in a number of internationally recognised events including World Water Week in the Netherlands and World Toilet Day at the United Nations headquarters.

SANITATION

To identify appropriate sanitation technology for *haor* areas, we developed five different types of latrine models and piloted them.

After testing the application of SaTo (derived from Safe Toilet) pans, we implemented them for areas where water is scarce. This alternative hygiene latrine pan uses a simple mechanical seal that closes after each use. This would reduce disease transmission by closing off pit latrines from the open air.

Our trial with using faecal sludge as biofertiliser has been successful; the quality reaches the national standard. We applied for government approval to promote biofertiliser use amongst micro-entrepreneurs.

In order to measure the cost effectiveness and sustainability through the entire life cycle of a sanitation facility, we conducted a WASH cost study. We also conducted action research to understand how to solve sanitation supply chain-related problems and how to address these issues in high and low sanitation coverage areas. Through the supply chain, we ensure the quality of products manufactured in local sanitation centres, whether it is the appropriate technology with adequate supplies, and whether the centres are sustainable. We help to diversify their products and train entrepreneurs to better serve customers while making a reasonable profit. At the World Toilet Summit, the senior director of WASH was inducted into the Sanitation Hall of Fame in 2013, for his contribution to the global sanitation movement and scaling up sanitation in Bangladesh.

WATER

Safe water supply is a critical issue due to highly arsenic-contaminated groundwater in Bangladesh and saline intrusion in the coastal areas. As a result, demand for it is much higher than its supply. Deep tube wells are the most suitable safe water option as they are affordable and user-friendly. In 2013 we provided 1,326 deep tube wells in 20 new sub-districts, which are considered hard-to-reach areas. Additionally, action research was conducted through a pilot to forecast the extent of salinity intrusion and monitored it through smart phones.

HYGIENE

Installation of water supply systems and sanitation facilities are not enough to improve people's health – good hygiene practices are essential to serve that purpose. WASH adopted a number of practical approaches to promote hygiene messages that are based on socioeconomic and hydrogeological conditions, culture and existing practices. We used the selling, not telling approach to deliver WASH

Since inception

13.6 million households covered

65,584 village WASH committees (WVCs) formed

85,824 WVC members provided with leadership training

2,400 loans provided to rural sanitation entrepreneurs

2,095,224 unhygienic latrines converted to sanitary latrines

4,444 secondary schools provided with separate latrines for girls

7,717 teachers trained on WASH issues and teaching methodology

Case Story



I am a sanitation entrepreneur

I am Shahida Begum. I live with my husband, two children, mother-in-law and brother-in-law in Alamnagar village of Tangail district. My husband didn't have a job and the only working member of our family was my mother-in-law. She worked as a maid in other people's homes to support the family. Her income wasn't enough to even fulfil our basic needs, let alone finance my brother-in-law's education; so eventually he had to drop out.

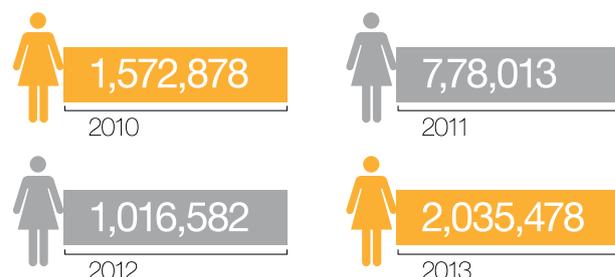
To help my family out, I borrowed BDT 7,500 from my brother and opened a production centre for sanitation materials such as pans, rings and slabs. After a while, I was approached by a BRAC staff who offered me the opportunity for some training. I was trained on sanitation entrepreneurship and given two loans of BDT 10,000 each for my business. I invested the money in producing latrine parts and other products, such as pillars, bricks and culverts.

My monthly income is BDT 12,000 and I was able to repay both loans. I have invested part of my savings into expanding my existing business and some of it to start a business involving metal rods and cement. Today the people of my community know me because of the products that I produce and I am able to provide for my family. I'm really proud of what I have accomplished.

messages with the purpose of changing people's behaviour regarding hygiene. Since messages are interpreted by people differently, this adaptive approach caters to people's motivation and needs. It rather uncovers the existing needs of people instead of creating it for them.

Hard-to-reach ←

Number of people covered under sanitation coverage in the hard-to-reach areas





**EXPANDING
HORIZONS**

AGRICULTURE AND FOOD SECURITY
COMMUNITY EMPOWERMENT
GENDER JUSTICE AND DIVERSITY
HEALTH, NUTRITION AND POPULATION
MICROFINANCE HUMAN RIGHTS AND
LEGAL AID SERVICES **EDUCATION**
INTEGRATED DEVELOPMENT
MICROFINANCE MIGRATION
TARGETING THE ULTRA POOR WATER,
SANITATION AND HYGIENE **ENTERPRISES**
AND INVESTMENTS AGRICULTURE
AND FOOD SECURITY **COMMUNITY**
EMPOWERMENT DISASTER,
ENVIRONMENT AND CLIMATE CHANGE
HEALTH, NUTRITION AND POPULATION
GENDER JUSTICE AND DIVERSITY
EDUCATION HUMAN RIGHTS AND LEGAL
AID SERVICES **MIGRATION WATER,**
SANITATION AND HYGIENE TARGETING
THE ULTRA POOR **ENTERPRISES AND**
INVESTMENTS DISASTER, ENVIRONMENT
AND CLIMATE CHANGE **ROAD SAFETY**



BRAC's education programme (BEP) has become the largest secular and private education system in the world, reaching seven countries. BRAC primary schools are designed to give a second chance at learning to disadvantaged children who have been left out of the formal education system due to extreme poverty, violence, displacement or discrimination. Our non-formal primary schools complement the mainstream school system with innovative teaching methods and materials. At the secondary level, we provide need-based training, student mentoring initiatives, and e-learning materials to improve mainstream education. We prioritise adolescents and the youth, offering life skills and livelihood development training, as well as savings and financial services. Mobile libraries from our multi-purpose community learning centres promote reading.

HIGHLIGHTS 2013

BEP enhances the quality of education by training teachers, providing ICT-enabled learning, increasing student participation in co-curricular activities, facilitating sports for development, creating volunteering opportunities for youths, offering financial literacy, livelihood and skills training and providing financial support to talented students.

344,683 of students appeared for their Junior School Certificate (JSC)

88.9% passed their examination

6.2% (18,873) students achieved a GPA of 5

99.99% Primary School Certificate (PSC) pass rate

90.10% of the students achieved A- and above

A total of **514** Medhabikash scholarship recipients out of **521** appeared in 2013 Higher Secondary Certificate (HSC) exams, out of which **93.96%** students received grade A or above. **55%** achieved a GPA of 5.

The pass rate of HSC students with a Medhabikash scholarship was **96.07%** whereas the national rate was **71.03%**

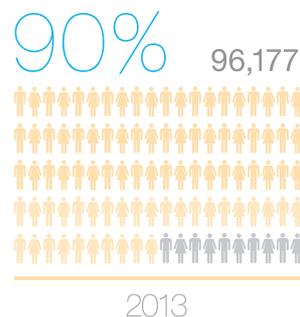
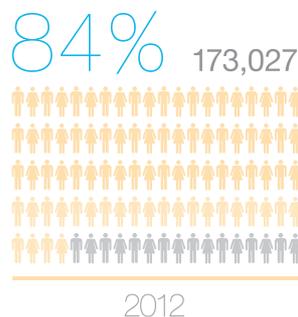
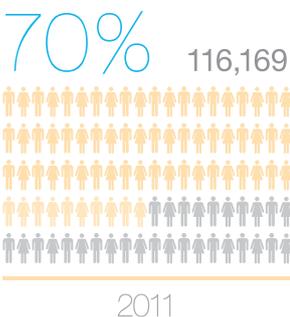
As of December 2013, **108** Medhabikash recipients completed their undergraduate degrees and **45** had started working. The rest are pursuing further studies.

Students under chhatrabandhu achieved excellent results with **96.77%** pass rate, which is higher than the national pass rate **89.7%**. It should be mentioned that out of total **4,172** students who passed the exam, **2,336 (55.99%)** are girls.

186 students achieved Grade A+ (4.31%)

PSC examination ←

Number/Percentage of BRAC primary school students receiving A (A+/A/A-)* grade in PSC examination



- ▶ Grade A+ = 80-100%
- ▶ Grade A = 70-79%
- ▶ Grade A- = 60-69%

Case Story



The results of volunteerism

My name is Abdul Matin and I am currently doing my master's from Government Azizul Haque College in Bogra. I always wanted to contribute to society so in February 2011, I joined BRAC's chhtarabandhu (volunteer tutor) initiative, through which I provide free tutoring to underprivileged students. Today I want to share the story of one student of mine; her name is Chameli Akhter.

Chameli was a first-generation learner in her family and aspired to complete her education. Due to her parents' lack of education and support, her parents couldn't help Chameli with her studies at home. Moreover, her father's earnings as a landless day labour were not enough to provide for her expenses. Her parents regularly pressured her to get married like her brother and sister. Despite this, Chameli managed to advance to class 6, but once there, she found herself struggling with her studies and on the verge of dropping out.

That's when a BRAC staff introduced me to Chameli. I began tutoring her regularly and encouraged her to nurture her potential. Soon enough, Chameli flourished and attained outstanding results in all her subjects in the JSC exams.

Chameli is now in class 9 and her dedication is bringing her closer to achieving a promising future. Chameli's successes will always remind me of the rewards and importance of taking part in volunteer opportunities.

SCALING UP OUR EFFORTS

In order to assist teachers and learn about children's behaviour, we engaged parents in our pre-primary schools to encourage mothers to nurture their children's learning.

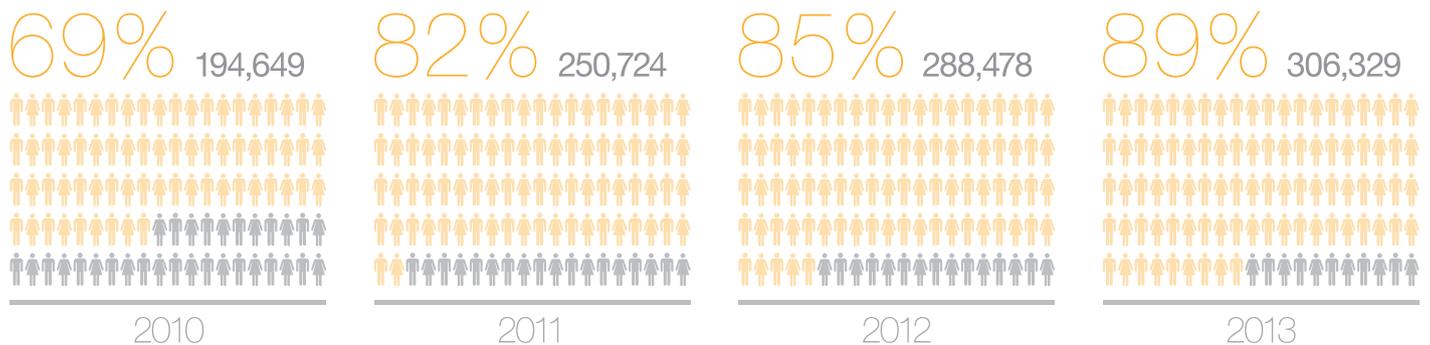
We launched 257 new boat schools in hard-to-reach areas, of which 125 were funded by Qatar Foundation's Educate a Child Initiative (EACI). Since 2012, the number of operating urban schools has doubled from 2,104 to 4,106. Among the 2,002 new schools, 1,000 were funded by EACI. Of the remaining schools, 56 were established as part of a new initiative for urban street children and children working as domestic workers. In addition to training adolescents, our apprenticeship programme trained 50 survivors of the Rana Plaza building collapse to support them in finding employment in alternative sectors. Among the 50 trainees, 40 engaged in a new job.



JSC examination



Number of students passing the JSC examination in BRAC-supported rural non-governmental schools





BRAC launched 257 new boat schools in hard-to-reach areas.

RAISING THE BAR OF QUALITY EDUCATION

The pre-primary curriculum of BRAC schools includes arts and crafts to enhance children's cognitive development. Teachers attended a workshop on arts and crafts as a part of staff capacity development.

Students from our children with special needs (CSN) programme, engaged in co-curricular activities such as singing and dancing, and showcased their talents in different cultural programmes.

A total of 32 CSN students participated in a scouting conference, from which the exposure helped to develop their social skills and boost their confidence.

Almost all of the BRAC primary school students passed their primary school certificate (PSC) exam with outstanding results. Students from BRAC-supported rural non-government secondary schools appeared for their junior school certificate (JSC) exam, out of which 88.9 per cent passed their examination and 6.2 per cent achieved a GPA of 5. Among the students under *chhatrabandhu* (a volunteer tutor initiative) who passed their exams, more than half of them were girls.

EMPOWERING THE YOUTH

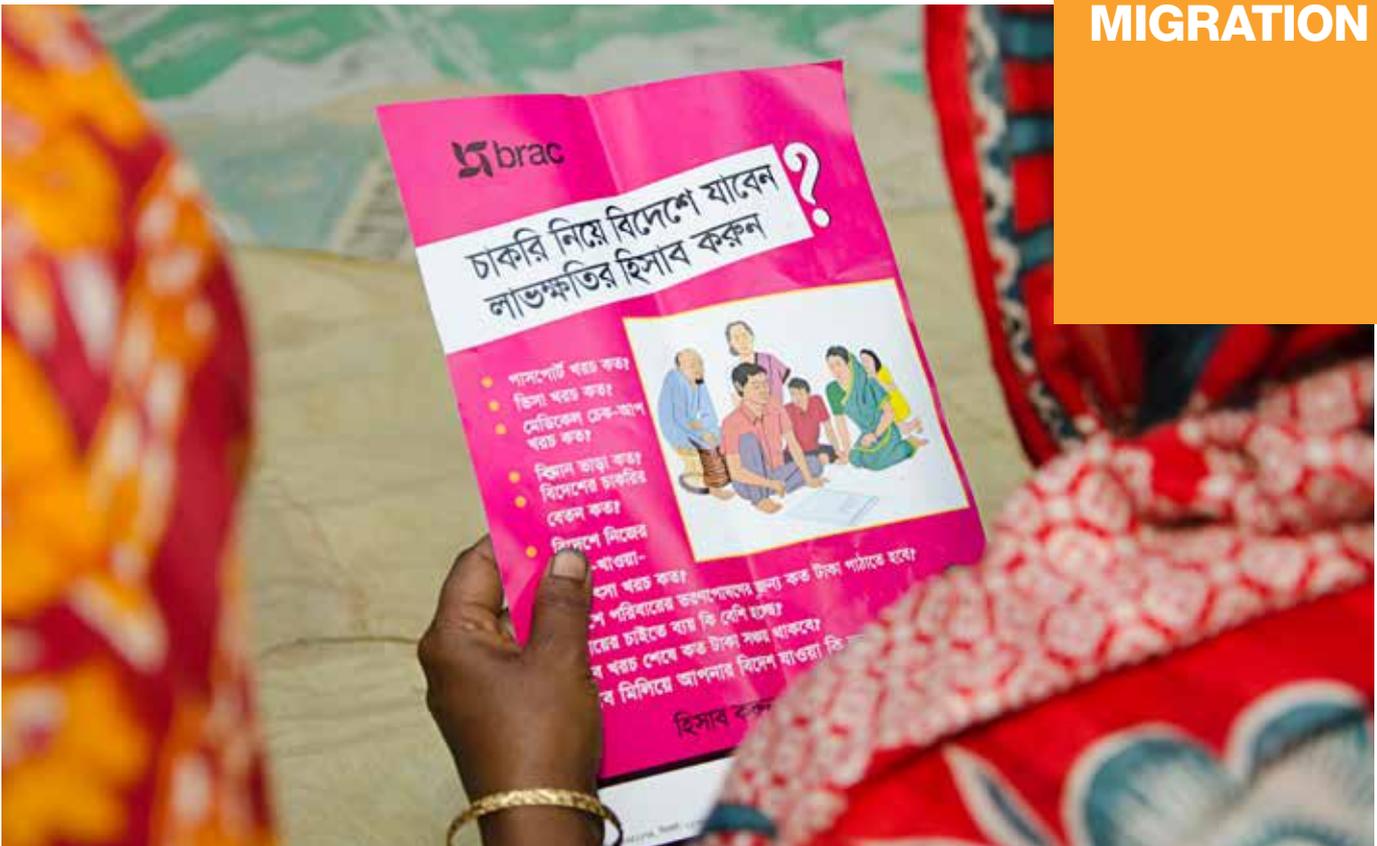
Through an intense three-tier screening process, our scholarship programme continued to give underprivileged students the opportunity to promote their talent. The pass rate of students in the higher secondary certificate (HSC) examination was 96 per cent, with 55 per cent of them attaining a GPA of 5. In collaboration with the British Council, we provided literacy training to marginalised adolescent girls in English and ICT. We aim to expand our initiative by reaching 560 adolescents in Manikganj and Tangail.

INNOVATIONS

BEP began offering a cohesive learning experience for students, combining experiential (process of creating meaning from direct experience) and creative learning (through drama and drawing).

We are providing academic support to students of class 6 and 7 with access to mobile phones in English and Mathematics. Students may contact the call centre and the subject experts will instantly provide suggestions and clarification to help answer their questions.

We also aim to promote girls' empowerment through sports by training adolescent girls as coaches who can pass on their knowledge to their peers.



In Bangladesh, migration has been declared as a thrust sector and is being recognised globally as part of the post-2015 development agenda. However, migrants continue to fall victim to exploitation due to lack of access to information, relevant skills, migration-related services and policy support. Realising this, BRAC initiated a migration project in 2006, to work with potential and returnee workers in 17 migration-prone districts at both service and advocacy level. The programme provides information on safe migration processes, relevant laws and rights, legal support, skills training and social arbitration to recover money from middlemen through community migration forums and volunteers.

HIGHLIGHTS 2013

In 2013, the migration programme started implementing a project to reduce vulnerability for migrant workers and their families by developing and strengthening local information and support systems through community-based organisations (CBOs). The pilot is being implemented at **80** sub-districts of **21** districts with the support of Japan Social Development Fund (JSDF) and World Bank.

The migration programme became a member of the Coordination of Action Research on AIDS and Mobility (CARAM Asia) in May 2013. The programme also provided support to CARAM Asia's preparatory work for the Colombo Process, 2014.

In collaboration with International Labour Organization, the programme piloted projects that focused on internal migrants who are women. An instrumental information guide was produced to support the migrants on safe internal migration.

The programme disseminated information about safe migration among **529,404** migrants and family members. Over **5,000** migrants received pre-decision training, which includes more than **500** female migrants, and the programme provided support to **31** migrants who were victimised by fraudulent migration activities. Through social arbitration by the migration forum, the programme helped the victims recover more than BDT **1.5** million. It provided further support to recover more than BDT **400,000** through the Bureau of Manpower Employment and Training. The programme also assisted eight deceived migrant workers to recover more than BDT **300,000** through legal process and acquire death benefits of BDT **1.08** million for nine deceased migrants.

In December 2013, BRAC was nominated as the convener of migrants' rights taskforce at the strategic planning meeting of CARAM Asia held in Kuala Lumpur, Malaysia.

INNOVATIONS

The migration programme is developing a comprehensive approach-based project with the participation of relevant BRAC programmes. This proposed project is designed to provide a comprehensive support to the migrant workers and their families in all three stages of migration – pre-departure, at destination (during migration) and reintegration.

Case Story



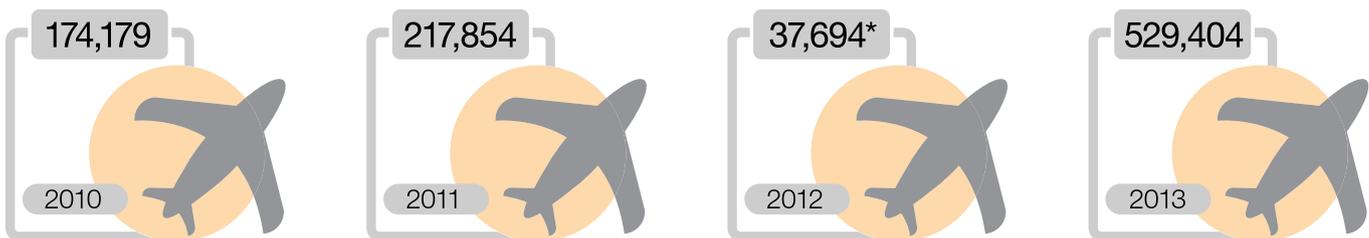
Financially independent and in control

My name is Sabiha. At 25, I am a divorced mother of two. We used to live with my parents in Habiganj, Sylhet. I tried earning my livelihood through tailoring, but it was not enough to provide for my children with proper healthcare and education. My father was a member of BRAC's migration forum. It was through him that I learned about the safe migration facilitation centre at Nabiganj. The centre provided me with information about the safe migration process and registration. I also received 21 days of training on housekeeping from the facilitation.

When I went to Lebanon, it cost me BDT 16,500 as opposed to BDT 200,000-300,000 paid by the other migrants. That was because I followed the Bangladesh government's officially instructed migration process with BRAC's assistance. Also, the training I received from the programme increased my skills and I started earning BDT 25,000-30,000 within three months of my stay.

Afterwards, I helped my sister migrate to Lebanon for a better job. My children now live with my mother and I am doing well in Lebanon. I have regular contact with my family and am content to be able to improve their financial condition.

Number of people received migration related information



* 2012 was a year of transition for the programme as the MJF-funded Safe Migration Facilitation Centre (SMFC) project ended and there was no activity for several months until the inception of the SPA-funded project, which started preparatory work from April 2012. Therefore a big fall in numbers occurred during that period.



EMPOWERMENT

AGRICULTURE AND FOOD SECURITY
COMMUNITY EMPOWERMENT HEALTH,
NUTRITION AND POPULATION **EDUCATION**
DISASTER, ENVIRONMENT AND
CLIMATE CHANGE GENDER JUSTICE
AND DIVERSITY MICROFINANCE
MIGRATION **TARGETING THE ULTRA**
POOR WATER, SANITATION AND HYGIENE
ENTERPRISES AND INVESTMENTS
ROAD SAFETY AGRICULTURE AND
FOOD SECURITY **HUMAN RIGHTS AND**
LEGAL AID SERVICES DISASTER,
ENVIRONMENT AND CLIMATE CHANGE
HEALTH, NUTRITION AND POPULATION
GENDER JUSTICE AND DIVERSITY
MIGRATION HUMAN RIGHTS AND LEGAL
AID SERVICES **WATER, SANITATION AND**
HYGIENE MICROFINANCE **INTEGRATED**
DEVELOPMENT EDUCATION **TARGETING**
THE ULTRA POOR ENTERPRISES AND
INVESTMENTS



BRAC's community empowerment programme (CEP) empowers the poor, especially women, by mobilising communities to translate awareness into action. We give women the tools to increase their human, social and political assets to claim their entitlements, prevent exploitation, and play an active role in public life. Our approach strengthens rural communities by building community-based institutions called polli shomaj to raise awareness and the voices of the poor, while creating a platform for rural civil society and the local government to work together. Our process also includes addressing violence against women to create a safe environment for women and children and increasing access to information by using interactive communication tools like popular theatre and community radio. Together these interventions contribute to gender equity, democratic governance and sociopolitical empowerment of poor.

HIGHLIGHTS 2013

Our programme participants, many of whom are theatre artists, polli shomaj (a community-based organisation) members, union parishad (union council) members or survivors of violence were recognised by the Ministry of Women and Children Affairs. A total **183** of them were accredited with Joyeeta Nari Award 2013 for their accomplishments and successes. **45** of them were recognised for achieving economic success, **11** in the category of education and employment, **24** as successful mothers, **52** in prevention of repression, and **51** for working to bring social development.

Community Radio Pollikontho, an initiative of the programme, received the Family Planning Media Award by Ministry of Health and Planning and Meena Media Award by UNICEF for its significant contribution in increasing people's access to information.

CEP aims to develop the capacity, accountability and transparency of the local government to strengthen its institutions. In addition, it also promotes participatory democracy, and creates platforms for rural citizens and local government to work together to meet the local development challenges. This year **11,092** polli shomaj members entered the local power structures like the union parishad standing committee, school management committee, haat bazaar committee and the community clinic committee.

The programme addressed incidents of violence against women and children through the involvement and efforts of its polli shomaj members. The members took collective actions to prevent and

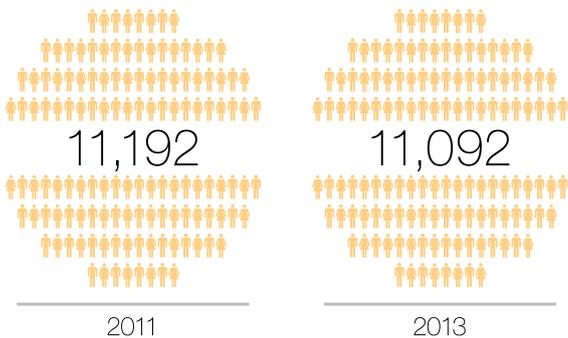
protest against issues like child marriage, dowry, *hilla* marriage, illegal divorce, polygamy and arbitration, domestic violence, and *fatwa*. Our polli shomaj members also rallied to raise awareness on issues related to violence against women.

29,750 collective actions to protect and prevent incidents of violence against women

11,092 polli shomaj members got into local power structure

10,832 polli shomaj engaged in local welfare activities in their community

Polli shomaj members involved in local power structure



INNOVATIONS

Creating community-based psychosocial counsellors, known in Bengali as *monobondhu*, is a new pilot initiative of the programme. Selected members from polli shomaj and popular theatre groups are trained by a professional clinical psychologist on techniques of psychosocial counselling. They then provide counselling to survivors of violence in the community and their families to enable them to cope with their psychological trauma and provide emotional support. This initiative helps the survivors to socially reintegrate into their communities.

Case Story



Rising to the top

My name is Khaleda Akter. I am from Majhparulia village in Satkhira district. Due to poverty and my father's low income, I was left taking care of my sick mother, my younger siblings and uncertain about my own future.

I wanted to do more with my life so I joined the local polli shomaj in 2005. Since then my life has changed drastically.

I received leadership training from BRAC and then became involved in various social activities. I took part in mobilising services and resources from local government offices, conducted welfare services for neighbours and took collective action against child marriage, dowry, controlling tobacco use and supporting education for children.

Due to my proactive leadership, polli shomaj members wanted me as their president. A year later, they encouraged me to run for a position in the union parishad. Thanks to my polli shomaj members, I didn't have to spend any money. They campaigned for my candidacy because they had faith in my capabilities. That's when I realised how important it was for me to serve others like myself.

In 2012, I was involved in the formation of a citizen action committee to engage men and boys to end violence against women. Under my leadership, many potential child marriages, and incidents of dowry and domestic violence were stopped. Today I can say that my hard work has paid off and I am one of 183 recipients of the Joyeeta Nari 2013 Award from the Ministry of Women and Child Affairs.

Number of polli shomaj taken collective action in their community





The gender justice and diversity (GJD) programme works simultaneously within BRAC and the community to achieve gender equality. The GJD interventions promote gender relations, equal participation, freedom and choice, which ultimately empower women and girls and prevent them from falling victim to violence. It also influences national policies, laws and agendas, and leverages national and international alliances for gender justice.

HIGHLIGHTS 2013

INCLUSIVE INTERVENTIONS TO COMBAT VIOLENCE AGAINST WOMEN

BRAC's gender quality action learning (GQAL) programme addressed violence against women at the community level by facilitating **804** village committees. The initiative also raised awareness and gender sensitivity in **770** SAMPRITI centres, reaching over **47,000** high school students (45 per cent of which were boys) and mobilising an additional **21,034** youth. Currently, **193** field organisers under **40** branch managers are providing awareness and gender sensitivity training for the GQAL programme. The programme spans in **390,000** households in eight sub-districts, reaching the lives of over two million people.

The meyeder jonnyo nirapod nagorikotto (safe citizenship for girls) programme engaged with **90,000** students, teachers, parents and community watch members across



Creating a better life together

My name is Rikta Parul, and I am a field organiser from the gender quality action learning programme. We address violence against women and promote gender equality through courtyard meetings in villages. These meetings help raise awareness and teach community members that both men and women must work together to improve their family, and both should have equal decision-making rights. When we hear of instances of domestic violence, we invite the perpetrators to meetings to prevent future incidents.

I remember one such case involving a husband and wife in Gobindagonj district. Rahim* and Nurjahan* were extremely poor and lived together in Rahim's father's house. Rahim, a day labourer, who could barely make ends meet, began beating his wife and fighting with his family.

When I first encouraged Rahim to attend a meeting, he denied his outbreaks of violence and refused to come. Finally, after being convinced by his neighbours, Rahim came to a meeting. After attending several sessions, Rahim said he realised his frustration caused him to behave badly and that he needed to change.

Today Rahim and Nurjahan have a grocery shop where they are both working. They have saved enough money to buy land and build their own house, reducing much of Rahim's anxiety over not being able to support his family. Rahim values his wife's opinions more and on her suggestion even opened a tea stall. Now they make decisions together and work to create a better life for their family.

**Names have been changed for confidentiality.*

Bangladesh to help reduce sexual harassment of school-going girls. Partnering with the Ministry of Women and Children Affairs, the initiative provided teachers with support counselling skills, while promoting law enforcement agencies to be more proactive and vigilant against sexual harassment.

In order to leverage social changes, the programme is building alliances with other government and non-government organisations, networks and activists working for social justice. Interactive discussion sessions, workshops and learning sharing meetings involved their participation and successfully encouraged them to be a part of the social change.

ACHIEVING GENDER EQUALITY GOALS

BRAC gender equality goal (GEG) action plans and results, mainstreamed by 18 programmes, delivered gender training and policy orientation to over **19,000** staff. It also captured the thoughts and voices of approximately **1,500** staff to advance institutional systems and management on gender issues.

As part of institutional development efforts, GJD accelerated networking and partnerships with about 80 organisations interested in gender sensitising national policies and laws. It also leads Girls Not Brides Bangladesh, a national alliance of 12 organisations to eradicate child marriage.

Gender Justice and Diversity ←

Number of school-going girls able to resist and protest against sexual harassment in their lives

226



2010

6,492



2011

10,647



2012

32,400



2013

HUMAN RIGHTS AND LEGAL AID SERVICES



Ensuring basic human rights lies at the heart of development. **BRAC's human rights and legal aid services (HRLS)** programme is dedicated to protecting and promoting human rights of the poor and marginalised through legal empowerment. This programme creates an enabling environment for vulnerable and excluded communities to seek justice through formal and informal systems. HRLS is the largest NGO-led legal aid initiative in the world. It advocates a rights-based approach to human development.

HIGHLIGHTS 2013

HRLS not only raised rights awareness but also provided direct services to uphold people's claims, ensure justice, and where possible, prevent violations beforehand. We have also mobilised communities by sensitising local community leaders on human rights issues, so that the benefits of our justice services can be sustained beyond our intervention period.

In 2013, BRAC received the Rule of Law Award from the World Justice Project in recognition of the programme's cadre of 'barefoot lawyers' who help to empower poor people as a means to end poverty, and also for BRAC's overall work to protect the marginalised.

PRO-POOR JUSTICE SERVICES

The property rights initiative (PRI) aims to educate individuals on property rights issues. Under this initiative **5,689** women have received PRI education, **1,880** local communities leaders were trained on resolving land-related conflicts and **94** land entrepreneurs were provided certified land measurement training. An additional **10,984** individuals were provided with land measurement services.

As one of three implementers of the Improvement of the Real Situation of Overcrowding in Prisons (IRSOP) project funded by GIZ, HRLS successfully completed the second phase of its work to reduce overcrowding in prisons through release of under trial prisoners, particularly in Dhaka Central Jail. As a result of the relentless work of paralegals and panel lawyers, **1,204** under trial prisoners were released on bail and **1,057** who had lost contact with their next of kin were reunited with families. In 2014 its work will expand to two other districts, namely Narshindi and Chandpur.

ADVOCATING FOR GENDER EQUALITY

Throughout 2013, HRLS only recruited women to raise the number and retention of women staff members and promote the presence and acceptance of women in the field, as front line human rights advocates.

HRLS joined a group of rights-based organisations to file a writ petition challenging the practice of the 'two-finger test' that rape victims are subjected to during medical examination on the grounds that it is degrading, traumatising and unscientific. Following the petition and the Court's order, the Ministry of Health and Family Welfare has developed a comprehensive guideline for police, physicians and judges of Nari o Shishu Nirjaton Tribunals (Violence against Women and Children Tribunals) on examination and treatment of women and girls subjected to rape and sexual violence. BRAC has been incorporated into the committee that developed this comprehensive guideline.

Alternative Dispute Resolutions ←

Number of cases resolved via alternative dispute resolution (ADR)



Since inception

3,845,269 women completed human rights and legal education course

206,779 cases received by legal aid clinics

111,628 cases resolved via alternative dispute resolutions

Case Story



Earning the respect deserved

My name is Sahera Khatun. I live and work in Khansama sub-district in Dinajpur. The people here call me *amin apa* (land measurer sister). But it took me a long time to earn the people's respect and get to where I am today.

I was born into a very poor family and my household was typical to thousands of poor Bangladeshi homes. But after I got married, I got a lot of support from my husband and later on from my children, to pursue my dreams of becoming an independent breadwinner. In 2005, I received certified land measurement training from BRAC's property rights initiative project and became an upgrade *shebika* (barefoot lawyer).

I am well aware that as a woman, being a land measurer is an uncommon phenomenon in rural Bangladesh. At first I was severely criticised for working in the fields among dozens of unknown men.

One day I was ambushed by seven men who were also land measurers. They challenged my knowledge and tested me to see if I could really perform a 'man's job.' I was afraid but I stayed calm and measured the land I was assigned to that day in front of them. When they realised I was more than capable, they finally gave way and news of my precision in measuring land spread from village to village. As I began amicably resolving more land disputes in the area, more people began to accept my job. The demand for my services began to spread to districts beyond my home.

Today my opinions are so highly valued that I am regularly invited to take part in local village meetings. As a barefoot lawyer, I continue to refer survivors of human rights violations to BRAC's legal aid clinic and offer free land measurement services particularly to poor women in my district.

Number of cases filed in the court ←



ADMINISTRATION, MONITORING AND INVESTIGATION

The administration department deals with the preparation, submission and obtaining approval of foreign donated projects from the Director General, NGO Affairs Bureau. In addition, the department also undertakes product registration for BRAC's enterprises and work permits for expatriate employees.

The monitoring and investigation department is an integral part of BRAC's internal control mechanism. The department has two units including monitoring and investigation. The monitoring unit provides support to BRAC's development programmes, departments and enterprises. In order to ensure transparency, the unit conducts periodic analyses enabling the management to determine whether the key activities are being carried out as planned, and whether they are having the expected outcomes. The investigation unit investigates complaints related to financial irregularities, violation of organisational rules and regulations, nepotism, indecent behaviour and arbitrariness across BRAC. It also investigates grievances from BRAC's stakeholders.

In 2013, the department monitored 140 issues and shared their findings on the issues with BRAC's higher management. The unit also investigated 167 complaints related to financial irregularities and rule violations.

We identified the eligibility of 98 potential candidates who applied for BRAC University and BRAC-FORD scholarships, and 47 government medical college and BUET students who applied for the Aminul Alam Trust Scholarship.

BRAC's transportation department replaced paper-based requisitions with an online requisition system. Online requisitions for vehicles increased the efficiency of transport management. The department is using a web-based software to distribute vehicles, allocate seats in staff buses, prepare miscellaneous reports and bills, maintain a database of drivers and vehicles, and renew documents. We also developed a text messaging system through which we can send messages in bulk to commuters using staff buses.

ADVOCACY FOR SOCIAL CHANGE

BRAC's advocacy for social change programme promotes behavioural change amongst individuals, communities, organisations, government officials and policymakers regarding policies and practices to improve the overall human rights scenario in Bangladesh.

In 2013, government livestock officers increased animal vaccines supply at sub-national level for marginalised people, government officials issued letters to increase ultra poor people's access to government services, and 145 ultra poor children enrolled in schools.

To promote enrolment in primary schools in hard-to-reach areas, we made interactive popular theatre available for the community people and received a good response from them.

The programme engaged network members from sub-national to national level to support the breast milk substitute (BMS) code implementation plan. Twenty medical college students volunteered to mobilise doctors for its implementation.

For our agriculture programme, we networked with the government to enhance agriculture extension services for farmers. We promoted climate adaptive technologies in the media at national level.

We started social communication activities in 21 sub-districts and 11 districts to increase community participation regarding road safety issues and to bring behavioural change amongst pedestrians and passengers.

Among other tasks, the department trained and provided communication support to 22 staff of our agriculture programme to ensure climate adaptive technology by farmers; trained and oriented 24 batches to mobilise community, government organisations and NGOs; formed 171 ward development committees and prepared an action plan to reduce vulnerability and social obstacles; trained 450 volunteers to mobilise social obstacles and increase primary schools enrolment in hard-to-reach areas; held more than 50 roundtables and orientations and 130 fellowships with journalists to promote TB and malaria preventive measures; developed a common guideline for BRAC's advocacy and communication strategy.

GOVERNANCE, MANAGEMENT AND CAPACITY BUILDING

BRAC PROBASHBANDHU LIMITED

BRAC Probashbandhu Limited (BPL) is a sister concern of BRAC, which offers travel and tourism services to both domestic and international tourists in Bangladesh. BPL aims to flourish the tourism industry of the country and showcase a positive portrayal of its history, culture, traditions and economic strengths to the international community. In addition, this initiative aims to counsel and train youth on safe migration to help them go abroad in a cost-effective manner and find better income opportunities.

BPL was initiated in 2013 and incorporated under the Companies Act as a business unit. BPL received government approval for a recruitment licence, and the recruitment and job placement licence for all categories of workforces abroad. BPL is also a member of the Association of Travel Agents of Bangladesh.

COMMUNICATIONS

BRAC Communications enhances, promotes and protects BRAC's image through strategic communication. The department fosters innovation and synergy across and outside BRAC by facilitating an effective exchange of ideas and information. It maintains consistency of all external communications, facilitates knowledge sharing and employee engagement, and ensures brand consistency within the organisation. The department also creates different modes of communication to promote a better understanding of BRAC.

In March 2013, the communications department coordinated and arranged the 41-year celebration by organising BRAC Day and the BRAC values award ceremony, with the assistance of BRAC Finance and Accounts. At the same time, a booklet featuring all the acronyms and contacts in BRAC was published

online. The department also provided extensive support to other programmes and departments in conducting major events.

BRAC Communications set up a brand compliance unit in 2013, to secure proper branding and consistency throughout the organisation. It published a communication policy for the first time, which ensures efficiency, standardisation, integration and cost-effectiveness. The department drafted a style guide for English writing in order to maintain consistency and quality in all written communication materials produced by BRAC. It also conducted a thorough workshop on fair usage of the communication policy.

The communications department continued year round activities to promote BRAC's profile globally. Our social media followers significantly increased from 11,000 in 2012 to 24,000 in 2013 (Facebook) and 6,000 in 2012 to 11,000 in 2013 (Twitter). The social media unit ran a worldwide photo contest campaign and the winner got a chance to shoot photos in Afghanistan for a book on BRAC. Commemorating 2013's International Mother Language Day, the department launched an official Bengali website of BRAC.

BRAC was widely featured in the local and international media in 2013, highlighting its worldwide interventions and innovations.

The visitors unit facilitated many high profile visits in 2013, and some of the significant visitors were:

- Julien Bouissou, Journalist, Le Monde, France
- Tissa Vitharana, Minister of Scientific Affairs, Sri Lanka
- Jay Naidoo, Global Chairperson, GAIN, India
- Robert W Gibson CMG, British High Commissioner to Bangladesh
- Caroline Okao Amali, Minister of State for Microfinance, Uganda

In 2013, a partnership management unit was introduced to work closely with our donor liaison office. The goal of the newly established unit is to standardise partnership management practices throughout BRAC while providing necessary support to other programmes entering an external partnership. The unit works with the mandate of increasing private sector engagement in alignment with BRAC's strategic priorities.

CONSTRUCTION AND MAINTENANCE

BRAC Construction and Maintenance is equipped with qualified engineers, architects, technicians and support staff. It undertakes projects to repair and renovate, follow decisions from management or to meet the needs of various programmes. Additionally, the department provides maintenance services to BRAC's offices all over the country.

In line with BRAC's continuous growth, the department relentlessly supports infrastructure development work. The architectural team makes the design, which is followed by structural, electrical, plumbing and utility designs by civil and electrical engineers. On approval of the budget, a team of field level civil engineers facilitate the projects under strict supervision of the senior engineers who observe procedures and rules.

A team of 100 staff is engaged in running utility facilities not only at BRAC Centre and BRAC University but also at Aarong and various other programmes across Bangladesh. Servicing generators, air-conditioners and freezers are part of the department's regular tasks.

In 2013, the department constructed BRAC offices in Ghior, Manikganj, Batiaghata and Khulna. Additionally, a four-storey building was constructed in the regional office compound of Gazipur and long boundary walls in Salanga, Sirajganj and Gazipur. An eight-storey apartment complex comprising of 13 flats was also built in Uttara, Dhaka. Repair and renovation work was completed for 134 establishments, out of which 67 are BRAC offices. We have also completed 100 disaster resilient houses in Barguna and Bagherhat. We have carried out projects worth BDT 770 million.

DONOR LIAISON OFFICE

BRAC started its involvement in the rural development sector in 1972 and established the formal rural development programme (RDP) in 1985. Non-formal primary education (NFPE) was an integrated part of BRAC's RDP focused on providing children from extremely marginalised in rural areas with education. The first donor consortium for the RDP was formed at the end of 1989 and the donor liaison office (DLO) was established in 1990 with support from CARE.

In 1994 DLO took responsibility to support both RDP and the poverty reduction programme. When the RDP came to an end in December 2000, the new DLO was put in place to assist the BRAC's donor consortium till 2004. In 2009, BRAC took over direct operation of the DLO and assigned it for coordination with the donors and review teams regarding the three consortia: BEP consortium, CFPR-TUP partner consortium, HNPP consortium.

In 2013, DLO organised the annual donor consortium meeting, coordinated BRAC Education Programme's midterm review, conducted a workshop on partnership management and proposal writing and launched the DLO portal for archiving past proposals. The department also jointly worked with BRAC Communications and the strategic partnership agreement (SPA) partners to develop the SPA risk matrix and work plan, and the SPA communication strategy.

FINANCE AND ACCOUNTS

BRAC's finance and accounts department is responsible for financial planning, record-keeping, and managing costs, assets and liabilities. The department also finances investments, analyses cash-flow, profitability, and prepares budgets and financial frameworks for programmes. The department is accountable for donor grants, property, provident funds, employee gratuity, salary, tax and loans. Through this department we ensure effective financial control and transparency of the financial data of our projects and enterprises, garnering the trust and confidence from all those with whom we work.

In 2013, the department prepared a budget of USD 640 million for BRAC's programmes and maintained control over the budget accurately. We also produced timely reports for our donors, regulatory authorities and other relevant stakeholders.

The department strives to internalise BRAC's values, notably creating a positive and harassment-free working environment for all staff. To further promote this we made it a priority to employ cashiers who are women at our branch offices.

HUMAN RESOURCES

BRAC's human resources division (HRD) established a qualitative and strategic approach in managing its workforce. The key focus areas are procedural justice, transparency, equality, respect for diversity and recognition of potential. Its policies and guidelines aim to ensure uninterrupted services and active participation of staff, which in turn facilitates achieving organisational goals and fulfilling individual employee's needs.

In 2013, HRD delegated a level of authority to field offices to ensure that tasks are carried out efficiently. Respective HR field offices can update staff information and staff personal documents to the human resources management system, conduct background checks, and confirm other required information. A new automated system has been introduced, through which the field accounts offices can acquire information about salaries, and update information related to loans and deposit pension scheme.

To provide essential HR services directly to staff, HRD introduced an online hub called myBRAC. Staff can now access their attendance information, leave record, pay, adjustment and increment slips, provident fund, and tax return papers at any point in time. We also prepared an automated, transparent and easy-to-access online leave and visit application, authorisation and record keeping system.

We also started an online-based eRecruitment system to make the entire recruitment system automated, paperless and efficient.

INFORMATION AND COMMUNICATION TECHNOLOGY

BRAC's information and communications technology (ICT) department not only makes technological interventions to automate BRAC's internal business processes, but also introduces creative and innovative solutions tailored to complement our efforts in the local and global development arena. The department is comprised of four units including software development, network and infrastructure, hardware support and a midrange coverage desk.

In 2013, we improved internal automation, which reduces paperwork, introduced mobile-based data collection tool, and introduced a new MIS system for generating reports. We established connectivity in two development management centres, six BRAC offices and 13 learning centres with our head office. With assistance from the learning division, we provided introductory ICT classes for field staff and held a cross programme ICT forum with our focal points.

INTERNAL AUDIT

The internal audit department is an independent unit within BRAC, which aims to maintain transparency and accountability across the organisation, directly reporting to the finance and audit committee. The department's more than 350 auditors independently examine and evaluate BRAC-wide activities to advise management on operational efficiency. It also assesses the effectiveness of BRAC's management control, governance and risk management services. The department's services include routine, system and special audits, investigations, and annual inventory verification. An audit review committee reviews the work of the department to ensure greater transparency and accountability.

In 2013, we opened a capacity development unit for audit officials. The unit conducted 31 programme-based training and prepared CPD papers on various professional issues.

To provide better services we started an IT system audit to ensure control, risk and compliance of BRD for new software, surprise audits based on risk exposure of each cost centre, and construction audits for the construction department's projects.

LEARNING DIVISION

BRAC Learning Division (BLD) is responsible for augmenting the capacity and professionalism of BRAC staff and programme participants through a wide range of human development and management training. We also contribute to the capacity development of government and development organisations at home and abroad. At present there are 27 learning centres across Bangladesh.

In 2013, BRAC started working with the Department of Women Affairs to empower the members of registered volunteer women organisations through leadership training. BLD also trained the Local Government Engineering Division and Krishi Gobeshona Foundation on PRA and scientific report writing.

Under the memorandum signed between BRAC and Institute of Research on Africa we will provide capacity development training and technical support in microfinance to the staff of Central Bank, Nigeria.

BLD introduced the working group approach to develop demand-driven training courses for different BRAC programmes through which the programme goals could be achieved more effectively. As a new dimension, BLD incorporated a year-long on-the-job training. The learning division also conducted training courses for BRAC staff in the Philippines, Tanzania, Uganda, Liberia, and Sierra Leone.

LEGAL AND COMPLIANCE

BRAC's legal and compliance (L&C) department protects the organisation's legal interests, promotes good governance and creates a legal culture within BRAC. The department's mission is to protect BRAC's people, programmes, properties and reputation.

In 2013, we started providing legal awareness training to all BRAC staff. We enhanced our legal database (CaseHub) and finalised a legal standard operating procedure to manage legal issues of the organisation. Also, the department entered into a retainer agreement with all external lawyers.

We aim to work actively with our donors and other partners to bring best legal practices into the development sector.

PARTNERSHIP STRENGTHENING UNIT

BRAC's partnership strengthening unit (PSU) supports relationships and coordination amongst our programmes and stakeholders,

such as government agencies, NGOs, media and public representatives.

BRAC's district representatives provide information under the Right to Information (RTI) Act 2009 to maintain a strong relationship with the office of the Chief Information Commissioner. Through PSU, we are effectively facilitating our district and sub-district administration offices as well as the NGO Bureau to work more resourcefully for our clients across Bangladesh. The unit also plays a leading role in coordinating major events across the organisation.

PROCUREMENT, ESTATE AND MANAGEMENT SERVICES

The procurement department is engaged in activities crucial for smooth governance and the successful implementation of BRAC programmes and enterprises. We ensure punctual procurement and delivery of goods, and safety and security of BRAC's staff and properties. The department comprises of procurement, estates, security, logistics, central store, telecommunication, visa and protocol units.

In 2013, the department introduced an electronic document and record management system (EDRMS) to store all documents in a centralised location that are accessible from computers or laptops. This software will be helpful for audit trail and in maintaining transparency.

We procured a seed processing plant for Uganda and two metric ton feed mill machines for Liberia. We also assisted Uganda in developing their procurement guidelines and implementation procedures.

We increased BRAC's security by deploying security personnel to all BRAC clinics in Bangladesh. Now security information can be communicated to higher management via text messages, so that prompt measures can be taken.

RESEARCH AND EVALUATION

The research and evaluation division (RED) provides analytical support to BRAC programmes, enabling them to identify new areas of intervention, formulate strategies and approach challenges accordingly. RED's efforts aim to assist a programme at every stage to make its implementation more effective by exploring the adjustment needs of a particular intervention and evaluating performance in terms of long-term impacts. These steps help the programmes to continue, scale up or redirect.

In 2013, RED conducted more than 24 studies, including on the BRAC pre-primary school environment, school nutrition programme, baseline on BRAC primary schools in urban slums, impact assessment of pro-poor resource governance under changing climate, tenant farmers development project, facility-based obstetric care in rural Bangladesh and quality care of BRAC maternity centre in urban slums.

RED produced 13 research reports, nine articles in peer-reviewed journals, six working papers, five research monographs, two books, Nirjash (a Bengali research journal) and a bibliography (unpublished). The department also organised 15 seminars and two national workshops on the tenant farmers extension programme and on rural mechanisation.

The monitoring report on National Food Policy Plan of Action and Country Investment Plan (2008-15) of the Ministry of Food and Disaster Management cited two studies conducted by RED titled, 'Sustainability of groundwater use for irrigation in the northwest Bangladesh' and 'Impact of water, sanitation and hygiene (WASH) programme intervention'.

A baseline survey on the impact assessment of the adolescent development programme (ADP) found that adolescents had little knowledge about reproductive health and sexual education including social issues. RED will follow the study later by an end line, and it is expected that there will be a marked improvement.

SOCIAL INNOVATION LAB

BRAC's social innovation lab (SIL) institutionalises innovations at BRAC and shares, nurtures and translates ideas into action. Through this unit we identify opportunities to better align activities with our overall strategic priorities and take better advantage of the emerging opportunities. The unit aims to enhance BRAC's overall capacity for managing internal innovation and foster organisation-wide dialogues and mobilisation.

In 2013, we held the first Frugal Innovation Forum. SIL started a learning consortium with six organisations across South Asia, including two programmes at BRAC.

We tested frugal technologies that could be used broadly at BRAC. SIL used free open-source software on Android phones to map Dhaka and Dinajpur. SIL also used a free crowd mapping software to run a sms-based poll to find if our community considers education as the priority for post-2015 development agenda.

SIL launched a learning network with other organisations in South Asia to create practitioner-centred forms of knowledge management, draw global attention to southern innovation, and enable BRAC to learn about other large scale programmes.

We held more than 20 learning sessions at BRAC, launched six idea boxes, and shared staff ideas for innovation in high level meetings and Shetu (BRAC's staff newsletter).

SIL lead a BRAC-wide project on data management to enhance BRAC's ability to make informed decisions, track progress, and better meet client needs.

EXECUTIVES



Mushtaque Chowdhury

Vice Chairperson and
Interim Executive Director



Mahabub Hossain

Advisor to Executive Director
for Agriculture and Food
Security and RED, BRAC
and BRAC International



Muhammad A (Rume) Ali

Advisor to Executive Director for
Financial Institutions, BRAC and
BRAC International



Faruque Ahmed

Executive Director
BRAC International



Shib Narayan Kairy

Chief Financial Officer
BRAC and BRAC International



Tamara Hasan Abed

Senior Director
Enterprises



Babar Kabir

Senior Director
Water, Sanitation and Hygiene
Disaster, Environment and
Climate Change



Asif Saleh

Senior Director
Strategy, Communications
and Capacity
BRAC and BRAC International

DIRECTORS



Shameran Abed

Director
Microfinance
BRAC and BRAC International



Dr Kaosar Afsana

Director
Health, Nutrition and Population



Muhammad Sahool Afzal

Director
Special Projects



Sheepa Hafiza

Director
Gender Justice and Diversity
Migration



Ahmed Najmul Hussain

Director
Procurement, Estates and
Management Services
Road Safety



Sayeda Tahya Hossain

Chief People Officer
Human Resources Division



Safiqul Islam

Director
Education



Rachel Kabir

Director
Chairperson's Office



Anna Minj

Director
Community Empowerment
Integrated Development



A I M Monsoor

Chief Engineer
Construction and Maintenance



Saieed Bakth Mozumder

Director
Tea Estates



Faustina Pereira

Director
Human Rights and Legal
Aid Services



Tanwir Rahman

Director
Finance
BRAC International



Nanda Dulal Saha

Director
Internal Audit



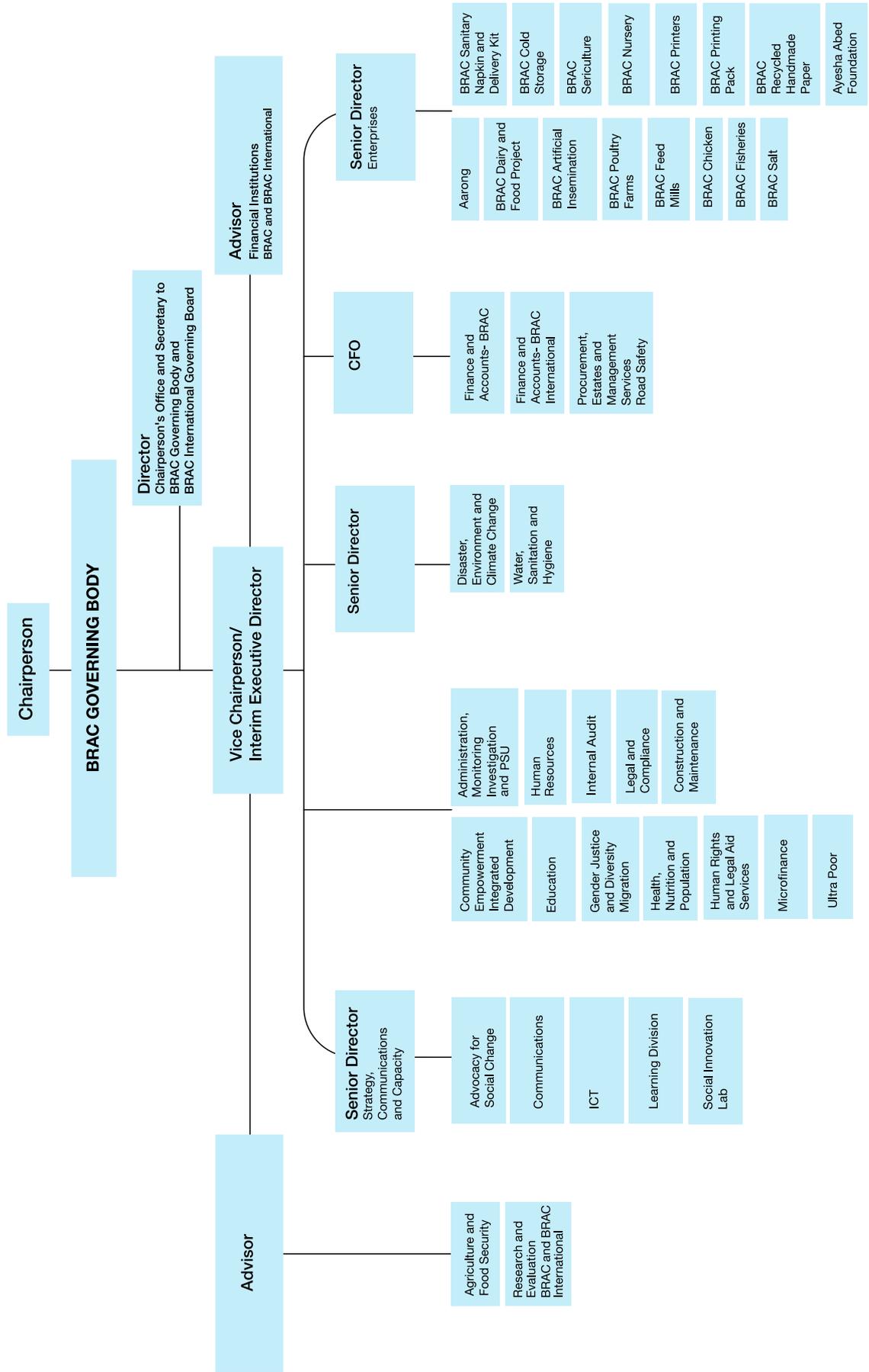
Reema Sen

Chief People Officer
BRAC International



Rabeya Yasmin

Director
Targeting the Ultra Poor



Note: This organogram reflects the situation as at date of printing

BRAC GOVERNING BODY

GENERAL BODY

The general body of BRAC consists of 29 members. As per the Memorandum of Association and Rules and Regulations of BRAC, the general body elects the governing body.

The Annual General Meeting of BRAC was held in June 2013, in which the general body elected the present governing body; approved the audited financial statements for the year ended December 31, 2011; approved the annual budget for 2013, and approved the appointment of external auditors for the year ended December 31, 2012.

GOVERNING BODY

The governing body of BRAC consists of 10 members. Distinguished professionals, activists and entrepreneurs of excellent reputation have been elected to the governing body, bringing their diverse skills and experience to the governance of BRAC.



Sir Fazle Hasan Abed

Founder and Chairperson, BRAC

Sir Fazle has received numerous national and international awards for his achievements in leading BRAC, including the Open Society Prize (2013), WISE Prize for Education (2011), David Rockefeller Bridging Leadership Award (2008), Inaugural Clinton Global Citizen Award (2007), Henry R Kravis Prize in Leadership (2007), UNDP Mahbub ul Haq Award for Outstanding Contribution to Human Development (2004), Gleitsman Foundation International Activist Award (2003), Olof Palme Prize (2001) and Ramon Magsaysay Award for Community Leadership (1980).

In 2009, he was appointed Knight Commander of the Most Distinguished Order of St Michael and St George (KCMG) by the British Crown in recognition of his services to reducing poverty in Bangladesh and internationally.



Mushtaque Chowdhury

Vice Chairperson

Dr Chowdhury is also a professor of population and family health at Columbia University in New York. He previously served as senior adviser at the Rockefeller Foundation, based in Bangkok, Thailand. He was also the founding dean of the James P Grant School of Public Health in Dhaka and served as a research associate at Harvard University's Center for Population and Development Studies. He is the co-recipient of the Innovator of the Year 2006 award from the Marriott Business School of Brigham Young University in the USA.



Tahrunnesa Abdullah

Social Scientist and Gender Specialist

Ms Abdullah is an advisor to Democracywatch and also serves as the chairperson of Gono Bishwabidyalyal, ASA, Ain o Salish Kendra (ASK) and South Asia Partnership-Bangladesh (SAP-Bangladesh). She started her career at the Comilla Academy for Rural Development and headed the women's education and home development programme. She oversaw the development of the National Plan of Action for Children 1997-2002, and has served as chair of Bangladesh Shishu Academy and Bangladesh Jatiya Mohila Sangstha.



Martha Alter Chen

Lecturer in Public Policy Harvard Kennedy School and International Coordinator, WIEGO

Dr Chen is a lecturer in public policy at the Harvard Kennedy School, an affiliated professor at the Harvard Graduate School of Design, and international coordinator of Women in Informal Employment: Globalising and Organising (WIEGO), a global research-policy-action network that seeks to improve the status of the working poor, especially women, in the informal economy. An experienced development practitioner and scholar, her areas of specialisation are employment, poverty and gender. Dr Chen has spent two decades in Bangladesh and India working for BRAC and Oxfam America.



Faruq A Choudhury

Chairman
Delta-BRAC Housing Finance Corporation

Mr Choudhury currently serves as a member of the governing body of BRAC University. He has played a significant role in developing the Bangladesh Foreign Office and was appointed the first chief of protocol. As the foreign secretary for Bangladesh in 1984, Mr Choudhury was instrumental in the creation of the South Asian Association for Regional Cooperation (SAARC), and subsequently served as the secretary-general of the first SAARC summit. Previously he served as the deputy high commissioner for Bangladesh in London, ambassador in Abu Dhabi and Brussels, and as high commissioner to India.



Luva Nahid Choudhury

Director General
Bengal Foundation

Ms Choudhury is an architect who was a part of the Bangladesh government service for 10 years and currently heads an architectural practice in Dhaka. She is the director general of Bengal Foundation, a trust that supports and promotes the arts in Bangladesh. She also heads ICE Media and Bengal Publications, both leading publishing houses.



Kazi Aminul Huque

Chartered Accountant

Mr Huque was the senior partner of Rahman Rahman Huq, Chartered Accountants, for more than 35 years. The firm is a Bangladesh partnership and a member firm of KPMG International's global network. Mr Huque was a founder trustee of the Bangladesh chapter for Transparency International.



Syed Humayun Kabir

Chairman, Renata Limited

Mr Kabir is the chairman of Renata Limited.

Formerly, he was a treasurer of the Centre for Policy Dialogue, founding chairman of Transparency International Bangladesh and senior fellow at Bangladesh Institute of Development Studies. He was the president of Metropolitan Chamber of Commerce and Industry, Bangladesh Employers' Association, American Bangladesh Economic Forum, and Foreign Investors' Chamber of Commerce and Industry.

Mr Kabir has a bachelor of science degree in chemistry from the University of Dhaka.



Latifur Rahman

Chairman and CEO
Transcom Group

Mr Rahman is the chairman and CEO of Transcom Group. He is also the chairman of Nestlé Bangladesh, Holcim Cement (Bangladesh) and National Housing Finance and Investments. Mr Rahman is currently the vice president of International Cricket Council – Bangladesh.

Formerly, he was the president of Metropolitan Chamber of Commerce for seven terms and also the president of Bangladesh Employers' Federation for two terms. Mr Rahman was the chairman of Tradebody Reforms Committee, a member of Bangladesh Better Business Forum, Advisory Committee on WTO. He was also a member of the Executive Board of Bangladesh Bank (Central Bank).

Mr Rahman has been honoured with the Oslo Business for Peace Award 2012.



Rokia Afzal Rahman

President, Metropolitan Chamber of Commerce and Industry (MCCI) and Vice President, International Chamber of Commerce (ICC) Bangladesh

Mrs Rahman is the president of the Metropolitan Chamber of Commerce and Industry (MCCI) and vice president of the International Chamber of Commerce (ICC) Bangladesh. She is a leading woman entrepreneur and a former advisor (minister) to the caretaker government of Bangladesh.

She is the chair and managing director of RR Group and Arlinks Group. She is also the chair of Mediaworld Ltd, MIDAS Financing Ltd and a director of Mediastar Ltd and ABC Radio. She is a member of the board of directors of Grameenphone Ltd and a trustee board member of Transparency International Bangladesh (TIB).

She is the founding president of the Bangladesh Federation of Women Entrepreneurs. She is a board member of Asian University for Women, Chittagong.

STICHTING BRAC INTERNATIONAL GOVERNING BODY

Sir Fazle Hasan Abed Founder and Chairperson, BRAC



Mahabub Hossain

Advisor to Executive Director for Agriculture and Food Security and RED, BRAC and BRAC International

Dr Hossain is an internationally-renowned development economist. He was the head of the Social Sciences Division and programme leader of the Rainfed Ecosystems Programme of International Rice Research Institute (IRRI), Philippines. He was also the director general of Bangladesh Institute of Development Studies (BIDS). He was awarded the first gold medal from the Bangladesh Agricultural Economist Association in 1985, in recognition of his outstanding contribution to understanding the operation of the rural economy in Bangladesh.



Muhammad A (Rume) Ali

Advisor to Executive Director for Financial Institutions, BRAC and BRAC International

Mr Ali is the chairman of BRAC EPL Investments Ltd, BRAC EPL Stock Brokerage Ltd, bKash Ltd, BRAC Sajaan Exchange Ltd, and also director of several organisations, including BRAC Bank Ltd, and BRACNet. He is an independent member of the board of the Alliance for Bangladesh Worker Safety (USA) and the Global Alliance for Banking on Values (GABV). He is also a member of the global steering committee of the performance-based grants initiatives of the International Finance Corporation (IFC) and the technical advisory committee of Bangladesh Investment Climate Fund. He also served as the deputy governor of Bangladesh Bank and was the first Bangladeshi to head a major international bank in Bangladesh.



Shabana Azmi

Actor and Social Activist

Ms Azmi is an internationally-acclaimed actress who was a member of the Indian Parliament and a UN Goodwill Ambassador. She is also a vocal and committed social activist. She heads Nivara Hakk, which has built homes for 50,000 slum dwellers in Mumbai. She is also president of Mijwan Welfare Society, an NGO that seeks to empower rural India with a focus on girls.

She is the chairperson of the governing board of ActionAid India. She is a recipient of innumerable awards as diverse as the Gandhi International Peace Prize in London and Crystal Award at the World Economic Forum in Davos. She has received honorary doctorates from Leeds University in the UK, Simon Fraser University in Vancouver, Jamia Millia in Delhi, Jadavpur University in Kolkata and TERI University in Delhi.



Debapriya Bhattacharya

Macro Economist and Public Policy Analyst

Dr Bhattacharya, a macro-economist and public policy analyst, is currently a distinguished fellow at the Centre for Policy Dialogue (CPD) in Dhaka. He is a former ambassador and permanent representative of Bangladesh to the World Trade Organization offices in Geneva and Vienna, and the special advisor on least developed countries (LDCs) to the secretary general of the UN Conference on Trade and Development (UNCTAD). He is associated with a number of leading institutions, networks and editorial boards of reputed journals. Dr Bhattacharya has studied in Dhaka, Moscow and Oxford and held a number of visiting positions including at the Centre for Global Development (CGD), Washington DC. He is the chair of two global initiatives, LDC IV Monitor and Southern Voices on Post-MDGs.



Sylvia Borren

Executive Director, Greenpeace Netherlands

Ms Borren was a director of Oxfam Novib from 1994 to 2008. She is a former co-chair of the Global Call to Action against Poverty (GCAP) and is still chair of its Dutch chapter, EEN. She is a member and former co-chair of the Worldconnectors, a Dutch transformative multi-stakeholder think tank. She was previously a member of the Dutch Government's Advisory Council on International Affairs and also chaired Quality Educators for All, a programme to develop training for non-formal teachers in developing countries. She was a part of the International Women's Commission for a Just and Sustainable Palestinian-Israeli Peace. She was also on the board of governors of the Altrecht Mental Health Institute.



Susan Davis

Founding President and CEO, BRAC USA

Ms Davis is the founding president and CEO of BRAC USA. She is an author, speaker, and thought leader in international development and civil society innovation. In 2010, she co-authored the book *Social Entrepreneurship: What Everyone Needs to Know*. She was a founding board member and past chair of the Grameen Foundation and currently serves on their Board Investment Committee. She is a senior advisor to New York University's Reynolds Program for Social Entrepreneurship, a member of the Council on Foreign Relations, and serves on several boards, including the United Nations Fund for International Partnerships. She was educated at Georgetown, Harvard, and Oxford Universities.



Quais Shafiq ul Hassan

Managing Director
Echo Sourcing Ltd UK and
Echotex Ltd Bangladesh

Mr Hassan is the managing director of Echo Sourcing Ltd UK and Echotex Ltd Bangladesh. Echotex has received Bangladesh's National Environmental Award, Metropolitan Chamber of Commerce and Industry, Dhaka's Environmental Award and J Sainsbury plc's Corporate Social Responsibility Award in 2010. Echotex was also awarded Best Clothing Supplier in 2011 as well as Best Clothing Supplier and Supplier of the Year in 2012 by J Sainsbury plc. He is the co-founder of Children's Hope, an NGO that works to educate slum children in Dhaka. He obtained his undergraduate degree from City University, London and his postgraduate degrees from Aston University, Birmingham (UK).



Irene Zubaida Khan

Director-General
International Development Law Organization

Ms Khan is the director-general of the International Development Law Organization (IDLO).

An international thought leader on human rights, gender and social justice issues, Ms Khan was the secretary general of Amnesty International from 2001 to 2009. Prior to that, she worked for the UN High Commissioner for Refugees for 21 years. She was a visiting professor at the State University of New York Law School (Buffalo, NY, USA) in 2011.

Ms Khan is the chancellor of Salford University (UK), and a member of the UNAIDS High Level Commission on HIV Prevention. She received the Sydney Peace Prize in 2006 for her work to end violence against women and girls. Her book *The Unheard Truth: Poverty and Human Rights* has been translated into seven languages.



Parveen Mahmud

Managing Director
Grameen Telecom Trust

Ms Mahmud is the managing director of Grameen Telecom Trust. Over the course of her professional career, Ms Mahmud has invested substantial time in working with national and international development agencies. She is a chartered accountant and was the first woman to be a council member in 2007 and president in 2011 of the Institute of Chartered Accountants of Bangladesh (ICAB). She was also the first female board member of the South Asian Federation of Accountants (SAFA). She was the deputy managing director of Palli Karma-Sahayak Foundation. She also served as the chairperson of the Acid Survivors' Foundation.

FINANCE AND AUDIT COMMITTEE

The governing body of BRAC constituted the BRAC Finance and Audit Committee with the following members:

- | | |
|---|--------|
| 1. Dr A Mushtaque Raza Chowdhury , Vice Chairperson, BRAC Governing Body | Chair |
| 2. Tahrunesa Abdullah , Member, BRAC Governing Body | Member |
| 3. Parveen Mahmud , FCA (Independent) | Member |
| 4. Dr Mahabub Hossain , Advisor to the Executive Director, BRAC | Member |

S N Kairy, Chief Financial Officer acts as Secretary of the Committee.

Each member is free of any relationship that would interfere with the exercise of his or her independent judgment as a member of the committee. Members of the committee have professional experience and expertise in different sectors.

Role and Purpose

The primary function of the Finance and Audit Committee ("the Committee") is to assist the Governing Body ("the Board") in fulfilling its oversight responsibilities for:

- The financial reporting and budgeting processes,
- The system of internal controls and risk assessment,
- The compliance with legal and regulatory requirements,
- The qualifications, independence, and performance of the external auditors and
- The qualifications, independence, and performance of the internal audit function.

Meetings During Year 2013

The Committee meets at least two times annually, or more frequently as deemed necessary by any Committee member. A total of three meetings were held during the year 2013.

Meeting Date: March 20, 2013

Meeting Highlights:

- The Committee reviewed the Audited Annual Accounts of BRAC for the year 2012 and recommended approval of BRAC Governing Body.
- The Committee suggested to take necessary actions against the findings as mentioned in the Auditor's Letter to the Management for the year 2012.
- The respective programmes will submit stock report on quarterly basis to Internal Audit Department. Subsequently, the Internal Audit Department will do physical verification of stock.
- The Accounts staffs should be provided necessary trainings and refreshers on regular basis.
- The Committee suggested to take necessary actions against the recommendations of the Internal Audit Department.

Meeting Date: June 20, 2013

Meeting Highlights:

- Chief Financial Officer presented the proposed annual budget for 2014.
- The Committee recommended to Governing Body and General Body for approval of the proposed budget for 2014.
- The Committee recommended to Governing Body and General Body for approval of the proposed budget for the period from July 2013 to June 2014.
- The Committee recommended to Governing Body and General Body for approval of the proposed budget for the period from July 2013 to June 2014 for Microfinance Programme.
- The Committee recommended for approval of the BRAC General Body to appoint S. F. Ahmed & Co., Chartered Accountants, Bangladesh and Ernst & Young, Chartered Accountants, Malaysia as the auditors of BRAC for 2013.

Meeting Date: November 23, 2013

Meeting Highlights:

- The Committee approved the Risk Management Policies and Framework of BRAC.
- Chief Financial Officer presented budget variance for 2013 and revised budget for 2014.
- The Committee recommended to BRAC Governing Body for approval of the proposed revised budget for 2014.
- S K Sarkar will continue to be the Chair of Audit Review Committee as an independent member.
- The Committee approved the Internal Audit Plan for 2014.
- The Committee suggested to explore the possibility of tracking the official movement of Auditors through their mobile phones by utilising GPS technology. If this system is cost effective, then it may be implemented BRAC-wide.
- The Committee recommended to BRAC Governing Body for approval of the in kind support to BRAC International.

Investment Committee

The Investment Committee oversees the BRAC investments. The Governing Body constituted the Investment Committee of BRAC with the following members:

1. Sir Fazle Hasan Abed,
Chairperson, BRAC Governing Body
Chairperson
2. Dr A Mushtaque Raza Chowdhury,
Vice Chairperson,
BRAC Governing Body
Member
3. Latifur Rahman,
Member, BRAC Governing Body
Member
4. Rokia A Rahman,
Member, BRAC Governing Body
Member
5. Luva Nahid Choudhury,
Member, BRAC Governing Body
Member
6. Muhammad A (Rume) Ali,
Advisor to the Executive Director, BRAC
Member

S N Kairy, Chief Financial Officer acts as Secretary of the Committee.

In 2013, two meetings of the Investment Committee were held.

OMBUDSPERSON

BRAC has established an Office of the Ombudsperson with a comprehensive mandate to investigate any grievance or complaint made to him by any individual concerning any decision taken by BRAC. This includes grievances such as maladministration and misuse of power, and examples would include, among others, corruption, abuse of discretion, negligence, oppression, nepotism, rudeness, arbitrariness, unfairness and discrimination. The Ombudsperson always maintains the highest level of confidentiality regarding complainants and complaints. The office prepares an annual report concerning the discharge of its functions and submits it to the Chairperson who then put the report before the BRAC Governing Body for their consideration.

Ahmed Ataul Hakeem FCMA, Ex-Comptroller & Auditor General, has been appointed as the fourth Ombudsperson for BRAC for the period from December 1, 2013 to November 30, 2016.

Membership of INGO Accountability Charter

BRAC became a full charter member of the INGO Accountability Charter in December 2013. The INGO Accountability Charter was incorporated in 2008. It is registered as a company in the UK and having its secretariat in Berlin, Germany. The objective is to create and develop a charter relating to the accountability of non-governmental organisations. At present there are 26 full charter members.

The Accountability Report submitted by BRAC for the year 2012 is available in the website of INGO Accountability Charter.

External Auditors

The Annual General Meeting of BRAC held on June 24, 2013 have approved the appointment of S F Ahmed & Co., Chartered Accountants, Bangladesh and Ernst & Young, Chartered Accountants, Malaysia as the joint auditors for annual audit of BRAC for the year ended December 31, 2013.

DEVELOPMENT PARTNERS

GOVERNMENT ALLIANCES

BRAC has a long history of working in collaboration with the government of Bangladesh. Our joint effort has significantly contributed in attaining many of the millennium development goals. Below are the names of some of the ministries and government units that we have been closely working with.

Ministry of Cultural Affairs
Ministry of Education
Ministry of Fisheries & Livestock
Ministry of Food and Agriculture
Ministry of Health and Family Welfare
Ministry of Primary and Mass Education
Ministry of Social Welfare of Bangladesh
Ministry of Foreign Affairs
Directors General of Health Services
Department of Agricultural Extension

Ministry of Women and Children Affairs
Ministry of Youth and Sports
National Institute for Local Government
Tongi Paurashava
All Party Parliamentary Group
Bureau of Manpower Employment and Training
Ministry of Expatriate Welfare and Overseas Employment
Bangladesh Overseas Employment and Services Limited
Bureau of Manpower, Employment and Training

STRATEGIC PARTNERS

The strategic partnership agreement (SPA) is between BRAC, the UK government and the Australian government and is based on shared goals, clear results and mutual accountability. The core funding provided through the SPA supports BRAC to deliver tangible results for the poor in Bangladesh, while at the same time developing plans to reduce its reliance on external donor funds; to continue to strengthen its internal systems; and to seek ways to work more closely with the government of Bangladesh.



MAJOR INSTITUTIONAL DONORS



KNOWLEDGE PARTNERS



Revenue Expenditure

	Year 2013		Year 2012	
	USD million	%	USD million	%
Microfinance	164.30	30.13%	150.18	33.47%
Health	57.16	10.48%	47.56	10.60%
Education	90.7	16.63%	54.83	12.22%
Water, Sanitation and Hygiene	19.69	3.61%	17.17	3.83%
Agriculture and Food Security	6.75	1.24%	3.39	0.76%
Ultra Poor	30.65	5.62%	26.22	5.84%
Social Enterprises	143.16	26.25%	136.24	30.36%
Others *	32.86	6.03%	13.17	2.93%
Total	545.27	100.0%	448.76	100.0%

Notes:

- * Others include the following: House Property, Gender Justice and Diversity, Community Empowerment Programme, Human Rights and Legal Services, Policy Advocacy, Other development projects.

Contribution of BRAC to Government Exchequer

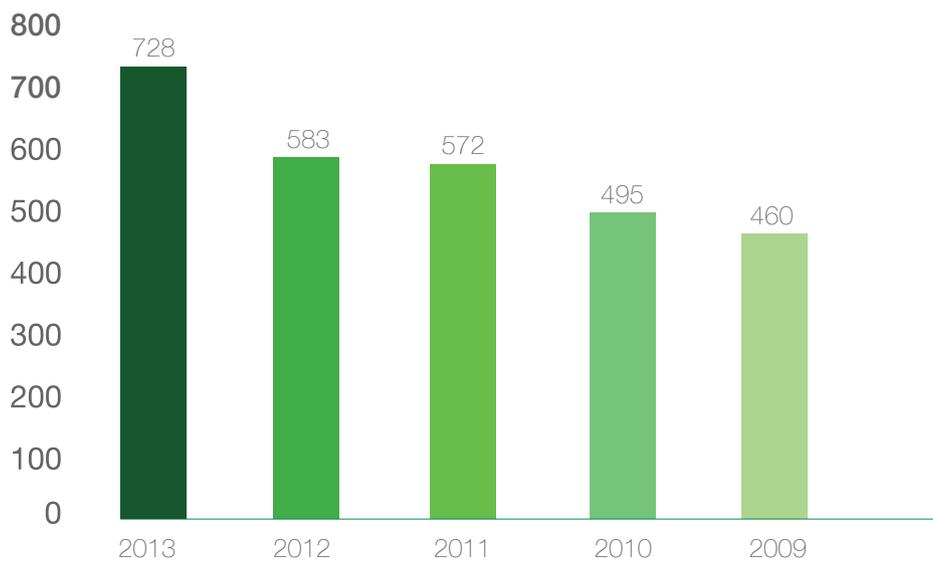
Income Year	2013		2012	
	BDT	USD	BDT	USD
Income Tax deduction at source by third parties	89,203,247	1,143,631	91,410,591	1,171,931
Tax deduction at source from third parties	149,949,936	1,922,435	85,301,237	1,093,606
Income Tax deduction at source from Staff salary	24,114,035	309,154	30,960,238	396,926
VAT collection from customers	437,495,772	5,608,920	415,245,894	5,323,665
Import Duty paid	308,647	3,957	3,083,795	39,536
Total	701,071,637	8,988,098	626,001,755	8,025,664

Grant Composition

Name of Donor	Year 2013		Year 2012	
	USD million	%	USD million	%
DFID	100.85	48.77%	83.54	43.00%
DFAT (Formerly AusAID)	43.59	21.08%	54.68	28.14%
The Global Fund	20.45	9.89%	14.49	7.46%
NOVIB/EKN	13.23	6.40%	20.83	10.72%
BRAC USA	5.31	2.57%	1.42	0.73%
CIDA	4.29	2.07%	6.74	3.47%
UNICEF	4.04	1.95%	3.49	1.80%
Family Health International 360	3.87	1.87%	3.08	1.59%
Others	11.14	5.39%	6.02	3.10%
Total	206.77	100.0%	194.29	100.0%

Annual Expenditure

in Million USD



BALANCE SHEET CONVERTED TO USD

as at December 31, 2013

(NOT PART OF AUDITED FINANCIAL STATEMENTS)

	2013		2012	
	Taka	USD	Taka	USD
ASSETS				
Cash in hand and at banks	16,000,082,561	205,129,264	16,049,453,079	205,762,219
Advance, deposits and prepayments	2,759,742,135	35,381,309	2,222,130,860	28,488,857
Inventories	3,633,398,684	46,582,034	3,054,105,958	39,155,205
Grants and accounts receivable	1,648,357,818	21,132,793	1,309,451,932	16,787,845
Microfinance loans	67,013,205,289	859,143,658	56,297,005,220	721,756,477
Motorcycle loans	739,565,719	9,481,612	602,663,398	7,726,454
Investments in securities and others	237,350,000	3,042,949	232,100,000	2,975,641
Investments in related undertakings	9,626,307,409	123,414,198	8,098,697,120	103,829,450
Property, plant and equipment	10,625,485,462	136,224,173	9,916,899,837	127,139,742
TOTAL ASSETS	112,283,495,077	1,439,531,988	97,782,507,404	1,253,621,890
LIABILITIES AND NET ASSETS				
Liabilities:				
Liabilities for expenses and materials	5,882,838,350	75,421,004	4,788,834,426	61,395,313
Bank overdrafts	3,694,856,519	47,369,955	5,006,636,222	64,187,644
Term loans	15,402,000,309	197,461,542	12,940,746,146	165,907,002
Members' savings deposits	29,034,851,689	372,241,688	24,907,281,663	319,324,124
Grants received in advance account	8,061,468,930	103,352,166	8,697,918,904	111,511,781
Deferred income	272,431,158	3,492,707	250,895,452	3,216,608
Other long term liabilities	9,879,776,479	126,663,801	8,216,392,565	105,338,366
Provision for taxation	1,046,941,030	13,422,321	840,941,030	10,781,295
Total Liabilities	73,275,164,464	939,425,184	65,649,646,408	841,662,132
Net Assets:				
Capital fund				
-unrestricted	37,976,777,730	486,881,766	31,200,446,939	400,005,730
-temporarily restricted	1,031,552,883	13,225,037	932,414,057	11,954,026
	39,008,330,613	500,106,803	32,132,860,996	411,959,756
TOTAL LIABILITIES AND NET ASSETS	112,283,495,077	1,439,531,988	97,782,507,404	1,253,621,890

Exchange rate: 1 USD = BDT 78 (2012: 1 USD = BDT 78)

Statement of Income and Expenditure Converted to USD

for the year ended December 31, 2013
(NOT PART OF AUDITED FINANCIAL STATEMENTS)

	2013		2012	
	Taka	USD	Taka	USD
Income				
Donor grants	16,728,674,946	214,470,192	11,852,318,277	151,952,798
Revenue from:				
- Income Generating Projects	8,065,228,858	103,400,370	7,861,356,580	100,786,623
- Programme Support Enterprises	4,300,606,387	55,135,979	4,124,249,679	52,874,996
Service charges on microfinance loans	17,802,363,604	228,235,431	14,774,933,599	189,422,226
Interest on bank accounts and fixed deposits	1,169,934,441	14,999,160	1,278,456,613	16,390,469
Investment income	419,026,368	5,372,133	126,946,311	1,627,517
Other income	502,281,172	6,439,502	550,365,696	7,055,970
Income from House Property	100,732,324	1,291,440	100,720,809	1,291,292
Total income	49,088,848,100	629,344,206	40,669,347,564	521,401,892
Expenditure				
Income Generating Projects	7,153,738,687	91,714,599	6,988,350,392	89,594,236
Program Support Enterprises	4,013,429,845	51,454,229	3,638,907,643	46,652,662
House Property	74,452,205	954,515	93,188,884	1,194,729
Education Programme	7,075,275,163	90,708,656	4,277,356,983	54,837,910
Ultra Poor Programme	2,391,244,399	30,656,979	2,045,763,985	26,227,743
Community Empowerment Programme	341,007,837	4,371,895	217,227,040	2,784,962
Human Rights and Legal Services	195,568,393	2,507,287	195,539,238	2,506,913
Policy Advcocacy	86,040,129	1,103,079	39,777,955	509,974
Health Programme	4,458,592,932	57,161,448	3,710,271,278	47,567,580
Water, Sanitation and Hygiene Programme	1,535,677,979	19,688,179	1,339,321,154	17,170,784
Gender, Justice and Diversity Programme	209,703,788	2,688,510	138,151,582	1,771,174
Microfinance Programme	12,815,333,779	164,299,151	11,714,555,867	150,186,614
Food Security and Climate Change	527,051,524	6,757,071	264,294,222	3,388,387
Other Development Projects	669,506,888	8,583,422	340,826,334	4,369,568
Grants	984,488,882	12,621,652	-	-
Total expenditure	42,531,112,430	545,270,672	35,003,532,557	448,763,238
Surplus of income over expenditure before taxation	6,557,735,670	84,073,534	5,665,815,007	72,638,654
Taxation	(206,000,000)	(2,641,026)	(200,000,000)	(2,564,103)
Net surplus for the year	6,351,735,670	81,432,509	5,465,815,007	70,074,551

Exchange rate: 1 USD = BDT 78 (2012: 1 USD = BDT 78)

BRAC

ACROSS

USA

Initiated: 2007

An independent charity to raise profile and funds for BRAC globally

UK

Initiated: 2006

An independent charity to raise profile and funds for BRAC globally

SIERRA LEONE

Initiated: 2008

Programme Focus:
MF, EHC, Ag, P&L, HRLE, ELA and FSN

Population reached:
1.1 million

SOUTH SUDAN

Initiated: 2007

Programme Focus:
MF, Ag, BEP, AGI, EHC, MLP, NP, YLP and TUP

Population reached:
1.3 million



HAITI

Initiated: 2010

Programme Focus:
BLBC

NETHERLANDS

Initiated: 2009

BRAC International registered as a charity (Stichting)

LIBERIA

Initiated: 2008

Programme Focus:
MF, SEP, Ag, P&L and EHC

Population reached:
0.56 million

UGANDA

Initiated: 2006

Programme Focus:
MF, SEP, BEP, SP, EHC, Ag, P&L, ELA and KI

Population reached:
4.2 million

TANZANIA

Initiated: 2006

Programme Focus:
MF, SEP, Ag, P&L, BEP and ELA

Population reached:
1.27 million

AFSP - Agriculture and Food Security Programme Ag - Agriculture Programme AGI - Adolescent Girls Initiative ARCs - Adolescent Reading Centres
DECC - Disaster, Environment and Climate Change EHC - Essential Health Care ELA - Empowerment and Livelihood for Adolescents FSN - Food Security and Nutrition
HRLS - Human Rights and Legal Aid Services IDP - Integrated Development Programme KI - Karamoja Initiative
P&L - Poultry and Livestock RS - Road Safety SEP - Small Enterprise Programme SP - Scholarship Programme

THE WORLD

AFGHANISTAN

Initiated: 2002

Programme Focus:
MF, SEP, BEP, ARCs, EHC,
NSP and TUP

Population reached:
4.72 million

PAKISTAN

Initiated: 2007

Programme Focus:
MF, SEP, BEP, TUP, EHC and
Ag

Population reached:
2.54 million

MYANMAR

Initiated: 2013

Programme Focus:
MF



SRI LANKA

Initiated: 2005

Programme Focus:
MF

Population reached:
0.72 million

PHILIPPINES

Initiated: 2012

Programme Focus:
BEP

Population reached:
39,960 learners



BANGLADESH

Initiated: 1972

Programme Focus:
MF, BEP, HNPP, TUP, IDP, WASH, HRLS, CEP, AFSP, DECC, GJD, RS, MGP
and Enterprises

Population reached:
120 million

Audited Financial Statements of BRAC in Bangladesh

for the year ended 31 December 2013



EY

Building a better
working world

S F AHMED & CO.
CHARTERED ACCOUNTANTS

...Since 1958

Ernst & Young
Chartered Accountants
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Chartered Accountants
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Banani
Dhaka - 1213
Bangladesh

Tel.: +880 2 987 0957
Fax: +880 2 882 5135

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BODY OF BRAC

Report on the Financial Statements

We have audited the financial statements of BRAC (registered in Bangladesh as a society under the Societies Registration Act, 1860 and operating as a non-government development organisation), which comprise the balance sheet as at 31 December 2013 and the statement of income and expenditure, statement of changes in net assets and statement of cash flows for the year ended 31 December 2013, and a summary of significant accounting policies and other explanatory information, as set out on pages 1 to 35.

Governing body of BRAC's responsibility for the financial statements

The Governing Body of BRAC is responsible for the preparation of financial statements so as to give a true and fair view in accordance with the accounting policies as summarised in Note 2 to the financial statements. The Governing Body of BRAC is also responsible for such internal control as the Governing Body determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

This report is made solely to the Governing Body of BRAC in accordance with Clause 37 of the Rules and Regulation of BRAC and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Auditor's responsibility

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

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BODY OF BRAC (Contd.)

Auditor' responsibility (Contd.)

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of BRAC as at 31 December 2013 and of its financial performance and cash flows for the year ended 31 December 2013 in accordance with the accounting policies summarised in Note 2 to the financial statements.



Ernst & Young
Chartered Accountants
Kuala Lumpur, Malaysia



S.F. Ahmed & Co.
Chartered Accountants
Dhaka, Bangladesh

March 13, 2014

BRAC
(Registered in Bangladesh under the Societies Registrtrion Act, 1860)
Balance Sheet
as at 31 December 2013

	Notes	2013 Taka	2012 Taka
ASSETS			
Cash and bank balances	3	16,000,082,561	16,049,453,079
Advabces, deposits and prepayments	4	2,759,742,135	2,222,130,860
Inventories	5	3,633,398,684	3,054,105,958
Grants and accounts receivable	6	1,648,357,818	1,309,451,932
Microfinance loans	7	67,013,205,289	56297,005,220
Motorcycle loans	8	739,565,719	602,663,398
Investments in securities and others	9	237,350,000	232,100,000
Investments in related undertakings	10	9,626,307,409	8,098,697,120
Property, plant and equipment	11	10,625,485,462	9,916,899,837
TOTAL ASSETS		112,283,495,077	97,782,507,404
LIABILITIES AND NET ASSETS			
Liabilities:			
Liabilities for expenses and materials	12	5,882,838,350	4,788,824,426
Bank overdrafts	13	3,694,856,519	5,006,636,222
Term loans	14	15,402,000,309	12,940,746,146
Members' savings deposits	15	29,034,851,689	24,907,281,663
Grants received in advance account	16	8,061,468,930	8,697,918,904
Deferred income	17	272,431,158	250,895,452
Other long term liabilities	18	9,879,776,479	8,216,392,565
Provision for taxation		1,046,941,030	840,941,030
Total Liabilities		73,275,164,464	65,649,646,408
Net Assets:			
Unrestricted		37,976,777,730	31,200,446,939
Temporarily restricted		1,031,552,883	932,414,057
		<u>39,008,330,613</u>	<u>32,132,860,996</u>
TOTAL LIABILITIES AND NET ASSETS		112,283,495,077	97,782,507,404

The annexed notes form an integral part of these statements.



Chairperson, Governing Body
BRAC
Dhaka, March 13, 2014



Chief Financial Officer
BRAC



Executive Director
BRAC

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Statement of Income and Expenditure
for the year ended 31 December 2013

Notes	Unrestricted Taka	Temporarily Restricted Taka	Total 2013 Taka
Income			
Donor grants	49,177,006	16,679,497,940	16,728,674,946
Revenue from:			
-Income Generating Projects	8,065,228,858	-	8,065,228,858
- Program Support Enterprises	4,300,606,387	-	4,300,606,387
Service charges on microfinance loans	17,802,363,604	-	17,802,363,604
Interest on bank accounts and fixed deposits	1,032,202,094	137,732,347	1,169,934,441
Investment income	419,026,368	-	419,026,368
Other income	488,282,627	13,998,545	502,281,172
Income from House Property	100,732,324	-	100,732,324
Total income	32,257,619,268	16,831,228,832	49,088,848,100
Expenditure			
Income Generating Projects	7,153,738,687	-	7,153,738,687
Program Support Enterprises	4,013,429,845	-	4,013,429,845
House property related expenses	74,452,205	-	74,452,205
Education Programme	187,470,309	6,887,804,854	7,075,275,163
Ultra Poor Programme	-	2,391,244,399	2,391,244,399
Community Empowerment Programme	4,544,115	336,463,722	341,007,837
Human Rights and Legal Aids Services	-	195,568,393	195,568,393
Policy Advocacy	-	86,040,129	86,040,129
Health Programme	134,724,016	4,323,868,916	4,458,592,932
Water, Sanitation and Hygiene Programme	-	1,535,677,979	1,535,677,979
Gender, Justice and Diversity	-	209,703,788	209,703,788
Micro Finance Programme	12,815,333,779	-	12,815,333,779
Agriculture and Food Security	-	527,051,524	527,051,524
Other Development Projects	430,840,586	238,666,302	669,506,888
Grants	984,488,882	-	984,488,882
Total expenditure	25,799,022,424	16,732,090,006	42,531,112,430
Surplus of income over expenditure before taxation	6,458,596,844	99,138,826	6,557,735,670
Taxation	(206,000,000)	-	(206,000,000)
Net surplus for the year	6,252,596,844	99,138,826	6,351,735,670

The annexed notes form an integral part of these statements.



Chairperson, Governing Body
BRAC
Dhaka, March 13, 2014



Chief Financial Officer
BRAC



Executive Director
BRAC

BRAC
(Registered in Bangladesh under the Societies Registrtrion Act, 1860)
Statement of Income and Expenditure
for the year ended 31 December 2012

	Notes	Unrestricted Taka	Temporarily Restricted Taka	Total 2012 Taka
Income				
Donor grants	19	4,524,208	11,847,794,069	11,852,318,277
Revenue from:				
- Income Generating Projects	20	7,861,356,580	-	7,861,356,580
- Program Support Enterprises		4,124,249,679	-	4,124,249,679
Service charges on microfinance loans		14,774,933,599	-	14,774,933,599
Interest on bank accounts and fixed deposits	21	1,137,822,692	140,633,921	1,278,456,613
Investment income	22	126,946,311	-	126,946,311
Other income	23	535,221,235	15,144,461	550,365,696
Income from House Property		100,720,809	-	100,720,809
Total income		28,665,775,113	12,003,572,451	40,669,347,564
Expenditure				
Income Generating Projects		6,988,350,392	-	6,988,350,392
Program Support Enterprises		3,638,907,643	-	3,638,907,643
House property related expenses		93,188,884	-	93,188,884
Education Programme		191,083,781	4,086,273,202	4,277,356,983
Ultra Proor Programme		-	2,045,763,985	2,045,763,985
Community Empowerment Programme		2,912,978	214,314,062	217,227,040
Human Rights and Legal Aids Servicers		-	195,539,238	195,539,238
Policy Advocacy		-	39,777,955	39,777,955
Health Programme		170,093,323	3,540,177,955	3,710,271,278
Water, Sanitation and Hygiene Programme		-	1,339,321,154	1,339,321,154
Gender, Justice and Diversity		-	138,151,582	138,151,582
Micro Finance Programme		11,714,555,867	-	11,714,555,867
Agriculture and Food Security		10,089,482	254,204,740	264,294,222
Other Development Projects		264,275,126	76,551,208	340,826,334
Total expenditure		23,073,457,476	11,930,075,081	35,003,532,557
Surplus of income over expenditure before taxation		5,592,317,637	73,497,370	5,665,815,007
Taxation	25	(200,000,000)	-	(200,000,000)
Net surplus for the year		5,392,317,637	73,497,370	5,465,815,007

The annexed notes form an integral part of these statements.

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Statement of Changes in Net Assets
for the year ended 31 December 2013

	Net Assets		Total Net Asset
	Unrestricted	Temporarily Restricted	
	Taka	Taka	Taka
At 1 January 2012	25,679,805,212	858,916,687	26,538,721,899
Net surplus for the year	5,392,317,637	73,497,370	5,465,815,007
Share of non operating changes in net assets in related undertakings	128,324,090	-	128,324,090
At 31 December 2012	31,200,446,939	932,414,057	32,132,860,996
At 1 January 2013	31,200,446,939	932,414,057	32,132,860,996
Net surplus for the year	6,252,296,844	99,138,826	6,351,735,670
Share of non operating changes in net assets in related undertakings	523,733,947	-	523,733,947
At 31 December 2013	37,976,777,730	1,031,552,883	39,008,330,613

The annexed notes form an integral part of these statements.

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Statement of Cash Flows
for the year ended 31 December 2013

Notes	2013 Taka	2012 Taka
Cash flows from operating activities:		
Surplus of income over expenditure before taxation	6,557,735,670	5,665,815,007
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Loan loss provision	7 2,322,988,477	1,709,585,836
Depreciation	11 632,161,760	603,213,042
Gain on disposal of property plant and equipment	23 (8,279,958)	(36,232,317)
Grants to BRAC University	440,951,132	-
Share of results in related undertakings	22 (428,026,368)	(144,346,311)
Donor grants - amortisation of investment in property, plant and equipment	19 (101,839,234)	(43,943,518)
Interest on fixed deposits and bank accounts	21 (1,169,934,441)	(1,278,456,613)
Adjustments for other accounts:		
Increase in service charge outstanding on microfinance loans	(446,162,234)	(172,340,060)
(Increase)/decrease in inventories	(579,292,726)	55,576,831
(Increase)/decrease in advances deposits and prepayments	(537,611,275)	35,450,047
Increase in accounts receivable, net	(353,330,307)	(119,876,764)
(increase)/decrease in motorcycle loans	(136,902,321)	140,898,619
Increase in liabilities for expenses and materials	1,094,003,924	742,139,234
Increase in deferred income	123,374,940	77,881,438
Net cash provided by operating activities	7,409,837,039	7,235,364,471
Cash flows from investing activities:		
Increase in microfinance loans	(12,593,026,312)	(9,435,204,881)
Decrease/(increase) in fixed deposits pledged with financial institutions	2,316,665,292	(57,747,354)
Increase in investments in related undertakings	(632,199,038)	(447,274,178)
interest received on fixed deposits and bank accounts	1,169,934,441	1,278,456,613
Purchase of property, plant and equipment	(1,786,706,906)	(2,836,261,904)
Proceeds from disposal of property, plant and equipment	13,288,347	190,997,941
Dividends received from related undertakings	56,349,064	21,056,190
(Realisation of)/investment in securities and others	(5,250,000)	2,900,000
Net cash used investing activities	(11,460,945,112)	(11,283,077,573)

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Statement of Cash Flows
for the year ended 31 December 2013

Notes	2013 Taka	2012 Taka
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Cash flows from financial activities:

Grants received during the year	16,128,185,099	15,153,784,471
Grants utilised during the year for:		
-operational expenditure & micro-finance	(16,626,835,712)	(11,808,374,759)
-investment in property, plant and equipment	(91,449,273)	(74,623,438)
-motorcycle replacement funds	(31,925,667)	(3,258,000)
Increase/(decrease) in term loans	2,461,254,163	1,775,122,578
Increase in members savings deposits	4,127,570,026	2,542,914,394
Increase in other long term liabilities	1,663,383,914	1,841,927,560
Net cash provided by financial activities	7,630,182,550	9,427,492,806
Net increase/(decrease) in cash and cash equivalents	3,579,074,477	5,379,779,704
Cash and cash equivalents, beginning of the year	7,761,294,247	2,381,514,543
Cash and cash equivalents, end of the year	3.3 11,340,368,724	7,761,294,247

The annexed notes form an integral part of these statements.

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Notes to Financial Statements
for the year ended 31 December 2013

1 Introduction:

BRAC, a development organization, was formed in 1972 under the Societies Registration Act 1860. Although it was first set up to resettle refugees in post-war Bangladesh, BRAC later redesigned its strategies in accordance with its philosophy of poverty alleviation and empowerment of the poor. At present, BRAC has a large number of development programs that cover the areas of health, education, credit, employment and training for the poor people of Bangladesh. BRAC carries out licensed banking activities through the BRAC Bank Ltd. and also earns from various income generating projects such as Aarong Rural Craft Centre, BRAC Printers and Printing Pack, BRAC Dairy and Food Project, BRAC Tea Estates, and various programme support enterprises such as poultry farms, feed mills, seed mills and prawn hatcheries.

2 Summary of Significant Accounting Policies:

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

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

2.1 Basis of preparation of financial statements

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

These financial statements include the financial statements of BRAC and, on an equity accounted basis, those of the related undertakings set out in Note 10 in which BRAC has equity interests through which it exercises control or significant influence. As stated in Note 2.5, BRAC, being a society under the Societies Registration Act, 1860, is not subject to any requirement to prepare consolidated financial statements.

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

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

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

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

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

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

2 Summary of Significant Accounting Policies (contd.):

2.2 Reporting period

These financial statements has been prepared for the period from 1 January 2013 to 31 December 2013.

2.3 Fucntional and presentation currency

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

2.4 Use of estimates and judgements

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

2.5 Non-consolidation

BRAC, being a society registered under the Societies Registration Act, 1860 is not subject to any requirement on the preparation of consolidated financial statements. Accordingly, BRAC's investments in related undertakings wherein the effective equity interests are more than 50% are accounted for by the equity method as explained in Note 2.14, together with related undertakings in which BRAC has significant influence and/or where effective equity interests are between 20% and 50%.

2.6 Donor grants

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

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

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

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

2.7 Revenue recognition

Income generating projects

Income generating projects comprise Aarong Rural Craft Centre, BRAC Printers and Printing Pack and BRAC Dairy and Food Project.

Programme support enterprises

Programme support enterprises mainly comprising poultry farms, feed mills, seed mills, fish and prawn hatcheries, horticulture nurseries, chilling centres, broiler rearing and meat marketing, salt production and marketing, recycle paper production and health product related activities.

Revenue from the sale of goods

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

2 Summary of Significant Accounting Policies (contd.):

2.7 Revenue recognition (contd.)

Service charge on microfinance loans

Service charges on microfinance loans are recognized on an accrual basis as income. The recognition of service charge ceases when a loan is transferred to non-interest bearing loan as described in Note 2.12. Service charge is included in income thereafter only when it is realized. Loans are returned to the accrual basis only when the full amount of the outstanding arrears of loans received and future collectability is reasonably assured.

Interest on bank accounts, fixed deposits, bonds

Interest income is recognised on an accrual basis.

House property income

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

Other income

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

2.8 Expenses

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

2.9 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if all the following conditions are met:

- a) It is probable that future economic benefits will flow to BRAC
- b) the cost of the item can be measured reliably and exceeds Tk. 2,000
- c) it is expected to be used for more than 3 years

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

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

Item	Annual Depreciation Rate (%)
Buildings	4 - 10
Furniture & Fixtures	10 - 20
Equipment	15 - 33.3
Computer	20 - 33.3
Vehicles	20
Bicycles	20
Machinery	20
Deep tube wells and tanks	20
Hatcheries	20
Motorcycles	20
Camp/ Poultry/ Livestock shed	20
Crates/ Mannequines/ Samples	33.3

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

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

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the statement of income and expenditure in the year the asset is derecognized.

2 Summary of Significant Accounting Policies (contd.):

2.10 Microfinance loans

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

2.11 Provision for loan losses

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

<u>Loan Classification</u>	<u>Days in Arrears</u>	<u>Provision required</u>
Standard	Current (no arrears)	2%
Watchlist	1 - 30	5%
Substandard	31 - 180	25%
Doubtful	181 - 350	75%
Loss	Over 350	100%

2.12 Loans written off

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

2.13 Provision for liabilities

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

2.14 Investment in related undertakings

Related undertakings refer to separately-established undertakings in which BRAC has significant influence and /or effective equity interests of more than 20%. Details of these undertakings are disclosed in Note 10.

BRAC's investments in these undertakings are accounted for by the equity method whereby the investments are initially recorded at cost and subsequently adjusted to reflect BRAC's share of results for each period added to or deducted from the respective investment costs, from the dates of their acquisition and to the dates of their disposal. On disposal, gains or losses representing the difference between the proceeds on disposal and the carrying value of the undertakings at the date of disposal are recognised in the statement of income and expenditure. Gains or losses on dilution of interest in related undertakings, representing the difference in BRAC's share of net assets before and after the dilution concerned is also recognised in the statement of income and expenditure. Any changes in the net assets in the related undertakings other than by the effect of operating results are directly accounted for as a separate item in the statement of net assets with corresponding increase/ decrease in the investment. Provision is also made for any impairment if the carrying amount of an investment exceeds its recoverable amount.

2.15 Investment in securities and others

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

After initial recognition, investments in shares of listed companies are subsequently measured at fair value, with unrealized gains or losses recognized in the statement of income and expenditure. Fair value is generally determined by reference to stock exchange quoted market bid prices at the close of business on the balance sheet date, adjusted for transaction costs necessary to realize the asset.

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

2 Summary of Significant Accounting Policies (contd.):

2.16 Accounts receivable

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

2.17 Inventories

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

2.18 Motorcycle replacement fund

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

2.19 Self-insurance fund

BRAC has created a self-insurance fund to cover the risks of cyclone and fire on its properties and motorcycles. This self-insurance fund is based on estimates by the Governing Body, and as from 2001, by reference to external actuarial valuations. It is held as a provision within 'Other long term liabilities', as depicted in Note 18, and is not externally funded.

BRAC also sets aside monthly amounts equivalent to 1% of the basic salary of employees, to constitute the group self-insurance fund. This fund is to cover liabilities arising out of death and other permanent injuries suffered by the employees. The terms of employment provide for payment in the event of death or permanent injury, of amounts ranging from 12 months' equivalent of basic salary in the first year of employment, to 50 months' equivalent of basic salary in the 10th year of employment onwards. The self-insurance fund for employees is held as a provision, also within 'Other long term liabilities' and is not externally funded. It is based on estimates by the Governing Body, and as from 2001, by reference to external actuarial valuations.

The extent of future liabilities requiring current provisions, and the rate of provisions required in the immediate following financial periods have been determined based on actuarial valuations carried out in 2011 in respect of the funds, and are disclosed in Note 18 to the financial statements. It is BRAC's policy to carry out actuarial reviews at least every three years to assess the adequacy of the provisions in respect of the fund.

2.20 Employee gratuity and redundancy fund

BRAC makes provisions for an Employee Gratuity and Redundancy fund, on the basis of two months' basic salary for each completed year's service for each permanent employee (based on basic salary of the last month). The fund is held as a provision within 'Other long term liabilities', as depicted in Note 18, and is not externally funded. Gratuity is to be disbursed upon retirement of employees whilst redundancy disbursements are to be made as a one-time termination benefit in the event of cessation of service from BRAC on grounds of redundancy.

The extent of future liabilities requiring current provisions, and the rate of provisions required in the immediate following financial periods have been determined based on actuarial valuation carried out in 2011, and are disclosed in Note 18 to the financial statements. It is BRAC's policy to carry out actuarial reviews at least every three years to assess the adequacy of the provision in respect of the fund.

2.21 Employee provident fund

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

2.22 Foreign currencies

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

Monetary assets and liabilities denominated in foreign currencies as at 31 December 2013 have been converted into Taka at the exchange rates prevailing at that date.

2 Summary of Significant Accounting Policies (contd.):

2.22 Foreign currencies (contd.)

The resulting exchange translation gains and/ or losses are recognised in the statement of income and expenditure.

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

	Dec. 2013 Taka	Dec. 2012 Taka
United States Dollars	77.20	79.40
Euro	105.38	103.13
Great Britain Pound	125.18	128.17
Australian Dollars	67.51	81.55

BRAC's foreign currency denominated assets and liabilities are disclosed in Note 26.

2.23 Taxation

Income tax liabilities for the current period are measured at the amount expected to be paid to the taxation authorities in accordance with the Income Tax Ordinance, 1984 (Amended) for activities by which BRAC generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.24 Borrowing costs

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

Borrowing costs are recognised as an expense in the period in which they are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset, in which case these costs are capitalised as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

2.25 Impairment of assets

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

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

2.26 Goodwill

Goodwill represents the excess of the cost of acquisition over BRAC's interest in the fair value of the identifiable assets and liabilities of investments in related undertakings at the date of acquisition.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is reviewed for impairment, annually or more frequently, if events or changes in circumstances indicate that the carrying value may be impaired.

The policy for the recognition and measurement of impairment losses is in accordance with Note 2.25 above except that an impairment loss for goodwill is not reversed unless the specific external events that caused the impairment loss is reversed by a subsequent external event. Goodwill arising on the acquisition of related undertakings is included within the respective carrying amounts of the related undertakings concerned.

2.27 Financial instruments

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

a) Investments in related undertakings

Investments in related undertakings are stated at cost less impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.25.

2 Summary of Significant Accounting Policies (contd.):

2.27 Financial instruments (contd.)

b) Investments in securities and others

Investments in securities and others are stated at cost, subsequently adjusted for fair value or at amortised cost. The policy for recognition and measurement of impairment losses is in accordance with Note 2.25.

c) Receivables

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

d) Payables

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

e) Interest-bearing borrowings

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

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

2.28 Cash and cash equivalents

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

2.29 Contingent liabilities

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

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

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

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

2.30 Events after the balance sheet date

Events after the balance sheet date that provide additional information about the organization's position at the balance sheet date are reflected in the financial statements. Events after the balance sheet date that are not adjusting events are disclosed.

2.31 Segmental Reporting

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

The programme managers report directly to the management of BRAC who regularly review the segment results in order to assess segment performance. Additional disclosures on each of these segments are shown in notes 29 and 30 respectively. BRAC provides segment information voluntarily.

		2013 Taka	2012 Taka
3. Cash and bank balances			
Cash in hand and at banks (Note 3.1)		4,900,517,165	5,670,916,384
Deposits (Note 3.2)		11,099,565,396	10,378,536,695
		16,000,082,561	16,049,453,079
3.1 Cash in hand and at banks:			
Cash in hand		469,465,721	369,880,631
Cash at banks		4,431,051,444	5,301,035,753
		4,900,517,165	5,670,916,384
3.2 Deposits:			
Fixed deposits pledged with financial institutions (Notes 13 and 14)		964,857,318	3,281,522,610
Fixed deposits unpledged		9,757,719,683	5,524,353,608
Short term deposits unpledged		376,988,395	1,572,660,477
		11,099,565,396	10,378,536,695
Included in the above balances are amounts placed with related undertakings as follows:			
		2013 Taka	2012 Taka
No.	Name of Related Party	Nature of balances	
1.	BRAC Bank Ltd.	4,054,617,741	4,841,838,437
		376,988,395	1,572,660,477
		3,418,624,734	4,023,121,210
2.	Delta BRAC Housing Finance Corp. Ltd.	122,992,290	589,963,600
		122,992,290	589,963,600
3.3 Cash and cash equivalents			
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following as at December 31:			
Cash in hand and at banks		4,900,517,165	5,670,916,384
Fixed deposits unpledged		9,757,719,683	5,524,353,608
Short term deposits unpledged		376,988,395	1,572,660,477
Bank overdrafts (Note 13)		(3,694,856,519)	(5,006,636,222)
		11,340,368,724	7,761,294,247
4. Advances, deposits and prepayments			
Advances:			
Employees		636,952,299	438,767,369
Suppliers		256,910,857	329,233,676
Advance for tax		1,178,094,458	997,225,170
		2,071,957,614	1,765,226,215
Deposits:			
Deposits for facilities and utilities		12,404,163	13,596,362
Prepayments		675,380,358	443,308,283
		2,759,742,135	2,222,130,860
5. Inventories			
Seeds and feed		594,089,768	531,214,239
Medical supplies and consumables		124,744,653	99,679,542
Printing and stationery		170,369,585	127,640,985
Handicraft goods		2,475,664,311	1,893,954,652
Dairy products		97,131,412	258,973,545
Programme materials		171,398,955	142,642,995
		3,633,398,684	3,054,105,958

2013 Taka	2012 Taka
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6. Grants and accounts receivable

Grants receivable (Note 16)	116,074,591	130,499,012
Interest receivable on fixed deposits and bank accounts	522,652,451	403,189,670
Other Other accounts receivable	1,075,552,391	855,514,762
	1,714,279,433	1,389,203,444
Provision for doubtful debts	(65,921,615)	(79,751,512)
	1,648,357,818	1,309,451,932

Included in interest receivable on fixed deposits is Tk. 311,141,727 (2012: Tk. 395,650,347) receivable after 12 months.

7. Microfinance loans

	Principal Outstanding Taka	Service charge receivable Taka	Loan loss provision Taka	Total Taka
At January 1, 2013	59,960,134,967	107,340,884	(3,770,470,631)	56,297,005,220
Additions	121,148,896,000	17,802,363,604	(2,322,988,477)	136,628,271,127
Realisation	(108,555,869,688)	(17,356,201,370)	-	(125,912,071,058)
Write-off	(1,105,284,820)	(111,804,808)	1,217,089,628	-
At December 31, 2013	71,447,876,459	441,698,310	(4,876,369,480)	67,013,205,289

Loans to members bear annual service charges 18% to 27% (declining balance method). Repayments are made in weekly/monthly instalments.

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

Loan Classification	Days in Arrears	Rate of Provision for 2013	Loan Outstanding 2013 Taka	Loan Loss Provision 2013 Taka	Loan Principal 2013 Taka	Loan loss Provision 2012 Taka
Standard	Current (no arrears)	2%	65,924,495,817	1,318,489,916	55,343,920,316	1,106,878,406
Watch list	1 - 30	5%	1,149,938,885	57,496,944	1,091,943,320	54,597,166
Substandard	31-180	25%	1,117,973,604	279,493,401	1,183,471,953	295,867,988
Doubtful	181 - 350	75%	138,315,737	103,736,803	110,689,230	83,016,923
Loss	Over 350	100%	3,117,152,416	3,117,152,416	2,230,110,148	2,230,110,148
			71,447,876,459	4,876,369,480	59,960,134,967	3,770,470,631

2013 Taka	2012 Taka
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8. Motorcycle loans

Opening balance	602,663,398	743,562,017
Addition during the year	206,360,000	13,000,000
Realization during the year	(69,457,679)	(153,898,619)
	739,565,719	602,663,398

9. Investments in securities and others

DBH 1st Mutual Fund	33,600,000	42,600,000
Bangladesh Sanchay Patra (BSP)	203,750,000	133,750,000
Bangladesh Bank Bonds	-	55,750,000
	237,350,000	232,100,000

The Bangladesh Sanchay Patra earned interest at 10.5% to 13.45% per annum respectively during the year.

Market value of DBH 1st Mutual Fund at 31 December 2013 was Tk. 5.60 per unit (2012: Tk. 7.10) and Tk. 5.70 per unit (2012: Tk. 7.10) on the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) respectively.

10. Investments in related undertakings

Related Undertakings	2013				
	Cost of Investment Taka	Share of Reserves Taka	Loans Taka	Provision for impairment in value Taka	Total Taka
BRAC Bank Ltd.	2,781,589,296	4,161,436,922	-	-	6,943,026,218
BRAC Industries Ltd.	24,999,900	5,561,786	-	-	30,561,686
BRAC BD Mail Network Ltd.	186,161,000	(96,098,443)	-	-	90,062,557
BRAC IT Services Ltd. (formerly known as Documenta TM Ltd.)	34,300,000	(28,741,899)	36,249,000	-	41,807,101
BRAC Services Ltd.	10,000,000	(103,999,882)	163,806,364	(18,211,239)	51,595,243
Delta BRAC Housing Finance Corp. Ltd.	40,000,000	333,255,787	-	-	373,255,787
BRAC Karnafuli Tea Company Ltd.	243,908,025	(18,281,858)	629,850,788	-	855,476,955
BRAC Kaiyachara Tea Company Ltd.	63,300,695	46,952,259	182,305,455	-	292,558,409
BRAC Banshkhali Tea Company Ltd.	27,719,870	(95,887,769)	410,024,821	-	341,856,922
BRAC Kodala Tea Company Ltd.	81,680,954	30,047,496	231,053,270	-	342,781,720
Bangladesh Netting Factory Ltd.	17,071,429	34,364,081	25,563,225	-	76,998,735
BRAC Assets Management Company Ltd.	13,000,000	1,840,924	-	-	14,840,924
BRAC Impact Ventures Ltd.	10,200,000	(3,232,534)	-	-	6,967,466
BRAC Environmental Enterprises Ltd.	90,000,000	(25,426,450)	99,944,136	-	164,517,686
	<u>3,623,931,169</u>	<u>4,241,790,420</u>	<u>1,778,797,059</u>	<u>(18,211,239)</u>	<u>9,626,307,409</u>

Related Undertakings	2012				
	Cost of Investment Taka	Share of Reserves Taka	Loans Taka	Provision for impairment in value Taka	Total Taka
BRAC Bank Ltd.	2,669,595,296	3,179,818,703	-	-	5,849,413,999
BRAC Industries Ltd.	24,999,900	5,161,253	-	-	30,161,153
BRAC BD Mail Network Ltd.	186,161,000	(96,483,531)	-	-	89,677,469
Documenta TM Ltd.	5,300,000	4,146,330	-	-	9,446,330
BRAC Services Ltd.	10,000,000	(82,074,993)	154,418,193	(18,211,239)	64,131,961
Delta BRAC Housing Finance Corp. Ltd.	40,000,000	282,732,762	-	-	322,732,762
BRAC Karnafuli Tea Company Ltd.	243,908,025	8,305,239	453,420,127	-	705,633,391
BRAC Kaiyachara Tea Company Ltd.	63,300,695	39,968,922	130,461,210	-	233,730,827
BRAC Banshkhali Tea Company Ltd.	27,719,870	(72,598,439)	336,322,479	-	291,443,910
BRAC Kodala Tea Company Ltd.	81,680,954	47,876,809	186,805,720	-	316,363,483
Bangladesh Netting Factory Ltd.	17,071,429	34,198,690	26,164,292	-	77,434,411
BRAC Assets Management Company Ltd.	13,000,000	1,192,269	-	-	14,192,269
BRAC Impact Ventures Ltd	10,200,000	(1,134,366)	-	-	9,065,634
BRAC Environmental Enterprises Ltd	90,000,000	(4,730,479)	-	-	85,269,521
	<u>3,482,937,169</u>	<u>3,346,379,169</u>	<u>1,287,592,021</u>	<u>(18,211,239)</u>	<u>8,098,697,120</u>

	2013	2012
Represented by:		
Share of net tangible assets	7,666,021,903	6,632,147,272
Goodwill on acquisition	181,488,447	178,957,827
Loans	1,778,797,059	1,287,592,021
	<u>9,626,307,409</u>	<u>8,098,697,120</u>

10. Investments in related undertakings (contd.)

Related undertakings (All Incorporated in Bangladesh)	2013	2012	Principal activities
BRAC Bank Ltd.	44.63	43.77	Banking business, listed on the Dhaka and Chittagong Stock Exchanges
BRAC Industries Ltd.	99.9	99.9	Cold storage
BRAC BD Mail Network Ltd.	20.0	20.0	Internet service provider
BRAC Services Ltd.	100.0	100.0	Hospitality
Delta BRAC Housing Finance Corp.Ltd.	18.39	18.39	Housing finance, listed on the Dhaka and Chittagong Stock Exchanges
BRAC IT Services Ltd. (formerly known as Documenta TM Ltd.)	48.7	80.0	Software development
BRAC Karnafuli Tea Company Ltd	99.9	99.9	Tea plantation
BRAC Kaiyachara Tea Company Ltd.	99.9	99.9	Tea plantation
BRAC Banshkhali Tea Company Ltd.	99.9	99.9	Tea plantation
BRAC Kodala Tea Company Ltd.	99.1	99.1	Tea plantation
Bangladesh Netting Factory Ltd.	94.0	94.0	Poultry Processing
BRAC Assets Management Company Ltd.	26.0	26.0	Management of Assets and Portfolio Investment
BRAC Impact Ventures Ltd.	51.0	51.0	Sustainable conscious, green and ethical investment
BRAC Environmental Enterprises Ltd.	90.0	90.0	Waste management service

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

Loans represent financing provided for working capital and earn 12% (2012: 12%) interest per annum. These loans are unsecured and have no fixed repayment terms.

The market value of BRAC Bank Ltd. shares at 31 December 2013 was Tk. 32.60 per share (2012: Tk. 34.80) and Tk. 32.10 per share (2012: Tk. 35.70) on the Dhaka ("DSE") and Chittagong ("CSE") Stock Exchanges respectively.

The market value of Delta BRAC Housing Finance Corporation Ltd. shares at 31 December 2013 was Tk. 55.00 per share (2012: Tk. 56.00) and Tk. 54.20 per share (2012: Tk. 55.10) on the DSE and CSE respectively.

<u>Related undertakings</u>	<u>Nature of transaction</u>	2013	2012
BRAC Bank Ltd.	Interest on fixed deposits and bank balance	123,365,582	55,194,632
Delta BRAC Housing Finance Corp. Ltd.	Interest on fixed deposits	58,163,463	49,590,162
BRAC Services Ltd.	Service facilities	20,457,019	17,944,990

11. Property, plant and equipment

Group of fixed assets	Cost							Depreciation			Amount in Taka	
	Opening balance 01-01-2013	Additions during the year	Transferred during the year	Disposal and written offs during the year	Closing balance 31-12-2013	Opening balance 01-01-2013	Charged during the year	Adjustment/ disposals and written offs during the year	Closing balance 31-12-2013	Written down value 31-12-2013	Written down value 31-12-2012	
	Freehold land	5,950,428,419	504,021,843	-	(440,951,132)	6,013,499,130	-	-	-	-	6,013,499,130	5,950,428,419
Buildings	3,737,883,804	-	529,101,702	(4,815,086)	4,262,170,420	1,430,991,207	170,470,140	(576,716)	1,600,884,631	2,661,285,789	2,306,892,597	
Furniture & fixtures	927,201,151	110,787,381	-	(2,562,267)	1,035,426,265	585,288,501	68,637,988	(2,132,377)	651,794,112	383,632,153	341,912,650	
Equipment	1,506,807,064	171,951,677	-	(71,178,182)	1,607,580,559	1,098,886,943	117,278,910	(71,144,826)	1,145,021,027	462,559,532	407,920,121	
Computer	418,482,309	67,879,389	-	(1,288,011)	485,073,687	319,596,093	46,163,066	(1,035,701)	364,723,458	120,350,229	98,886,216	
Vehicles	626,297,864	184,367,144	-	(20,938,625)	789,726,383	456,609,998	76,592,337	(20,938,625)	512,263,710	277,462,673	169,687,866	
Bicycles	22,672,532	3,503,110	-	(8,476,462)	17,699,180	18,840,797	1,732,579	(8,421,999)	12,151,377	5,547,803	3,831,735	
Machineries	955,272,020	34,794,234	-	(174,415)	989,891,839	684,102,320	77,010,150	(174,415)	760,938,055	228,953,784	271,169,700	
Deep tube wells and tanks	19,004,092	2,946,695	-	-	21,950,787	15,680,335	1,939,020	-	17,619,355	4,331,432	3,323,757	
Hatcheries	13,157,827	869,813	-	-	14,027,640	12,025,792	1,175,757	-	13,201,549	826,091	1,132,035	
Camp/Poultry/Livestock sheds	283,166,965	3,019,294	-	-	286,186,259	135,524,927	23,510,136	-	159,035,063	127,151,196	147,642,038	
Motorcycles	1,547,745	471,723	-	-	2,019,468	1,466,494	81,250	-	1,547,744	471,724	81,251	
Construction work-in-progress	123,511,499	700,127,815	(529,101,702)	-	294,537,612	-	-	-	-	294,537,612	123,511,499	
Crates/Mannequins/Samples/Antiques	268,093,864	1,966,788	-	-	270,060,652	177,613,911	47,570,427	-	225,184,338	44,876,314	90,479,953	
Total 2013	14,853,527,155	1,786,706,906	-	(550,384,180)	16,089,849,881	4,936,627,318	632,161,760	(104,424,659)	5,464,364,419	10,625,485,462	9,916,899,837	
Total 2012	12,243,950,822	2,836,261,904	-	(226,685,571)	14,853,527,155	4,405,334,222	603,213,042	(71,919,946)	4,936,627,318	9,916,899,837		

Allocation of depreciation:	Dec. 2013	Dec. 2012
i) included in cost of sales of commercial projects	77,602,150	101,632,297
ii) included in programme related expenses	554,559,610	501,580,745
	632,161,760	603,213,042

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

An amount of Tk. 39,143,138 (2012: Tk. 24,458,917) has been transferred to the statement of income and expenditure from deferred income - investment in fixed assets to cover the depreciation charge for donor funded fixed assets as disclosed in Notes 17 and 19.

Landed properties with an aggregate net book value of Tk. 467,275,983 (2012: Tk. 1,149,806,191) have been pledged to secure overdraft facilities and term loans as disclosed in Notes 13 to the financial statements.

2013 Taka	2012 Taka
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12. Liabilities for expenses and materials

Liabilities for expenses	3,931,948,798	3,312,782,385
Liabilities for goods	504,507,426	454,984,032
Advances received for training, publications, supplies etc.	1,446,382,126	1,021,068,009
	<u>5,882,838,350</u>	<u>4,788,834,426</u>

13. Bank overdrafts

AB Bank Ltd.	89,703	41,174,130
Agrani Bank Ltd.	52,369,113	76,548,707
Bangladesh Krishi Bank (BKB)	147,199	173,834,054
Bank Alfalah Ltd.	117,044,375	119,688,826
Bank Asia Ltd.	273,347,095	82,179,886
Dhaka Bank Ltd.	21,867,869	-
Dutch Bangla Bank Ltd.	1,586,294	34,423,960
Eastern Bank Ltd.	27,791,203	22,051,879
HSBC Bank Ltd.	259,954	2,591,895
IFIC Bank Ltd.	100,129,550	7,961,188
Janata Bank Ltd.	54,038,847	19,744,458
Prime Bank Ltd.	696,517,809	399,936,796
* Pubali Bank Ltd.	1,715,736,607	3,247,175,540
Rupali Bank Ltd.	25,082,047	31,525,623
Sonali Bank Ltd.	3,657,549	21,840,656
Southeast Bank Ltd.	399,772	1,128,449
Standard Bank Ltd.	2,063,246	21,373,237
State Bank of India	-	4,810,272
The Trust Bank Ltd.	584,882,772	634,324,121
United Commercial Bank Ltd.	35,963	17,682,750
Uttara Bank Ltd.	17,809,552	46,639,795
	<u>3,694,856,519</u>	<u>5,006,636,222</u>

* The bank overdrafts are secured by fixed deposits amounting to Tk. 737,614,778 (2012: Tk. 2,252,497,422) and properties amounting in aggregate to Tk. 467,275,983 (2012 : Tk. 555,398,156).

The bank overdrafts were obtained for BRAC's micro-finance programme and to finance working capital requirements. The bank overdrafts bear interest at 13% - 17% (2012 : 14% -18%) per annum, and are repayable within 12 months.

14. Term loans

	2013 Taka	2012 Taka
Bangladesh Bank	4,066,384,000	2,781,252,000
Bangladesh Commerce Bank (BCB) Ltd.	-	77,670,320
Bank Alfalah Ltd.	62,500,000	-
Bank Asia Ltd.	839,057,469	351,539,520
BASIC Bank Ltd.	659,220,067	376,730,251
BRAC Bank Ltd.	580,000,000	-
Citi Bank NA [local currency syndication]	-	33,000,000
Commercial Bank of Cylone Ltd.	165,000,000	-
Dutch Bangla Bank Ltd.	219,422,052	343,708,515
Eastern Bank Ltd.	862,621,968	464,913,739
Export Import Bank of Bangladesh (EXIM) Ltd.	-	167,171,512
FMO, Netherlands	244,535,714	489,071,430
HSBC Bank Ltd.	-	500,000,000
IFIC Bank Ltd.	510,526,083	-
Jamuna Bank Ltd.	341,075,464	77,052,103
Norfund, Norwegian	97,814,286	195,628,570
Prime Bank Ltd.	837,372,258	-
* Rajshahi Krishi Unnyon Bank (RAKUB)	510,000,000	345,000,000
Rupali Bank Ltd.	-	450,000,000
Shahjalal Islami Bank Ltd.	-	131,555,140
Southeast Bank Ltd.	275,112,215	429,977,100
* Standard Chartered Bank (SCB)	4,209,628,570	4,675,257,142
The City Bank Ltd.	671,899,129	517,931,390
Uttara Bank Ltd.	-	83,333,334
United Commercial Bank Ltd.	249,831,034	449,954,080
	<u>15,402,000,309</u>	<u>12,940,746,146</u>
Term Loans are analysed as follows:		
Amount repayable within 12 months	12,420,084,490	9,998,006,400
Amount repayable after 12 months:		
- Repayable after 12 months and within 24 months	2,130,118,710	2,280,800,489
- Repayable after 24 months and within 36 months	851,797,109	637,263,277
- Repayable after 36 months and within 48 months	-	24,675,980
	<u>2,981,915,819</u>	<u>2,942,739,746</u>
	<u>15,402,000,309</u>	<u>12,940,746,146</u>

All repayment obligations in respect of the term loans were met and no amounts were in arrears as at 31 December 2013.

* Secured by fixed deposits amounting to Tk. 227,242,540 (2012: Tk. 1,029,025,188).

The term loans were obtained to support various micro finance and development projects undertaken by BRAC and for working capital purposes. The loans are repayable at various intervals, i.e., monthly, quarterly, half-yearly, biannually and annually and bear interest between 5% - 16% (2012: 5% - 16%) interest rates.

	2013 Taka	2012 Taka
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15. Members' savings deposits

Opening balance	24,907,281,663	22,364,367,269
Deposits during the year	30,482,795,457	21,813,569,333
Withdrawals during the year	(26,355,225,431)	(19,270,654,939)
Closing balance	<u>29,034,851,689</u>	<u>24,907,281,663</u>
Compulsory savings	20,813,676,300	17,913,520,720
Voluntary savings	3,444,003,906	2,827,738,728
Term deposits	4,777,171,483	4,166,022,215
	<u>29,034,851,689</u>	<u>24,907,281,663</u>

The rate of interest paid in respect of savings deposits by members was 6% - 10% (2012: 6%-10%) per annum.

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

(a) Compulsory saving

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

(b) Voluntary saving

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

(c) Term deposits

Each member can save for a period 1 to 10 years for a fixed time period. The amount of deposit can range from Tk. 10,000 to Tk.100,000. Interest rates for the maturity period range from 7% in the first year to 10% for 10 years.

16. Grants received in advance account

Note	2013 Taka	2012 Taka
At 1 January	8,697,918,904	5,762,859,156
Receivables as at 1 January	(130,499,012)	(462,967,538)
	<u>8,567,419,892</u>	<u>5,299,891,618</u>
Donations received during the year	28 16,128,185,099	15,153,784,471
Transferred to deferred income:		
- Investment in property, plant and equipment	17 (91,449,273)	(74,623,438)
- Motorcycle replacement fund	17 (31,925,667)	(3,258,000)
Transfer to Statement of Income and Expenditure for expenditure during the year	19 <u>(16,626,835,712)</u>	<u>(11,808,374,759)</u>
	7,945,394,339	8,567,419,892
Receivables as at 31 December	6 116,074,591	130,499,012
At 31 December	<u>8,061,468,930</u>	<u>8,697,918,904</u>

17. Deferred income

	Notes	Investment in Property, plant and equipment Taka	Motorcycle Replacement fund Taka	Total Taka
At 1 January 2013		232,335,767	18,559,685	250,895,452
Transferred from Grants received in advance	16	91,449,273	31,925,667	123,374,940
Amortization to Statement of Income and Expenditure	19	(86,762,241)	(15,076,993)	(101,839,234)
At 31 December 2013		<u>237,022,799</u>	<u>35,408,359</u>	<u>272,431,158</u>

18. Other long term liabilities

	2013 Taka	2012 Taka
Employee gratuity and redundancy fund	8,032,302,606	6,533,622,393
Self-insurance fund		
- Employees	384,232,467	339,509,578
- BRAC properties and motorcycles	612,471,376	578,587,052
	996,703,843	918,096,630
Other funds		
- Special fund for scholarship	5,265,549	4,953,497
- Relief and rehabilitation fund	746,495,959	654,985,086
- Staff welfare fund	99,008,522	104,734,959
	<u>9,879,776,479</u>	<u>8,216,392,565</u>

An actuarial valuation of the employee gratuity and redundancy fund as at 31 December 2011 was performed by an independent professional actuary. Based on the valuation, there was an excess provision of Tk. 166,933,000. The principal assumptions applied in the actuarial valuation, were similar to those applied in the previous years.

An actuarial valuation of the self-insurance fund for employees as at 31 December 2011 was performed by an independent professional actuary. Based on the valuation, there was an excess provision of Tk. 41,173,000. The principal assumptions applied in the actuarial valuation, were consistent with those applied in previous years.

The indicative excess provisions in respect of the self-insurance fund for employees and the employee gratuity and redundancy fund, amounting to an aggregate of Tk. 208,106,000. have not been written back, but will be considered in determining future provisions.

BRAC also commissioned an investigation report by an independent professional actuary on the properties and motorcycles self-insurance fund as at 31 December 2011. The investigation report addressed BRAC's properties and motorcycles within and outside the Dhaka City Corporation areas. The investigation report set out a recommendation that to attain a satisfactory financial position required for the self-insurance fund, an additional provision of Tk. 50,000,000 would be required. BRAC has accreted its properties and motorcycle self-insurance fund provision to attain the recommended additional Tk. 50,000,000 over a period of two years commencing 2011.

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

The Relief and Rehabilitation fund for disaster and climate change represents recoveries from prior disbursements of grants for rehabilitation, as well as additional amounts accreted by BRAC as deemed appropriate and is held as a liability. This fund is utilized to meet outgoings during natural disasters and climate change and is substantially represented by separate bank balances from which interest is added to the fund.

The staff welfare fund represents deductions from the staff salary which are utilised to defray medical expenses incurred by staff and, under certain instances, their families. The fund is managed by a staff committee who decide upon the quantum to be disbursed as well as the eligibility of staff family members for benefits.

Notes	2013 Taka	2012 Taka
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19. Donor grants

Donor grants recognised in the Statement of Income and Expenditure:

Transferred from grants received in advance	16	16,626,835,712	11,808,374,759
Transferred from deferred income:			
Amortisation of investment in property, plant and equipment			
- unrestricted		48,597,849	1,044,245
- temporarily restricted		38,164,392	23,414,672
	17	86,762,241	24,458,917
Amortisation of motorcycle replacement fund			
- unrestricted		-	445,649
- temporarily restricted		15,076,993	19,038,952
	17	15,076,993	19,484,601
		<u>16,728,674,946</u>	<u>11,852,318,277</u>

20. Revenue from Income Generating Project

Aarong Rural Craft Centre		4,748,618,174	4,529,861,669
BRAC Printers		211,020,140	236,574,367
BRAC Printing Pack		392,542,282	625,164,997
BRAC Dairy and Food Project		2,713,048,262	2,469,755,547
		<u>8,065,228,858</u>	<u>7,861,356,580</u>

21. Interest on bank accounts and fixed deposits

Microfinance Programme		510,524,895	442,117,939
Donor Financing Development Programme		137,732,347	140,633,921
Other Programmes		521,677,199	695,704,753
		<u>1,169,934,441</u>	<u>1,278,456,613</u>

22. Investment income

In respect of investments in related undertakings:			
- Share of profits less losses		428,026,368	144,346,311
- Impairment loss on investment in quoted securities		(9,000,000)	(17,400,000)
		<u>419,026,368</u>	<u>126,946,311</u>

23. Other income

Gain on disposal of property, plant and equipment		8,279,958	36,232,317
Partial reimbursements on cost of programme supplies		71,090,853	59,749,365
Training income		259,090,604	278,607,045
Sale of waste materials		90,030,993	80,704,076
Interest received on other loans and advances		87,927,923	104,869,364
Foreign exchange (loss)/gain - unrealised		(14,139,159)	(9,796,471)
		<u>502,281,172</u>	<u>550,365,696</u>

24. Grants

Grants to BRAC University (Note a)
Grants to BRAC Foundation (Note b)

	2013 Taka	2012 Taka
	440,951,132	-
	543,537,750	-
	<u>984,488,882</u>	<u>-</u>

(a) BRAC donated 250.49 decimals of land to BRAC University which will be used for establishing the permanent campus of BRAC University. This represents the balance of 527.49 decimals of land donated by BRAC to BRAC University.

(b) BRAC donated to BRAC Foundation to support its Renewable Energy and Solar Programme.

25. Taxation

Income tax provision for the year

	2013 Taka	2012 Taka
	<u>206,000,000</u>	<u>200,000,000</u>

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

The tax charge is in respect of taxable income arising from BRAC's taxable activities in 2013, and is subject to agreement with the tax authorities.

For years of assessment 1991-92 to 2010-11, BRAC has been issued directives requesting payment of taxes cumulatively amounting to approximately Tk. 5.0 billion. BRAC has disagreed with the basis of taxation, successfully obtaining stays of execution on the said directives, and has referred the matter to the High Court Division of the Supreme Court of Bangladesh. Similar directives for year of assessment 2011-12 amounting to Tk. 0.56 billion has been issued by the Deputy Commissioner of Taxation (DCT) for which appeal is in progress as at the date of the financial statements.

In early 2013, for year of assessment 1999-2000, BRAC received judgement in their favour in that it would be exempt from tax on the income from three of its commercial activities for which tax had been assessed.

BRAC continues to be of the view that the basis of taxation contained in the abovementioned directives are inappropriate, and therefore BRAC would not be liable to taxation. Accordingly, the amounts referred to above have not been provided for in the financial statements as at 31 December 2013.

26. Foreign currency denominated monetary assets and liabilities

	2013 Taka	2012 Taka
Resident Foreign Currency Deposits (in US\$)	622,994,762	592,640,592
Resident Foreign Currency Deposits (Euro)	20,000,000	19,567,776
Resident Foreign Currency Deposits (in GBP)	19,828,825	20,227,107
Cash at bank (in US\$)	36,895,361	26,334,592
Cash at bank (in Euro)	2,454,608	1,697,180
Cash at bank (AUD)	-	764,671
Cash at bank (in GBP)	823,511	79,817

27. Financial Instruments

a) Financial risk management objectives and policies

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

b) Interest rate risk

BRAC's exposure to interest rate fluctuations is mitigated by fixed interest rate borrowings as well as fixed interest rates applicable to loans extended to members and members saving deposits. BRAC does not engage in speculative transactions or take speculative positions on its interest exposure.

c) Foreign exchange risk

BRAC's foreign exchange risks comprise transaction risk which arise from donor grants received in currencies other than the local currency and minimal foreign currency deposits and cash at bank placed with licensed financial institutions. BRAC is exposed to foreign currency fluctuations, mainly in respect of donor grants denominated in United States Dollars, Great Britain Pound and the Euro.

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

d) Liquidity risk

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

e) Credit risk

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

28. Schedule of donation received

Name of the projects	Donor	2013 Taka	2012 Taka
BRAC Education Program (BEP-II)	EKN	95,993,600	563,858,741
	CIDA	334,886,435	494,316,960
	BRAC USA	3,860,000	-
	Sub total	434,740,035	1,058,175,701
Improving Maternal Neonatal & Child Survival - Program (MNCS-Rural)	EKN	61,274,159	168,826,324
	DFID	-	128,001,172
	Sub Total	61,274,159	296,827,496
Vision Bangladesh Project	Sight Saver-UK	38,623,175	34,717,056
	BRAC-UK	-	5,512,933
	Sub Total	38,623,175	40,229,989
Strategic Partnership Arrangement (SPA)	DFID	7,866,150,000	6,387,884,049
	AusAID	3,399,871,550	4,264,942,700
	Sub Total	11,266,021,550	10,652,826,749
Coordination and Change Enabling Project	World Fish	6,584,564	7,431,909
	CSISA-BD	1,189,445	-
		7,774,009	7,431,909
Assistant and Support to the Victims of Rana Plaza	BRAC-USA	1,802,349	-
	Bencom S.r.l.	7,760,000	-
		9,562,349	-
Skill Training for Rana Plaza Victims	ILO	509,000	-
Challenging the Frontiers of Poverty - Reduction Programme (Phase-II)	CIDA	-	31,126,000
BRAC University Institute of Education Development	EKN	104,014,683	125,606,670
BRAC New Initiative of HRLS	GIZ	3,565,974	846,200
Char Development and Settlement Program	Euroconsult Mott Mac Donald	21,463,402	16,678,766
Improving Incomes, Nutrition and Health in Bangladesh - through Potato, Sweetpotato and Vegetables	AVRDC (The World Vegetable Centre)	6,798,529	8,994,470
BRAC Water, Sanitation and Hygiene Program (WASH-II)	EKN	821,070,923	748,196,612
TB Control Program	The Global Fund	1,292,989,200	885,684,836
TB Care-II	University Research Company LLC.	70,246,216	30,747,925
Early Childhood Development Support Program	AKF	(33,601)	6,200,000
Malaria Control Program	The Global Fund	302,062,227	244,479,408
Safe Migration Facilities	Manusher Jonno Foundation	-	1,299,720
BRAC Non-formal Primary Education Program	EC	19,524,680	2,747,332
Early Learning for Child Development Project (ELCDP)	UNICEF	242,168,875	200,000,000
BRAC Boat School	EACI-QATAR	80,333,492	-
BRAC Urban Slum School	EACI-QATAR	64,349,824	-
Community Safety Initiatives	Safer World	2,266,313	-
Pro-Poor Growth for South Africa and Asia	Oxford University	-	899,848
VCT Services BRAC TB Centre	Family Health International	4,137,000	5,033,000
TQI-SEP Innovation and Development	GOB	-	1,075,000
Innovation in Sustainable Sanitation in Bangladesh	BRAC-USA	225,673,341	-
Alive and Thrive Project	FHI Solutions	267,465,187	235,552,446
Social and Financial Empowerment of Adolescents (SoFEA)	BRAC-USA	95,282,236	23,482,667
Bangladesh Sprinkles Program	The Global Alliance for Improved Nutrition (GAIN)	21,276,735	12,708,027
Bangladesh MYCN-Home Fortification Program	The Global Alliance for Improved Nutrition (GAIN)	12,575,701	-
Crop Intensification for Achieving Food Self-Sufficiency Program	EC	-	69,882,596
Developing BRAC's Emergency Response Capacity	BRAC-USA	25,306,523	85,241,833
The effect of micronutrient powder and hand hygiene - on linear growth faltering and treating iron deficiency - anemia and preventing calcium deficiency among - Bangladesh infants	Hospital For Sick Children	-	5,190,831
Restoring Socio-Economic Stability and Strengthening - Community in areas affected by Cyclone AILA	EC	-	52,625,863
Accelerating Water, Sanitation & Hygiene (WASH)	UNICEF	-	4,208,592
BRAC HRLS Property Rights Program	BRAC-USA	73,354,868	-
National Food Security Nutritional Surveillance Project	EC	71,251,510	71,947,338
Support to Agriculture Research for Climate Change	IRRI	312,200	1,198,500
Community Sensitization on CEDAW	UN Women	-	232,530
Creating Awareness on RTI law for Community	World Bank	-	2,087,163
Joint Program on Gender based Violence	UNDP	4,110,992	12,124,438

Name of the projects	Donor	2013 Taka	2012 Taka
Spreading Awareness to Prevent, Promote - and Protect Domestic Workers and female - Migrant workers at work place from violence	International Labour Office (ILO)	511,000	1,419,619
Community Based Digital Fat Testing Project	Care-Bangladesh	23,059,064	5,113,968
Gendered Impact of Ultra Poor Program	International Food Policy Research - Institute	2,334,857	1,811,981
Assessment of Patient Costs and Patient Perspectives of TB Treatment	Liverpool School of Tropical Medicine	-	3,333,930
BRAC Project Laser Beam (PLB)	Unilever-UK	62,840,000	-
BRAC Health care Innovations Programme (B-HIP)	Rockefeller Foundation	-	31,360,722
BRAC HRLS Child Domestic Worker Project	BRAC-USA	-	2,165,940
Enjoyment of the Socio Economic Rights of - Bangladeshi women fish farmers through their - economic and social empowerment	AIDA-Spain	3,416,805	12,906,614
Changing Social Norms and Supporting Adolescent - Empowerment	UNICEF	24,718,729	19,425,675
Vocational Skill Training for Urban Working Children	UNICEF	29,250,330	44,796,144
BRAC Education Watch	Campaign for Popular Education	2,086,393	5,173,093
Productive, profitable and resilient agriculture and - aquaculture systems	IRRI	1,139,197	1,211,686
Monitoring and Evaluation of the School Nutrition Sexual and Reproductive Health Rights Education	The Global Alliance for Improved Nutrition	7,457,984	11,223,810
- Program in Bangladesh	Novib	2,706,991	18,216,000
South Asia Legal Empowerment Practitioner fair	Foundation Open Society Institute	-	1,351,224
Sustainable Human Development and Empowerment - of Vulnerable Women affected Climate Change	UN Women	36,830,400	10,747,310
Urban School Nutrition Programme	The Global Alliance for Improved Nutrition	13,779,432	20,720,880
Bangladesh Youth Parliament Project	British Council	1,000,000	1,925,787
Engaging Communities for Behaviour Social Change - in Cox's Bazar	UNICEF	18,452,831	5,117,949
COMDIS-HSD	University of Leeds	3,045,844	517,995
Marketing Innovation for Health (MIH) Program	Social Marketing Company (SMC)	36,295,011	8,000,000
Technology (ex-ante) assessment and farm House - hold Segmentation for Inclusive Poverty Reduction - and Sustainable Growth in Agriculture	Center for Development Research	3,193,200	3,228,000
Value Chain Scoping Assessment	AVRDC (The World Vegetable Centre)	392,036	1,568,140
Mental Health and Psychosocial Support (MHPSS)	The Asian Disaster Preparedness Center	555,014	857,549
Building Young Women's Leadership through Sports Economic Empowerment for Poor and Vulnerable - Women in Bangladesh	Women Win	10,920,300	-
Guiding Pro-Poor Investments in the Nexus among - Domestic Water Quality and Quantity	EC	16,320,482	-
Evaluate the Impact of the use of Iron/Folic Acid	University of Bonn	1,128,357	-
USAID-Horticulture Project	ICDDRDB	7,492,452	-
Women's Affairs Ministerial Meeting Partners Fourm - (10 WPF)	International Potato Centre (CIP)	18,028,145	-
Root and Tuber Crops Research and Dev. Prog. For - Food Security Asia and Pacific Region	Commonwealth Foundation	5,359,562	-
Collaborative for Scaling Innovation	AVRDC (The World Vegetable Centre)	925,053	-
Reaching out of School Children Project-II (ROSC)	Rockefeller Foundation	38,823,602	-
Improving Maternal & Child Nutrition (MCN)	World Bank	8,921,280	-
Aquatic Agricultural System (AAS)	WFP	2,406,994	-
Leadership & Student Council Training Project	World Fish	389,840	-
Measuring Health System Costs of TB Treatment - in Bangladesh	British Council	10,277,025	-
Pilot project of distributing reading glasses	London School of Hygiene & - Tropical Medicine	579,000	-
Shikha Project	Vision Spring	10,961,300	-
Wash and Clean in the Labour Ward-A Situation - Analysis Study	Family Health International	30,280,000	-
BRAC School Meal Piloting	University of Leeds	859,020	-
Safe Migration for Bangladesh Workers	WFP	1,072,566	-
Impact Assessment of Credit Program for the - Tenent Farmers	World Bank	19,867,243	-
Early Recovery Facility of UNDP Bangladesh	Global Development Network Inc. (GDN)	19,485,445	-
	BRAC-USA	951,008	-
TOTAL		16,128,185,099	15,153,784,471

29. Segmental financial information (cont'd.)

	Unrestricted										Temporarily restricted	
	Aarong Rural Craft Center	BRAC Printers & Printing Pack	BRAC Dairy and Food Project	Agro based Programme Support Enterprise	Non-agro based Programme Support Enterprise	Micro Finance Programme	Self-financing social Development Project	House Property (Building)	Total Unrestricted	Development Projects	Total 2012	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Assets:												
Cash in hand and at banks	129,524,735	51,336,352	52,892,399	331,974,532	37,918,749	2,400,313,385	3,014,106,293	736,748,252	6,754,814,697	9,294,638,382	16,049,453,079	
Advances, deposits and prepayments	55,779,153	250,445,594	40,009,047	109,411,497	921,479	182,684,600	1,408,065,360	25,678,863	2,072,995,593	149,135,267	2,222,130,860	
Inventories	1,893,954,652	118,897,516	259,897,906	617,271,049	14,621,124	45,589,623	100,508,146	-	3,050,740,016	3,365,942	3,054,105,958	
Grants and accounts receivable	76,346,896	69,324,099	31,191,712	379,387,163	15,178,701	343,632,453	255,438,115	2,955,117	1,173,454,256	135,997,676	1,309,451,932	
Inter-programme current account	264,083,953	(265,165,561)	74,482,452	8,042,244	5,082,795	84,814,726	(160,964,747)	-	10,375,862	(10,375,862)	-	
Microfinance loans	-	-	-	-	-	56,297,005,220	-	-	56,297,005,220	-	56,297,005,220	
Motorcycle loans	350,987	-	3,316,790	7,504,813	40,900	308,243,783	9,616,097	-	329,073,370	273,590,028	602,663,398	
Investments in securities and others	-	-	-	-	-	-	232,100,000	-	232,100,000	-	232,100,000	
Investments in related undertakings	-	-	-	-	-	-	8,098,697,120	-	8,098,697,120	-	8,098,697,120	
Property, plant and equipments	574,175,480	63,676,312	526,407,389	794,533,699	3,984,208	3,200,844,943	4,401,726,206	145,094,551	9,710,442,788	206,457,049	9,916,899,837	
Total Assets	2,994,215,856	288,514,312	988,197,695	2,248,124,997	77,747,956	62,863,128,733	17,359,292,590	910,476,783	87,729,698,922	10,052,808,482	97,782,507,404	
Liabilities and Net Assets												
Liabilities:												
Liabilities for expenses and materials	199,979,819	30,737,487	148,312,216	286,437,179	12,316,387	2,611,151,285	1,224,072,576	1,184,560	4,514,191,509	274,642,917	4,788,834,426	
Bank overdrafts	72,479,975	-	-	-	-	4,179,176,412	754,979,835	-	5,006,636,222	-	5,006,636,222	
Term loans	-	-	-	200,000,000	-	12,540,746,146	200,000,000	-	12,940,746,146	-	12,940,746,146	
Members savings deposits	-	-	-	-	-	24,907,281,663	-	-	24,907,281,663	-	24,907,281,663	
Grants received in advance account	-	-	-	-	-	-	-	-	-	8,697,918,904	8,697,918,904	
Deferred income	-	-	-	-	-	678,799	102,384,049	-	103,062,848	147,832,604	250,895,452	
Other long term liabilities	268,109,849	41,536,808	-	-	-	348,929,316	7,557,816,592	-	8,216,392,565	-	8,216,392,565	
Provision for taxation	-	-	-	5,969,245	-	-	834,971,785	-	840,941,030	-	840,941,030	
Total Liabilities	540,569,643	72,274,295	148,312,216	492,406,424	12,316,387	44,587,963,621	10,674,224,837	1,184,560	56,529,251,983	9,120,394,425	65,649,646,408	
Net assets	2,453,646,213	216,240,017	839,885,479	1,755,718,573	65,431,569	18,275,165,112	6,685,067,753	909,292,223	31,200,446,939	932,414,057	32,132,860,996	
Total Liabilities and Net Assets	2,994,215,856	288,514,312	988,197,695	2,248,124,997	77,747,956	62,863,128,733	17,359,292,590	910,476,783	87,729,698,922	10,052,808,482	97,782,507,404	

29. Segmental financial information (cont'd.)

	Unrestricted										Temporarily restricted	
	Aarong Rural Craft Center	BRAC Printers & Printing Pack	BRAC Dairy and Food Project	Agro based Programme Support Enterprise	Non-agro based Programme Support Enterprise	Micro Finance Programme	Self-financing social Development Project	House Property (Building)	Total Unrestricted	Development Projects	Total 2013	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Income												
Donor grants	-	-	-	-	-	85,394	49,091,612	-	49,177,006	16,679,497,940	16,728,674,946	
Revenue from												
- Income Generating Projects	4,748,618,174	603,562,422	2,713,048,262	-	-	-	-	-	8,065,228,858	-	8,065,228,858	
- Program Support Enterprises	-	-	-	4,114,973,500	185,632,887	-	-	-	4,300,606,387	-	4,300,606,387	
Service charge on microfinance loans	-	-	-	-	-	17,802,363,604	-	-	17,802,363,604	-	17,802,363,604	
Interest on bank accounts and fixed deposits	-	-	-	-	-	510,524,895	521,677,199	-	1,032,202,094	137,732,347	1,169,934,441	
Investment income	-	-	-	-	-	(688,010,356)	419,026,368	-	419,026,368	-	419,026,368	
Other income - internal	-	(84,825,079)	-	-	-	-	722,835,435	-	-	-	-	
Other income	26,165,774	9,993,893	11,838,153	182,370	-	-	440,102,497	-	488,282,627	13,998,545	502,281,172	
Income from house property	-	-	-	-	-	-	-	100,732,324	100,732,324	-	100,732,324	
Total income	4,774,783,948	578,731,176	2,724,886,415	4,115,155,870	185,632,887	17,624,963,537	2,152,733,111	100,732,324	32,257,619,268	16,831,228,832	49,088,848,100	
Expenditure												
Income Generating Projects	4,000,498,506	614,215,762	2,539,024,419	-	-	-	-	-	7,153,738,687	-	7,153,738,687	
Program Support Enterprises	-	-	-	3,850,169,171	163,260,674	-	-	-	4,013,429,845	-	4,013,429,845	
House property related expenses	-	-	-	-	-	-	-	74,452,205	74,452,205	-	74,452,205	
Education Programme	-	-	-	-	-	-	187,470,309	-	187,470,309	6,887,804,854	7,075,275,163	
Ultra Poor Programme	-	-	-	-	-	-	-	-	-	2,391,244,399	2,391,244,399	
Community Empowerment Programme	-	-	-	-	-	-	4,544,115	-	4,544,115	336,463,722	341,007,837	
Human Rights and Legal Aids Services	-	-	-	-	-	-	-	-	-	195,568,393	195,568,393	
Policy Advocacy	-	-	-	-	-	-	-	-	-	86,040,129	86,040,129	
Health Programme	-	-	-	-	-	-	134,724,016	-	134,724,016	4,323,868,916	4,458,592,932	
Water, Sanitation and Hygiene Programme	-	-	-	-	-	-	-	-	-	1,535,677,979	1,535,677,979	
Gender, Justice and Diversity	-	-	-	-	-	-	-	-	-	209,703,788	209,703,788	
Micro Finance Programme	-	-	-	-	-	12,815,333,779	-	-	12,815,333,779	-	12,815,333,779	
Agriculture and Food Security	-	-	-	-	-	-	-	-	-	527,051,524	527,051,524	
Other Development Projects	-	-	-	-	-	-	430,840,586	-	430,840,586	238,666,302	669,506,888	
Grants	-	-	-	-	-	-	984,488,882	-	984,488,882	-	984,488,882	
Total Expenses	4,000,498,506	614,215,762	2,539,024,419	3,850,169,171	163,260,674	12,815,333,779	1,742,067,908	74,452,205	25,799,022,424	16,732,090,006	42,531,112,430	
Surplus of income over expenditure before taxation	774,285,442	(55,484,586)	185,861,996	264,986,699	22,372,213	4,809,629,758	410,665,203	26,280,119	6,458,596,844	99,138,826	6,557,735,670	
Taxation	-	-	-	(5,764,912)	-	-	(200,235,098)	-	(206,000,000)	-	(206,000,000)	
Net surplus stated in statement of income & expenditure before inter-programme allocations	774,285,442	(55,484,586)	185,861,996	259,221,787	22,372,213	4,809,629,758	210,430,115	26,280,119	6,252,596,844	99,138,826	6,351,735,670	
Inter-programme allocations	(387,142,721)	35,884,846	(92,930,998)	(148,035,455)	-	-	592,224,328	-	-	-	-	
Net surplus for the year after inter-programme allocations	387,142,721	400,260	92,930,998	111,186,332	22,372,213	4,809,629,758	802,654,443	26,280,119	6,252,596,844	99,138,826	6,351,735,670	

29. Segmental financial information (cont'd.)

	Unrestricted										Temporarily restricted												
	Aarong Rural Craft Center		BRAC Printers & Printing Pack		BRAC Dairy and Food Project		Agro based Programme Support Enterprise		Non-agro based Programme Support Enterprise		Micro Finance Programme		Self-financing social Development Project		House Property (Building)		Total Unrestricted		Development Projects		Total 2012		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Income																							
Donor grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from																							
- Income Generating Projects	4,529,861,669	861,739,364	2,469,755,547	-	-	-	3,941,665,074	182,584,605	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Program Support Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charge on microfinance loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on bank accounts and fixed deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other income - internal	-	(43,849,943)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other income	27,897,751	10,568,603	10,557,197	-	-	-	8,200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income from house property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total income	4,557,759,420	828,458,024	2,480,312,744	3,941,673,274	182,584,605	15,219,666,803	1,354,599,434	100,720,809	28,665,775,113	12,003,572,451	40,669,347,564	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure																							
Income generating projects	3,881,517,898	821,329,525	2,285,502,969	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Program Support Enterprise	-	-	-	3,474,442,045	164,465,598	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
House Property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Education Programme	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ultra Poor Programme	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community Empowerment Programme	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Human Rights and Legal Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Policy Advocacy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health Programme	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water, Sanitation and Hygienic Programme	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gender, Justice and Diversity Programme	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Micro Finance Programme	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agriculture and Food Security	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Development Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	3,881,517,898	821,329,525	2,285,502,969	3,474,442,045	164,465,598	11,714,555,867	638,454,690	93,188,884	23,073,457,476	11,930,075,081	35,003,532,557	-	-	-	-	-	-	-	-	-	-	-	-
Surplus of income over expenditure before taxation	676,241,522	7,128,499	194,809,775	467,231,229	18,119,007	3,505,110,936	716,144,744	7,531,925	5,592,317,637	73,497,370	5,665,815,007	-	-	-	-	-	-	-	-	-	-	-	-
Taxation	-	-	-	(4,067,884)	-	-	(195,932,116)	-	-	-	(200,000,000)	-	-	-	-	-	-	-	-	-	-	-	-
Net surplus stated in statement of income & expenditure before inter-programme allocations	676,241,522	7,128,499	194,809,775	463,163,345	18,119,007	3,505,110,936	520,212,628	7,531,925	5,392,317,637	73,497,370	5,465,815,007	-	-	-	-	-	-	-	-	-	-	-	-
Inter-programme allocations	(338,120,761)	(5,129,240)	(97,404,888)	(123,604,979)	-	-	564,259,868	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net surplus for the year after inter-programme allocations	338,120,761	1,999,259	97,404,887	339,558,366	18,119,007	3,505,110,936	1,084,472,496	7,531,925	5,392,317,637	73,497,370	5,465,815,007	-	-	-	-	-	-	-	-	-	-	-	-

30. Statement of Functional Expenses

	Unrestricted										Temporarily restricted	
	Aarong Rural Craft Center Taka	BRAC Printers & Printing Pack Taka	BRAC Dairy and Food Project Taka	Agro based Programme Support Enterprise Taka	Non-agro based Programme Support Enterprise Taka	Micro Finance Programme Taka	Self-financing social Development Project Taka	House Property (Building) Taka	Total Unrestricted Taka	Development Projects Taka	Total 2013 Taka	
Salaries and benefits	592,213,947	23,921,776	128,934,717	237,292,852	7,480,314	4,981,970,569	214,188,761	-	6,186,002,936	6,162,217,237	12,348,220,173	
Travelling and transportation	40,663,178	5,432,573	76,969,455	54,217,754	522,812	457,798,961	12,509,243	-	648,113,976	664,657,676	1,312,771,652	
Teachers' salaries	-	-	-	-	-	-	-	-	-	917,095,817	917,095,817	
Teachers' training	-	-	-	-	-	-	-	-	-	245,675,015	245,675,015	
School rent and maintenance	-	-	-	-	-	-	-	-	-	213,529,589	213,529,589	
Stationery, rent and utilities	131,047,957	3,641,732	12,074,464	12,951,387	1,254,617	234,703,464	29,206,995	16,498,403	441,379,019	414,233,702	855,612,721	
Maintenance and general expenses	88,900,443	7,675,119	43,448,929	34,611,194	834,589	223,037,308	39,605,338	1,993,985	440,106,905	139,696,420	579,803,325	
Members' training	-	-	-	-	-	250,565	10,074,500	-	10,325,065	586,293,836	596,618,901	
Staff training and development	1,388,977	-	3,650,065	10,540,742	-	60,870,665	14,280,804	-	90,731,253	560,745,649	651,476,902	
Programme supplies	-	-	-	15,074,762	72,063	259,610,753	8,744,509	-	283,502,087	6,767,507,121	7,051,009,208	
Interest on members' savings deposits	-	-	-	-	-	2,064,694,342	-	-	2,064,694,342	-	2,064,694,342	
Interest on long term loans	-	-	-	-	-	1,531,769,615	-	-	1,531,769,615	-	1,531,769,615	
Bank overdraft interest and charges	34,822,342	35,128,336	-	5,760,260	-	590,087,245	187,521,869	-	853,320,052	-	853,320,052	
Cost of goods sold of income generating projects	2,952,158,825	529,821,170	2,210,446,572	-	-	-	-	-	5,692,426,567	-	5,692,426,567	
Cost of goods sold of program support enterprises	43,676,597	-	-	3,290,498,586	150,543,300	-	-	-	3,441,041,886	-	3,441,041,886	
Publicity, advertisement and sales commissions	-	-	59,088,505	88,377,491	1,975,172	-	6,849,420	-	199,967,185	9,968,045	209,935,230	
Loan loss provision for microfinance loans	-	-	-	-	-	2,322,988,477	-	-	2,322,988,477	-	2,322,988,477	
Depreciation of property, plant and equipment	115,626,240	1,729,286	1,960,952	90,114,138	434,200	87,551,815	184,597,587	22,075,493	504,089,711	50,469,899	554,559,610	
Provision for bad and doubtful debts	-	6,865,770	2,450,760	10,730,005	143,607	-	-	-	20,190,142	-	20,190,142	
Allocation to self-insurance fund	-	-	-	-	-	-	-	33,884,324	33,884,324	-	33,884,324	
Allocation to Relief and Rehabilitation fund	-	-	-	-	-	-	50,000,000	-	50,000,000	-	50,000,000	
Grants	4,000,498,506	614,215,762	2,539,024,419	3,850,169,171	163,260,674	12,815,333,779	1,742,067,908	74,452,205	25,799,022,424	16,732,090,006	42,531,112,430	

Included in cost of goods sold of (BRAC dairy, Printers and Printing Pack) is depreciation of property, plant and equipment amounting to Tk. 77,602,150.

30. Statement of Functional Expenses

	Unrestricted										Temporarily restricted	
	Aarong Rural Craft Center Taka	BRAC Printers & Printing Pack Taka	BRAC Dairy and Food Project Taka	Agro based Programme Support Enterprise Taka	Non-agro based Programme Support Enterprise Taka	Micro Finance Programme Taka	Self-financing social Development Project Taka	House Property (Building) Taka	Total Unrestricted Taka	Development Projects Taka	Total 2012 Taka	
Salaries and benefits	495,104,368	21,858,220	101,915,634	193,802,314	6,039,235	4,693,827,356	16,562,777	-	5,529,109,903	5,019,737,140	10,548,847,043	
Travelling and transportation	33,759,052	5,619,193	62,441,093	47,381,106	491,171	420,225,202	14,124,290	-	584,041,107	590,096,983	1,174,138,090	
Teachers' salaries	-	-	-	-	-	-	-	-	-	864,364,047	864,364,047	
Teachers' training	-	-	-	-	-	-	-	-	-	225,067,977	225,067,977	
School rent and maintenance	-	-	-	-	-	-	-	-	-	186,231,439	186,231,439	
Stationery, rent and utilities	124,956,507	4,239,881	10,980,745	11,979,939	1,030,631	179,042,304	16,191,027	13,169,462	361,590,496	344,407,992	705,998,488	
Maintenance and general expenses	78,381,600	5,842,901	41,409,943	19,782,449	1,117,377	138,425,353	18,006,277	1,840,227	304,806,127	142,098,853	446,904,980	
Members' training	-	-	-	-	-	2,495,842	34,261,408	-	36,757,250	488,542,527	525,299,777	
Staff training and development	2,243,455	-	2,246,362	6,702,606	57,075	38,689,574	28,982,676	-	78,864,673	488,517,347	567,382,020	
Programme supplies	-	-	-	3,009,521	-	259,754,682	193,214,461	-	456,035,739	3,538,307,798	3,994,343,537	
Interest on members' savings deposits	-	-	-	-	-	1,591,469,559	-	-	1,591,469,559	-	1,591,469,559	
Interest on long term loans	-	-	-	-	-	1,425,348,750	-	-	1,425,348,750	-	1,425,348,750	
Bank overdraft interest and charges	20,863,077	44,586,822	-	2,409,418	-	1,183,180,911	87,759,470	-	1,338,799,698	-	1,338,799,698	
Cost of goods sold- income generating projects	2,974,712,117	724,579,365	2,021,099,185	-	-	-	-	-	5,720,390,667	-	5,720,390,667	
Cost of goods sold- program support enterprise	31,579,340	-	42,427,159	2,998,249,111	153,919,261	-	-	-	3,152,168,372	-	3,152,168,372	
Publicity, advertisement and sales commissions	-	-	-	102,208,474	1,199,626	-	-	-	191,092,260	6,982,773	198,075,033	
Loan loss provision for microfinance loans	-	-	-	-	-	1,709,585,836	13,677,661	-	1,709,585,836	-	1,709,585,836	
Depreciation of property, plant and equipment	119,918,382	2,951,763	1,708,760	80,709,833	455,187	72,510,498	165,674,642	21,931,475	465,860,540	35,720,205	501,580,745	
Provision for bad and doubtful debts	-	11,651,380	1,274,088	8,207,274	156,036	-	-	-	21,288,778	-	21,288,778	
Allocation to self-insurance fund	-	-	-	-	-	-	-	56,247,720	56,247,720	-	56,247,720	
Allocation to Relief and Rehabilitation fund	-	-	-	-	-	-	50,000,000	-	50,000,000	-	50,000,000	
	3,881,517,898	821,329,525	2,285,502,969	3,474,442,045	164,465,598	11,714,555,867	638,454,689	93,188,884	23,073,457,475	11,930,075,081	35,003,532,556	

Included in cost of goods sold of (Printers and Printing Pack) is depreciation of property, plant and equipment amounting to Tk. 101,632,297.

31. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

NOTES

NOTES

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