

Company number: 5802246

Charity number: 1115482

BRAC UK

Report and financial statements

For the year ended 31 December 2021

This is the 2022 Trustee Report for BRAC UK, a registered charity (1115482) and company (5802246).

Based in London, BRAC UK was founded in 2006 and works to amplify BRAC's impact by developing partnerships with local and global organisations, donor agencies, academic and research institutions, governments and individuals. BRAC UK also raises awareness about BRAC's cost-effective and evidence-based poverty innovations and uses the practical knowledge BRAC has developed over 50 years to inform and influence the policy and practice of others.

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Trustees

Simone Sultana (Chair of Trustees – Term ended 11/05/2021)

Ken Caldwell (Chair of Trustees – Appointed 12/05/2021)

Richard Nartey (Treasurer)

Kate Kuper (Term ended 9/02/2022)

Jane Cooper

Shameran Abed

Alex Manu (Term ended 11/05/2021)

Appointed 09/08/2021

Jack Lundie

Anne-Marie Harris

Deepali Sood

Shanthi Flynn

Principal staff

Lewis Temple (Chief Executive)

Laura Griffin (Deputy Chief Executive & Director of Partnerships – Appointed 12/04/2021)

Juliette Webb (Finance & Resources Director)

Bankers

HSBC, 8 Victoria Street, Westminster, LONDON, SW1H 0NJ

Solicitors

Howells Solicitors, Hallinans House, 22 Newport Road, Cardiff, CF24 0TD

Auditor

Sayer Vincent LLP, Chartered Accountants and Statutory Auditor, Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Statement from the Chair of Trustees

BRAC is a unique organisation in international development. Having pioneered innovative programming approaches changing the lives of tens of millions of poor and marginalised people in Bangladesh over the last 50 years, we are now extending and adapting those approaches across ten other countries in Africa and Asia to achieve sustainable change at scale. Our approach to supporting the poorest families in the poorest communities to lift themselves out of absolute poverty is now being replicated by governments and other actors around the world. And we have shown how social enterprises can be taken to scale to provide incomes and essential services for millions of people in poor and marginalised communities, while generating a return for reinvestment and to fund other development programmes.

As a result of these successes, we are increasingly sought out by global development actors that are seeking to respond better to the priorities and perspectives of southern-led organisations.

The role of BRAC UK within the BRAC global family is to support the wider adoption of these pioneering approaches around the developing world, through building partnerships with funders and global development actors based in Europe.

I am therefore delighted to have been invited to take up the role of Chair of Trustees at BRAC UK in May 2021, and to join the recently formed BRAC Global Board.

During the year under review, we were amongst many UK based international NGOs to suffer the twin impacts of COVID (which continued to disrupt our programmes in 2021), and large cuts in UK government aid budgets (resulting in the cancellation or termination of UK government funding for some of our programmes, requiring us to work hard to mitigate the consequences for the communities being supported). I would like to thank our committed funding partners, who have worked with us through this challenging period.

We have therefore focused over the past year on accelerating the diversification of our partners, building new relationships with bilateral and foundation funders across Europe, and exploring new forms of funding for social enterprises and impact investment. We are encouraged by the new relationships emerging and hope to further develop and extend these in 2022.

During the year, we have taken steps to refresh and strengthen our Board, with the appointment of 4 other new trustees who bring us valuable and diverse experience. I would like on behalf of the organisation to take this opportunity to thank Simone Sultana, my predecessor as Chair of Trustees, and to Alex Manu, our previous Treasurer, both of whom stood down from our Board

in 2021, after playing key roles in shaping the development of BRAC in the UK and internationally over many years.

A handwritten signature in black ink, appearing to read "Ken Caldwell".

Ken Caldwell
Chair of Trustees
BRAC UK

A message from the Chief Executive

2021 was a year of contrasts. On the one hand, BRAC faced tremendous challenges across the 10 countries in which we deliver services. The COVID-19 pandemic continued throughout the year, with the Omicron variant resulting in more restrictions that limited our ability to deliver services at full capacity.

But on the other hand, BRAC continued to respond to these challenges, supporting communities affected comprehensively with public health interventions, humanitarian assistance and development programmes. Our services enabled those most affected around the globe to navigate the pandemic and rebuild their lives. In Bangladesh, we utilised our network of Community Health Workers to deliver over 1 million COVID-19 vaccinations. A number of programmes, including the Disability Inclusive Ultra-Poor Graduation project in Uganda, were able to continue providing vital services to people with disabilities living in extreme poverty in spite of both COVID restrictions and a funding cut from the UK Government.

In the UK, we continued to invest in our capacity, recruiting for a number of new key roles including a Deputy Chief Executive. We're confident these investments will improve our ability to create impactful new partnerships for BRAC, as well as strengthening current ones.

We have continued a wide range of discussions with global development actors based in Europe who are interested in our insights and programming approaches. In particular, we have focused on rebuilding political commitment in the UK to tackling global poverty, and we are pleased to have supported the formation of a new All Party Parliamentary Group on extreme poverty in the UK Parliament. We also coordinated the BRAC delegation at COP26 in Glasgow in December, where there was much interest in our experience of the consequences of global warming that are already being felt by the communities that we work with in Bangladesh and beyond, and how we can help them to adapt to more severe consequences in the years to come.

2022 will mark 50 years since Sir Fazle Hasan Abed founded BRAC in Bangladesh. It promises to be a year full of celebration, but also impact, as we continue to provide services for millions across the globe.


Lewis Temple (Jun 24, 2022 11:35 GMT+1)

Lewis Temple
Chief Executive
BRAC UK

About BRAC

BRAC is a leading international nonprofit with a mission to empower people and communities in situations of poverty, illiteracy, disease, and social injustice. We design proven, scalable solutions that equip people with the support, skills, and confidence they need to lift themselves out of poverty and achieve their potential.

BRAC envisions a world free from all forms of exploitation and discrimination, where everyone has the opportunity to realise their potential. Our approach is grounded in the conviction that people living in poverty can be agents of change if they are empowered with the tools, skills, and hope they need to change their lives.

About BRAC UK

Based in London, BRAC UK was founded in 2006 and works to amplify BRAC's impact by developing partnerships with local and global organisations, donor agencies, academic and research institutions, governments and individuals in the UK and Europe. BRAC UK also raises awareness about BRAC's cost-effective and evidence-based poverty innovations and uses the practical knowledge BRAC has developed over 50 years to inform and influence the policy and practice of others.

For more details see www.bracuk.net.

BRAC's Global Programmes

BRAC delivers services across 10 countries in Africa and Asia. We aim high and think big. BRAC's proven, practical solutions spark enterprise and lasting change. We equip people with the tools, opportunity, and skills to lift themselves out of poverty and reach their potential. BRAC's programmes include:

Extreme Poverty

Worldwide, over 700 million people experience extreme poverty, living on less than \$1.90 per day (£1.41). Extreme poverty disproportionately affects women, who often lack the resources, skills, and opportunities they need to escape the poverty trap. This has only been exacerbated by the COVID-19 pandemic, with the number of people living in extreme poverty increasing for the first time in a generation.

BRAC's Ultra-Poor Graduation approach, a holistic intervention that integrates the transfer of an asset such as a cow or goat, financial and savings education, technical and life skills training, and ongoing support and mentorship, supports households stuck in this poverty trap by providing a pathway out of destitution in just two years. BRAC also works to amplify its impact globally by supporting governments and others to adapt the Graduation approach and conducting complementary advocacy efforts.

Key Facts

- 2 million households have graduated out of extreme poverty in Bangladesh since 2002
- BRAC has developed or assisted Ultra Poor Graduation programmes in 14 countries
- The programme results in a 37% increase in earnings among participants in Bangladesh
- Participants experience sustained economic benefits over 7 years after graduating

Climate Change

Our integrated approach to addressing climate change impacts uses adaptation and mitigation measures through BRAC's development initiatives. Our work protects resources, improves quality of life and builds awareness about the environment in rural and urban communities. We provide people with access to the tools and knowledge to adapt and respond to adverse climatic impacts and adopt sustainable practices to combat impending climatic impacts.

Key Facts

- 823,342 people living in 41 vulnerable districts across Bangladesh received support to cope with climate change impacts in 2021
- 335,990 households in Bangladesh reached through integrated climate-resilient solutions in 2021

COVID-19

As countries worldwide continue to combat the spread of COVID-19, BRAC is responding comprehensively with public health interventions, humanitarian assistance to meet urgent needs, and socioeconomic rehabilitation and development programmes, enabling those most affected around the globe to navigate the pandemic and rebuild their lives. We are also prioritising the health and safety of our participants, clients, and staff by adapting our programmes in line with public health recommendations and government directives.

Key Facts

(Since the start of the pandemic)

- BRAC Community Health Workers delivered over 1 million COVID-19 vaccinations, in partnership with the Government of Bangladesh
- 10,000 Community Health Workers were trained to refer patients to 100 COVID-19 testing kiosks in Bangladesh
- BRAC Afghanistan has reached more than 11 million people directly in 14 provinces through awareness raising and infection and prevention control activities.
- 45.9 million people were reached through COVID-19 response efforts and awareness raising

Education

The effects of poverty and crises on children are profound and long-lasting, and the poorest and most vulnerable children are the least likely to access quality learning opportunities. Delivering education to marginalised communities is at the heart of BRAC's work, enabling children to grow into active, engaged, and resilient adults capable of navigating shocks and overcoming adversity. We reach thousands of learners who would not otherwise receive an education, including girls, children with disabilities, and remote communities. Through joyful, community-driven approaches, all BRAC students have the opportunity to learn and grow.

BRAC also implements a ground-breaking Play Lab programme in Bangladesh, Tanzania, and Uganda, reaching more than 10,000 children. Play Labs offer high quality, low-cost, playful learning opportunities to children ages three to five in underserved communities. Play Leaders, who are young women from the local community trained in play-based pedagogies, facilitate activities and child-led play that support children's physical development, language development, and critical socio-emotional skills such as self-regulation, empathy, and critical thinking. Play Labs also engage caretakers and communities in parenting sessions and play material development workshops, bringing the core elements of the model into the home to ensure learning happens outside the classroom, too.

Key Facts

- 13 million children have graduated from BRAC schools across 7 countries
- 80% of teachers at BRAC schools are women
- There are 115,000 children currently learning in early childhood Play Labs globally

Youth

Young people across the Global South hold tremendous potential, but they face disproportionate risks and barriers that can create challenging transitions into adulthood. Across Asia and Africa, young people — particularly girls and young women — are vulnerable to poverty and exploitation and face limited job prospects.

BRAC's youth programmes combine social empowerment, economic empowerment, and education to enable young people to reach their full potential. The Empowerment and Livelihoods for Adolescents (ELA) programme provides safe spaces in communities where adolescent girls and young women can come together to learn, play sports and games, and socialise. ELA clubs are led by peer mentors, who facilitate training on life skills, sexual and reproductive health, financial literacy, and more.

Key Facts (Since 2014)

- BRAC's Youth programmes are implemented across 8 countries
- Girls in villages with youth empowerment clubs were half as likely to drop out of school during the Ebola outbreak in Sierra Leone between 2014 and 2016
- There has been a 48% increase in involvement in income-generating activities for girls in youth empowerment clubs in Uganda
- Teen pregnancy rates for villages in Uganda with youth empowerment clubs reduced by 34%

Health

For decades, BRAC's network of community health workers have reached millions of people with lifesaving, door-to-door health services. Women are trained to provide basic preventative and curative care in their communities and to diagnose and refer patients with complications. They focus on maternal and child health, infectious disease prevention, family planning, and nutrition promotion, and earn a modest income from the sale of basic health goods.

BRAC's network of Community Health Workers were key to BRAC's initial global response to the COVID-19 pandemic, being ideally placed to both understand the needs of the communities and to provide healthcare services on site, adhering to social distancing principles and helping to change behavior to reduce the spread of the virus. In 2021, Community Health Workers continued to play a key role in recovering from the pandemic and BRAC partnered with the Government in

Bangladesh to assist with the roll-out of COVID-19 vaccinations. To increase the uptake of COVID-19 vaccines, BRAC also actively engaged with communities through awareness campaigns designed to debunk misinformation.

Key Facts

- Over 50,000 community health workers currently deliver last-mile care across 5 countries
- BRAC reaches over 110 million people in Bangladesh through health education and service delivery
- Community Health Workers in Bangladesh have supported over 651,762 pregnant women during childbirth in 2020
- The health programme in Uganda has achieved a 27% reduction in child mortality under five between 2016 and 2019

Agriculture and Food Security

Smallholder farmers produce 80% of the food consumed in South Asia and sub-Saharan Africa, but they remain one of the most vulnerable groups in the world, on the frontlines of climate change and economic shocks. BRAC's agriculture programmes tackle these challenges holistically by strengthening livelihoods, linking market systems, improving nutrition, and building resilience to climate change.

Key Facts

- In total, BRAC has trained 600,000 farmers across 8 countries since 2002
- 78% of farmers supported are women and adolescent girls

Financial Inclusion

People living in poverty are disproportionately excluded from formal financial systems, which creates compounding costs in their day-to-day lives. Ensuring access to financial services can enable families to weather shocks, increase consumption, invest in businesses, and build stable livelihoods.

BRAC uses a diverse range of financial products to support families to increase their incomes, manage and build assets, invest in small enterprises, and cope during emergencies. Our responsible, tailored financial products build financial literacy and ensure people living in poverty can access the opportunities and support they deserve.

Key Facts

- BRAC has over 8 million borrowers across 6 countries
- 89% of borrowers are women
- 36 million people use BRAC's mobile money service bKash in Bangladesh

Humanitarian Response

Today, more people than ever are in need of humanitarian assistance due to conflict and disaster. For nearly five decades, BRAC has supported communities in crisis. Whether human-made, a natural disaster, or a disease outbreak, BRAC rapidly meets basic needs, inspires resilience, and fosters self-sufficiency for those affected by crisis.

BRAC was founded as a small relief effort in the aftermath of a devastating war and cyclone that ravaged Bangladesh. BRAC was built on the principle of standing with the most vulnerable in times of crisis, and remain committed to supporting communities affected by conflict, disease, and disaster.

In 2021, BRAC continued to be the largest responder to the Rohingya refugee crisis, delivering lifesaving assistance and supporting refugees and host communities to build a better tomorrow. Our critical services for Rohingya families and host communities include food, water, shelter, sanitation, health care, education, protection, and more. BRAC also responded to extreme weather events, responding rapidly with food aid, shelter, and cash support for impacted families.

With the Taliban taking control of power in Afghanistan BRAC are also preparing to deliver a large-scale humanitarian response in 2022, as people find themselves in need of emergency response services such as food and shelter.

Key Facts

- BRAC has provided services for more than 700,000 Rohingya refugees since 2017
- 722,00 people have been reached through emergency relief during disasters across Asia and Africa in 2021
- 50,000 families were supplied with emergency relief during the 2021 monsoon season in Bangladesh

Social Enterprises

Many low-income regions around the world face market gaps that limit people's ability to buy the essentials they need to run a business or sell the products they make. BRAC's social enterprises address these critical market gaps and enable people living in poverty to grow their businesses, boost their income, and become more self-reliant.

For decades, BRAC's social enterprises have met community needs and helped people grow their incomes and reach their potential. BRAC also reinvest profits from its enterprises into its development programs, making our work more sustainable and enabling us to deliver impact at scale.

Key Facts

- BRAC operates 13 social enterprises in Bangladesh
- 80% of BRAC's budget in Bangladesh is self-financed through its own activities, including social enterprises
- Through Aarong, the number one lifestyle retailer in Bangladesh, 65,000 artisans have been linked to market
- Aarong Dairy has linked 50,000 dairy farmers to markets

Projects funded through BRAC UK

BRAC UK forms partnerships, which provide resources for BRAC's work globally. Below is a summary of projects that BRAC UK funded through these partnerships in 2021. For a full list of projects, please see the Financial Statements.

Bangladesh: Education in Emergencies (BD 011B)

Donor(s): UBS Optimus Foundation

BRAC identified teaching quality and a lack of space as key concerns in education provision in the Rohingya Refugee camps at Cox's Bazar. This project draws on BRAC's extensive experience of providing highly effective low-cost solutions to directly serve vulnerable children with the quality education they need. Specifically, the project aimed to upgrade 3 semi-permanent learning centres into two-storey permanent structures for 480 children and to provide training for 900 teachers. This project has faced significant disruption due to the impact of Covid-19. Successive lockdowns impaired the team's ability to complete activities during COVID-19, so a no-cost

extension was agreed that would focus on COVID-19 response and preparatory activities towards safely welcoming learners back to Learning Centres once restrictions are lifted.

Bangladesh: Youth in Retail (BD 012)

Donor(s): Ikea Foundation, UBS Optimus Foundation

This pilot project is providing sustainable livelihood options for low-income urban youth in Bangladesh in partnership with the retail sector and the Government of Bangladesh. It is providing decent work opportunities for disadvantaged urban youth (particularly women and People With Disabilities) and supporting the standardisation of recruitment and training practices in major cities in Bangladesh through an innovative approach to testing and scaling effective, efficient and sustainable training and employment models; one focusing on apprenticeships and the other on institute-based training. Despite further lockdowns in 2021 due to Covid-19, the team has been able to finally begin full implementation and delivered training to 778 young people. We are negotiating an extension to the project with the donors in order to deliver on all targets as planned.

Bangladesh: Cross Border Trafficking (BD 014)

Donor(s): Children's Investment Fund Foundation

This project sought to reduce the incidence of cross-border trafficking children for commercial and sexual exploitation in Jashore, through an integrated pilot project that can be scaled and replicated regionally. It did this through a behavioral change led mass awareness programme that reached over 1.6 Million people, a digital media campaign that reached over 5 Million people, as well as providing support for 195 survivors through bespoke case management, access to emergency accommodation, medical and counseling support, livelihood packages and referrals to legal support. The project was a success, with over 88% of respondents in the endline study showing a greater awareness and understanding on how they identify and combat potential trafficking risks.

Bangladesh: Floods recovery (Relive) (BD 017)

Donor(s): Cartier Philanthropy

In 2020, several northern and north-eastern districts of Bangladesh experienced prolonged flooding due to the torrential monsoon rain and subsequent onrush of upstream water, affecting over 5 million people across 33 districts in the country. The floods had a significant impact on

food and livelihood security, family shelters and water supply and sanitation (WASH) facilities during a time when communities were already facing hardship due to the Covid-19 pandemic; a large number of the population have dropped below the poverty line due to the ongoing country-wide lockdown.

BRAC, along with the government and other humanitarian actors, made significant efforts to provide emergency humanitarian assistance and recovery support to the most vulnerable households. The Rehabilitation of Livelihood and Vulnerability Eradication (RELIVE) project was an early recovery initiative of BRAC, which was implemented to strengthen the resilience of 1,000 most vulnerable households in Sariakandi sub-district of Bogura district in Bangladesh – one of the areas worst affected by the 2020 monsoon flood. The project comprised the provision for improvement of food security and livelihood, family shelters, safe drinking water, agriculture inputs and hygiene promotion including awareness raising on COVID-19 safety measures and was implemented between January and June 2021.

Bangladesh: Relive 2 (BD 021)

Donor(s): Vitol Foundation

Relive 2 will build on the success of the original Relive project in 2021 which provided emergency relief to people affected by prolonged flooding in North and Northeast Bangladesh. Starting in late 2021, it will strengthen the resilience of vulnerable households to floods by adopting a build-back-better approach in the recovery and rehabilitation of affected communities, implementing community-based mitigation measures through systematic flood risk assessment, developing a risk reduction action plan and finally building the capacity of local government institutions and engaging them in implementation to foster long-term sustainability.

Bangladesh: Safe Water For All (BD 018)

Donor(s): Danish Ministry of Foreign Affairs

This project started in late 2021. Its aim is to create inclusive and sustainable economic growth, increased income through 669 jobs and income opportunities in water treatment and distribution, and to increase access to safe and affordable drinking water for 204,000 people in Bangladesh – tackling the impact of COVID-19 and supporting economic recovery in the coming years. The project is designed to be commercially sustainable and includes partnerships with Grundfos and Hydro Industries. The aim is to create a commercially viable business partnership model for cleaning industrial effluent, reducing the harmful impacts of effluent on people and the environment, and delivering safe drinking water whilst creating green jobs and additional income for the sector in the process.

Bangladesh: Humanitarian Crisis Management Programme, WASH (BD 019)

Donor(s): CAF – Charities Aid Foundation

On 22nd March 2021, a fire broke out in the Rohingya camp affecting 45,100 people from 9,500 households. The immediate repercussions were multiple casualties, injuries, missing persons particularly children, loss of personal belongings, and a totally collapsed camp infrastructure including shelters, water supply systems, latrines and bathing facilities. Immediately after the fire broke out, the BRAC team started responding to support the Rohingya through Health, Food, Child Protection and WASH services. This donation through the Charities Aid Foundation (CAF), enabled BRAC to provide access to safe drinking water as well as ensuring access to basic hygiene and sanitation facilities for the fire affected population.

Bangladesh: Education (BD 020)

Donor(s): Hempel Foundation

This partnership with Hempel Foundation will provide quality primary education to children who spent up to 18 months out of school in northern Bangladesh due to the COVID-19 pandemic, starting in January 2022.

It aims to reach over 25,000 children through an accelerated learning programme, with access to trained teachers and technology, to support them to bridge learning gaps and transition to government primary schools. Many pupils need special curriculums and programmes to catch up with the national curriculum.

If this project proves successful, BRAC plans to put it forward as a robust and effective method for helping pupils that have been left behind to catch up. There is a lot of potential to replicate this approach in response to future pandemics, for example, if it proves effective.

Bangladesh: Disability Inclusive Development (BDT 012/BDT035)

Donor(s): Inclusive Futures

This project, which ended in early 2021, was funded by the Disability Inclusive Development Contract, which sits within the FCDO funded Inclusive Futures coalition. It provided immediate response activities to support people with disabilities in Bangladesh, who face increased levels of vulnerability and exclusion due to the COVID-19 pandemic and associated restrictions on movement and livelihoods. The partners provided direct cash assistance and hygiene kits to

households of people with disabilities, built the capacity of wider partners' COVID-19 response work, and advocated for inclusive COVID-19 response interventions.

Sierra Leone: COVID-19 Emergency Response (SL006)

Donor(s): Global Innovation Fund

This project, which ended in 2021, delivered a community-led response designed to contribute to the reduction of community transition of COVID-19 across 4 districts in Sierra Leone (Bombali, Port Loko, Western Area Rural and Western Area Urban). Utilising evidence-based activities such as radio jingles and panel shows, SMS and awareness-raising through Community Health Workers, in partnership with government departments and agents, the project supported community-led behaviour change in hygiene practices. It also facilitated community-led dialogues that focused on improvements in health and hygiene promotion to reduce the number of confirmed COVID-19 cases and provided awareness and emotional support to staff and volunteers at the front line of the COVID19 response.

Tanzania: WE SOLVE (TZ 001 and 002)

Donor(s): DANIDA, Signify Foundation, Signify

'WE SOLVE' – Women Entrepreneurship through the Solar Value chain for Economic development in Tanzania, is a partnership creating inclusive and sustainable economic growth and productivity, generation of new income and new decent, green and appropriate employment and livelihoods for women in rural Tanzania. Through a BRAC Microfinance solar loan product, people living in rural areas of Tanzania, many of whom are living off-grid, purchase solar lamps from female entrepreneurs recruited by Solar Sister, an organisation that supports local women in Africa to create clean energy businesses. This enables the entrepreneurs to generate an income whilst enabling customers to have light during the evening. The project, which is due to finish in 2022, has encountered a number of challenges, foremost of which was the withdrawal of the main commercial partner, Signify, who provided the solar products. However, the project team has managed to secure a partnership with d-light to ensure that entrepreneurs are still able to sell high quality solar products.

Tanzania: Disability Inclusive Graduation Development (TZ 004)

Donor(s): Cartier Philanthropy

This grant enabled BRAC to successfully design the Disability Inclusive Graduation Programme which is currently being implemented in Uganda (see *UG 005 to 008 and 011 and UGTO54* for more details). Through this partnership, BRAC is aiming to replicate that programme in Tanzania and provide opportunities for people with disabilities to lift themselves out of extreme poverty.

Tanzania: Early Childhood Development (ECD) (TZ 005)

Donor(s): Vitol Foundation

The objective of this project is to pilot a high-quality play-based Early Childhood Development (ECD) social enterprise to improve the cognitive, physical, socio-emotional and language development of 3-5-year-old children in Tanzania, that is financially sustainable, scalable and affordable for low to middle-income households. To achieve this, we are testing an innovative cross-subsidy 'Hub and Spoke' business model. The 'Hubs' are BRAC-operated and provide premium quality, affordable, play-based early learning to middle-income families in Dar es Salaam. Hubs are generating an income through low-cost school fees targeting middle-income families, which are used to subsidize hubs that target low-income households.

Uganda: Disability Inclusive Ultra-Poor Graduation (UG 005 to 008 and 011 and UGTO54)

Donor(s): UK Aid, National Lottery Community Fund, Cartier Philanthropy, Medicor Foundation. Inclusive Futures, Long Term Foundation

Together BRAC, Humanity & Inclusion and National Union of Women with Disabilities of Uganda (NUWODU) are implementing a disability-inclusive ultra-poor graduation programme in Northern Uganda. The project forms part of a wider global partnership between BRAC and Humanity & Inclusion to test, replicate, adapt and scale contextually appropriate models for disability inclusive graduation.

Through building the capacity of existing poverty reduction and social protection actors and developing evidence and best practice, we can help catalyse ultra-poor graduation programming in Uganda and beyond. The project performed extremely well in spite of a number of challenges, helping 2,700 people aged 15 - 64 who are living in ultra-poverty. Of those, over 15% were people with disabilities and 70% were women. The COVID-19 pandemic resulted in a temporary pause to some services. Then the UK Government ceased their funding, giving 90 days' notice,

due to the aid cuts that resulted from the reduction in the Official Development Assistance budget from 0.7% of Gross National Income to 0.5%. Fortunately, Inclusive Futures have stepped in, through the Disability Inclusive Development contract, to fill the funding gap. The project is due to finish in March 2022.

Uganda: Digital Health (UG 012)

Donor(s): Global Innovation Fund

During the COVID-19 outbreak in Uganda in 2020 and 2021, BRAC's network of over 4,000 Community Health Workers provided frontline care and delivered vital awareness messaging. All Community Health Workers are equipped with Medic Mobile's Community Health Toolkit (CHT), a mobile-based application and platform that collects data on patients, households and visits for over 2 million people. BRAC has also been engaging with Viamo, a for-profit social enterprise active in 25 countries (including Uganda), that delivers training content and lifesaving information via distance learning platforms and interactive voice response (IVR) technology. This project brings that all together to deliver remote training for Community Health Workers through a distance learning platform, which enables Community Health Workers to deliver care using an upgraded Community Health Toolkit, via their mobile phones. Finally, the project facilitated data-driven evidence and advocacy with the Ministry of Health (MoH) and wider health stakeholders on the effectiveness and value for money of innovative health technologies.

Note: Individual Donations

Alongside the projects that were funded through partnerships with like-minded organisations, BRAC UK also received some restricted donations from members of the public for specific campaigns. Specifically, we received donations for our work in responding to the Rohingya Crisis in Bangladesh (BD 010), our response to COVID-19 in Bangladesh (BD 012) and in support of our work in multiple countries outside of Bangladesh through BRAC International (MC 002).

Note: Unrestricted Donations

BRAC UK received unrestricted donations from both members of the public and private organisations. Most notably, we received 47,000 Euros from Union Bancaire Privée, who donated a portion of their profits gained from investments in social enterprises. Unrestricted donations are transformative for BRAC UK as they allow us to invest in our capacity and increase our ability to innovate and test concepts to get them to the point where donors will be interested in investing to help them reach more people.

Note: Withdrawal from Nepal

BRAC first started to work in Nepal with emergency relief after the massive earthquake of 2015. We operated programmes in community development, empowering adolescent girls, improving the livelihoods of women farmers, disability inclusion and arranged skills development through apprenticeships for youth.

BRAC International took the decision to discontinue operations there from March 2021 because it was not possible to implement BRAC's holistic approach as microfinance was not feasible in Nepal due to regulatory restrictions.

BRAC UK was funding a number of projects in Nepal (NP 002, 003, NPT 015 and 036). As a result of this decision, BRAC International has been in discussions with both the Government of Nepal and donors to identify the best use of the remaining funds.

Advocacy and Thought Leadership

One of BRAC UK's roles is to help raise awareness of issues that are important to BRAC. By creating a policy making environment that aligns with BRAC's mission and values, BRAC UK can make a large contribution towards BRAC's global objective of creating opportunities for 250 million people by 2030.

As a result, BRAC UK has invested in an advocacy programme with the objective of supporting and developing Parliamentary champions for ending Extreme Poverty.

BRAC UK is providing secretariat support to the All Party Parliamentary Group (APPG) on Extreme Poverty, which is chaired by Chris Law MP. The group also includes 12 parliamentarians and held its opening session on the 25th October 2021 and plans to hold a number of meetings during 2022.

You can find out more about the APPG by visiting their [website](#).

Future Activities – Our 3 Year Plan

2021 was the first year of BRAC UK's latest 3 year strategic plan. This plan comes at a critical time as BRAC is implementing a new global strategy. BRAC's largest partner, the Department for International Development (DFID), underwent a merger with the Foreign & Commonwealth Office (FCO), creating the new Foreign, Commonwealth & Development Office (FCDO) and the UK Official Development Assistance (ODA) budget has shrunk substantially. As a result, it was critical that BRAC UK developed a robust, ambitious but flexible plan to achieve results for BRAC in the UK and Europe between 2021 and 2023.

BRAC UK will strengthen its advocacy, communications and thought leadership function to build strong relationships with key decision makers and influence the policy and decisions in international development and poverty alleviation. Though traditional grant-based funding will still be an important source of income, some partners are reducing the number of grants they disburse. To combat this, there will be a deliberate focus on innovative finance instruments to create new funding opportunities for BRAC, including social impact investing and Impact Bonds. Similarly, commercial contract opportunities and relationships with the major fund managers will be further prioritised. Finally, BRAC UK will build its knowledge of individual fundraising through High Net Worth Individuals/Major Donors to provide an alternative source of funding.

There are a number of existing strengths that BRAC UK will build on over the course of this plan. Fundraising through institutional partners will remain a key capability. BRAC UK will also continue to build strategic partnerships with organisations that will help BRAC achieve its mission, whether they are Civil Society Organisations or private sector partners.

Annual Report of the Board of Trustees

The Trustees present their report and the audited financial statements for the year ended 31 December 2021. Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2015).

Structure, Governance and Management

Structure

The organisation is a charitable company limited by guarantee, incorporated on 2 May 2006 and registered as a charity on 20 July 2006. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Governance

BRAC UK is governed by a board of trustees, who are responsible for setting the strategy of the organisation and its governance. The board of trustees maintain a board skills matrix to identify skills and experience gaps. The Board recommends appointments and reappointments of directors to the AGM for approval. All trustees are inducted in BRAC UK's projects and procedures. When possible, BRAC UK Trustees are also urged to visit BRAC UK country programmes to become familiar with the work and are invited to go on field visits. All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Global Governance

BRAC UK is part of the wider BRAC global family of organisations. The basis for BRAC UK using the BRAC brand in the European market is an agreement that defines the parameters for use of the brand. Whilst BRAC UK is an independent, self-governing organisation, it is closely integrated into the BRAC global family and devotes its support to funding projects that are implemented by BRAC Bangladesh and BRAC International. BRAC UK staff closely cooperate with BRAC and BRAC International staff to agree priorities for programme activity and fundraising. BRAC UK has a Memorandum of Understanding (MOU) signed with BRAC Bangladesh which defines the funding support that will be provided towards the core costs of BRAC UK. This MOU funds a strategy that BRAC UK is expected to implement.

In December 2020, BRAC UK, together with BRAC Bangladesh, BRAC International and BRAC USA, signed a compact with the BRAC Global Board (BRAC Global). The Compact is a document which reaffirms the collective BRAC commitment to continue to strive towards becoming a global driver of social change and a thought leader on global development. It is a guiding document for BRAC entities, reaffirming a common vision and shared values, a culture of mutual accountability and respect, commitment to collaboration and a Global South identity, under the leadership and stewardship of the BRAC Global Board. BRAC UK nominated its Chair of Trustees Ken Caldwell to sit on this board.

BRAC Global will also have an Executive Team which will provide reinforcing leadership, oversight and support to all BRAC entities, ensuring that BRAC has the strategies, resources and governance in place to achieve its shared vision, which was set out in its Global Strategy published in 2020. A Global Executive Director was appointed in late 2021 and will start their role in early 2022.

Management

The Chief Executive Officer (CEO) reports to the trustees and is responsible for the day-to-day management of the organisation. In 2021, the staff management team that reports to the CEO consists of a Deputy Chief Executive and Director of Partnerships, Finance and Resources Director and an Advocacy & Communications Manager. Key decisions, such as approving the organisational strategy, annual budget and appointment of the CEO are made by the Trustees. The CEO appoints and manages the staff of the organisation and decides on the efficient use of resources to achieve plans and targets. These resources are detailed in BRAC UK's Annual Plans.

Remuneration Policy

The Human Resources sub-committee is responsible for setting the pay and remuneration of the staff of BRAC UK and makes recommendations to the Board. A salary structure with 6 grades, reviewed and updated periodically is used to set salary levels for staff. The HR Committee undertakes benchmarking exercises of peer international charities of a similar size by reviewing reports prepared by charity specialist organisations.

Objectives and Activities

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last twelve months. The review also helps the Trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes. The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set. The decrease of restricted funds from 2020 to 2021 is due to restricted funds received from donors in prior years that have now been disbursed to partners in line with contractual agreements.

Achievements and performance in the delivery of public benefit

BRAC is committed to creating opportunities for people living in poverty. BRAC was founded in Bangladesh in 1972 by Sir Fazle Hasan Abed, and today is a global leader in developing cost-effective, evidence-based poverty innovations in extremely poor, conflict-prone and post-disaster settings. These include programmes in education, healthcare, microfinance, girls' empowerment, agriculture, human and legal rights, social enterprises, a bank, a university, and the world's largest mobile money platform. In 2021, BRAC employed more than 100,000 people in 11 countries, with a total global expenditure of about \$1.1 Billion. BRAC is also unique among the world's major non-profits in that its overall budget is largely self-financed. In Bangladesh, where BRAC was founded and the location of its global headquarters, BRAC financed 80% of its average annual national budget from the profits made by its own socially responsible businesses.

BRAC UK works as part of the global BRAC family to raise awareness and funds for this low cost, high impact approach through developing partnerships in Europe with non-governmental organisations, academics, research institutes, the private sector and governments. BRAC UK also raises awareness about BRAC's cost-effective and evidence-based poverty innovations and uses the practical knowledge BRAC has developed over 50 years to inform and influence the policy and practice of others.

Fundraising Disclosures

The below paragraphs are written in accordance with the Charities (Protection and Social Investment) Act of 2016. BRAC UK raises the majority of its funds through engagement with institutions and foundations. The public fundraising activities undertaken are through online donations via the bracuk.net website, occasional events and appeals through media partners. BRAC UK does not use professional fundraisers or involve commercial participators. Any email newsletters with fundraising call to actions have a clearly marked method of unsubscribing. Any member of the public who unsubscribes is automatically removed from BRAC UK's subscription list. There have been no complaints about our fundraising activities in 2021. BRAC UK has signed up to the Fundraising Regulator and adheres to the fundraising code of practice. We are committed to fundraising in a way that is respectful, open, honest and accountable to the public.

Financial Review

The 2021 financial year was successful for BRAC UK, with 12 active projects running in four countries. The total income for BRAC UK in the period to 31 December 2021 was £3.4m (2020 3.9m). The breakdown of that income is as follows: £2.5m restricted and £0.9m unrestricted (2020 £3.3m: £0.6m respectively). BRAC continued to contribute to BRAC UK's core expenditure, investing in the capacity to raise more funding. The decrease of restricted funds from 2020 to 2021 is due to restricted funds received from donors in prior years that have now been disbursed to partners in line with contractual agreements. The income received from BRAC and BRAC International was a major factor in BRAC UK's stability and ability to achieve its core operations. The total expenditure in 2021 was £4.01m (2020 £3.0m), of which £3.3m related to restricted funds and £0.8m to unrestricted funds (2020 £2.7m: £0.3m respectively). Total expenditure in 2021 increased compared to the previous financial period, in line with additional funds received for project work and paid to overseas partners. BRAC UK's organisational growth plan for the 3 year strategy incorporates investment for staff skills and capacity. The total funds held by BRAC UK at 31st December 2021 is £2.8m (2020 £2.3m), £2.2m relates to restricted funds and £0.6m unrestricted (2020 £1.8m: £0.5m).

Statement of the responsibilities of Trustees

The Trustees (who are also directors of BRAC UK for the purposes of company law) are responsible for preparing the report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees' have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Risk Management

The BRAC UK Board identifies the key risks facing the organisation, which are documented in a risk register and then discussed with and approved by the Trustees. The risk register is updated to reflect recent operational and financial developments, strategic annual organisational objectives and changes in the external environment. Each risk item is analysed according to its perceived potential impact and likelihood of occurrence, together with actions that either have been or will be taken in mitigation. It is reviewed quarterly by the Trustees and amended accordingly. The Trustees are satisfied that there are procedures in place commensurate with the size of these and other identified risks to prevent or manage their effects. These procedures include active review and improvement and investment in capacity, systems and processes, to ensure fundraising and grant management priorities are met and the acceptance of risks that cannot be avoided. Key risks identified by the trustees in 2021 that could affect the operating ability of BRAC UK were:

The financial sustainability of BRAC UK. This will be mitigated through the careful building of reserves, developing a robust business plan and maintaining strong partnership with BRAC and BRAC International.

Impact of COVID19 pandemic. The Trustees have assessed the risks arising to BRAC UK, based on their understanding of the possible impact for both our project work (see Global Programmes section for more details) and our organisational revenue. The Trustees conclude that these risks do not affect the going concern status of BRAC UK.

Occurrence and reporting of Safeguarding incidents. This will be mitigated through improving the policy, processes and culture of safeguarding throughout BRAC UK's operations and partnerships. Keeping all stakeholders safe continues to be our overwhelming priority.

Financial misconduct: In the event of any financial misconduct by BRAC staff. This will be mitigated by supporting BRAC to develop robust policies, to socialise staff to understand and comply with these policies and to undertake thorough and independent (as appropriate) investigations into any allegations of financial misconduct.

External economic and political environment in the context of the UK's exit from the EU. This will be mitigated through the development of a range of new funding relationships in addition to existing partnerships such as the Foreign, Commonwealth and Development Office, including other UK government departments responsible for spending the UK's Official Development Assistance (ODA) budget.

The cuts to the UK Aid Budget. In 2021 the UK Government changed its policy on Overseas Development Assistance (ODA), reducing the commitment to spend 0.7% of Gross National Income (GNI) on ODA to 0.5%. This change in policy, together with the shrinking UK economy as a result of the Covid-19 pandemic, has resulted in a substantial reduction of the budget for aid and development. A large number of cuts to UK Aid funded projects has impacted the development sector significantly, including BRAC. The FCDO has withdrawn from a project in Uganda (also funded by other donors) reducing the impact of the project. BRAC's Strategic Partnership Arrangement in Bangladesh between the UK, Australia and BRAC was also not renewed in 2021 after 10 years of an impactful partnership. This risk is being mitigated by the BRAC UK team working hard to diversify the income of the charity away from over reliance on the UK Government.

Reserves Policy

The Board of Trustees has determined that BRAC UK requires unrestricted reserves to be held for the following purposes:


- to fund unexpected expenditure, e.g., if projects overrun, or unplanned events occur
- to fund shortfalls in income if expected levels are not reached
- to fund working capital
- to allow Trustees resources and time to act in an unforeseen emergency situation within BRAC UK.

This money will be held as unrestricted funds and will be sufficient to enable the organisation to deal with any one or more of the above. BRAC UK will not accumulate a level of reserve funding that is greater than that which it judges necessary to provide financial security. The Board of Trustees have set an unrestricted reserves target of between two and three months of planned core operational costs, equivalent in 2021 to approximately £0.3m. The Trustees believe that this balances the need to apply funds to BRAC UK's mission, whilst ensuring there are sufficient funds to run our day-to-day business and to protect from the risk of unanticipated shocks. This target is reviewed at least annually to ensure it remains relevant to the realities of current operations and the associated risks. However, there is currently a review of the Reserves Policy being undertaken by the Trustees, to ensure it remains relevant. The unrestricted reserves at year end stood at £0.6m (2020 £0.5m), equating to 7 months of our core operational costs for the year. The Trustees remain committed to spend donor funds in line with strategic priorities for BRAC UK and the wider BRAC family. These reserves will be used in accordance with plans for BRAC UK.

BRAC UK also holds restricted reserves, representing funds received for specific project work. At the end of 2021 restricted funds held was £1.2m (2020 £2.0m). These funds will be disbursed in 2022 in line with donor restrictions.

Auditors

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity. The report of the Trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime. Approved by the Trustees on Jun 24, 2022 and signed on their behalf by



Jun 24, 2022

Ken Caldwell Director and Trustee (Chair)



Lewis Temple (Jun 24, 2022 11:35 GMT+1)

Jun 24, 2022

Lewis Temple (Chief Executive)

Opinion

We have audited the financial statements of BRAC UK (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on

BRAC UK's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements

in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and

tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathan Orchard (Senior statutory auditor)

07 July 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations and legacies	2	66,234	82,622	148,856	13,855	11,199	25,054
Charitable activities							
BRAC UK Core	3	603,341	-	603,341	517,524	-	517,524
BRAC global initiatives	3	243,021	-	243,021	28,830	-	28,830
Afghanistan	3	-	8,030	8,030	-	107,405	107,405
Bangladesh	3	-	608,692	608,692	-	1,306,373	1,306,373
Nepal	3	-	(84,585)	(84,585)	-	208,138	208,138
Sierra Leone	3	-	366,109	366,109	-	-	-
Tanzania	3	-	307,201	307,201	-	383,173	383,173
Uganda	3	-	1,184,356	1,184,356	-	1,388,996	1,388,996
Total income		912,596	2,472,425	3,385,021	560,209	3,405,284	3,965,493
Expenditure on:							
Raising funds	4	27,310	-	27,310	37,923	-	37,923
Charitable activities							
BRAC global initiatives	4	231,124	-	231,124	37,972	-	37,972
Afghanistan	4	4,908	8,030	12,938	17,146	25,000	42,146
Bangladesh	4	281,977	1,072,872	1,354,849	85,431	1,057,363	1,142,794
Nepal	4	(1,437)	(42,988)	(44,425)	34,294	168,870	203,164
Sierra Leone	4	(25,893)	366,109	340,216	-	-	-
Tanzania	4	93,652	188,892	282,545	52,316	340,888	393,204
Uganda	4	196,116	1,659,035	1,855,151	33,415	1,125,607	1,159,022
Total expenditure		807,757	3,251,950	4,059,707	298,497	2,717,728	3,016,225
Net income / (expenditure) for the year		104,839	(779,525)	(674,686)	261,712	687,556	949,268
Other gains/losses	15	-	-	-	(21,009)	-	(21,009)
Transfers between funds	15	-	-	-	-	-	-
Net income / (expenditure)		104,839	(779,525)	(674,686)	240,703	687,556	928,259
Net movement in funds		104,839	(779,525)	(674,686)	240,703	687,556	928,259
Reconciliation of funds:							
Total funds brought forward		516,980	2,006,306	2,523,286	276,277	1,318,750	1,595,027
Total funds carried forward		621,819	1,226,781	1,848,600	516,980	2,006,306	2,523,286

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 15 to the financial statements.

BRAC UK

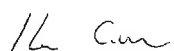
Balance sheet

Company no. 5802246

As at 31 December 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	11		20,040		3,912
			20,040		3,912
Current assets:					
Debtors	12	352,415		58,508	
Cash at bank and in hand		2,161,956		3,257,560	
			2,514,371	3,316,068	
Liabilities:					
Creditors: amounts falling due within one year	13	685,811		796,694	
Net current assets			1,828,560		2,519,374
Total assets less current liabilities			1,848,600		2,523,286
Total net assets			1,848,600		2,523,286
The funds of the charity:	15				
Restricted income funds			1,226,781		2,006,306
Unrestricted income funds:					
General funds		621,819		516,980	
Total unrestricted funds			621,819		516,980
Total charity funds			1,848,600		2,523,286

Approved by the trustees on Jun 24, 2022 and signed on their behalf by



Jun 24, 2022

Ken Caldwell
Chair


Lewis Temple (Jun 24, 2022 11:35 GMT+1)

Jun 24, 2022

Lewis Temple
Chief Executive

Statement of cash flows

For the period ended 31 December 2021

Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period (as per the statement of financial activities)	(674,686)	949,268
Depreciation charges	4,165	626
Dividends, interest and rent from investments	(1,692)	(3,173)
Loss on disposal of fixed assets	417	-
(Increase)/Decrease in debtors	(293,907)	7,289
Decrease in creditors	(110,883)	(27,266)
Net cash provided by operating activities	(1,076,586)	926,744

	Note	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by operating activities	16	(1,076,586)			926,744
Cash flows from investing activities:					
Dividends, interest and rents from investments		1,692		3,173	
Purchase of fixed assets		(20,710)		(3,261)	
Net cash provided used in investing activities			(19,018)		(88)
Change in cash and cash equivalents in the year			(1,095,604)		926,656
Cash and cash equivalents at the beginning of the year			3,257,560		2,351,913
Change in cash and cash equivalents due to exchange rate movements			-		(21,009)
Cash and cash equivalents at the end of the year			2,161,956		3,257,560

Notes to the financial statements

For the period ended 31 December 2021

1 Accounting policies**a) Statutory information**

BRAC UK is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address and principal place of business is 19 Wootton Street, LONDON, SE1 8TG.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees have considered the impact of the ongoing COVID-19 pandemic and address this in the trustees' report. The Trustees have assessed the potential financial risks from the Covid 19 pandemic, and conclude that the Reserves Policy currently provides sufficient cover for the organisation to remain a going concern. The position will be kept under review as necessary.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and Irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services and other international development activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the support functions are apportioned on the following basis, which is an estimate of the amount attributable to each activity, based on the number of projects in each country of operation during the year.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity:

• Afghanistan charitable activities	1%
• Bangladesh charitable activities	44%
• Nepal charitable activities	1%
• Sierra Leone charitable activities	1%
• Uganda charitable activities	40%
• Tanzania charitable activities	13%
• BRAC Global charitable activities	0%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Notes to the financial statements

For the period ended 31 December 2021

1 Accounting policies (continued)

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Furniture, Fixtures and Equipment	25%
● Computer Equipment	25%
● Leasehold Improvements	25%
● Website	25%

l) Investment properties

Investment properties are included in the balance sheet at fair value and are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value will be stated in the notes to the accounts.

Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiaries

Investments in subsidiaries are at cost.

m) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q) Pensions

BRAC UK is dealing with its pension arrangements through the NEST pension scheme. After successful completion of a new staff member's probationary period, BRAC will contribute up to 6% per annum into our selected pension scheme, NEST, provided the employee will meet (or exceed) this amount.

r) Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the net incoming and outgoing resources for the year.

2 Income from donations

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	£
Individual Donations	25,708	82,622	108,330	13,855	11,199	25,054
Corporate Donations	40,526	-	40,526	-	-	-
	66,234	82,622	148,856	13,855	11,199	25,054

Notes to the financial statements

For the period ended 31 December 2021

3 Income from charitable activities

			2021			2020
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
BRAC	600,000	-	600,000	506,000	-	506,000
Project contributions for direct costs and overheads	-	-	-	773	-	773
Other	3,341	-	3,341	10,751	-	10,751
BRAC global initiatives	243,021	-	243,021	28,830	-	28,830
Sub-total for BRAC UK core charitable activities	846,362	-	846,362	546,354	-	546,354
UBS Optimus Foundation	-	-	-	-	82,405	82,405
Overseas Development Institute (ODI)	-	8,030	8,030	-	25,000	25,000
Sub-total for charitable activities in Afghanistan	-	8,030	8,030	-	107,405	107,405
Cartier Philanthropy	-	-	-	-	77,762	77,762
Childrens Investment Fund Foundation) (CIFF)	-	-	-	-	757,227	757,227
UBS Optimus Foundation	-	4,391	4,391	-	116,371	116,371
IKEA Foundation	-	-	-	-	-	-
Danida Danish Market Developmnet Partnerships (DMDP)	-	169,674	169,674	-	-	-
Hempel Foundation	-	22,918	22,918	-	-	-
Vitol Foundation	-	100,298	100,298	-	-	-
Foreign & Commonwealth Development Office (FCDO)	-	311,411	311,411	-	355,013	355,013
Sub-total for charitable activities in Bangladesh	-	608,692	608,692	-	1,306,373	1,306,373
FCDO	-	8,303	8,303	-	121,100	121,100
Signify Foundation	-	(92,888)	(92,888)	-	87,038	87,038
Sub-total for charitable activities in Nepal	-	(84,585)	(84,585)	-	208,138	208,138
Global Innovation Fund (GIF)	-	366,109	366,109	-	-	-
Sub-total for charitable activities in Sierra Leone	-	366,109	366,109	-	-	-
Cartier Philanthropy	-	113,251	113,251	-	394,978	394,978
Medicor Foundation	-	80,000	80,000	-	100,000	100,000
National Lottery Community Fund (NLCF)	-	(36,700)	(36,700)	-	368,244	368,244
FCDO	-	729,819	729,819	-	500,178	500,178
GIF	-	297,986	297,986	-	-	-
Long Term Foundation	-	-	-	-	25,596	25,596
Sub-total for charitable activities in Uganda	-	1,184,356	1,184,356	-	1,388,996	1,388,996
Cartier Philanthropy	-	4,702	4,702	-	55,593	55,593
Danida DMDP	-	152,364	152,364	-	162,183	162,183
Signify Foundation	-	38,093	38,093	-	43,477	43,477
Vitol Foundation	-	112,042	112,042	-	121,920	121,920
Sub-total for charitable activities in Tanzania	-	307,201	307,201	-	383,173	383,173
Total income from charitable activities	846,362	2,389,803	3,236,165	546,354	3,394,085	3,940,439

Notes to the financial statements

For the period ended 31 December 2021

4a Analysis of expenditure (current year)

	Cost of raising funds £	Afghanistan Charitable Activities £	Bangladesh Charitable Activities £	Nepal Charitable Activities £	Sierra Leone Charitable Activities £	Tanzania Charitable Activities £	Uganda Charitable Activities £	BRAC Global initiatives £	Governance costs £	Support costs £	2021 Total £
Staff costs (note 7)	20,265	3,703	170,314	3,889	2,447	49,228	150,864	228,930	50,457	255,872	935,969
Training, recruitment, wellbeing	-	-	-	-	-	-	-	-	-	42,045	42,045
Grants payments (note 5)	-	3,864	956,846	(53,957)	321,892	134,063	1,465,285	-	-	-	2,827,993
Programme activities	-	-	(13,674)	-	12,328	6,262	37,985	-	-	3,711	46,612
Office management	-	-	-	-	-	14	98	-	-	117,714	117,826
Fundraising expenditure	4,851	-	52	-	-	-	-	-	-	-	4,903
Audit & legal fees	-	-	-	-	-	5,820	-	-	8,978	-	14,798
Foreign exchange gains/losses	-	-	-	-	-	-	-	-	-	69,561	69,561
	25,116	7,567	1,113,538	(50,068)	336,667	195,387	1,654,232	228,930	59,435	488,903	4,059,707
Governance costs	238	582	26,156	612	385	23,484	7,741	238	(59,436)	-	-
Support costs	1,956	4,789	215,156	5,030	3,165	63,673	193,178	1,956	-	(488,903)	-
	2,194	5,371	241,311	5,642	3,550	87,157	200,919	2,194	(1)	-	
Total expenditure 2021	27,310	12,938	1,354,849	(44,425)	340,216	282,544	1,855,151	231,124	-	-	4,059,707

Notes to the financial statements

For the period ended 31 December 2020

4b Analysis of expenditure (prior year)

	Cost of raising funds £	Afghanistan Charitable Activities £	Bangladesh Charitable Activities £	Nepal Charitable Activities £	Sierra Leone Charitable Activities £	Tanzania Charitable Activities £	Uganda Charitable Activities £	BRAC Global initiatives £	Governance costs £	Support costs £	2020 Total £
Staff costs (note 7)	26,924	9,346	116,658	31,578	-	51,069	81,690	30,172	48,175	208,063	603,675
Training and recruitment	-	-	-	-	-	-	-	-	-	26,288	26,288
Grants payments (note 5)	-	25,000	790,119	145,177	-	271,358	956,946	-	-	-	2,188,600
Programme activities	-	-	29,786	2,307	-	6,918	35,293	-	-	4,697	79,001
Office management	-	-	676	69	-	19,831	323	-	-	79,484	100,383
Fundraising expenditure	3,199	-	586	-	-	20	20	-	-	-	3,825
Audit & legal fees	-	-	-	-	-	5,700	-	-	8,753	-	14,453
	30,123	34,346	937,825	179,131	-	354,896	1,074,272	30,172	56,928	318,532	3,016,225
Governance costs	3,558	3,558	21,348	7,116	-	10,674	7,116	3,558	(56,928)	-	-
Support costs	4,242	4,242	183,621	16,917	-	27,634	77,634	4,242	-	(318,532)	-
	-	7,800	204,969	24,033	-	38,308	84,750	7,800	-	-	-
Total expenditure 2020	37,923	42,146	1,142,794	203,164	-	393,204	1,159,022	37,972	-	-	3,016,225

Notes to the financial statements

For the period ended 31 December 2021

5 Grant-making

	2021 Grants to Institutions £	2020 Grants to institutions £
BRAC Afghanistan	3,864	25,000
BRAC Bangladesh	956,726	790,119
BRAC International	(45,434)	–
BRAC Nepal	–	145,177
BRAC Sierra Leone	321,892	–
BRAC Tanzania	107,855	184,849
BRAC Uganda	1,185,867	691,771
Solar Sister	17,804	86,509
Humanity & Inclusion (HI)	104,268	146,586
Viamo	115,020	–
Nuwodu	59,064	78,073
Others	1,066	40,516
	<u>2,827,992</u>	<u>2,188,600</u>

6 Net incoming resources for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	4,165	626
Operating lease rentals:		
● Property	55,010	33,548
Auditor's remuneration, excluding VAT :		
● Audit of BRAC UK accounts	7,450	7,150
● External audit of project funds	4,850	4,750
	<u>4850</u>	<u>4750</u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	716,284	470,802
Social security costs (National insurance)	78,593	48,822
Employer's contribution to defined contribution pension schemes	38,380	20,547
Other staff costs	144,757	63,502
	<u>978,014</u>	<u>603,673</u>

	2021 No.	2020 No.
£60,000 – £69,999	1	1
£90,000 – £99,999	–	1
£100,000 – £109,999	1	–
£110,000 – £119,999	–	–
£120,000 – £129,999	1	–
	<u>1</u>	<u>–</u>

The total employee benefits including pension contributions of the key management personnel were £484,140 (2020: £262,752), of which in 2021 £228,929 were for staff seconded to and funded by BRAC and BRAC International.

The majority of the increase in total staff costs in 2021 is related to the recruitment and secondment of two new senior leadership roles for BRAC and BRAC International. One of these roles was our highest paid employee in 2021.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £25 incurred by 1 members in 2021 (2020: £0, no members) relating to attendance at meetings of the trustees.

Notes to the financial statements

For the period ended 31 December 2021

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 13.6 (2020: 10.6). The average number of staff on the FTE basis is as follows:

	2021 No.	2020 No.
Raising funds	0.3	0.5
BRAC UK Core Charitable Activities	7.5	5.9
Afghanistan Charitable Activities	0.1	0.1
Bangladesh Charitable Activities	0.9	0.5
BRAC global Charitable Activities	1.2	0.3
Nepal charitable activities	0.0	0.2
Sierra Leone Charitable Activities	0.1	0.1
Tanzania charitable activities	0.4	0.5
Uganda Charitable Activities	0.4	0.5
Support	0.4	0.8
Governance	0.7	0.6
	11.8	9.8

9 Related party transactions

The charity enjoys a close working relationship with BRAC and BRAC International who provide funding to enable the charity to carry out its Core Charitable Objectives (see the Trustees' Annual Report). The charity received £843,021 from BRAC and BRAC International during 2021, of which £243,021 was for staff seconded to BRAC and BRAC International) (2020: £506,000).

The funding was received to provide services, e.g. fundraising, advocacy, BRAC profile raising globally and building capacity in other BRAC country offices, and senior staff seconded to BRAC, and has been included in the financial statements under incoming resources from charitable activities and global initiatives.

The charity paid £7,559 as a contribution to BRAC Global. Further information concerning global governance can be found in the Governance section of the Annual Report.

Aggregate donations received from Trustees was £300.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Leasehold Improvements £	Fixtures and fittings £	Computer equipment £	Website £	Total £
Cost					
At the start of the year	6,480	4,977	16,897	5,400	33,754
Additions in year	11,920	2,569	6,222	-	20,710
Disposals in year	(6,480)	(3,647)	(11,810)	-	(21,936)
At the end of the year	11,920	3,899	11,309	5,400	32,528
Depreciation					
At the start of the year	6,480	4,077	13,885	5,400	29,842
Disposals in year	(6,480)	(3,647)	(11,393)	-	(21,520)
Charge for the year	1,457	630	2,079	-	4,166
At the end of the year	1,457	1,060	4,570	5,400	12,488
Net book value					
At the end of the year	10,462	2,839	6,739	-	20,040
At the start of the year	-	900	3,012	-	3,912

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the period ended 31 December 2021

12 Debtors

	2021 £	2020 £
Trade debtors	147,874	6,398
Other debtors	12,150	12,150
Prepayments	19,472	2,659
Accrued income	172,919	37,301
	352,415	58,508

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	153,848	125,186
Taxation and social security	24,995	16,226
Deferred Income	26,734	26,734
Other creditors	-	-
Accruals	480,234	628,548
	685,811	796,694

14a Analysis of net assets between funds (current year)

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	20,040	-	20,040
Net current assets	601,779	1,226,781	1,828,560
Net assets at the end of the year	621,819	1,226,781	1,848,600

14b Analysis of net assets between funds (prior year)

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	3,912	-	3,912
Net current assets	513,068	2,006,306	2,519,374
Net assets at the end of the year	516,979	2,006,306	2,523,285

Notes to the financial statements

For the period ended 31 December 2021

15a Movements in funds (current year)

	At 1 January 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2021 £	
Restricted funds:						
AF001	Afghanistan Ed Tech Hub – UBS	82,405	–	–	–	82,405
AF002	Afghanistan Ed Tech Hub – ODI	–	8,030	(8,030)	–	–
BD003	Bangladesh BEP Schools – UBS	297	–	(297)	–	–
BD010	Bangladesh donations/grants– Rohingya crisis	(0)	2,498	(2,498)	–	–
BD011B	Bangladesh Education in Emergencies – UBS	33,441	–	(33,441)	–	–
BD012	Bangladesh Youth in Retail – IKEA/UBS	806,713	4,391	(227,830)	–	583,274
BD014	Bangladesh Anti Trafficking – ClIFF	242,914	–	(242,914)	–	–
BD017	Bangladesh Floods recovery – Cartier Philanthropy	77,762	–	(77,762)	–	–
BD018	Bangladesh – Safe Water Development – Danida	–	169,674	(67,386)	–	102,288
BD019	Bangladesh – Wash – Charities Aid Foundation (CAF)	–	80,000	(80,000)	–	–
BD020	Bangladesh – Education – Hempel Foundation	–	22,918	–	–	22,918
BD021	Bangladesh – Relive 2 – Vitol Foundation	–	100,298	–	–	100,298
BDO12 /BD	Bangladesh Disability Inclusive Development – FCDO	30,921	311,411	(340,620)	–	1,712
MC002	BI multi country Covid 19 individual donations	–	124	(124)	–	–
NP003	Nepal Girls Empowerment through Lighting Entrepreneurship Phase 2 – Signify Foundation	41,147	(92,888)	51,741	–	–
NPT015 / NPT036	Nepal Disability Inclusive Development – FCDO	450	8,303	(8,753)	–	–
SL006	Sierra Leone Health – GIF	–	366,109	(366,109)	–	–
TZ001	Tanzania WeSolve – Danida	27,864	152,364	(127,697)	–	52,531
TZ002	Tanzania WeSolve – Signify Foundation	1,855	38,093	(24,096)	–	15,852
TZ004	Tanzania DIG development – Cartier Philanthropy	13,357	4,702	(18,059)	–	–
TZ005	Tanzania ECD Vitol Foundation	4,628	112,042	(19,040)	–	97,630
UG005 / UG011	Uganda – Disability Inclusive Graduation – FCDO UK Aid	35,397	729,819	(765,216)	–	–
UG006	Uganda – Disability Inclusive Graduation – National Lottery Community Fund (NLCF)	64,119	(36,700)	(27,419)	–	–
UG007	Uganda – Disability Inclusive Graduation – Cartier Philanthropy	460,736	113,251	(465,052)	–	108,935
UG008	Uganda – Disability Inclusive Graduation – Medicor Foundation	82,300	80,000	(107,161)	–	55,139
UG012	Uganda – Digital Health – GIF	–	297,986	(294,187)	–	3,799
Total restricted funds	2,006,306	2,472,425	(3,251,949)	–	1,226,781	
Unrestricted funds						
	At 1 January 2021	2021 Income & gains	2021 Expenditure & losses	Transfers		
General funds	516,980	912,596	(807,757)	–	621,819	
Total unrestricted funds	516,980	912,596	(807,757)	–	621,819	
Total funds	2,523,286	3,385,021	(4,059,706)	–	1,848,600	

Foreign exchange gains/losses

Funding for some projects is transacted through foreign currency bank accounts – namely US dollars, Danish Krone, Euro, Swiss Francs – and therefore the project funds themselves do not suffer foreign exchange gains and losses. However, the bank balances are held in BRAC UK's accounts in the home currency of GBP and revalued on a monthly basis, and transactions are revalued at the exchange rate at the date of transaction as per the SORP requirements. This causes exchange gains and losses to be accounted for, and these are included in the unrestricted general funds.

Notes to the financial statements

For the period ended 31 December 2021

15b Movements in funds (prior year)

		At 1 January 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 December 2020 £
Restricted funds:						
AF001	Afghanistan Ed Tech Hub – UBS	–	82,405	–	–	82,405
AF002	Afghanistan Ed Tech Hub – ODI	–	25,000	(25,000)	–	–
BD003	Bangladesh BEP Schools – UBS	23,414	14,961	(38,078)	–	297
BD010	Bangladesh donations/grants– Rohingya crisis	11,342	3,844	(15,186)	–	0
BD011B	Bangladesh Education in Emergencies – UBS	12,091	101,410	(80,060)	–	33,441
BD012	Bangladesh Youth in Retail – IKEA/UBS	886,747	–	(80,034)	–	806,713
BD014	Bangladesh Anti Trafficking – CIFF	–	757,227	(514,313)	–	242,914
BD016	Bangladesh Covid 19 individual donations	–	5,600	(5,600)	–	–
BD017	Bangladesh Floods recovery – Cartier Philanthropy	–	77,762	–	–	77,762
BDTO12 /BDTO35	Bangladesh Disability Inclusive Development – FCDO	–	355,013	(324,092)	–	30,921
MC002	BI multi country Covid 19 individual donations	–	1,755	(1,755)	–	–
NP002	Nepal Girls Empowerment through Lighting Entrepreneurship Phase 1 – Signify Foundation	1,491	–	(1,491)	–	–
NP003	Nepal Girls Empowerment through Lighting Entrepreneurship Phase 2 – Signify Foundation	–	87,038	(45,891)	–	41,147
NPT015 / NPT036	Nepal Disability Inclusive Development – FCDO	838	121,100	(121,488)	–	450
TZ001	Tanzania WeSolve – Danida	3,998	162,183	(138,317)	–	27,864
TZ002	Tanzania WeSolve – Signify Foundation	1,421	43,477	(43,043)	–	1,855
TZ004	Tanzania DIG development – Cartier Philanthropy	–	55,593	(42,236)	–	13,357
TZ005	Tanzania ECD Vitol Foundation	–	121,920	(117,292)	–	4,628
UG005 / UG011	Uganda – Disability Inclusive Graduation – FCDO UK Aid	20,041	500,178	(484,822)	–	35,397
UG006	Uganda – Disability Inclusive Graduation – National Lottery Community Fund (NLCF)	12,535	368,244	(316,660)	–	64,119
UG007	Uganda – Disability Inclusive Graduation – Cartier Philanthropy	271,023	394,978	(205,265)	–	460,736
UG008	Uganda – Disability Inclusive Graduation – Medicor Foundation	73,809	100,000	(91,509)	–	82,300
UG010	Uganda – Disability Inclusive Graduation – Long Term Foundation	–	25,596	(25,596)	–	–
Total restricted funds		1,318,750	3,405,284	(2,717,728)	–	2,006,306
Unrestricted funds:						
	General funds	276,277	560,209	(319,506)	–	516,980
Total unrestricted funds		276,277	560,209	(319,506)	–	516,980
Total funds		1,595,027	3,965,493	(3,037,234)	–	2,523,286

Notes to the financial statements

For the period ended 31 December 2021

Purposes of restricted funds**AF001 Afghanistan – UBS**

Funds held awaiting update on development of possible project activities.

AF002 Afghanistan Ed Tech Hub – ODI

EdTech Hub is a global non-profit research partnership whose goal is to empower people by giving them the evidence they need to make decisions about technology in education. Specifically, The EdTech Hub funded BRAC to set up a virtual sandbox in Afghanistan to support the organisation in bolstering education which is currently being delivered by television and radio. In particular, supporting implementation and testing impact of a 'hotline' phone service encouraging and supporting children to watch and listen to educational shows, and providing psycho-social first aid.

BD003 Bangladesh BEP Schools – UBS Optimus

Shishu Niketan – Low-cost fee paying schools in Bangladesh. The low cost private school intervention will lead to the sustainable provision of affordable, quality education for children from low-income backgrounds across Bangladesh.

BD010 Bangladesh – Rohingya crisis – Medicor Foundation, Cartier Foundation, World Memon Organisation and Individual donations:

Alongside the projects that were funded through partnerships with like minded organisations, BRAC UK also received some restricted donations from members of the public for specific campaigns. Specifically, we received donations for our work in responding to the Rohingya Crisis in Bangladesh (BD 010) and in support of our work in multiple countries outside of Bangladesh through BRAC International (MC 002).

BD011B Bangladesh Education in Emergencies – UBS

BRAC identified teaching quality and a lack of space as key concerns in education provision in the Rohingya Refugee camps at Cox's Bazar. This project draws on BRAC's extensive experience of providing highly effective low-cost learning solutions to directly reach vulnerable children with the quality education they need. Specifically, the project aimed to upgrade 3 semi-permanent learning centres into two-storey permanent structures for 480 children and to provide training for 900 teachers. This project has faced significant disruption due to the impact of Covid-19. In February 2021, the agreed first no-cost extension for this project expired with successive lockdowns having impaired the team's ability to complete activities. Following this, a second no-cost extension was agreed that would focus on Covid-19 response and preparatory activities towards safely welcoming learners back to Learning Centres (LCs) once restrictions are lifted.

BD012 Decent employment for marginalised youth in retail – IKEA/UBS

This pilot project is providing sustainable livelihoods for low-income urban youth in Bangladesh in partnership with the retail sector and the Government of Bangladesh. It will provide decent work opportunities for disadvantaged urban youth (particularly women and People With Disabilities (PWD)) and support industry standardisation in major cities in Bangladesh through an innovative approach to testing and scaling effective, efficient and sustainable training and employment models; one focusing on apprenticeships and the other on institute based training. Despite further lockdowns in 2021 due to Covid-19, the team has been able to finally begin full implementation and delivered training to 778 young people. We are negotiating an extension plan in order to deliver on all targets as planned.

BD014 Disrupting Cross Border Trafficking Networks in Jashore, Bangladesh – CIFF

This project sought to reduce the incidence of cross-border trafficking children for commercial and sexual exploitation in Jashore, through an integrated pilot project that can be scaled and replicated regionally. It did this through a behavioural change led mass awareness program that reached over 1.6 Million people, a digital media campaign that reached over 5 Million people, as well as catering for 195 survivors. The project was a success, with over 88% of respondents in the endline study showing a greater awareness and understanding on how they identify and combat potential trafficking risks.

BD016 Bangladesh Covid 19 individual donations

Alongside the projects that were funded through partnerships with like minded organisations, BRAC UK also received some restricted donations from members of the public for specific campaigns. Specifically, we received donations for our work in responding to the Rohingya Crisis in Bangladesh (BD 010) and in support of our work in multiple countries outside of Bangladesh through BRAC International (MC 002).

BD017 Bangladesh Floods recovery – Cartier Philanthropy

Emergency funding for BRAC's response to flooding in Bangladesh as a result of torrential monsoon rain in June to August 2020

BD018 Safe Water Development

This project started in late 2021. It's aim is to create inclusive and sustainable economic growth, increased income through 669 jobs and income opportunities in water treatment and distribution, and to increase access to safe and affordable drinking water for 204,000 people in Bangladesh – tackling the impact of COVID-19 and supporting economic recovery in the coming years. The business objective is for commercial partners Grundfos and Hydro Industries to create a commercially viable business partnership model for cleaning industrial effluent, reducing the harmful impacts of effluent on people and the environment, and delivering safe drinking water whilst creating green jobs and additional income for the sector in the process.

BD019 Bangladesh – HCMP Wash – CAF

On 22nd March 2021, a fire broke out in the Rohingya camp affecting 45,100 people from 9,500 households. The immediate repercussions were multiple casualties, injuries, missing persons particularly children, loss of personal belongings, and a totally collapsed camp infrastructure including shelters, water supply systems, latrines and bathing facilities. Immediately after the fire broke out, the BRAC team started responding to support the Rohingya through Health, Food, Child Protection and WASH services. This donation through the Charities Aid Foundation (CAF), enabled BRAC to provide access to safe drinking water as well as ensuring access to basic hygiene and sanitation facilities for the fire affected population.

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For the period ended 31 December 2021

BD020 Bangladesh – Education – Hempel Foundation

This partnership with Hempel Foundation will provide quality primary education to children who are currently out of school in northern Bangladesh. It aims to reach over 25,000 children through an accelerated learning programme, with access to trained teachers and technology, to support them to bridge learning gaps and transition to government primary schools. This is sorely needed as Bangladeshi students were out of school for up to 18 months due to the COVID-19 pandemic restrictions in Bangladesh. As a result, many need special curriculums and programmes in order to catch up with the national curriculum.

BD021 Bangladesh – Relive 2 – Vitol Foundation

Relive 2 will build on the success of the original Relive project in 2020 which provided emergency relief to people affected by prolonged flooding in North and Northeast Bangladesh. Starting in late 2021, it will strengthen the resilience of vulnerable households to floods by adopting a build-back-better approach in the recovery and rehabilitation of affected communities, implementing community-based mitigation measures through systematic flood risk assessment, developing a risk reduction action plan and finally building the capacity of local government institutions and engaging them in implementation to foster long-term sustainability.

BDTO12 Disability inclusive vocational training and youth employment

Long term improved wellbeing and inclusion of young women and men with disabilities in Bangladesh through increased and equitable access to decent employment and increased income.

BDTO35 Bangladesh Sightsavers Disability Inclusive Development – DFID commercial contract

A commercial contract to fund disability inclusive development projects across the World. BRAC UK received funding for disability inclusive skills and youth empowerment projects in Bangladesh and Nepal – rapid response for covid 19 support.

MC002 BI multi country Covid 19 individual donations

Alongside the projects that were funded through partnerships with like minded organisations, BRAC UK also received some restricted donations from members of the public for specific campaigns. Specifically, we received donations for our work in responding to the Rohingya Crisis in Bangladesh (BD 010) and in support of our work in multiple countries outside of Bangladesh through BRAC International (MC 002).

NP002 Nepal – Girls Empowerment Through Lighting Entrepreneurship – Signify Foundation – Phase 1

This project addressed the social and economic marginalisation of adolescent girls in Kavrepalanchowk District, Nepal. Girls receive empowerment and employment opportunities through the holistic project approach and communities will receive access to lighting services and products.

NP003 Nepal – Girls Empowerment Through Lighting Entrepreneurship – Signify Foundation – Phase 2

This project addressed the social and economic marginalisation of adolescent girls in Kavrepalanchowk District, Nepal. Girls receive empowerment and employment opportunities through the holistic project approach and communities will receive access to lighting services and products. As the BRAC office in Nepal closed in 2021, the project closed early, therefore funds received from the donor were returned – this is represented by the negative income.

NPT015 Enhancing Inclusive Sexual and Reproductive Health and Rights (SRHR) and Livelihood Opportunities of Young People with Disabilities

This project improves the wellbeing and inclusion of young people with disabilities by enhancing their access to and uptake of quality and inclusive sexual reproductive health services and livelihood opportunities.

NPT036 Bangladesh Sightsavers Disability Inclusive Development – DFID commercial contract

This project seeks to provide immediate response activities to support People with Disabilities (PwD's) in Bangladesh facing increased levels of vulnerability and exclusion due to the Covid-19 pandemic and associated restrictions on movement and livelihoods.

SL006 GIF/Health

This project, which ended in 2021, delivered a community-led solution designed to contribute to the reduction of community transition of COVID-19 across 4 districts in Sierra Leone (Bombali, Port Loko, Western Area Rural and Western Area Urban). Utilising evidence-based activities such as radio jingles and panel shows, SMS and awareness-raising through Community Health Workers, in partnership with government departments and agents, the project supported community-led behaviour change in hygiene practices. It also facilitated community-led dialogues that focused on improvements in health and hygiene promotion to reduce the number of confirmed COVID cases, and provided awareness and emotional support to staff and volunteers at the front line of the COVID19 response. Despite challenges resulting from delayed project set-up, personnel changes and inclement weather, the project has contributed towards a significant reduction in the spread of COVID-19, and greater resilience towards health-related shocks in the areas of operation, by providing a valuable lifeline for communities in an incredibly challenging context.

TZ001 and TZ002 Tanzania – WeSolve – Danida and Signify Foundation

'WE SOLVE' – Women Entrepreneurship through the Solar Value chain for Economic development in Tanzania. A partnership between BRAC, Solar Sisters and Philips Lighting to create inclusive and sustainable economic growth and productivity (SDG8), generation of new income (SGD1) and new decent, green and appropriate employment and livelihoods for women (SDG8,5) in rural Tanzania.

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TZ004 Tanzania DIG development – Cartier Philanthropy

This grant enabled BRAC to successfully design the Disability Inclusive Graduation Programme which is currently being implemented in Uganda (see UG 005 to 008 and 011 and UGTO54 for more details). Through this partnership, BRAC is aiming to replicate that programme in Tanzania and provide opportunities for people with disabilities to lift themselves out of extreme poverty.

TZ005 Tanzania ECD – Vitol Foundation

The objective of this project is to pilot a high-quality play-based Early Childhood Development (ECD) business model to improve the cognitive, physical, socio-emotional and language development of 3–5-year-old children in Tanzania, that is financially sustainable, scalable and affordable for low to middle-income households. To achieve this we are testing an innovative cross-subsidy 'Hub and Spoke' business model. The 'Hubs' are BRAC-operated and provide premium quality, affordable, play-based early learning to middle-income families in Dar es Salaam. Hubs are generating an income through low-cost school fees targeting middle-income families, which are used to subsidize hubs that target low-income households.

UG005 – UG011 Disability-Inclusive Ultra-Poor graduation, Uganda

Together BRAC, Humanity & Inclusion and National Union of Women with Disabilities of Uganda (NUWODU) are implementing a disability-inclusive ultra-poor graduation programme in Northern Uganda. The project forms part of a wider global partnership between BRAC and Humanity & Inclusion to test, replicate, adapt and scale contextually appropriate models for disability inclusive graduation.

Through building the capacity of existing poverty reduction and social protection actors and developing evidence and best practice, we can help catalyse ultra-poor graduation programming in Uganda and beyond. Specifically, the project is helping 2,700 people aged 15 – 64 who are living in ultra-poverty. Of those, over 400 (15%) are people with disabilities and 70% (1890) are women. The project has performed extremely well in spite of a number of challenges. Firstly, the COVID-19 pandemic resulted in a pause to some services. Then the UK Government ceased their funding, giving 90 days notice, due to the aid cuts that resulted from the reduction in the Official Development Assistance budget from 0.7% of GNI to 0.5%. Fortunately, Inclusive Futures have stepped in, through the Disability Inclusive Development commercial contract, to fill the funding gap left by the UK Government.

UG012 Uganda: Digital Health

During the COVID-19 outbreak in Uganda in 2020 and 2021, BRAC's network of over 4,000 Community Health Workers provided frontline care and delivered vital awareness messaging. All Community Health Workers are equipped with Medic Mobile's Community Health Toolkit (CHT), a mobile-based application and platform that collects data on patients, households and visits for over 2 Million people. BRAC has also been engaging with Viamo, a for-profit social enterprise active in 25 countries (including Uganda), that delivers training content and lifesaving information via distance learning platforms and interactive voice response (IVR) technology. This project brings that all together to deliver remote-training for Community Health Workers through a distance learning platform, which enables Community Health Workers to deliver care using an upgraded Community Health Toolkit, via their mobile phones. Finally, the project facilitated data-driven evidence and advocacy with the Ministry of Health (MoH) and wider health stakeholders on the effectiveness and value for money of innovative health technologies.

16 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property	
	2021	2020
	£	£
More than five years	–	–
1 – 5 years	47,397	102,600
Less than one year	51,300	49,163
	98,697	151,763

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.