

BRAC Europe

England & Wales · Charity number 1115482

Details

Other names	BRAC UK
Status	Registered
Legal form	Charitable company
Company number	05802246
Registered	2006-07-20
Register	View on the Charity Commission register

Contact

Address	Spaces Victoria 25 Wilton Road London SW1V 1LW
Phone	02034343071
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Website	www.braceurope.org

Activities

Objects: TO PROVIDE GENERAL CHARITABLE PURPOSES FOR THE BENEFIT OF COMMUNITIES IN THE UK, ASIA, AFRICA AND LATIN AMERICA AND TO PROVIDE RELIEF FROM FINANCIAL HARDSHIP AND SOCIAL AND/OR ECONOMIC DISADVANTAGE AND TO ADVANCE THE EDUCATION OF THE RESIDENTS OF ALL AGES; AND IN PARTICULAR TO PROVIDE OPPORTUNITIES FOR THE AFOREMENTIONED RESIDENTS TO PARTICIPATE FULLY IN THE LIFE OF THEIR COMMUNITY IN WAYS WHICH ADDRESS AND ALLEVIATE SOCIAL AND ECONOMIC DISADVANTAGE.

Activities: BRAC is an international development organisation founded in Bangladesh in 1972 that partners with over 100 million people in 14 countries living with inequality and poverty, to create opportunities to realise human potential. As an affiliate, BRAC Europe focuses on fundraising and policy influence, forging strategic partnerships to mobilise resources and advocate for solutions to extreme poverty.

Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Other Defined Groups

Geography

- **Area of benefit:** UK, ASIA, AFRICA AND LATIN AMERICA
- Bangladesh
- Liberia
- Philippines
- Rwanda
- Sierra Leone
- Tanzania
- Uganda

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£1,229,381	£1,240,163	£975,924	15
2024-12-31	£3,405,400	£2,952,748	£986,706	15
2023-12-31	£2,337,867	£3,460,184	£534,054	14
2022-12-31	£5,233,696	£5,425,925	£1,656,371	16
2021-12-31	£3,385,021	£4,059,707	£1,848,600	12

Trustees

Name	Role	Appointed
Anne-Marie Harris		2021-08-09
Charles Edward Talbot Costa Duarte		2023-12-12
Florian Otto Maurice Witt		2025-09-29
Jonathan Scott Lundie		2021-08-09
Kenneth Mathieson Caldwell		2021-05-12
Morten Nyegaard		2026-02-26
Serap Altinisik		2025-08-13
Shanthi Flynn		2021-08-09

BRAC Europe

England & Wales - Charity number 1115482

Accounts

BRAC Europe

Directors' Report and Financial Statements

For the six months ended 30 June 2025

Registered Charity: 1115482

Company number: 5802246

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Statement from the Board Chair

This financial reporting period covers the six months from January to June 2025, as we align our financial years with other BRAC entities. Considering this, it is remarkable how many significant events have occurred, profoundly impacting the environment in which BRAC Europe and the wider BRAC family operate.

Since the election of the new US President in late 2024, the geopolitical landscape has undergone a major transformation, marked by policy shifts that have resulted in dramatic reductions in US government aid budgets. Official Development Assistance (ODA) budgets across Europe have also been cut back in many countries, as resources are redirected towards defence and domestic needs. This has created a challenging environment for many organisations reliant on bilateral aid budgets for funding.

Amidst these challenges, BRAC continues to exemplify how organisations can adapt and innovate. Our ability to generate our own resources through diverse income streams, such as our social enterprises and investments in Bangladesh, has strengthened our internal accountability and enabled us to stay agile and focused, regardless of external shifts. This financial resilience allows us to maintain our investment in people and programmes, ensuring that we can continue to deliver impactful solutions even as traditional funding sources dwindle.

I am particularly pleased that BRAC Europe has continued on our journey to becoming a more pan-European entity, with deeper engagement in Denmark, Sweden and Germany. The recruitment of three new Board members from Sweden and Germany ensures our governance is reflective of our pan-European mandate.

As we look to the future, BRAC's global aim is to empower 250 million people on their journey out of poverty and marginalisation by 2030. BRAC Europe continues to play an important role in that vision, leveraging the potential of the European market to deliver resources and policy changes to help BRAC achieve its goals.

I would also like to take this opportunity to thank our existing and emerging partners around Europe for their trust, and the committed staff and Board of BRAC Europe who lead and guide this work.

Ken Caldwell

Board Chair
BRAC Europe

Statement from the Executive Director

2025 has been a year of transformation and consolidation for BRAC Europe. Building on the changes to our business model initiated in 2024, we have strengthened our role as BRAC's 's representatives in Europe — engaging on their behalf with European partners committed to long-term, flexible, and high-impact development collaboration.

During this shorter financial period we raised over £4 million in new programme funding for BRAC from European donors, with over a further £125 million in the pipeline. These resources continue to fuel BRAC's life-changing work, which has reached over 145 million people in Bangladesh since 1972, and lifted more than 33 million out of extreme poverty through education, health and livelihoods interventions.

In an increasingly uncertain global landscape—marked by geopolitical instability, reduced aid budgets and growing humanitarian crises—BRAC Europe has focused its efforts where they can have the greatest systemic impact. We advanced our major donor programme, with the the development of a new strategy to engage Ultra High Net Worth Individuals, and deepened partnerships in the Nordics and Germany. Our advocacy has also evolved: we are calling for more direct funding to local organisations, promoting BRAC's model of community-led, scalable development, and pushing for greater investment in locally led climate adaptation.

Our visibility across Europe has grown significantly, with major media coverage in the UK, Germany and the Nordics, and our first staff appointment in Denmark marking an important step toward a pan-European presence.

Looking ahead, BRAC Europe remains steadfast in supporting BRAC's Global Strategy 2030 and its ambition to empower 250 million people with holistic solutions for social and economic advancement. Together with our partners, we will continue to champion locally led change and redefine how development is imagined and delivered.

Divya Bajpai

Executive Director

BRAC Europe

Strategic Report

This is the 2025 Directors' Report for BRAC Europe, a registered charity (**1115482**) and company (**5802246**).

Based in London, BRAC Europe 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 Europe 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.

BRAC Europe changed its registered name from BRAC UK in September 2024 to reflect its remit to represent BRAC across Europe.

BRAC is an international development organisation founded in Bangladesh in 1972 that partners with over 100 million people living with inequality and poverty to create opportunities to realise human potential.

Now a family of international entities, BRAC works through affiliates worldwide, including BRAC Europe, which plays a vital role in advancing BRAC's mission across European markets. BRAC Europe's office in London was founded in 2006 and is one of the four members of the BRAC Global Group alongside BRAC in Bangladesh (our global HQ), BRAC International and BRAC USA.

As an affiliate, BRAC Europe focuses on fundraising, awareness-raising, and policy influence, forging strategic partnerships to mobilise resources and advocate for solutions to extreme poverty and global challenges. For further details on BRAC Europe's role and the new affiliate agreement, please refer to the Structure, Governance and Management section of this report on page 9.

Purposes and aims

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.

BRAC's mission is to empower people and communities in situations of poverty, illiteracy, disease and social injustice. Our interventions aim to achieve large-scale positive change through economic and social programmes that enable women and men to realise their potential. BRAC sees four interconnected and reinforcing pathways to deliver on the dual goal of economic and social empowerment of people living in poverty: livelihoods and markets, financial inclusion, essential services, and agency and empowerment.

BRAC's [global strategy](#) sets out an ambitious goal to "support the empowerment of 250 million people on their journey out of poverty and marginalisation."

BRAC's Europe plays a key role in BRAC's efforts to meet that goal by forging strategic partnerships with stakeholders in Europe, in support of BRAC's programmes. We build impactful, long-term relationships with partners whether they be governments, private sector organisations, or major private donors. We also play a leading role in engaging with policymakers in Europe.

2025 activities and achievements

BRAC's work has reached over 145 million people in Bangladesh alone since 1972, profoundly impacting the lives of over 33 million people through health services, education and programmes designed to help people lift themselves out of extreme poverty. You can find out more about the work of BRAC in Bangladesh, and BRAC International, through their [annual reports](#).

BRAC Europe supported this work by raising over £4 million in new programme funding from European donors, with over £125 million of further potential funding in the pipeline. In accordance with BRAC's new global financial operating model this funding passes directly to BRAC and BRAC International rather than to BRAC Europe.

As a result of the agreed changes to BRAC's global financial operating model outlined in our 2024 Annual Report, most new donor funding agreements are being contracted directly with BRAC or BRAC International.

The following remaining donor agreements were still contracted through BRAC Europe in six months to 30 June 2025:

The **Safe Water Development project** (funded by Danida Market Development Partnerships) focuses on inclusive and sustainable economic growth while addressing the impact of COVID-19 and supporting economic recovery in Bangladesh. A key objective is to increase income and create jobs by expanding opportunities in water treatment and distribution, leading to improved livelihoods and new employment. Additionally, the project aims to increase access to safe drinking water by providing 204,000 people with clean and affordable water.

Despite market and technical challenges, the initiative identified key barriers and made progress towards aligning private sector investment with social and environmental goals. Key achievements include fruitful direct engagement of local water entrepreneurs and other key stakeholders, a regional office established by Grundfos, and the development of a unique financing product for Reverse Osmosis plants. While commercial rollouts were limited, the project generated critical insights to advance sustainable clean water access and industrial wastewater solutions.

Returning to Learning: Supporting Out-of-School Children in Bangladesh was a three-year education project (2022–2024) funded by the Hempel Foundation aimed at addressing barriers to learning and ensuring inclusive educational opportunities. Operating in Kurigram, Rangpur, and Lalmonirhat, the project successfully reintegrated over 25,000 out-of-school and impoverished children into government schools. Under the BRAC Education Programme (BEP), 1,005 community schools (335 per year) operated during the project period, offering accelerated learning programmes to bridge educational gaps. These programmes were led by trained

teachers and emphasised interactive and engaging methods to enhance learning outcomes. Up until June 2025, the project recorded a 99.53% transition rate of accelerated course graduates into formal education systems.

The **Disability Inclusive Graduation project**, funded by Cartier Philanthropy, UBS Optimus Foundation and Whole Foods Market Foundation, aims to deliver socio-economic empowerment and increase the resilience of 1050 ultra-poor households (5250 people in total), including 735 householders where the project holder is a woman and 158 households where the project holder is a person with a disability (PWD). It operates in Chamwino District and Manyoni District of Tanzania using an enhanced inclusivity Graduation Approach to poverty alleviation. Key achievements up until June 2025 include the full package of assets for 1050 households being successfully delivered. 129 participants with disabilities received accommodations such as assistive devices, home modifications, rehabilitation and psychosocial support representing 96% of the 135 person target. 158 caregivers received psychosocial training to equip them with essential skills for providing effective support to persons with disabilities in their communities.

The **Climate Emergency Response** project, funded by Askehave Climate Foundation, focused on two emergency responses, the Philippines Drought Emergency Response and the Bangladesh Cyclone Remal Emergency Response.

BRAC provided humanitarian assistance to communities affected by Cyclone Remal in Khulna and Bagerhat districts to ensure immediate food security and support reconstruction efforts. The project successfully assisted 1,330 households, providing cash support to 1,110 households to meet immediate needs, facilitating the repair and reconstruction of 110 homes and constructing 110 new sanitary latrines.

In response to the severe El Nino-induced drought in the Philippines, BRAC implemented emergency relief efforts to address food security and housing needs for the affected population. The project provided direct cash transfers to 800 families, ensuring they have the means to purchase necessities. To support agricultural recovery and long-term food security, BRAC has distributed seeds and farming tools to the affected families. Furthermore, water systems were installed in two communities, improving access to clean water and strengthening resilience against future droughts.

On 28th April 2025, the Danish Ministry of Foreign Affairs and BRAC, with support from the Rockefeller Foundation, co-hosted a **high-level roundtable** in Copenhagen to catalyse bold, evidence-based, and locally led climate adaptation action focused on women smallholder farmers. Senior officials from the governments of Uganda, Tanzania, Liberia, Bangladesh, and Sweden joined global philanthropic leaders, including those from the Gates Foundation and Novo Nordisk Foundation.

Performance against priorities

In 2023 and 2024 BRAC Europe (then BRAC UK) identified four future priorities. Below is a summary of our activities and achievements under each heading.

Securing high-value / multi-year funding

In 2024 BRAC's Executive Management Committee, endorsed by the Global Board, made the decision to prioritise high-value, long-term, flexible funding partnerships over smaller, competitive funding mechanisms. As a result, BRAC Europe has prioritised the cultivation of relationships with organisations capable of funding and taking part in such partnerships. As referenced in the Executive Director's statement, we have already made significant progress, particularly within Denmark and Sweden, and we look forward to building more such partnerships to realise our goal of providing 250 million people with holistic solutions to achieve their own social and economic empowerment, by 2030.

Progressing the major donor programme

So far in 2025 we have made some progress towards establishing a major donor programme. In June, Executive Director, Divya Bajpai, attended the Profit for Good conference in Amsterdam, generating some important leads and expanding our learning on the best practice for engaging with High Net Worth Individuals. Our Deputy Executive Director, Gulru Dodkhudoeva, initiated a thorough procurement process to identify a consultant to establish an Ultra High Net Worth Individual Strategy for BRAC Europe, which commenced in September 2025. We expect that this will reinforce our organisational capacity and position us to engage more strategically with like-minded philanthropists in pursuit of our shared goals.

Advocating on extreme poverty and climate change

Following the election of the new US President in late 2024, the geopolitical landscape has undergone a major transformation. Policy shifts initiated during the new Administration's first 100 days in office have resulted in the closure of USAID, withdrawal of the US from some UN mechanisms and institutions (including development, humanitarian, global health and climate change), and the application of unprecedented global trade tariffs. The period has also seen new locations of global conflict and growing humanitarian crises. This has had impacts across the world, including the continent of Europe. European governments, including the UK, have been forced to respond to this, domestically and internationally. With Official Development Assistance (ODA) budgets across some European countries also being reduced; increases made to defence budgets and capability (especially closer to home, for the security of Europe); re-prioritisation and focus on addressing domestic needs and services (economy, health and social welfare), and tackling illegal migration.

As a result, BRAC Europe developed a new advocacy strategy to focus more on the way development and humanitarian response is delivered, including through local organisations. Between 2025 and 2027, BRAC Europe will focus more on advocating for more funding to be channelled directly to local organisations, and to reduce the use of intermediaries in the Global North.

Additionally, a cross-cutting theme throughout our advocacy engagements will be positioning BRAC as a grounded alternative to traditional models and a credible, forward-looking leader

shaping the future of the sector by example. Finally, BRAC Europe will advocate on climate change, specifically for greater resourcing of locally led adaptation.

The priority markets in which this advocacy strategy will be delivered are Germany, the UK, the Nordics and the European Union.

Increasing visibility in Europe amongst target audiences

Our media engagement activities and partnerships in Denmark and Germany resulted in continuing significant coverage outside of the UK, including multiple interviews published in German media and an opinion piece in Development Today, a publication which is well respected and read in the Nordics. We arranged a visit to Bangladesh for the journalist Tom Parry, who wrote two pieces highlighting elements of BRAC's work which were published in the Daily Telegraph in January 2025. BRAC's work with supporting Rohingya Refugees was also featured on BBC News.

Future plans

BRAC's Global Strategy 2030 framework forms the basis of BRAC's ambitious plans for 2025-26. Specifically, BRAC and BRAC International prioritise four interconnected and reinforcing pathways to deliver on the dual goal of economic and social empowerment of people living in poverty: livelihoods and markets, financial inclusion, essential services, and agency and empowerment.

Under livelihoods and markets, the aim is to remove barriers to economic inclusion for people in poverty, informal workers, those affected by climate change and displacement, as well as women and youth. Meanwhile, the financial inclusion strategy seeks to enable financial resilience by expanding tailored financial services to marginalised groups, especially women in under-served areas, through community engagement, simple and scalable product offerings, and the use of technology to enhance access to microfinance services.

Complementing these economic strategies, BRAC's essential services and agency and empowerment initiatives focus on the broader spectrum of human development and rights. The essential services component aims to extend quality healthcare, nutrition, clean water, sanitation and education to the most marginalised, including refugees, displaced people, and vulnerable children. Concurrently, the agency and empowerment strategy is designed to bolster the capacity of the poorest, particularly women, youth and the forcibly displaced, to exercise their agency, challenge harmful social norms and influence policy.

At BRAC Europe, 2025-26 will see the continuation of our transformation from an organisation primarily focused on the UK to a truly pan-European organisation with colleagues and representatives in key markets including Sweden, Denmark and a country in Central Europe Germany.

Establishing our Nordics Cluster

Our primary goal is still to establish a robust presence in the Nordics, particularly focusing on building private sector and bilateral partnerships in Denmark and Sweden, has made good progress during 2025, with continued engagement through visit by the Deputy Executive Director and the hiring of our first member of staff based in Denmark, the Head of Nordics / Trusts & Foundations Manager. That progress will continue in 2025-26 with increased engagement through our presence in the region, and further recruitment of Nordic-based staff.

Visibility and Strategic Engagement in Central Europe

The German elections took place in March 2025, so BRAC Europe is deploying a focused and strategic approach in Central Europe. We have continued working with our external affairs partner, Seeböhm.Berlin, to increase awareness and understanding of BRAC amongst Germany's political decision makers. In the latter half of 2025, we will deliver a more specific set of activities to promote direct funding of local organisations through German Official Development Assistance.

BRAC Europe will also assess potential investments in representation in Brussels, to support our fundraising and advocacy efforts within the European Commission.

Pan-European Communications and Brand Awareness

To elevate our presence across Europe and support our 2025-26 priorities, we will continue to invest in targeted media engagement, a new website, which will launch in October 2025, as well as a new LinkedIn profile. Additionally, BRAC Europe will be conducting four ambitious content-gathering exercises within BRAC's operating countries.

Philanthropy: Relaunching Our Approach

Working with a consultant, BRAC Europe will create and then implement an Ultra High Net Worth Individual Strategy.

Report of the Board of Directors

The Board of Directors presents its report and audited financial statements for BRAC Europe, a registered charity (**1115482**) and company (**5802246**), for the six months ended 30 June 2025. Reference and administrative information set out on page 18 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 2025).

Structure, governance and management

i. Structure and constitution

The organisation is a charitable company limited by guarantee, incorporated in the UK on 2 May 2006 and registered in the UK 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.

ii. Governance

BRAC Europe is governed by a Board which is responsible for setting the strategy of the organisation and its governance. The Board maintains a board skills matrix to identify skills and experience gaps. They then undertake the selection and appointment of new members to the board. The appointment of new members is made on the basis of a vote of the Board. All Board members are inducted in BRAC Europe's projects and procedures. When possible, BRAC Europe Board members are also urged to visit BRAC country programmes to become familiar with the work and are invited to go on field visits. All Board members give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

BRAC Europe has three formal Board committees, with terms of reference approved by the Board.

- Finance, Audit, and Risk;
- Board and Organisational Development; and
- Remuneration.

Members of the Board provide additional support to staff through different advisory committees on Fundraising, and on Advocacy and Communications. BRAC Europe also has lead Board members to guide oversight of safeguarding and human resources policies and practices.

iii. Global governance

BRAC Europe is part of the wider BRAC global family of organisations. Whilst BRAC Europe is an independent, self-governing organisation it is closely integrated into the BRAC global family and devotes its support to raising funding for projects implemented by BRAC (in Bangladesh) and BRAC International, and for policy advocacy in line with BRAC's global advocacy priorities. BRAC Europe staff cooperate closely with BRAC and BRAC International staff to agree priorities for these activities.

The BRAC global family of organisations comprises:

- BRAC and BRAC International (operating entities);
- **BRAC Europe** and BRAC USA (affiliate entities); and
- BRAC Global (global governance entity).

In December 2020 BRAC Europe, together with BRAC, BRAC International and BRAC USA, signed a *Global Compact* to create the BRAC Global Board (BRAC Global). The Global 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 Europe nominated its Board Chair, Ken Caldwell, to sit on this Board.

In April 2024 BRAC Europe, together with BRAC, BRAC International and BRAC USA, signed an *Affiliate Agreement* to set out the financial model and decision-making processes for funding the affiliate entities. Under the Affiliate Agreement there is an annual Memorandum of Understanding signed between BRAC and BRAC Europe which defines the funding support that will be provided towards the core operating costs of BRAC Europe.

The Affiliate Agreement includes a *Trade Mark Licence Agreement* that defines the parameters for use of the BRAC brand by BRAC Europe in European territories.

iv. Management

The Executive Director reports to the Board Chair and is responsible for the day-to-day management of the organisation. In the six months ended 30 June 2025 the staff management team that reported to the Executive Director consisted of the Deputy Executive Director and Director of Partnerships, the Director of Communications and External Engagement, and the Director of Finance and Operations. Key decisions, such as approving the organisational strategy, annual budget and appointment of the Executive Director are made by the Board. The Executive Director 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 Europe's Annual Plans.

v. Remuneration policy

The Remuneration Committee oversees the overall remuneration policies of BRAC Europe and agrees the remuneration of the Executive Director and management team.

Objectives and activities

The Board reviews 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 six months. The review also helps the Board ensure the charity's aims, objectives and activities remain focused on its stated purposes. The Board has 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 Board considers how planned activities will contribute to the aims and objectives that have been set.

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. 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 which is 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 Europe 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 Europe 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 2016.

BRAC Europe 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 Europe does not use professional fundraisers or involve commercial participators. Any email newsletters with fundraising calls to action have a clearly marked method of unsubscribing. Any member of the public who unsubscribes is automatically removed from BRAC Europe's subscription list. There have been no complaints about our fundraising activities in the six months to 30 June 2025. BRAC Europe 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. Our fundraising team is also sensitive to indications that an individual considering a donation may be in vulnerable circumstances, such as physical or mental conditions, financial stress, or where English is not their first language, which may impair their capacity to make an informed decision. If we consider that an individual lacks the capacity to make an informed decision we will either not accept, or return, their donation, and update our database accordingly.

Financial Review

i. Change of accounting period from 1 January 2025

As explained in the 2024 Annual Report, in 2025 BRAC Europe changed its financial period end from 31 December to 30 June. This is to align BRAC Europe's financial periods with the other entities in the BRAC global family of organisations. The financial period covered by this report is therefore the six months from 1 January 2025 to 30 June 2025.

ii. Financial results for 2025 and closing reserves

The financial results for the six months ended 30 June 2025 should be understood in the context of BRAC's global financial operating model. As explained in previous Annual Reports, as part of the recent transition to OneBRAC, BRAC's global financial operating model has changed. Under

the new model the majority of programme funding raised by BRAC Europe is now contracted directly between the donor and BRAC or BRAC International rather than via BRAC Europe. This means that programme funds raised by BRAC Europe do not in most cases appear in BRAC Europe's financial results, and BRAC Europe staff and overheads are not charged to restricted funds. Instead, BRAC Europe's operating costs are largely funded via an annual grant from BRAC. BRAC Europe supplements this grant with unrestricted donations in order to reduce the level of support required from BRAC. These changes were formally adopted in 2024 under a new Affiliate Agreement entered into by BRAC Europe along with the other BRAC global family of organisations (see also section g(iii) below).

Total income in the six months ended 30 June 2025 was £1.2m (year to 30 December 2024: £3.4m). There are three principal sources of income:

- The annual grant from BRAC to support BRAC Europe's fundraising, communications and advocacy work in Europe (unrestricted funding). The total value of this grant was £0.8m (year to 31 December 2024: £1.6m);
- Grants from governments, trusts and foundations to fund specific projects (restricted funding). Total income from these sources was £0.4m (year to 31 December 2024: £1.7m). The reduction in income reflects the transition to the new global financial operating model described above. The majority of grant income received in this period was from multi-year grants agreed before that transition;
- Donations from individuals and corporate bodies (unrestricted funding). Income from donations was £38,000 (year to 31 December 2024: £90,000).

Total expenditure in the six months ended 30 June 2025 was £1.2m (year to 31 December 2024: £3.0m). Expenditure falls into two main categories:

- Costs of fundraising, communications and advocacy work in Europe, and associated governance and overheads (unrestricted fund expenditure). These costs were £0.9m (year to 31 December 2024: £1.3m). On an annualised basis this represents an increase in costs, reflecting greater investment in BRAC Europe resources to help deliver its new European strategy;
- Direct costs of delivering projects, principally as grant disbursements to BRAC and BRAC International (restricted funding expenditure). In line with the new global financial operating model direct project expenditure fell to £0.4m (year to 31 December 2024: £1.7m) as the number of grants between the donor and BRAC Europe reduces.

The overall financial result for the six months ended 30 June 2025 was a deficit on the unrestricted fund of £48,000 (year to 31 December 2024: surplus of £0.4m), reducing the size of the unrestricted reserve slightly to £0.9m as at 30 June 2025. This exceeds the target range of £0.45m to £0.55m set with reference to the reserves policy (see below). Management plans to utilise the excess reserves in 2025-26 to continue to invest in BRAC Europe's resources in target markets.

There was a small surplus across restricted funds of £37,000 (year to 31 December 2024: surplus £30,000), and the closing aggregate balance on restricted funds was £75,000. With the shift towards new programme funding now generally being directly between the grantor and BRAC or BRAC International the number and aggregate value of restricted funds has reduced significantly over the last three years.

iii. Going concern

The Board has reviewed BRAC Europe's latest financial plans and have concluded that the level of reserves and actions proposed by management are sufficient to create a reasonable expectation that BRAC Europe has adequate resources to continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

iv. Reserves policy

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

- to fund unexpected expenditure, e.g. if projects overrun, or in response to unforeseen events;
- to fund shortfalls in reserves if expected levels of income are not reached, e.g. due to adverse movements in foreign exchange; and
- to fund working capital.

Taking these into account, the Board sets a target level for unrestricted reserves. The target balances the need to apply funds to BRAC Europe's mission in the furtherance of our charitable objectives whilst ensuring there are sufficient funds to run our day-to-day business and to protect from the risk of unanticipated events. The target is reviewed at least annually to ensure it remains relevant to the realities of current operations and their associated risks. At 30 June 2025 the Board determined that the target reserves level should be in a range of £0.45m to £0.55m. The actual unrestricted reserves at year end stood at £0.90m (31 December 2024: £0.95m), and free reserves (excluding fixed assets) were £0.89m (2023: £0.94m).

BRAC Europe also holds restricted reserves, representing funds received for specific project work. At 30 June 2025 restricted funds held were £75,000 (31 December 2024: £38,000). These funds will be disbursed in 2025-26 in line with donor restrictions.

v. Investments policy

BRAC Europe's investments policy forms part of the Treasury Management policy, which is approved by the Board. In accordance with the Reserves policy BRAC Europe does not anticipate holding a significant level of funds which are surplus to short-term requirements and available for investment. In general cash is held in an instant access business current account with a bank. From time to time there may be opportunities to invest surplus funds in order to realise a higher

return. In such cases BRAC Europe's policy is to invest cash in fixed term deposits of up to six months with financial institutions whose credit rating exceeds a minimum threshold.

Risk management

The BRAC Europe Board identifies the key risks facing the organisation, which are documented in a risk register and discussed with and approved by the Board. 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 and amended accordingly. The Board is satisfied that there are procedures in place commensurate with the size of identified risks to prevent or manage their effects.

The Board considers the following risks to be significant in terms of their potential impact on operations:

- *Trends in the political environment in our target markets in Europe, and changes in donor thematic priorities, over the next 3-5 years impede our ability to fundraise or influence policy change with governments.* One such example is the UK Government's announcement in February 2025 of a cut in the overseas aid budget from 0.5% of Gross National Income to 0.3% by 2027. BRAC Europe mitigates this risk through seeking to diversify its income across a range of European governments, charitable trusts and foundations, and private individuals.
- *Changes in the political environment in Bangladesh affect BRAC's ability to deliver its mission globally.* Following the political changes in Bangladesh in 2024 BRAC has successfully continued to deliver its charitable mission both there and around the world. As Bangladesh's new political context takes shape in the coming year BRAC Europe will continue to liaise with BRAC colleagues to understand any implications for the organisation globally.
- *Organisational capacity constraints within BRAC globally restrict our ability to fully capitalise on fundraising opportunities.* BRAC Europe works in partnership with other BRAC entities to respond to funding opportunities and is partly dependent on BRAC for technical and other expertise. BRAC continues to invest in strengthening capacity to ensure that sufficient resources are deployable in support of fundraising efforts.
- *An adverse event such as a safeguarding incident or case of financial malpractice occurring in BRAC globally damages BRAC's reputation with donors and policy-makers.* Such reputational damage to BRAC would potentially harm BRAC Europe's ability to raise new funding or achieve its policy advocacy objectives. This risk is mitigated through ensuring that appropriate policies, processes and cultures are embedded across all BRAC entities, overseen by the global BRAC governance framework.
- *BRAC Europe suffers financial loss or disruption to activities as a result of fraud or cybercrime.* Fraud and cybercrime risk continues to be high for all organisations. BRAC Europe seeks to protect itself from such incidents through a combination of robust IT and internal controls,

organisational policies on areas including fraud, procurement and IT, and staff training to build awareness of good practice.

Statement of the responsibilities of Board members

The Board members (who are also Trustees of BRAC Europe for the purposes of charity law) are responsible for preparing the report of the Directors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Board members 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, Board members 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 Board members 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 Board members are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Board members 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 Board is 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.

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 Directors has been

prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

This report has been prepared in accordance with the duty set out in the Charities Act 2006.

Approved by the Board of Directors on 4 November 2025 and signed on their behalf by

Ken Caldwell

Director and Trustee (Chair)

Administrative details

Address

BRAC Europe, 25 Wilton Rd, London SW1V 1LW

Email: info@braceurope.org

Office phone

+44 (0) 203 434 3071

Directors (Trustees)

Ken Caldwell (Board Chair)

Anne-Marie Harris (Treasurer)

Charles Costa Duarte

Shanthi Flynn

Göran Holmqvist (appointed 1 January 2025, resigned 31 October 2025)

Jack Lundie

Deepali Sood (resigned 30 April 2025)

Serap Altinisik (appointed 13 August 2025)

Florian Witt (appointed 29 September 2025)

Principal staff

Divya Bajpai (Executive Director)

Gulru Dodkhudoeva (Deputy Executive Director and Director of Partnerships)

Chris Lyne (Director of Communications and External Engagement)

Giles Totterdell (Director of Finance and Operations)

Bankers

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

Solicitors

Bates Wells LLP, 10 Queen Street Place, London, EC4R 1BE

Auditor

Sayer Vincent LLP, Chartered Accountants and Statutory Auditor, 110 Golden Lane, London, EC1Y 0TG

Independent Auditor's Report to the Members of BRAC Europe

Opinion

We have audited the financial statements of BRAC Europe (the 'charitable company') for the period ended 30 June 2025 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 30 June 2025 and of its incoming resources and application of resources, including its income and expenditure for the period 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 Europe'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 period 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.

Noelia Serrano (Senior statutory auditor)
13 November 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 110 Golden Lane, LONDON, EC1Y 0TG

BRAC Europe

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

For the period ended 30 June 2025

		6 months to 30 June 2025			12 months to 31 Dec 2024		
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Donations and legacies	2	18,433	20,000	38,433	84,952	5,249	90,201
Charitable activities							
BRAC core support	3	793,790	-	793,790	1,595,518	-	1,595,518
Grants	3	-	390,900	390,900	-	1,707,245	1,707,245
Other income		<u>6,258</u>	<u>-</u>	<u>6,258</u>	<u>12,436</u>	<u>-</u>	<u>12,436</u>
Total income		<u>818,481</u>	<u>410,900</u>	<u>1,229,381</u>	<u>1,692,906</u>	<u>1,712,494</u>	<u>3,405,400</u>
Expenditure on:							
Raising funds	4	441,448	-	441,448	332,879	-	332,879
Charitable activities							
Programme support	4	61,123	15,853	76,976	522,870	152,055	674,925
Grant disbursements	4	-	358,063	358,063	-	1,530,360	1,530,360
Advocacy and communications	4	<u>363,676</u>	<u>-</u>	<u>363,676</u>	<u>414,584</u>	<u>-</u>	<u>414,584</u>
Total expenditure		<u>866,247</u>	<u>373,916</u>	<u>1,240,163</u>	<u>1,270,333</u>	<u>1,682,415</u>	<u>2,952,748</u>
Net (expenditure) / income for the year and Net movement in funds		<u>(47,766)</u>	<u>36,984</u>	<u>(10,782)</u>	<u>422,573</u>	<u>30,079</u>	<u>452,652</u>
Reconciliation of funds:							
Total funds brought forward		<u>948,667</u>	<u>38,039</u>	<u>986,706</u>	<u>526,094</u>	<u>7,960</u>	<u>534,054</u>
Total funds carried forward		<u><u>900,901</u></u>	<u><u>75,023</u></u>	<u><u>975,924</u></u>	<u><u>948,667</u></u>	<u><u>38,039</u></u>	<u><u>986,706</u></u>

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 Europe**Balance sheet**

Company no. 5802246

As at 30 June 2025

		30 June 2025		31 December 2024	
	Note	£	£	£	£
Fixed assets:					
Tangible assets	11		9,384		11,759
			<u>9,384</u>		<u>11,759</u>
Current assets:					
Debtors	12	676,529		846,157	
Cash at bank and in hand		1,030,672		468,279	
		<u>1,707,201</u>		<u>1,314,436</u>	
Liabilities:					
Creditors: amounts falling due within one year	13	740,661		339,489	
		<u>740,661</u>		<u>339,489</u>	
Net current assets			966,540		974,947
Total net assets			975,924		<u>986,706</u>
			<u>975,924</u>		<u>986,706</u>
The funds of the charity:	15				
Restricted income funds			75,023		38,039
Unrestricted income funds:					
General funds		900,901		948,667	
		<u>900,901</u>		<u>948,667</u>	
Total unrestricted funds			900,901		948,667
Total charity funds			975,924		<u>986,706</u>
			<u>975,924</u>		<u>986,706</u>

Approved by the Board of Directors on 4 November 2025 and signed on their behalf by

Ken Caldwell
Director (Board Chair)Anne-Marie Harris
Director (Treasurer)

Statement of cash flows

For the period ended 30 June 2025

Reconciliation of net (expenditure) / income to net cash flow from operating activities

	30 June 2025 £	31 December 2024 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(10,782)	452,652
Depreciation charges	4,699	8,467
Dividends, interest and rent from investments	(6,258)	(12,018)
Decrease/(increase) in debtors	169,628	(807,555)
Increase/(decrease) in creditors	401,172	(74,334)
Net cash provided by/(used in) operating activities	558,459	(432,788)

	30 June 2025 £	£	31 December 2024 £	£
Cash flows from operating activities				
Net cash provided by/(used in) operating activities		558,459		(432,788)
Cash flows from investing activities:				
Dividends, interest and rents from investments	6,258		12,018	
Purchase of fixed assets	(2,324)		(5,911)	
Net cash provided by investing activities		3,934		6,107
Change in cash and cash equivalents in the year		562,393		(426,681)
Cash and cash equivalents at the beginning of the year		468,279		894,960
Cash and cash equivalents at the end of the year		1,030,672		468,279

Notes to the financial statements

For the period ended 30 June 2025

1 Accounting policies

a) Statutory information

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

The registered office address and principal place of business is 25 Wilton Road, London SW1V 1LW.

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

The Board has reviewed BRAC Europe's financial forecasts for the 12 months from the date on which the accounts were signed, and conducted sensitivity analysis to assess the impact of key risks including inflation and delays in the timing of receipt of funding. They have concluded that even on a prudent 'low case' set of assumptions BRAC Europe would maintain sufficient unrestricted reserves and liquidity to be able to operate until at least the end of this period.

The Board does 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) 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 Board for particular purposes.

g) 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

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

h) 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.

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

- Raising funds	59%
- Programme support	6%
- Advocacy & Communications	35%

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 30 June 2025

1 Accounting policies (continued)**i) Operating leases**

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

j) 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:

- Fixtures and Fittings	25%
- Computer Equipment	25%
- Leasehold Improvements	25%
- Website	25%

k) 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.

l) 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.

m) 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.

n) Pensions

BRAC Europe deals with its pension arrangements through a NEST money purchase pension scheme. Staff are enrolled in the NEST scheme from the commencement of their employment. BRAC Europe matches staff contributions up to a maximum 6% of gross salary per annum.

o) 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

	6 months to 30 June 2025			12 months to 31 Dec 2024		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Individual Donations	4,093	20,000	24,093	48,140	5,249	53,389
Corporate Donations	14,340	-	14,340	36,812	-	36,812
	18,433	20,000	38,433	84,952	5,249	90,201

Notes to the financial statements

For the period ended 30 June 2025

3 Income from charitable activities

	6 months to 30 June 2025			12 months to 31 Dec 2024		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
BRAC core support for charitable activities	793,790	-	793,790	1,595,518	-	1,595,518
Grant income						
Askehave Climate Foundation	-	190,000	190,000	-	166,619	166,619
Danida Danish Market Development Partnerships (DMDP)	-	(6,951)	(6,951)	-	(66,587)	(66,587)
German Toilet Organization	-	-	-	-	2,006	2,006
Hempel Foundation	-	3,029	3,029	-	591,217	591,217
IKEA Foundation	-	-	-	-	(1,525)	(1,525)
Shepherds Bush Mosque	-	-	-	-	2,000	2,000
Subtotal - grants for charitable activities in Bangladesh	-	186,078	186,078	-	693,730	693,730
Signify Foundation	-	-	-	-	23,754	23,754
Askehave Foundation	-	190,000	190,000	-	208,690	208,690
Subtotal - grants for charitable activities in The Philippines	-	190,000	190,000	-	232,444	232,444
Cartier Philanthropy	-	-	-	-	710,065	710,065
UBS Optimus Foundation	-	-	-	-	71,006	71,006
Subtotal - grants for charitable activities in Tanzania	-	-	-	-	781,071	781,071
Rockefeller Foundation	-	14,822	14,822	-	-	-
Subtotal - grants for charitable activities in Europe	-	14,822	14,822	-	-	-
Total grant income	-	390,900	390,900	-	1,707,245	1,707,245
Total income from charitable activities	793,790	390,900	1,184,690	1,595,518	1,707,245	3,302,763

Note: The negative income on the Danish Market Development Partnerships (DMDP) project in Bangladesh is due to foreign exchange revaluation of accrued income denominated in Danish krone. The income was recognised and accrued for in 2024, and as the income accrual remained as at 30 June it was revalued resulting in a lower value in British pounds.

Notes to the financial statements

For the period ended 30 June 2025

4a Analysis of expenditure (current period)

	Charitable activities						6 months to 30 June 2025 Total £
	Cost of raising funds £	Programme support £	Grant disbursements £	Advocacy and communications £	Governance costs £	Support costs £	
Staff costs (note 7)	193,064	19,211	-	115,074	66,715	68,581	462,645
Staff training and recruitment (note 7)	19,505	1,941	-	10	24,939	9,221	55,616
Consultants	-	19,747	-	118,771	-	6,511	145,029
Grants payments (note 5)	-	-	358,063	-	-	-	358,063
Travel	22,478	2,237	-	4,938	12,025	3,538	45,216
Office management	11,712	1,165	-	10,916	1,356	66,891	92,040
Fundraising and events	4,585	15,253	-	658	-	-	20,496
Audit & legal fees	-	-	-	-	18,556	-	18,556
Foreign exchange (gains)/losses	-	(1,494)	-	-	-	43,996	42,502
	251,344	58,060	358,063	250,367	123,591	198,738	1,240,163
Governance costs	72,892	7,253	-	43,446	(123,591)	-	-
Support costs	117,212	11,663	-	69,863	-	(198,738)	-
	190,104	18,916	-	113,309	-	-	-
Total expenditure 2025	441,448	76,976	358,063	363,676	-	-	1,240,163

Notes to the financial statements

For the period ended 30 June 2025

4b Analysis of expenditure (prior year)

	Charitable activities						12 months to 31 December 2024 Total £
	Cost of raising funds £	Programme support £	Grant disbursements £	Advocacy and communications £	Governance costs £	Support costs £	
Staff costs (note 7)	156,655	264,813	-	133,971	118,298	190,214	863,951
Staff training and recruitment (note 7)	664	1,122	-	14,279	5,170	19,456	40,691
Consultants	-	82,016	-	79,779	8,774	19,807	190,376
Grants payments (note 5)	-	-	1,530,360	-	-	-	1,530,360
Travel	12,357	26,257	-	19,442	7,044	411	65,511
Office management	8,050	13,583	-	17,019	15,194	119,864	173,710
Fundraising and events	1,329	1,257	-	18,544	-	-	21,130
Audit & legal fees	-	32,236	-	-	27,146	-	59,382
Foreign exchange (gains) / losses	-	(6,388)	-	-	-	14,025	7,637
	179,055	414,896	1,530,360	283,034	181,626	363,777	2,952,748
Governance costs	51,225	86,593	-	43,808	(181,626)	-	-
Support costs	102,599	173,436	-	87,742	-	(363,777)	-
	153,824	260,029	-	131,550	-	-	-
Total expenditure 2024	332,879	674,925	1,530,360	414,584	-	-	2,952,748

Notes to the financial statements

For the period ended 30 June 2025

5 Grant-making

6 months to 30 June 2025	12 months to 31 Dec 2024
Grants to institutions	Grants to institutions
£	£

BRAC Bangladesh	1,072	448,953
BRAC International	356,991	446,084
BRAC Tanzania	-	635,323
	358,063	1,530,360

6 Net (outgoing) resources for the period

This is stated after charging:

6 months to 30 June 2025	12 months to 31 Dec 2024
£	£

Depreciation	4,699	8,467
Operating lease rentals:		
Property	26,130	52,458
Auditor's remuneration, excluding VAT :		
Audit of BRAC Europe accounts	9,500	10,500
External audit of project funds	-	26,863
Other auditor costs	-	2,255

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

Staff costs were as follows:

6 months to 30 June 2025	12 months to 31 Dec 2024
£	£

Salaries and wages	395,137	743,383
Social security costs (National insurance)	39,172	78,674
Employer's contribution to defined contribution pension schemes	28,337	41,894
Other staff costs	55,616	40,691
	518,262	904,642

6 months to 30 June 2025	12 months to 31 Dec 2024
No.	No.

£60,000 - £69,999	-	1
£70,000 - £79,999	-	1
£80,000 - £89,999	-	2

The total employee benefits including pension contributions of the key management personnel were £199,415 (2024: £366,884).

There were no ex-gratia termination payments made to staff in the period to 30 June 2025 (2024: £nil). Termination payments are recognised in full in the accounting period in which they fall due.

The charity Board members were not paid or received any other benefits from employment with the charity in the period to 30 June 2025 (2024: £nil). No charity Board member received payment for professional or other services supplied to the charity (2024: £nil).

Board members' expenses totalling £1,422 were incurred by three members in the period to 30 June 2025 (2024: £5,122, six members) relating to travel and subsistence costs incurred in relation to attendance at meetings of the Board.

Notes to the financial statements

For the period ended 30 June 2025

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the the period was 14.8 (2024: 15.0). The average number of staff on the FTE basis is as follows:

	6 months to 30 June 2025 No.	12 months to 31 Dec 2024 No.
Raising funds	6.2	2.3
Programme support	0.6	5.1
Advocacy and communications	3.7	2.3
Governance	1.7	1.4
Support	2.2	3.0
	14.4	14.1

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 Directors' Report). The charity recognised income of £793,790 from BRAC and BRAC International during the period to 30 June 2025 (2024: £1,595,518), of which £387,371 was owed by BRAC as at 30 June 2025.

The funding was received to enable BRAC Europe to conduct activities including fundraising, advocacy, and raising of BRAC's profile in Europe, in furtherance of BRAC's charitable purposes and has been included in the financial statements under incoming resources from charitable activities.

In addition to this, from time to time BRAC Europe pays suppliers on behalf of other BRAC entities (BRAC, BRAC International, BRAC USA, and BRAC Global), and is reimbursed in full by those entities, and from time to time those entities pay suppliers on behalf of BRAC Europe and are reimbursed in full by BRAC Europe. As at 30 June 2025 BRAC Europe was owed £16,482 by BRAC USA, and BRAC Europe owed BRAC USA £8,995.

As at 30 June 2025 BRAC Europe was also owed £136,784 by BRAC in respect of funding for a project which ended in December 2024. □

There were no donations received from Board members (2024: £nil).

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 period	13,834	4,164	15,216	6,350	39,564
Additions in period	-	-	2,324	-	2,324
Disposals in period	-	-	(1,380)	-	(1,380)
At the end of the period	13,834	4,164	16,160	6,350	40,508
Depreciation					
At the start of the period	11,634	3,571	9,940	2,660	27,805
Disposals in period	-	-	(1,380)	-	(1,380)
Charge for the period	1,729	354	1,822	794	4,699
At the end of the period	13,363	3,925	10,382	3,454	31,124
Net book value					
At the end of the period	471	239	5,778	2,896	9,384
At the start of the period	2,200	593	5,276	3,690	11,759

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the period ended 30 June 2025

12 Debtors

	30 June 2025 £	31 December 2024 £
Trade debtors	538,838	574,764
Other debtors	12,898	12,150
Prepayments	26,268	30,724
Accrued income	98,525	228,519
	676,529	846,157

13 Creditors: amounts falling due within one year

	30 June 2025 £	31 December 2024 £
Trade creditors	42,026	21,964
Taxation and social security	25,212	21,664
Accruals	673,423	295,861
	740,661	339,489

The increase in creditors as at 30 June 2025 compared to the previous year-end relates to the Climate Disaster Relief programme funded by the Askehave Climate Foundation. £337,000 funding for 2025 was received by BRAC Europe prior to 30 June but was not transferred to BRAC International until after 30 June.

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

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	9,384	-	9,384
Net current assets	891,517	75,023	966,540
Net assets at the end of the year	900,901	75,023	975,924

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

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	11,759	-	11,759
Net current assets	936,908	38,039	974,947
Net assets at the end of the year	948,667	38,039	986,706

Notes to the financial statements

For the period ended 30 June 2025

15a Movements in funds (current period)

		At 1 January 2025 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 June 2025 £
Restricted funds:						
BD018	Bangladesh: Safe Water Development (donor: Danida)	-	(6,951)	6,951	-	-
BD020	Bangladesh: Education (donor: Hempel Foundation)	(10)	3,029	(3,019)	-	-
BD026	Bangladesh: Climate Disaster Relief Efforts (donor: Askehave Climate Foundation)	-	190,000	(168,496)	-	21,504
EU001	Europe: Contribution to Climate Round Table event co-hosted by BRAC and Danish Govt in Copenhagen (donor: Rockefeller Foundation)	-	14,822	(14,822)	-	-
IN001	India: UPGI (donor: private individual)	-	20,000	(20,000)	-	-
PH002	Philippines: Climate Disaster Relief Efforts (donor: Askehave Climate Foundation)	-	190,000	(168,495)	-	21,505
TZ006	Tanzania: Disability Inclusive Ultra-Poor Graduation (donor: Cartier Philanthropy, UBS Foundation, Whole Planet Foundation)	38,049	-	(6,035)	-	32,014
Total restricted funds		38,039	410,900	(373,916)	-	75,023
Unrestricted funds:						
General funds		948,667	818,481	(866,247)	-	900,901
Total unrestricted funds		948,667	818,481	(866,247)	-	900,901
Total funds		986,706	1,229,381	(1,240,163)	-	975,924

Note: For explanation of the negative income for BD018 see Note 3.

Foreign exchange gains/losses

Funding for some projects is transacted through foreign currency bank accounts - namely US dollars and Danish krone - and therefore the project funds themselves do not suffer foreign exchange gains and losses. The bank balances are held in BRAC Europe's accounts in the home currency of GBP and revalued on a monthly basis, and transactions are converted to GBP 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 restricted fund to which they relate.

Notes to the financial statements

For the period ended 30 June 2025

15b Movements in funds (prior year)

		At 1 January 2024 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2024 £
Restricted funds:						
BD010	Bangladesh: Rohingya crisis (individual	(443)	250	193	-	-
BD012	Bangladesh: Youth in Retail (donor: IKEA Foundation/UBS Foundation)	-	(1,525)	1,525	-	-
BD018	Bangladesh: Safe Water Development (donor: Danida)	26,869	(66,587)	39,718	-	-
BD020	Bangladesh: Education (donor: Hempel Foundation)	(19,669)	591,217	(571,558)	-	(10)
BD026	Bangladesh: Climate Disaster Relief Efforts	3,617	166,619	(170,236)	-	-
BD027	Bangladesh: The Humanitarian Sanitation Knowledge Hub (SANIHUB) (donor: German Toilet Organisation)	(196)	2,006	(1,810)	-	-
BD028	Bangladesh: Flood Support (donor: Shepherds Bush Mosque)	-	2,000	(2,000)	-	-
BD029	Bangladesh: BBC Radio 4 Appeal (individual donations)	-	4,999	(4,999)	-	-
PH001	Philippines: Youth Skills (donor: Signify Foundation)	956	23,754	(24,710)	-	-
PH002	Philippines: Climate Disaster Relief Efforts (donor: Askehave Climate Foundation)	-	208,690	(208,690)	-	-
TZ006	Tanzania: Disability Inclusive Ultra-Poor Graduation (donor: Cartier Philanthropy, UBS	(3,174)	781,071	(739,848)	-	38,049
Total restricted funds		7,960	1,712,494	(1,682,415)	-	38,039
Unrestricted funds:						
General funds		526,094	1,692,906	(1,270,333)	-	948,667
Total unrestricted funds		526,094	1,692,906	(1,270,333)	-	948,667
Total funds		534,054	3,405,400	(2,952,748)	-	986,706

Notes to the financial statements

For the period ended 30 June 2025

Purposes of restricted funds

BD010	Bangladesh: Rohingya crisis (individual donations) Alongside the projects that were funded through partnerships with like minded organisations, BRAC Europe also receives some restricted donations from members of the public for specific campaigns. In 2024 we received donations for our work in responding to the Rohingya Crisis in Bangladesh. As at the end of 2024 we no longer receive donations for this work and the fund is closed.
BD012	Bangladesh: Youth in Retail (donor: IKEA Foundation/UBS Foundation) This purpose of this pilot project was to provide sustainable livelihoods for low-income urban youth in Bangladesh in partnership with the retail sector and the Government of Bangladesh. It provided decent work opportunities for disadvantaged urban youth (particularly women and People With Disabilities (PwD)) and supported 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. This project ended in 2023 and the fund is closed.
BD018	Bangladesh: Safe Water Development (donor: Danida) The objective of this project was to create new jobs and income opportunities in water treatment and distribution, and to increase access to safe and affordable drinking water for over 200,000 people in Bangladesh, tackling the impact of COVID-19 and supporting economic recovery in the coming years. The business objective was for commercial partners 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. The project ended in 2024 and the fund is closed.
BD020	Bangladesh: Education (donor: Hempel Foundation) This project provided quality primary education to children in northern Bangladesh who were not previously in the school system. It aimed 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. The project ended in December 2024 and the fund is closed.
BD026	Bangladesh: Climate Disaster Relief Efforts (donor: Askehave Climate Foundation) Under this project BRAC provides rapid emergency response to communities affected by climate-related disasters in Bangladesh and the Philippines. In 2024 funds were used to provide humanitarian assistances to ensure immediate food security of 1,000 of the most vulnerable families affected by Cyclone Remal in the Khulna and Bagerhat districts. This included reconstruction of damaged houses and latrines, and cash support to ensure immediate needs for food and other essentials were met. The project continues for one further year in 2025.
BD027	Bangladesh: The Humanitarian Sanitation Knowledge Hub (SANIHUB) (donor: German Toilet Organisation) This funding from the German Toilet Organisation was to support the work being carried out by BRAC at the Rohingya refugee camps in Cox's Bazar to ensure that lessons learned in the field of sanitation and faecal sludge management are made available to the global humanitarian sector through SANIHUB. SANIHUB is a platform for consolidating and sharing knowledge on sanitation and faecal sludge management issues in emergency situations. The project ended in 2024 and the fund is closed.
BD028	Bangladesh: Flood Support (donor: Shepherds Bush Mosque) This funding was provided to support communities affected by severe flooding in Eastern Bangladesh in August 2024. The fund is now closed.
BD029	Bangladesh: BBC Radio 4 Appeal (individual donations) Donations from this appeal on BBC Radio 4 in September 2024 supported BRAC's work in Bangladesh to counter the impacts of climate change on the most vulnerable communities, including improving the resilience and adaptive capacity of the most vulnerable people in coastal cities and towns, rethinking shelters to enable people to stay in their home village for longer and creating climate-resilient cities for people who have already been forced to migrate. The fund is now closed.
EU001	Europe: Climate Round Table Event (donor: Rockefeller Foundation) This was a convening event co-hosted by BRAC and the Danish Ministry of Foreign Affairs in April 2025 with the aim to develop a coalition of donors for BRAC's Integrated Climate Change Programme (ICCP). ICCP will offer a comprehensive bundle of services including access to agricultural inputs and technologies, training, financial services, market linkages, and support for accessing water. Rockefeller Foundation provided funding to contribute to the costs of this convening event. The fund is now closed.
IN001	India: Ultra-Poor Graduation Initiative A donation was received to support BRAC's Ultra Poor Graduation Initiative (UPGI) programme in India. UPGI is a global programme within the BRAC network in which BRAC partners with governments, policymakers, multilaterals, and civil society to expand adoption of our proven approach worldwide and enact local and global policy changes that better serve people living in extreme poverty. The fund is now closed.
PH001	Philippines: Youth Skills (donor: Signify Foundation) The aim of this project was to provide meaningful and sustainable livelihood opportunities for women and girls aged 16-30 from marginalised
PH002	Philippines: Climate Disaster Relief Efforts (donor: Askehave Climate Foundation) Under this project, BRAC provides rapid emergency response to communities affected by climate-related disasters in Bangladesh and the Philippines. In 2024 funds were used to support over 3,600 families, comprising almost 2,300 households in 2 municipalities in BARMM (Bangsamoro Autonomous Region in Muslim Mindanao), who were severely affected by El Niño-induced drought. BRAC provided seeds, farming tools, water systems and cash transfers to affected families. The project continues for one further year in 2025.
TZ006	Tanzania: Disability Inclusive Graduation (donor: Cartier Philanthropy, UBS Foundation, Whole Planet Foundation) This project is introducing disability-inclusive ultra-poor graduation programming in Tanzania through leveraging its ongoing partnership with Humanity & Inclusion and SHIVYAWATA (a national organisation of persons with disabilities). The project launched in early 2023, reaching participants in two districts of Tanzania over a period of 30 months. The project will graduate ultra-poor households out of ultra-poverty and into sustainable livelihoods, targeting 70% women and 15% persons with disabilities. The project ended in June 2025 and the fund will be closed in the next financial year.

Notes to the financial statements

For the period ended 30 June 2025

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	
	At 30 June 2025	At 31 December 2024
	£	£
More than five years	-	-
1 - 5 years	-	-
Less than one year	15,179	40,618
	15,179	40,618

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.

BRAC Europe

England & Wales - Charity number 1115482

Accounts

BRAC Europe

Trustees' Annual Report and Financial Statements

For the year ended 31 December 2024

Registered Charity: 1115482

Company number: 5802246

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Statement from the Chair of Trustees

2024 was a year of both change and progress. Firstly, we welcomed Divya Bajpai as our Executive Director in March. This was an important moment for the organisation as Divya has brought considerable experience of developing funding and advocacy partnerships across Europe and a real passion for bringing stronger southern voices to shaping international development policies and priorities.

In April, the BRAC Global Board made the decision to formally transition BRAC UK to BRAC Europe. With that decision, all European partnerships are now the responsibility of BRAC Europe, and the expectation is that the organisation will transition from a mostly UK centric approach to a truly pan-European organisation. In December 2024, the Charity Commission ratified our request to change our name to BRAC Europe.

An important aspect of my role at BRAC Europe is to represent the organisation on the Global Board, which oversees the work of all of BRAC's entities across the world. The year was certainly not without incident for our two operating entities, BRAC and BRAC International.

Colleagues in Bangladesh had to show a great deal of resilience and bravery in the face of mass protest and the violent response from the then Bangladesh Government, resulting in Sheikh Hasina's departure from the country in August 2024 and the formation of an interim Government. As we have done since 1972, BRAC will play our part in helping to shape Bangladesh's future. At BRAC Europe, we will seek to form partnerships with European stakeholders that support that future.

BRAC International continues to deliver the Accelerating Impact for Young Women (AIM) programme in seven countries across Africa, in partnership with the Mastercard Foundation. Through AIM, BRAC is equipping 1.2 million adolescent girls and young women (AGYW), with age-appropriate entrepreneurship, employability, and life-skills training, as well as the tools to start and scale their own businesses. The five-year programme applies BRAC's proven model using microfinance, youth empowerment, agriculture and skills development to improve lives and livelihoods. It currently operates in seven African countries: Sierra Leone, Liberia, Uganda, Tanzania, Rwanda, Ghana, and Kenya. So far the programme has delivered services for over 100,000 girls. In Europe, we hope to leverage the reach of this programme to secure support for additional services to strengthen the programme in areas such as supporting participants to adapt to the impacts of climate change, disability inclusion and sexual reproductive health and rights.

With an increasing volume of crises across the World due to climate change, conflict and economic inequality, at a time when political willpower and leadership on international development is under threat, BRAC's message of locally led, impactful, cost effective, large scale solutions is needed more than ever. We will play our part to ensure this message is heard loud and clear across Europe in 2025.

Ken Caldwell **Chair of Trustees**
BRAC Europe

Statement from the Executive Director

Let me start by reiterating how truly proud I am to be leading BRAC's presence in Europe. When I joined in March 2024 I described this as my dream job, and it is not hyperbole. I truly believe that BRAC's development model, with true leadership from the Global South, offers a much needed alternative, with the power being located where our work is actually taking place. It was therefore appropriate that my first week in the job was spent in Bangladesh, meeting leaders at BRAC and visiting some of the incredible work of BRAC in Rangpur, a remote district in Northern Bangladesh.

I have certainly joined BRAC at an interesting time in our evolution, as we continue our journey towards a truly global organisation. During 2024, BRAC's Executive Management Committee and Global Board set a clear vision for the types of funding partnerships that we will prioritise; Flexible, multiyear, high value and diverse partnerships which enable BRAC to deliver impact at scale, as we have done throughout our history.

Much of 2024 was about laying the groundwork to deliver on our ambitious plan to broaden and scale up our partnerships across Europe. In May, we agreed a plan to formalise BRAC UK's transition to become BRAC Europe. Since then, our team has been busy bringing that ambition to life, resulting in a more engaged and active presence in Denmark, Sweden, Norway, Germany and the UK.

We expect these activities to result in a step-change in our presence across Europe, and we have already started seeing results, with meaningful conversations taking place with partners from trusts, foundations and bilateral donors in Denmark, Sweden and Norway already resulting in a more robust fundraising pipeline, and more importantly, exciting opportunities to further scale up BRAC's work.

Our advocacy work has continued apace, with our activities in the UK prioritising the building of a strong relationship with the new Labour Government, with the ultimate expectation that they will continue to see extreme poverty, climate adaptation and locally led development as a key part of their Official Development Assistance strategy. Whilst recent policy announcements will make this more challenging we will continue to advocate for more cost-effective use of the government's ODA budget. We have also made important investments in Germany, where we aim to increase the visibility of BRAC amongst key political decision-makers and ultimately share our considerable knowledge and experience to shape development cooperation discourse.

We have made a really strong start to life as BRAC Europe and I am excited to see our efforts result in tangible results for BRAC, ultimately contributing towards our global mission to support the empowerment of 250 million people on their journey out of poverty and marginalisation.

Divya Bajpai **Executive Director**

BRAC Europe

Strategic Report

This is the 2024 Trustees' Report for BRAC Europe, a registered charity (**1115482**) and company (**5802246**).

Based in London, BRAC Europe 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 Europe 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.

BRAC Europe changed its registered name from BRAC UK in September 2024 to reflect its remit to represent BRAC across Europe.

BRAC is an international development organisation founded in Bangladesh in 1972 that partners with over 100 million people living with inequality and poverty to create opportunities to realise human potential.

Now a family of international entities, BRAC works through affiliates worldwide, including BRAC Europe, which plays a vital role in advancing BRAC's mission across European markets. BRAC Europe's office in London was founded in 2006 and is one of the four members of the BRAC Global Group alongside BRAC in Bangladesh (our global HQ), BRAC International and BRAC USA.

As an affiliate, BRAC Europe focuses on fundraising, awareness-raising, and policy influence, forging strategic partnerships to mobilise resources and advocate for solutions to extreme poverty and global challenges. For further details on BRAC Europe's role and the new affiliate agreement, please refer to the Structure, Governance and Management section of this report on page 9.

Purposes and aims

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.

BRAC's mission is to empower people and communities in situations of poverty, illiteracy, disease and social injustice. Our interventions aim to achieve large-scale positive change through economic and social programmes that enable women and men to realise their potential. BRAC sees four interconnected and reinforcing pathways to deliver on the dual goal of economic and social empowerment of people living in poverty: livelihoods and markets, financial inclusion, essential services, and agency and empowerment.

BRAC's [global strategy](#) sets out an ambitious goal to "support the empowerment of 250 million people on their journey out of poverty and marginalisation."

BRAC's Europe plays a key role in BRAC's efforts to meet that goal by forging strategic partnerships with stakeholders in Europe, in support of BRAC's programmes. We build impactful, long-term relationships with partners whether they be governments, private sector organisations, or major private donors. We also play a leading role in engaging with policymakers in Europe.

2024 activities and achievements

BRAC's work has reached over 134 million people in Bangladesh alone since 1972, profoundly impacting the lives of over 33 million people through health services, education and programmes designed to help people lift themselves out of extreme poverty. You can find out more about the work of BRAC in Bangladesh, and BRAC International, through their 2024 [annual reports](#).

BRAC Europe supported this work by raising over £16m in new programme funding from European donors, with over £150m of further potential funding in the pipeline.

BRAC Europe acted as a contract holder for the following projects in 2024:

Returning to Learning: Supporting Out-of-School Children in Bangladesh was a three-year education project (2022–2024) funded by the Hempel Foundation aimed at addressing barriers to learning and ensuring inclusive educational opportunities. Operating in Kurigram, Rangpur, and Lalmonirhat, the project 25,125 successfully reintegrated over 25,000 out-of-school and impoverished children into government schools. Under the BRAC Education Programme (BEP), 1,005 community schools (335 per year) operated during the project period, offering accelerated learning programmes to bridge educational gaps. These programmes were led by trained teachers and emphasised interactive and engaging methods to enhance learning outcomes.

In 2024, the project recorded a 99.53% transition rate of accelerated course graduates into formal education systems. Key achievements included the successful operation of all 335 targeted schools per year, supported by a follow-up mechanism to aid transitioned students and strengthen retention rates, along with the implementation of innovative, play-based learning methods in experimental schools.

The **Safe Water Development project** (funded by Danida Market Development Partnerships) focuses on inclusive and sustainable economic growth while addressing the impact of COVID-19 and supporting economic recovery in Bangladesh. A key objective is to increase income and create jobs by expanding opportunities in water treatment and distribution, leading to improved livelihoods and new employment. Additionally, the project aims to increase access to safe drinking water by providing 204,000 people with clean and affordable water. By mitigating the economic challenges caused by the pandemic, the initiative plays a crucial role in supporting Bangladesh's economic recovery and strengthening resilience in affected communities.

Over four years, the project aimed to pilot a sustainable and replicable model to improve water access, create jobs, and support environmental sustainability. The initiative was led by key partners, including Grundfos, a global leader in high-quality pump manufacturing with over 75 years of expertise in addressing water and climate challenges, and Hydro Industries, a technology

research and design company specialising in innovative wastewater and potable water solutions since 2011.

Despite market and technical challenges, the initiative identified key barriers and made progress towards aligning private sector investment with social and environmental goals. Key achievements include fruitful direct engagement of local water entrepreneurs and other key stakeholders, a regional office established by Grundfos, and the development of a unique financing product for Reverse Osmosis plants. While commercial rollouts were limited, the project generated critical insights to advance sustainable clean water access and industrial wastewater solutions.

The Climate Emergency Response project, funded by Askehave Climate Foundation, focused on two emergency responses, the Philippines Drought Emergency Response and the Bangladesh Cyclone Remal Emergency Response.

BRAC provided humanitarian assistance to communities affected by Cyclone Remal in Khulna and Bagerhat districts to ensure immediate food security and support reconstruction efforts. The project successfully assisted a total of 1,330 households, providing cash support to 1,110 households to meet immediate needs, facilitating the repair and reconstruction of 110 homes and constructing 110 new sanitary latrines, helping families rebuild their homes and restore sanitation facilities.

In response to the severe El Nino-induced drought in the Philippines, BRAC implemented emergency relief efforts to address food security and housing needs for the affected population. The project provided direct cash transfers to 800 families, ensuring they have the means to purchase necessities. To support agricultural recovery and long-term food security, BRAC has distributed seeds and farming tools to the affected families. Furthermore, water systems were installed in two communities, improving access to clean water and strengthening resilience against future droughts. A reservoir and pipeline were installed in Ampatuan (Barangay Kauran) and a solar-powered pump system was constructed in Talayan (Barangay Kedati).

The Disability Inclusive Graduation project, funded by Cartier Philanthropy, UBS Optimus Foundation and Whole Foods Market Foundation, aims to deliver socio-economic empowerment and increase the resilience of 1050 ultra-poor households (5250 people in total), including 735 householders where the project holder is a woman and 158 households where the project holder is a person with a disability (PWD). It operates in Chamwino District and Manyoni District of Tanzania using an enhanced inclusivity Graduation Approach to poverty alleviation.

Key achievements in 2024 *include* the full package of assets for 1050 households being successfully delivered. 129 participants with disabilities received accommodations such as assistive devices, home modifications, rehabilitation and psychosocial support representing 96% of the 135 person target. 158 caregivers received psychosocial training to equip them with essential skills for providing effective support to persons with disabilities in their communities.

Youth and Skills in the Philippines - Through improved financial literacy, marketing support, and stakeholder partnerships, the **Youth Empowerment Project (YEP)**, supported by Signify

Foundation, has significantly contributed to the economic empowerment and employment opportunities of adolescent Girls and Young Women (AGYW) in Talayan and Upi. By equipping 50 trained participants with marketable technical skills, the project has enhanced their ability to generate income while expanding access to solar installation and maintenance services within their communities.

Additionally, several barangays have officially adopted the trained AGYW technicians as on-call service providers, ensuring consistent employment and local recognition for their valuable skills. Between August 2022 and January 2025 in total, 5,282 households were reached by AGYW trained in solar and lighting services. Furthermore, 84% of trainees transitioned to employment after training and 84% of trainees earn an average monthly income of at least 5,000 Philippine pesos (approximately £70).

In 2023 BRAC Europe (then BRAC UK) identified four future priorities. Below is a summary of our activities and achievements under each heading.

Securing high-value / multi-year funding

In 2024 BRAC's Executive Management Committee, endorsed by the Global Board, made the decision to prioritise high value, long term, flexible funding partnerships over smaller, competitive funding mechanisms. As a result, BRAC Europe has prioritised the cultivation of relationships with organisations capable of funding and taking part in such partnerships. As referenced in the Executive Director's statement, we have already made significant progress, particularly within Denmark and Sweden, and we look forward to building more such partnerships to realise our goal of providing 250 million people with holistic solutions to achieve their own social and economic empowerment, by 2030.'

Progressing the major donor programme

This year we were immensely proud to have Bengali journalist and broadcaster Reshmin Chowdhury deliver our BBC Radio 4 Appeal to tell the inspiring story of a woman named Shahinur who was able to grow her own businesses and build a brighter future for her family. The appeal was broadcast live on BBC Radio 4 to millions of listeners across the UK and beyond. Our appeal highlighted the plight of women and their families in Bangladesh who are losing their homes to extreme flooding and storm events. We are deeply grateful to everyone who kindly donated to our appeal.

Advocating on extreme poverty and climate change

BRAC Europe continued our advocacy activities in the UK, building on the achievements of 2023 and the launch of the UK Government's White Paper on International Development which prioritised extreme poverty and climate change. Our primary advocacy target was the Labour Party, who we expected to win an election, which they did in July. We prioritised building relationships with Labour Party politicians and Members, attending the Labour Party Conference in Liverpool and meeting 15 Members of Parliament in 2024.

We also launched our engagement plan in Germany, which aims to increase BRAC's visibility amongst key stakeholders within the German government. As a result, we met with 20 political stakeholders, Civil Servants and Civil Society Organisations. The unexpectedly early announcement of a German election in early 2025 resulted in a slower-than-anticipated end to the year, but a busy 2025 awaits.

Increasing visibility in Europe amongst target audiences

Our media engagement activities and partnerships in Denmark and Germany resulted in our first significant coverage outside of the UK, including our first ever interviews with Danish and German journalists. We arranged a visit to Bangladesh for the journalist Tom Parry, who wrote two pieces highlighting elements of BRAC's work which were published in the Daily Telegraph in January 2025. Separately, as noted above, BBC Radio 4 broadcast an appeal for BRAC which focused on extreme poverty and the impacts of climate change on people living in coastal areas of Bangladesh.

Future plans

BRAC's Global Strategy 2030 framework forms the basis of BRAC's ambitious plans for 2025. Specifically, BRAC and BRAC International prioritise four interconnected and reinforcing pathways to deliver on the dual goal of economic and social empowerment of people living in poverty: livelihoods and markets, financial inclusion, essential services, and agency and empowerment.

Under livelihoods and markets, the aim is to remove barriers to economic inclusion for people in poverty, informal workers, those affected by climate change and displacement, as well as women and youth. Meanwhile, the financial inclusion strategy seeks to enable financial resilience by expanding tailored financial services to marginalised groups, especially women in under-served areas, through community engagement, simple and scalable product offerings, and the use of technology to enhance access to microfinance services.

Complementing these economic strategies, BRAC's essential services and agency and empowerment initiatives focus on the broader spectrum of human development and rights. The essential services component aims to extend quality healthcare, nutrition, clean water, sanitation and education to the most marginalised, including refugees, displaced people, and vulnerable children. Concurrently, the agency and empowerment strategy is designed to bolster the capacity of the poorest, particularly women, youth and the forcibly displaced, to exercise their agency, challenge harmful social norms and influence policy.

At BRAC Europe 2025 will see the continuation of our transformation from an organisation primarily focused on the UK to a truly pan-European organisation with colleagues and representatives in key markets including Sweden, Denmark, Norway and Germany. BRAC Europe's next financial reporting period will cover the six months from January to June 2025, as we align our financial years with other BRAC entities, and in this six month period we will prioritise the following investments and activities:

Establishing our Nordics Cluster

Our primary goal is to establish a robust presence in the Nordics, particularly focusing on building private sector and bilateral partnerships in Denmark and Sweden during 2025. Our presence there will include permanent staff in both Denmark and Sweden.

Visibility and Strategic Engagement in Central Europe

The German elections took place in March 2025, so BRAC Europe is deploying a focused and strategic approach in Central Europe. We will continue to work with our external affairs partner, Seebohm.Berlin, to increase awareness and understanding of BRAC amongst Germany's political decision makers. We plan to assess market conditions later in 2025 once the new German Government has been fully established, to determine our next steps.

BRAC Europe will also assess potential investments in representation in Brussels, to support our fundraising and advocacy efforts within the European Commission.

Pan-European Communications and Brand Awareness

To elevate our presence across Europe and support our 2025 priorities, we will invest in targeted media engagement, a new website, a digital marketing strategy and external support to help us interpret and implement the BRAC brand in Europe, a region with multiple cultures and languages.

Philanthropy: Relaunching Our Approach

We are excited to relaunch our philanthropic fundraising strategy in collaboration with BRAC USA. This unified approach will facilitate a global strategy for individual giving from high-net-worth individuals, allowing us to share resources and contacts across our locations.

Annual Report of the Board of Trustees

The Trustees present their report and audited financial statements for BRAC Europe, a registered charity (**1115482**) and company (**5802246**), for the year ended 31 December 2024. Reference and administrative information set out on page 18 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 2025).

Structure, governance and management

i. Structure and constitution

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.

ii. Governance

BRAC Europe 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. They then undertake the selection and appointment of new trustees to the board. The appointment of Trustees is made on the basis of a vote of the Board. All Trustees are inducted in BRAC Europe's projects and procedures. When possible, BRAC Europe Trustees are also urged to visit BRAC 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 7 to the accounts.

BRAC Europe has three formal Board committees, with terms of reference approved by the Board.

- Finance, Audit, and Risk;
- Board and Organisational Development; and
- Remuneration.

Members of the Board of Trustees provide additional support to staff through different advisory committees on Fundraising, and on Advocacy and Communications. BRAC Europe also has lead Trustees to guide oversight of safeguarding and human resources policies and practices.

iii. Global governance

BRAC Europe is part of the wider BRAC global family of organisations. Whilst BRAC Europe is an independent, self-governing organisation it is closely integrated into the BRAC global family and devotes its support to raising funding for projects implemented by BRAC (in Bangladesh) and BRAC International, and for policy advocacy in line with BRAC's global advocacy priorities. BRAC Europe staff cooperate closely with BRAC and BRAC International staff to agree priorities for these activities.

The BRAC global family of organisations comprises:

- BRAC and BRAC International (operating entities);
- **BRAC Europe** and BRAC USA (affiliate entities); and
- BRAC Global (global governance entity).

In December 2020 BRAC Europe (then BRAC UK), together with BRAC, BRAC International and BRAC USA, signed a *Global Compact* to create the BRAC Global Board (BRAC Global). The Global 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 Europe nominated its Chair of Trustees, Ken Caldwell, to sit on this Board.

In April 2024 BRAC Europe, together with BRAC, BRAC International and BRAC USA, signed an *Affiliate Agreement* to set out the financial model and decision-making processes for funding the affiliate entities. Under the Affiliate Agreement there is an annual Memorandum of Understanding signed between BRAC and BRAC Europe which defines the funding support that will be provided towards the core operating costs of BRAC Europe.

The Affiliate Agreement includes a *Trade Mark Licence Agreement* that defines the parameters for use of the BRAC brand by BRAC Europe in European territories.

iv. Management

The Executive Director reports to the Chair of Trustees and is responsible for the day-to-day management of the organisation. In 2024 the staff management team that reported to the Executive Director consisted of the Deputy Executive Director and Director of Partnerships, the Director of Communications and External Engagement, and the Director of Finance and Operations. Key decisions, such as approving the organisational strategy, annual budget and appointment of the Executive Director are made by the Trustees. The Executive Director 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 Europe's Annual Plans.

v. Remuneration policy

The Remuneration Committee oversees the overall remuneration policies of BRAC Europe and agrees the remuneration of the Executive Director and management team.

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.

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 2023, BRAC employed more than 100,000 people in 11 countries, with a total global expenditure of over \$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 which is 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 Europe 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 Europe 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 2016.

BRAC Europe 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 Europe does not use professional fundraisers or involve commercial participators. Any email newsletters with fundraising calls to action have a clearly marked method of unsubscribing. Any member of the public who unsubscribes is automatically removed from BRAC Europe's subscription list. There have been no complaints about our fundraising activities in 2024. BRAC Europe 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. Our fundraising team is also sensitive to indications that an individual considering a donation may be in vulnerable circumstances, such as physical or mental conditions, financial stress, or where English is not their first language, which may impair their capacity to make an informed decision. If we consider that an individual lacks the capacity to make an informed decision we will either not accept, or return, their donation, and update our database accordingly.

Financial Review

i. Financial results for 2024 and closing reserves

As explained in the 2023 Trustees Annual Report, as part of the transition to OneBRAC the way in which BRAC Europe is funded is changing. Whilst BRAC Europe continues to fundraise grants for projects on behalf of BRAC and BRAC International, from 2024 the majority of new grants are entered into directly between the grantor and BRAC or BRAC International rather than with BRAC Europe. BRAC Europe staff and overheads are no longer charged to restricted funds on such grants. Instead, BRAC and BRAC International are increasing the level of direct financial support to BRAC Europe to ensure BRAC Europe's operating costs remain fully funded, and that BRAC Europe continues to meet its reserves target. BRAC Europe will continue to seek unrestricted donations in order to reduce the level of support required from BRAC and BRAC International. These changes were formally adopted in 2024 under a new Affiliate Agreement entered into by BRAC Europe along with the other BRAC global family of organisations (see also section g(iii) below).

2024 therefore marks a year of transition as BRAC Europe moves to the new model, and this can be seen in the financial results for the year.

Total income in 2024 was £3.4m (2023: £2.3m). There are three principal sources of income:

- Grants from governments, trusts and foundations to fund specific projects (restricted funding). Total income from these sources was £1.7m (2023: £1.6m). Although grant income was broadly the same as the previous year the general trend over recent years is downward, reflecting the fact that most new grants are entered into directly between the grantor and BRAC or BRAC International;
- Funding from BRAC to support BRAC Europe's fundraising, communications and advocacy work in Europe (unrestricted funding). This increased from £0.6m in 2023 to £1.6m in 2024, as agreed between BRAC Europe and BRAC at the start of 2024;
- Donations from individuals and corporate bodies (unrestricted funding). Income from donations was £0.1m (2023: £0.1m).

Total expenditure in 2024 was £3.0m (2023: £3.5m). Expenditure falls into two main categories:

- Direct costs of delivering projects, principally as grant disbursements to BRAC and BRAC International (restricted funding expenditure). In line with the change in funding model direct project expenditure fell to £1.7m (2023: £2.4m) as the number of grants between the grantor and BRAC Europe reduces;
- Costs of fundraising, communications and advocacy work in Europe, and associated governance and overheads (unrestricted fund expenditure). These costs were £1.3m (2023: £1.0m) reflecting greater investment in BRAC Europe resources to help deliver its new European strategy.

The overall financial result for 2024 was a surplus on the unrestricted fund of £0.4m (2023: deficit of £0.3m), increasing the size of the unrestricted reserve to £0.9m as at 31 December 2024. This exceeds the target range of £0.45m to £0.55m set with reference to the reserves policy (see below). Management plans to utilise the excess reserves in 2025 to continue to invest in BRAC Europe's resources in target markets.

There was a small surplus across restricted funds of £30,000 (2023: surplus £8,000), and the closing aggregate balance on restricted funds was £38,000. With the shift towards new grants now generally being directly between the grantor and BRAC or BRAC International the number and aggregate value of restricted funds has reduced significantly over the last two years.

The Trustees have decided to amend the presentation of the Statement of Financial Activities (part of the financial statements) this year to provide readers with a better understanding of how BRAC Europe uses its financial resources to deliver its key objectives and activities. In previous years income and expenditure on charitable activities was analysed by programme country to reflect the level of resources raised and spent with each programme country. In light of the changes to BRAC Europe's remit and funding model described in this report the Trustees now consider that a more helpful presentation is to analyse income on charitable activities between

programme grants and funding received from BRAC, and to analyse expenditure in line with our core activities (grant disbursements, programme support, and advocacy and communications).

ii. Going concern

The Trustees have reviewed BRAC Europe's latest financial plans and have concluded that the level of reserves and actions proposed by management are sufficient to create a reasonable expectation that BRAC Europe has adequate resources to continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

iii. Reserves policy

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

- to fund unexpected expenditure, e.g. if projects overrun, or in response to unforeseen events;
- to fund shortfalls in reserves if expected levels are not reached; and
- to fund working capital.

Taking these into account, the Trustees set a target level for unrestricted reserves. The target balances the need to apply funds to BRAC Europe's mission in the furtherance of our charitable objectives whilst ensuring there are sufficient funds to run our day-to-day business and to protect from the risk of unanticipated events. The target is reviewed at least annually to ensure it remains relevant to the realities of current operations and their associated risks. At the end of 2024 the Trustees determined that the target reserves level should be in a range of £0.45m to £0.55m. The actual unrestricted reserves at year end stood at £0.95m (2023: £0.53m), and free reserves (excluding fixed assets) were £0.94m (2023: £0.51m).

BRAC Europe also holds restricted reserves, representing funds received for specific project work. At the end of 2024 restricted funds held were £38,000 (2023: £8,000). These funds will be disbursed in 2025 in line with donor restrictions.

iv. Investments policy

BRAC Europe's investments policy forms part of the Treasury Management policy, which is approved by the Board of Trustees. In accordance with the Reserves policy BRAC Europe does not anticipate holding a significant level of funds which are surplus to short-term requirements and available for investment. In general cash is held in an instant access business current account with a bank. From time to time there may be opportunities to invest surplus funds in order to realise a higher return. In such cases BRAC Europe's policy is to invest cash in fixed term deposits of up to six months with financial institutions whose credit rating exceeds a minimum threshold.

v. Change of accounting period from 1 January 2025

In 2025 BRAC Europe will change its financial period from 31 December to 30 June. This will take effect from 30 June 2025, meaning that in 2025 BRAC Europe will publish a Trustees' Report and Financial Statements for the six months from 1 January to 30 June 2025. Following this the next Trustees' Report and Financial Statements will be for the year from 1 July 2025 to 30 June 2026.

The reason for changing the financial period end is to align BRAC Europe's financial periods with the other entities in the BRAC global family of organisations.

Risk management

The BRAC Europe Board identifies the key risks facing the organisation, which are documented in a risk register and 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 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.

The Trustees consider the following risks to be significant in terms of their potential impact on operations:

- *Trends in the political environment in our target markets in Europe, and changes in donor thematic priorities, over the next 3-5 years impede our ability to fundraise or influence policy change with governments.* One such example is the UK Government's announcement in February 2025 of a cut in the overseas aid budget from 0.5% of Gross National Income to 0.3% by 2027 which is expected to reduce the number of new funding opportunities. BRAC Europe mitigates this risk through seeking to diversify its income across a range of European governments, charitable trusts and foundations, and private individuals.
- *Changes in the charity regulatory environment in Bangladesh affect BRAC's ability to deliver its mission globally.* 2024 witnessed significant political changes in Bangladesh. Under the new interim administration, BRAC has successfully continued to deliver its charitable mission both there and around the world. As Bangladesh's new political context takes shape in the coming year BRAC Europe will liaise with BRAC colleagues to understand any implications for the organisation globally.
- *An adverse event such as a safeguarding incident or case of financial malpractice occurring in BRAC globally damages BRAC's reputation with donors and policy-makers.* Such reputational damage to BRAC would potentially harm BRAC Europe's ability to raise new funding or achieve its policy advocacy objectives. This risk is mitigated through ensuring that

appropriate policies, processes and cultures are embedded across all BRAC entities, overseen by the global BRAC governance framework which includes BRAC Europe.

- *The safety and wellbeing of a member of staff is compromised whilst travelling on BRAC Europe business.* BRAC Europe staff travel to locations where, for example, healthcare facilities or road safety standards increase the risks to their personal safety and wellbeing. BRAC Europe addresses this through measures such as regular monitoring of security alerts and travel advisories, ensuring staff receive adequate training and briefings before travel, observance of communication protocols with the BRAC Europe office, and having suitable travel insurance.
- *BRAC Europe suffers financial loss or disruption to activities as a result of fraud or cybercrime.* Fraud and cybercrime risk continues to be high for all organisations, with the 2024 Charity Fraud Survey finding that 42% of respondents had experienced actual or attempted fraud in the preceding 12 months. BRAC Europe seeks to protect itself from such incidents through a combination of robust IT and internal controls (BRAC Europe is Cyber Essentials Plus accredited), organisational policies on areas including fraud, procurement and IT, and staff training to build awareness of good practice.

Statement of the responsibilities of trustees

The Trustees (who are also directors of BRAC Europe 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.

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.

This report has been prepared in accordance with the duty set out in the Charities Act 2006.

Approved by the Trustees on 28 July 2025 and signed on their behalf by

Ken Caldwell

Director and Trustee (Chair)

Administrative details

Address

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Trustees

Ken Caldwell (Chair of Trustees)

Anne-Marie Harris (Treasurer, appointed as Treasurer 29 July 2024)

Felicia Meyerowitz (Treasurer, resigned 29 July 2024)

Charles Costa Duarte

Shanthi Flynn

Göran Holmqvist (appointed 1 January 2025)

Jack Lundie

Deepali Sood

Principal staff

Divya Bajpai (Executive Director) (appointed 2 March 2024)

Gulru Dodkhudoeva (Deputy Executive Director and Director of Partnerships)

Chris Lyne (Director of Communications and External Engagement)

Giles Totterdell (Director of Finance and Operations)

Bankers

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

Solicitors

Bates Wells LLP, 10 Queen Street Place, London, EC4R 1BE

Auditor

Sayer Vincent LLP, Chartered Accountants and Statutory Auditor, 110 Golden Lane, London, EC1Y 0TG

Independent Auditor's Report to the Members of BRAC Europe

Opinion

We have audited the financial statements of BRAC Europe (the 'charitable company') for the year ended 31 December 2024 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 2024 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 Europe'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.

Noelia Serrano (Senior statutory auditor)

29 July 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

BRAC Europe

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

For the year ended 31 December 2024

	Note	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Income from:							
Donations and legacies	2	84,952	5,249	90,201	121,347	1,308	122,655
Charitable activities							
BRAC core support	3	1,595,518	-	1,595,518	600,000	-	600,000
Grants	3	-	1,707,245	1,707,245	-	1,599,876	1,599,876
Other income		12,436	-	12,436	15,336	-	15,336
Total income		1,692,906	1,712,494	3,405,400	736,683	1,601,184	2,337,867
Expenditure on:							
Raising funds	4	332,879	-	332,879	240,628	-	240,628
Charitable activities							
Programme support	4	522,870	152,055	674,925	525,398	201,557	726,955
Grant disbursements	4	-	1,530,360	1,530,360	-	2,218,222	2,218,222
Advocacy and communications	4	414,584	-	414,584	274,379	-	274,379
Total expenditure		1,270,333	1,682,415	2,952,748	1,040,406	2,419,779	3,460,185
Net income / (expenditure) for the year and Net movement in funds		422,573	30,079	452,652	(303,721)	(818,596)	(1,122,317)
Reconciliation of funds:							
Total funds brought forward		526,094	7,960	534,054	829,815	826,556	1,656,371
Total funds carried forward		948,667	38,039	986,706	526,094	7,960	534,054

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.

Subheadings used to categorise income and expenditure have been revised in 2024 to provide readers with a better understanding of how BRAC Europe uses its financial resources to deliver its key objectives and activities. Figures for 2023 have been restated in line with the new subheadings.

BRAC Europe**Balance sheet**

Company no. 5802246

As at 31 December 2024

	Note	£	2024 £	£	2023 £
Fixed assets:					
Tangible assets	11		11,759		14,315
			11,759		14,315
Current assets:					
Debtors	12	846,157		38,602	
Cash at bank and in hand		468,279		894,960	
		1,314,436		933,562	
Liabilities:					
Creditors: amounts falling due within one year	13	339,489		413,823	
Net current assets			974,947		519,739
Total net assets			986,706		534,054
The funds of the charity:	15				
Restricted income funds			38,039		7,960
Unrestricted income funds:					
General funds		948,667		526,094	
Total unrestricted funds			948,667		526,094
Total charity funds			986,706		534,054

Approved by the trustees on 28 July 2025 and signed on their behalf by

Ken Caldwell
ChairAnne-Marie Harris
Trustee

Statement of cash flows

For the period ended 31 December 2024

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2024 £	2023 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	452,652	(1,122,317)
Depreciation charges	8,467	7,911
Dividends, interest and rent from investments	(12,018)	(7,990)
Loss on disposal of fixed assets	-	52
(Increase)/decrease in debtors	(807,555)	252,849
(Decrease) in creditors	(74,334)	(544,292)
Net cash (used in) operating activities	(432,788)	(1,413,788)

	2024 £	£	2023 £	£
Cash flows from operating activities				
Net cash (used in) operating activities		(432,788)		(1,413,788)
Cash flows from investing activities:				
Dividends, interest and rents from investments	12,018		7,990	
Purchase of fixed assets	(5,911)		(370)	
Net cash provided by investing activities		6,107		7,620
Change in cash and cash equivalents in the year		(426,681)		(1,406,168)
Cash and cash equivalents at the beginning of the year		894,960		2,301,128
Cash and cash equivalents at the end of the year		468,279		894,960

Notes to the financial statements

For the period ended 31 December 2024

1 Accounting policies**a) Statutory information**

BRAC Europe 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 reviewed BRAC Europe's financial forecasts for the 12 months from the date on which the accounts were signed, and conducted sensitivity analysis to assess the impact of key risks including inflation and delays in the timing of receipt of funding. They have concluded that even on a prudent 'low case' set of assumptions BRAC Europe would maintain sufficient unrestricted reserves and liquidity to be able to operate until at least the end of this period.

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) 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.

g) 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

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

h) 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.

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

- Raising funds	28%
- Programme support	48%
- Advocacy & Communications	24%

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 2024

1 Accounting policies (continued)**i) Operating leases**

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

j) 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:

- Fixtures and Fittings	25%
- Computer Equipment	25%
- Leasehold Improvements	25%
- Website	25%

k) 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.

l) 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.

m) 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.

n) Pensions

BRAC Europe deals with its pension arrangements through a NEST money purchase pension scheme. Staff are enrolled in the NEST scheme from the commencement of their employment. BRAC Europe matches staff contributions up to a maximum 6% of gross salary per annum.

o) 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	2024 Total	Unrestricted	Restricted	2023 Total
	£	£	£	£	£	£
Individual Donations	48,140	5,249	53,389	65,947	1,308	67,255
Corporate Donations	36,812	-	36,812	55,400	-	55,400
	84,952	5,249	90,201	121,347	1,308	122,655

Notes to the financial statements

For the period ended 31 December 2024

3 Income from charitable activities

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
BRAC core support for charitable activities	1,595,518	-	1,595,518	600,000	-	600,000
Grant income						
Askehave Climate Foundation	-	166,619	166,619	-	347,073	347,073
Danida Danish Market Development Partnerships (DMDP)	-	(66,587)	(66,587)	-	230,152	230,152
Foreign & Commonwealth Development Office (FCDO)	-	-	-	-	75,129	75,129
German Toilet Organization	-	2,006	2,006	-	3,990	3,990
Hempel Foundation	-	591,217	591,217	-	525,506	525,506
IKEA Foundation	-	(1,525)	(1,525)	-	216,706	216,706
Signify Foundation	-	-	-	-	9,583	9,583
Shepherds Bush Mosque	-	2,000	2,000	-	-	-
UBS Optimus Foundation	-	-	-	-	51,501	51,501
Subtotal - grants for charitable activities in Bangladesh	-	693,730	693,730	-	1,459,640	1,459,640
Signify Foundation	-	23,754	23,754	-	48,954	48,954
Askehave Foundation	-	208,690	208,690	-	-	-
Subtotal - grants for charitable activities in The Philippines	-	232,444	232,444	-	48,954	48,954
Cartier Philanthropy	-	710,065	710,065	-	-	-
Danida DMDP	-	-	-	-	(26,912)	(26,912)
UBS Optimus Foundation	-	71,006	71,006	-	-	-
Whole Planet Foundation	-	-	-	-	118,194	118,194
Subtotal - grants for charitable activities in Tanzania	-	781,071	781,071	-	91,282	91,282
Total grant income	-	1,707,245	1,707,245	-	1,599,876	1,599,876
Total income from charitable activities	1,595,518	1,707,245	3,302,763	600,000	1,599,876	2,199,876

Note: Negative income for the DMDP project in Bangladesh is due to an accrual for the return of unspent donor funds on completion of the project at the end of 2024. These funds were recognised as income in a previous accounting period. Negative income for the IKEA Foundation project in Bangladesh is due to foreign exchange movements on an accrual for the return of unspent donor funds on completion of the project during 2024.

Notes to the financial statements

For the period ended 31 December 2024

4a Analysis of expenditure (current year)

	Charitable activities						2024 Total £
	Cost of raising funds £	Programme support £	Grant disbursements £	Advocacy and communications £	Governance costs £	Support costs £	
Staff costs (note 7)	156,655	264,813	-	133,971	118,298	190,214	863,951
Staff training and recruitment (note 7)	664	1,122	-	14,279	5,170	19,456	40,691
Consultants	-	82,016	-	79,779	8,774	19,807	190,376
Grants payments (note 5)	-	-	1,530,360	-	-	-	1,530,360
Travel	12,357	26,257	-	19,442	7,044	411	65,511
Office management	8,050	13,583	-	17,019	15,194	119,864	173,710
Fundraising and events	1,329	1,257	-	18,544	-	-	21,130
Audit & legal fees	-	32,236	-	-	27,146	-	59,382
Foreign exchange (gains) / losses	-	(6,388)	-	-	-	14,025	7,637
	179,055	414,896	1,530,360	283,034	181,626	363,777	2,952,748
Governance costs	51,225	86,593	-	43,808	(181,626)	-	-
Support costs	102,599	173,436	-	87,742		(363,777)	-
	153,824	260,029	-	131,550			-
Total expenditure 2024	332,879	674,925	1,530,360	414,584	-	-	2,952,748

Notes to the financial statements

For the period ended 31 December 2024

4b Analysis of expenditure (prior year - restated)

	Charitable activities						2023 Total £
	Cost of raising funds £	Programme support £	Grant disbursements £	Advocacy and communications £	Governance costs £	Support costs £	
Staff costs (note 7)	119,354	385,053	-	110,622	73,153	65,830	754,012
Staff training and recruitment (note 7)	10,839	34,968	-	2,620	38,844	12,080	99,351
Consultants	-	24,428	-	25,535	-	15,945	65,908
Grants payments (note 5)	-	-	2,218,222	-	-	-	2,218,222
Travel	5,548	30,356	-	10,487	16,613	10,352	73,356
Office management	2,097	6,764	-	12,666	5,953	116,634	144,114
Fundraising and events	2,075	3,962	-	19,102	-	-	25,139
Audit & legal fees	-	15,600	-	-	27,079	-	42,679
Foreign exchange (gains) / losses	-	(99,098)	-	-	-	136,502	37,404
	139,913	402,033	2,218,222	181,032	161,642	357,343	3,460,185
Governance costs	31,369	101,200	-	29,074	(161,642)	-	-
Support costs	69,347	223,723	-	64,273		(357,343)	-
	100,715	324,922	-	93,347	-	-	
Total expenditure 2023	240,628	726,955	2,218,222	274,379	-	-	3,460,185

Note: Prior year figures have been restated in line with the revised sub-headings used for charitable activity expenditure in the SOFA.

Notes to the financial statements

For the period ended 31 December 2024

5 Grant-making

	2024 Grants to institutions £	2023 Grants to institutions £
BRAC Bangladesh	448,953	1,921,524
BRAC International	446,084	121,475
BRAC Tanzania	635,323	175,223
	<u>1,530,360</u>	<u>2,218,222</u>

6 Net incoming resources for the year

This is stated after charging:

	2024 £	2023 £
Depreciation	8,467	7,911
Operating lease rentals:		
Property	52,458	52,093
Auditor's remuneration, excluding VAT :		
Audit of BRAC Europe accounts	10,500	10,000
External audit of project funds	26,863	13,000
Other auditor costs	2,255	-
	<u>2,255</u>	<u>-</u>

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

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	743,383	656,145
Social security costs (National insurance)	78,674	64,575
Employer's contribution to defined contribution pension schemes	41,894	33,292
Other staff costs	40,691	99,351
	<u>904,642</u>	<u>853,363</u>

Note: 'Other staff costs' have been restated for 2023 to remove some consultants fees from this note.

	2024 No.	2023 No.
£60,000 - £69,999	1	1
£70,000 - £79,999	1	-
£80,000 - £89,999	2	-
£90,000 - £99,999	-	-
£100,000 - £109,999	-	-
£110,000 - £119,999	-	-
£120,000 - £129,999	-	1
	<u>-</u>	<u>1</u>

The total employee benefits including pension contributions of the key management personnel were £366,884 (2023: £346,577).

There were no ex-gratia termination payments made to staff in 2024 (2023: £25,000 to one member of staff). Termination payments are recognised in full in the accounting period in which they fall due.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £5,122 incurred by six members in 2024 (2023: £6,175, seven members) relating to attendance at meetings of the trustees and attendance at BRAC governance meetings in Bangladesh.

Notes to the financial statements

For the period ended 31 December 2024

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 15.0 (2023: 13.7). The average number of staff on the FTE basis is as follows:

	2024 No.	2023 No.
Raising funds	2.3	1.8
Programme support	5.1	7.4
Advocacy and communications	2.3	2.4
Governance	1.4	0.9
Support	3.0	0.8
	14.1	13.3

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 £1,595,518 from BRAC and BRAC International during 2024 (2023: £600,000).

The funding was received to enable BRAC Europe to conduct activities including fundraising, advocacy, and raising of BRAC's profile in Europe, in furtherance of BRAC's charitable purposes and has been included in the financial statements under incoming resources from charitable activities.

In addition to this, from time to time BRAC Europe pays suppliers on behalf of other BRAC entities (BRAC, BRAC International, BRAC USA, and BRAC Global), and is reimbursed in full by those entities, and from time to time those entities pay suppliers on behalf of BRAC Europe and are reimbursed in full by BRAC Europe. As at 31 December 2024 BRAC Europe was owed £571,358 by BRAC and £259 by BRAC Global, and BRAC Europe owed BRAC £1,691.

There were no donations received from Trustees (2023: £nil).

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	13,834	4,164	12,455	4,000	34,453
Additions in year	-	-	3,561	2,350.00	5,911
Disposals in year	-	-	(800)	-	(800)
At the end of the year	13,834	4,164	15,216	6,350	39,564
Depreciation					
At the start of the year	8,175	2,863	7,600	1,500	20,138
Disposals in year	-	-	(800)	-	(800)
Charge for the year	3,459	708	3,140	1,160	8,467
At the end of the year	11,634	3,571	9,940	2,660	27,805
Net book value					
At the end of the year	2,200	593	5,276	3,690	11,759
At the start of the year	5,659	1,301	4,855	2,500	14,315

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the period ended 31 December 2024

12 Debtors

	2024 £	2023 £
Trade debtors	574,764	13,618
Other debtors	12,150	-
Prepayments	30,724	21,392
Accrued income	228,519	3,592
	846,157	38,602

13 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	21,964	16,180
Taxation and social security	21,664	19,591
Accruals	295,861	378,052
	339,489	413,823

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

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	11,759	-	11,759
Net current assets	936,908	38,039	974,947
Net assets at the end of the year	948,667	38,039	986,706

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

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	14,315	-	14,315
Net current assets	511,779	7,960	519,739
Net assets at the end of the year	526,094	7,960	534,054

Notes to the financial statements

For the period ended 31 December 2024

15a Movements in funds (current year)

		At 1 January 2024 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2024 £
Restricted funds:						
BD010	Bangladesh: Rohingya crisis (individual donations)	(443)	250	193	-	-
BD012	Bangladesh: Youth in Retail (donor: IKEA Foundation/UBS Foundation)	-	(1,525)	1,525	-	-
BD018	Bangladesh: Safe Water Development (donor: Danida)	26,869	(66,587)	39,718	-	-
BD020	Bangladesh: Education (donor: Hempel Foundation)	(19,669)	591,217	(571,558)	-	(10)
BD026	Bangladesh: Climate Disaster Relief Efforts (donor: Askehave Climate Foundation)	3,617	166,619	(170,236)	-	-
BD027	Bangladesh: The Humanitarian Sanitation Knowledge Hub (SANIHUB) (donor: German Toilet Organisation)	(196)	2,006	(1,810)	-	-
BD028	Bangladesh: Flood Support (donor: Shepherds Bush Mosque)	-	2,000	(2,000)	-	-
BD029	Bangladesh: BBC Radio 4 Appeal (individual donations)	-	4,999	(4,999)	-	-
PH001	Philippines: Youth Skills (donor: Signify Foundation)	956	23,754	(24,710)	-	-
PH002	Philippines: Climate Disaster Relief Efforts (donor: Askehave Climate Foundation)	-	208,690	(208,690)	-	-
TZ006	Tanzania: Disability Inclusive Ultra-Poor Graduation (donor: Cartier Philanthropy, UBS Foundation, Whole Planet Foundation)	(3,174)	781,071	(739,848)	-	38,049
Total restricted funds		7,960	1,712,494	(1,682,415)	-	38,039
Unrestricted funds:						
General funds		526,094	1,692,906	(1,270,333)	-	948,667
Total unrestricted funds		526,094	1,692,906	(1,270,333)	-	948,667
Total funds		534,054	3,405,400	(2,952,748)	-	986,706

Note: For explanation of the negative income for BD018 and BD020, see Note 3. The negative fund balance for BD020 is due to foreign exchange revaluation of previously accrued costs and will be cleared on completion of the project in 2025

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. The bank balances are held in BRAC Europe's accounts in the home currency of GBP and revalued on a monthly basis, and transactions are converted to GBP 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 restricted fund to which they relate.

Notes to the financial statements

For the period ended 31 December 2024

15b Movements in funds (prior year)

		At 1 January 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 1 January 2024 £
Restricted funds:						
BD010	Bangladesh: Rohingya crisis (individual donations)	-	1,308	(1,751)	-	(443)
BD012	Bangladesh: Youth in Retail (donor: IKEA Foundation/UBS Foundation)	623,434	268,207	(891,641)	-	-
BD018	Bangladesh: Safe Water Development (donor: Danida)	5,699	230,152	(208,982)	-	26,869
BD020	Bangladesh: Education (donor: Hempel Foundation)	(7,142)	525,506	(538,033)	-	(19,669)
BD021	Bangladesh: Relive 2 (donor: Vitof Foundation)	1,624	-	(1,624)	-	-
BD023	Bangladesh: Supporting North-East Flood Affected Households to ensure Food Security through Cash Transfer (donor: UBS Foundation)	(1,899)	-	1,899	-	-
BD025	Bangladesh: Donation of lights to BRAC schools in Kurigram (donor: Signify Foundation)	-	9,583	(9,583)	-	-
BD026	Bangladesh: Climate Disaster Relief Efforts (donor: Askehave Climate Foundation)	-	347,073	(343,456)	-	3,617
BD027	Bangladesh: The Humanitarian Sanitation Knowledge Hub (SANIHUB) (donor: German Toilet Organisation)	-	3,990	(4,186)	-	(196)
BDO12	Bangladesh: Disability Inclusive Development (donor: FCDO)	-	75,129	(75,129)	-	-
PH001	Philippines: Youth Skills (donor: Signify Foundation)	1,961	48,954	(49,959)	-	956
TZ001	Tanzania: WE SOLVE (donor: Danida)	51,972	(26,912)	(25,060)	-	-
TZ002	Tanzania: WE SOLVE (donor: Signify Foundation)	(3,319)	-	3,319	-	-
TZ005	Tanzania: Early Childhood Development (ECD) (donor: Vitof Foundation)	80,072	-	(80,072)	-	-
TZ006	Tanzania: Disability Inclusive Ultra-Poor Graduation (donor: Cartier Philanthropy, UBS Foundation, Whole Planet Foundation)	75,071	118,194	(196,439)	-	(3,174)
UG008	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: Medicor Foundation)	827	-	(827)	-	-
UG012	Uganda: Digital Health (donor: Global Innovation Fund)	(1,744)	-	1,744	-	-
Total restricted funds		826,556	1,601,184	(2,419,780)	-	7,960
Unrestricted funds:						
General funds		829,815	736,683	(1,040,404)	-	526,094
Total unrestricted funds		829,815	736,683	(1,040,404)	-	526,094
Total funds		1,656,371	2,337,867	(3,460,184)	-	534,054

Notes to the financial statements

For the period ended 31 December 2024

Purposes of restricted funds

BD010	Bangladesh: Rohingya crisis (individual donations) Alongside the projects that were funded through partnerships with like minded organisations, BRAC Europe also receives some restricted donations from members of the public for specific campaigns. In 2024 we received donations for our work in responding to the Rohingya Crisis in Bangladesh. As at the end of 2024 we no longer receive donations for this work and the fund is closed.
BD012	Bangladesh: Youth in Retail (donor: IKEA Foundation/UBS Foundation) This purpose of this pilot project was to provide sustainable livelihoods for low-income urban youth in Bangladesh in partnership with the retail sector and the Government of Bangladesh. It provided decent work opportunities for disadvantaged urban youth (particularly women and People With Disabilities (PWD)) and supported 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. This project ended in 2023 and the fund is closed.
BD018	Bangladesh: Safe Water Development (donor: Danida) The objective of this project was to create new jobs and income opportunities in water treatment and distribution, and to increase access to safe and affordable drinking water for over 200,000 people in Bangladesh, tackling the impact of COVID-19 and supporting economic recovery in the coming years. The business objective was for commercial partners 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. The project ended in 2024 and the fund is closed.
BD020	Bangladesh: Education (donor: Hempel Foundation) This project provided quality primary education to children in northern Bangladesh who were not previously in the school system. It aimed 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. The project ended in December 2024 and the fund will be closed in 2025.
BD021	Bangladesh: Relive 2 (donor: Vitol Foundation) This project's aim was to 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. The project ended in 2022 and the fund is closed.
BD023	Bangladesh: Flood Emergency (donor: UBS Foundation) This project delivered emergency response to areas affected by severe flooding in Sylhet, Sunamgonj and Netrokona districts of Bangladesh in June 2022. The project ended in 2022 and the fund is closed.
BD025	Bangladesh: Donation of lights to BRAC schools in Kurigram (donor: Signify Foundation) Under this project Signify Foundation supplied solar indoor bulbs to BRAC schools in Kurigram district to improve studying conditions for children, and solar floodlights to flood shelters in the north east of Bangladesh to enhance safety and security for impacted families. The project ended in 2023 and the fund is closed.
BD026	Bangladesh: Climate Disaster Relief Efforts (donor: Askehave Climate Foundation) Under this project BRAC provides rapid emergency response to communities affected by climate-related disasters in Bangladesh and the Philippines. In 2024 funds were used provide humanitarian assistances to ensure immediate food security of 1,000 of the most vulnerable families affected by Cyclone Remal in the Khulna and Bagerhat districts. This included reconstruction of damaged houses and latrines, and cash support to ensure immediate needs for food and other essentials were met. The project continues for one further year in 2025.
BD027	Bangladesh: The Humanitarian Sanitation Knowledge Hub (SANIHUB) (donor: German Toilet Organisation) This funding from the German Toilet Organisation was to support the work being carried out by BRAC at the Rohingya refugee camps in Cox's Bazar to ensure that lessons learned in the field of sanitation and faecal sludge management are made available to the global humanitarian sector through SANIHUB. SANIHUB is a platform for consolidating and sharing knowledge on sanitation and faecal sludge management issues in emergency situations. The project ended in 2024 and the fund is closed.
BD028	Bangladesh: Flood Support (donor: Shepherds Bush Mosque) This funding was provided to support communities affected by severe flooding in Eastern Bangladesh in August 2024. The fund is now closed.
BD029	Bangladesh: BBC Radio 4 Appeal (individual donations) Donations from this appeal on BBC Radio 4 in September 2024 supported BRAC's work in Bangladesh to counter the impacts of climate change on the most vulnerable communities, including improving the resilience and adaptive capacity of the most vulnerable people in coastal cities and towns, rethinking shelters to enable people to stay in their home village for longer and creating climate-resilient cities for people who have already been forced to migrate. The fund is now closed.
BDTO12	Bangladesh: Disability Inclusive Development (donor: FCDO) This project involved working with organisations providing expert support and knowledge around disability inclusion to explore the best ways to scale up BRAC's successful Skills Training for Advancing Resources (STAR) programme, integrating youth with disabilities including severe disabilities such as deafblindness. This project ended in 2023 and the fund is closed.
PH001	Philippines: Youth Skills (donor: Signify Foundation) The aim of this project was to provide meaningful and sustainable livelihood opportunities for women and girls aged 16-30 from marginalised
PH002	Philippines: Climate Disaster Relief Efforts (donor: Askehave Climate Foundation) Under this project, BRAC provides rapid emergency response to communities affected by climate-related disasters in Bangladesh and the Philippines. In 2024 funds were used to support over 3,600 families, comprising almost 2,300 households in 2 municipalities in BARMM (Bangsamoro Autonomous Region in Muslim Mindanao), who were severely affected by El Niño-induced drought. BRAC provided seeds, farming tools, water systems and cash transfers to affected families. The project continues for one further year in 2025.
TZ001 and TZ002	Tanzania: Women Entrepreneurship through the Solar Value Chain for Economic development in Tanzania (WE SoLVE) (donor: Danida) This project was a partnership between BRAC, Solar Sisters and Philips Lighting and involved providing loans to people living in rural areas of Tanzania to purchase solar lamps from female entrepreneurs recruited by Solar Sisters, an organisation that supports women in Africa to create clean energy businesses. The project ended in 2023 and the fund is closed.

Notes to the financial statements

For the period ended 31 December 2024

Purposes of restricted funds (continued)

TZ005	Tanzania: Early Childhood Development (ECD) (donor: Vitol Foundation) This project piloted 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. The project ended in 2023 and the fund is closed.
TZ006	Tanzania: Disability Inclusive Graduation (donor: Cartier Philanthropy, UBS Foundation, Whole Planet Foundation) This project is introducing disability-inclusive ultra-poor graduation programming in Tanzania through leveraging its ongoing partnership with Humanity & Inclusion and SHIVYAWATA (a national organisation of persons with disabilities). The project launched in early 2023, reaching participants in two districts of Tanzania over a period of 30 months. The project will graduate ultra-poor households out of ultra-poverty and into sustainable livelihoods, targeting 70% women and 15% persons with disabilities. The project continues for one further year in 2025.
UG008	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: Medicor Foundation) The aim of this project was to implement a disability inclusive ultra-poor graduation programme in Northern Uganda in partnership with Humanity & Inclusion (HI) and the National Union of Women with Disabilities in Uganda (NUWODU). The project ended in 2022 and the fund is closed.
UG012	Uganda: Digital Health (donor: Global Innovation Fund) This project combined a number of initiatives on responding to the Covid-19 pandemic in Uganda including equipping community health workers with a mobile app and platform to collect data on patients and households, and providing training content and lifesaving information delivered via distance learning platforms and interactive voice response (IVR) technology. The project ended in 2022 and the fund is closed.

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	
	2024	2023
	£	£
More than five years	-	-
1 - 5 years	-	40,618
Less than one year	40,618	51,300
	40,618	91,918

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.

Accounts

Company number: 5802246

Charity number: 1115482

BRAC UK

Report and financial statements

For the year ended 31 December 2023

TRUSTEES' REPORT

This is the 2023 Trustees' 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.

Address

BRAC UK, 19 Wootton Street, London, SE1 8TG

Office phone

+44 (0) 203 434 3071

Email: info@bracuk.net

Trustees

Ken Caldwell (Chair of Trustees)

Richard Nartey (Treasurer, resigned 2 May 2023)

Felicia Meyerowitz (Treasurer, appointed 16 June 2023)

Jane Cooper (resigned 28 July 2023)

Jack Lundie

Anne-Marie Harris

Deepali Sood

Shanthi Flynn

Charles Costa Duarte (appointed 12 December 2023)

Principal staff

Lewis Temple (Chief Executive) (resigned 31 December 2023)

Divya Bajpai (Executive Director) (appointed 2 March 2024)

Gulru Dodkhudoeva (Deputy CEO and Director of Partnerships) (appointed 1 November 2023)

Chris Lyne (Director of Communications and External Engagement) (appointed 1 January 2023)

George Mukkath (Acting Director of Partnerships) (resigned 30 November 2023)

Giles Totterdell (Director of Finance & Operations) (appointed 3 January 2023)

Bankers

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

Solicitors

Bates Wells LLP, 10 Queen Street Place, London, EC4R 1BE

Auditor

Sayer Vincent LLP, Chartered Accountants and Statutory Auditor, 110 Golden Lane, London, EC1Y 0TG

Statement from the Chair of Trustees

During 2023, many lower income countries have begun to recover from the major setback to poverty reduction caused by the global COVID pandemic. In this context, BRAC's practical work in our 11 programme countries has focused increasingly on helping poorer households to rebuild their income and assets, and on supporting the recovery of the essential social services on which they rely.

But we are also increasingly involved in helping national governments in poorer countries to design and implement affordable social programmes that enable the poorest households to graduate sustainably out of poverty, drawing on our Ultra-Poor Graduation approach. In 2023, this advisory work extended to working with six national governments in Africa and Asia.

Donor governments also have a key role to play in supporting this transition, by refocusing their development policies and programmes on the poorest households, and helping to get Sustainable Development Goal 1 back on track. During 2023, we continued to convene a coalition of MPs and agencies in the UK to press for a renewed focus of UK aid on extreme poverty. We were very pleased to see this reflected in a new UK government policy paper published at the end of 2023 that puts poverty back at the heart of UK development policy.

We have also seen in 2023 the growing practical impact of climate change, especially on the livelihoods of the poorest households. Many of our programmes around the world are now being designed to help these households to become more resilient to the impacts of unpredictable weather. In Bangladesh, where millions of people have already been displaced by climate change, we are pioneering new approaches to help these households to adapt to the consequences.

We have drawn on this experience to inform and influence intergovernmental agreements on climate adaptation, and saw some significant steps forward at COP28 towards mobilising larger scale action to tackle the impacts of climate change on the poorest households. We will continue to press for these commitments to be rapidly translated into practical actions that alleviate the impact of climate change on the poorest households.

We are very grateful to BRAC's partners across Europe – governments, foundations, and individuals – who have supported our work on these and other issues in 2023.

Over recent years, there has been a growing movement amongst major donors to seek to empower southern partners to take the lead in designing as well as delivering development programmes, and to reduce the number of intermediaries in the delivery chain. We are working with these donors across Europe to help them identify and remove the practical barriers to working more actively and directly with southern partners, drawing on BRAC's experience as a southern-led NGO.

To align with this, we are now supporting and encouraging our funding partners to contract directly with BRAC's southern entities, with the priorities and funding for BRAC UK being agreed with

those southern entities. This will mean that the funds directly passing through BRAC UK's accounts will be an increasingly small proportion of the funds that we help to raise for BRAC. In line with this new policy, we are reporting in this annual report a drop in the income passing through BRAC UK's accounts from £5.2m in 2022 to £2.3m in 2023, but we have helped to mobilise over £18m of new funding commitments from European donors in 2023.

During 2023, we have conducted a review of the role of BRAC's northern affiliates within the BRAC family. We have agreed a new three year strategy for BRAC in Europe that will see us refocus our capacity and presence to build relationships with partners across Europe.

Finally, we said farewell to long-serving and valued colleagues in our Chief Executive Lewis Temple and Vice-Chair Jane Cooper. They both made significant contributions to BRAC's mission over the last 10 years and will be missed. However, we are delighted that Divya Bajpai has joined us in March 2024 as our new Executive Director (CEO).

Ken Caldwell
Chair of Trustees
BRAC UK

About BRAC

BRAC is an international development organisation founded in Bangladesh in 1972 that partners with over 100 million people living with inequality and poverty to create opportunities to realise their potential. BRAC is known for its community-led, holistic approach and delivering long-term impact at scale. BRAC works with communities in marginalised situations, hard-to-reach areas and post-disaster settings across Asia and Africa, with a particular focus on women and children. BRAC operates as a solutions ecosystem, including social development programmes, social enterprises, humanitarian response, a bank, and a university. BRAC is born and proven in the south and has become a world leader in developing and implementing cost-effective, evidence-based programmes.

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 11 countries in Africa and Asia. 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. Our programmes include:

Extreme Poverty

Worldwide, over 700 million people experience extreme poverty, living on less than \$2.15 per day (£1.75). 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, alongside a sharp rise in global food and fuel prices due to the Ukraine war. Due to these factors, the number of people living in extreme poverty is 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

- Over 2.2 million households have graduated out of extreme poverty in Bangladesh since 2002 with the help of BRAC.
- BRAC has developed or assisted Ultra Poor Graduation programmes in 15 countries.
- The programme results in a 37% average increase in earnings among participants in Bangladesh over 7 years after they have completed the programme.
- Participants experience sustained economic benefits for many years after graduating.
- After a successful pilot in Uganda, the Disability Inclusive Graduation programme in Tanzania has enrolled 902 participants out of a target of 1050 to receive livelihoods assistance and lift themselves out of poverty.

Climate Change

People living in poverty are adversely and disproportionately affected by climate change and extreme weather events. 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

- 181,000 people living in climate hotspots in Bangladesh built climate resilience
- 436,582 trees planted in Bangladesh in 2023 (of which many are mangroves) as adaptation and mitigation measures
- Over 9,000 of the most vulnerable households impacted by flash flooding in Chattogram in August 2023 received urgent financial support to secure food, water, medicines, repairs and other essentials to protect livelihoods.
- 88% of participants of climate change programmes in 2023 were women

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 groundbreaking Play Lab programme in Bangladesh, Tanzania, and Uganda, reaching over 100,000 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

- 1 million learners currently enrolled in BRAC's education programmes.
- There are 497,000 children learned through play globally in Play Labs
- 8,000 out-of-school children in Bangladesh to successfully transition back to government primary schools through our Accelerated Learning programme.

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 and livelihood prospects.

BRAC's youth programmes combine social empowerment, economic empowerment, and education to enable young people to reach their full potential. The Accelerating Impact for Young Women (AIM) programme, supported by the Mastercard Foundation, started in 2022 and over the next 5 years will equip 1.2 million adolescent girls and women across 7 African countries with learning opportunities, work and market-relevant skills, resources and network to start and scale businesses, and the confidence to act and advocate for the enabling environment they need to thrive.

Key Facts (Since 2014)

- BRAC's Youth programmes are implemented across 11 countries.
- 185,000 adolescents and youth took part in social and economic empowerment programmes.
- Between 2021 and 2023, 5,400 unemployed youth (including people with disabilities) from low-income households received vocational retail sector training, including soft skills and career development mentoring. Of these trainees, 83% went on to secure decent employment with support from BRAC.

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, nutrition promotion, and the prevention and diagnosis of non-communicable diseases. They also earn a modest income from the sale of basic health goods.

Key Facts

- Over 50,000 community health workers currently deliver last-mile care across 5 countries.
- 80 Million people reached annually through community and facility-based health education and services in Bangladesh

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 over 900,000 farmers across 8 countries since 2002.
- Over 22,000 smallholder farmers in Liberia trained in climate-smart farming.

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 9 million borrowers across 7 countries.
- 88% of borrowers are women.
- 57 million people use BRAC's mobile money service bKash in Bangladesh.
- 10.7 million microfinance borrowers and savers globally accessing financial services.

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. We were 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 2023, we continued to respond 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.

Key Facts

- BRAC has provided services for more than 700,000 Rohingya refugees since 2017.
- 4,000 refugee children in Uganda learning and healing at Humanitarian Play Labs.

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. We also reinvest profits from our enterprises into our development programmes, 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 and social impact investments.
- Through Aarong, a leading retailer in Bangladesh, 65,000 artisans have been linked to a market for their produce and talents.
- Aarong Dairy has linked 28,000 smallholder dairy farmers to market, with an average number of dairy cattle of three.

Country Overview

Afghanistan

BRAC Afghanistan takes a participatory, community-based, and inclusive approach to designing context-specific, impactful programmes. Our interventions in urban, rural, and refugee settings prioritise the equitable participation of all groups, particularly women and youth. We work directly with communities, keeping their voice and their story at the centre of our programmes. BRAC Afghanistan is currently operating in 19 out of 34 provinces, focusing on education, health, humanitarian and livelihoods assistance.

Key Facts in 2023

- 6,572 people improved their livelihoods through access to training.
- 3,750 people reached with social cohesion interventions.
- 524,854 people accessed primary healthcare services.
- 32,000 people supported with winter kits to stay warm during the harsh winter.
- 400 families accessed social protection to escape extreme poverty.

Ghana

BRAC Ghana Savings and Loans Ltd was launched in 2023. It is BRAC's seventh microfinance entity after Liberia, Sierra Leone, Tanzania, Rwanda, Uganda and Myanmar. By 2028, BRAC expects to reach 200,000 microfinance clients, with 96% of these being women.

Kenya

The Africa Regional Office was set up in 2019 in Nairobi, Kenya as the hub which oversees programmatic operations of BRAC International in Uganda, Tanzania, Rwanda, Liberia, South Sudan, and Sierra Leone.

Liberia

BRAC Liberia was established in 2008 and is currently operating social development programmes in Agriculture, Food Security and Livelihood, Education, Ultra-Poor Graduation, Youth Empowerment, Health, and Microfinance. BRAC works in 12 out of 15 counties of Liberia to support the underprivileged.

Key Facts in 2023

- Over 44,000 borrowers accessed our microfinance services.
- 85% of participants have graduated from ultra-poverty.
- 751 women-headed households have graduated from ultra-poverty.
- 3,300 women and girls attend our 60 adolescent clubs.
- 727 children (96%) transitioned to public schools from our 25 Second Chance learning centres.
- 25 classroom facilitators accessed training on teaching methodologies.
- 18,690 smallholder farmers accessed agriculture, poultry, and livestock services.
- 2,065 farmers supported with climate-smart farming and crucial tools and inputs.

Myanmar

BRAC launched operations in 8 regions of Myanmar in 2013, with projects covering agriculture, food security and livelihoods, disaster reduction and resilience building, and financial inclusion.

Key Facts in 2023

- 1,026 aqua-farmers took part in our aquaculture project.
- 486 persons with disabilities accessed tailored financial products.
- 140,285 people accessed our microfinance services, 96% of whom are women.

Philippines

BRAC started operating in the Philippines in 2012, primarily in the Bangsamoro Autonomous Region of Muslim Mindanao region, while providing alternative education services and technical assistance and advocacy to support governments and partners.

Key Facts in 2023

- Over 69,000 students attended BRAC schools.

- Provided technical assistance to launch Graduation pilot targeting 1,812 families across five municipalities.

Rwanda

Rwanda Microfinance Company PLC was launched in June 2019. It provides inclusive financial services to people living in poverty, with a strong focus on women living in rural and hard-to-reach areas. At present, 55 branches have been established in 18 districts of the country.

Key Facts in 2023

- 25,000 borrowers and 55,000 savers.
- 98% of financial services clients are women.
- USD 8.9 million disbursed in loans

Sierra Leone

BRAC began working in Sierra Leone in 2008 with its principal activities being the provision of health services, education, agriculture, livestock, and youth empowerment programmes. BRAC currently operates in the country's Western area and some parts of the Northern province.

Key Facts in 2023

- 99% of clients are women.
- USD 20 million disbursed in loans.
- 225 Empowerment, Livelihood and Adolescent (ELA) clubs reached 6,630 girls and young women.
- 6,105 farmers accessed training on new techniques and technologies.

South Sudan

Founded in 2006, with a modest relaunch after the war, BRAC operates in six of South Sudan's ten states, on projects covering community based education as well as strengthening community resilience and local governance.

Key Facts in 2023

- 6,755 children accessed community-based education, of whom 61% are girls.
- 100,000 people reached with awareness on women's rights.
- 8,400 people in emergency situations received training and emergency supplies.

Tanzania

BRAC was launched in Tanzania in 2006 with the mission to empower individuals and communities living in poverty, especially women, to become more resilient and build sustainable

livelihoods. Since then, BRAC has provided inclusive and tailored services in the areas of microfinance, education, water, sanitation and hygiene, emergency response, youth empowerment, and agriculture, impacting the lives of more than five million people.

Key Facts in 2023

- Over 200,000 farmers (65% women) increased production and household consumption of nutritious food, along with increased income.
- 87% of adolescent girls passed the Certificate of Secondary Education Examination.
- 50 early childhood development centers currently operating in government schools.
- Over 1,500 out-of-school girls completed secondary education through accelerated learning program.
- 1,200 households supported to graduate out of ultra-poverty into sustainable livelihoods.
- Over 15,000 girls supported with social and economic interventions through 180 safe spaces (girls' clubs).
- Over 10,000 children enrolled in early childhood development centres and mainstreamed into government pre-primary schools.
- More than 26,000 cases have been reported and attended through the Child Helpline call center.
- More than 16,000 women are able to access solar loans to improve their business and household income.

Uganda

BRAC has grown to become one of the largest non-governmental development organisations in Uganda. Since launching in 2006, over 7.8 million people in Uganda have partnered with BRAC. BRAC is currently operating over six programmes in thematic areas of health, education, ultra-poor graduation, emergency preparedness and response, empowerment and livelihood for adolescents, and financial inclusion.

Key Facts in 2023

- 2.1 million people accessed integrated, quality health services.
- 13,000 young people supported through our ELA program.
- 295,000 refugees and host community members received access to basic services.
- 5,445 secondary school students accessed scholarships, 60% of whom were girls.
- 6,100 children have transitioned to primary school.
- 7,863 children have attended our Play Labs.
- 1,474 households graduated from ultra-poverty.
- 455 teachers and play leaders trained.
- 2,700 people supported through disability-inclusive Graduation project.
- 185 Play Labs operate across Uganda.
- 272 young people enrolled in technical and vocational training.

Advocacy and Thought Leadership

BRAC UK has been developing its advocacy programme over the past three years, with two primary objectives: working to end extreme poverty by 2030 and raising BRAC's profile in the UK as a leading Global South voice on development.

We have worked to develop our political and parliamentary networks, as well as strengthen our civil society networks in the UK.

BRAC UK provides secretariat support to the All Party Parliamentary Group (APPG) on Extreme Poverty, which is chaired by Chris Law MP. The Group was launched in October 2021, and in 2023 held one session in Parliament, which featured a discussion with the Minister of State for Development and Africa, Andrew Mitchell. The APPG includes 12 parliamentarians from across the political spectrum. You can find out more about the APPG by visiting the website www.appgextremepoverty.org.

In November 2023, The UK Government launched its White Paper on International Development, which outlined the purpose of the UK's international development budget as being to “*end extreme poverty and combat the effects of climate change and biodiversity loss*.” BRAC is delighted with this new direction, having held discussions with a number of stakeholders across the UK Government and also responding to the UK Government's call for evidence as they put the white paper together.

In 2024, we will be expanding our advocacy programme to share BRAC's knowledge and expertise on extreme poverty and climate change in Germany and Denmark.

Future Activities

In December 2023, BRAC agreed to a three-year plan that represents a step change in its approach to engagement in Europe. The plan aims to increase our activities to significantly contribute to BRAC's achieving its global fundraising targets.

This 3-year plan outlines a new approach, one that builds fundraising partnerships, raises awareness of BRAC's work and influences policy through a more dispersed staffing capacity across priority markets in Europe.

This approach has significant benefits for BRAC: It builds local expertise and capacity across the markets that promise to provide the greatest fundraising income for BRAC up until 2030. It enables BRAC to have a significantly greater impact on BRAC's global advocacy goals through a localised approach to advocacy in these countries, it will substantially increase the visibility, and awareness of BRAC and our Global South-led development solutions amongst key audiences and decision-makers in Europe.

2024 is the first year of the three-year plan. As a result, BRAC UK will pursue four main priorities:

- 1) **Securing high value, and multi-year funding** by building strong and purposeful partnerships with a targeted number of bi-lateral and foundation donors across Europe.
- 2) **Progressing our new Major Donor Programme with the aim of securing more flexible, strategic funding** through individuals able to make large donations. Much of the groundwork was prepared for this in 2023, and we expect to continue this progress in 2024.
- 3) **Advocating for European Governments to focus on extreme poverty and climate change.** Specifically, we expect to engage intensively with both Governments and opposition parties to ensure that eradicating extreme poverty and the fact that those living in extreme poverty are the most affected by the impacts of climate change are understood and prioritised by key stakeholders, including the German, UK, and Danish Governments.
- 4) **Increasing BRAC's visibility in Europe among target audiences will facilitate fundraising.** A targeted focus will be on publishing opinion pieces, securing mentions and interviews in the media, producing marketing materials to support fundraising, and ensuring BRAC is visible at global events and conferences.

Annual Report of the Board of Trustees

The Trustees present their report and the audited financial statements for the year ended 31 December 2023. The reference and administrative information set out on page 1 form 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. They then undertake the selection and appointment of new trustees to the board. The appointment of trustees is made on the basis of a vote of the board. 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 7 to the accounts.

BRAC UK has three formal Board committees, with terms of reference approved by the Board.

- Finance, Audit, and Risk
- Board and Organisational Development
- Remuneration

Members of the Board of Trustees provide additional support to staff through different advisory committees on Fundraising, and on Advocacy & Communications. We also have lead trustees to guide our oversight of safeguarding and human resources policies and practices.

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 other BRAC entities to create 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 also has a small Executive Team which provides 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.

Management

The Executive Director reports to the Chair of trustees and is responsible for the day-to-day management of the organisation. In 2023, the staff management team that reported to the Executive Director consisted of a Deputy Executive Director and Director of Partnerships, Finance and Resources Director and a Director of Communications & External Engagement. Key

decisions, such as approving the organisational strategy, annual budget and appointment of the Executive Director are made by the trustees. The Executive Director 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 Remuneration Committee oversees the overall remuneration policies of BRAC UK and agrees the remuneration of the CEO and executive leadership team.

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.

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 2023, BRAC employed more than 100,000 people in 11 countries, with a total global expenditure of over \$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 which is 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 2023. 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. Our fundraising team is also sensitive to indications that an individual considering a donation may be in vulnerable circumstances, such as physical or mental conditions, financial stress, or where English is not their first language, which may impair their capacity to make an informed decision. If we consider that an individual lacks the capacity to make an informed decision we will either not accept, or return, their donation, and update our database accordingly.

Financial Review

In 2023 BRAC UK received income principally from three sources:

- Grants from governments, institutions and other major donors to fund specific projects (restricted funding);
- Donations from individuals and corporate bodies (unrestricted funding); and
- Funding from BRAC to support BRAC UK's fundraising, communications and advocacy work in the UK and Europe (unrestricted funding).

Total income in 2023 reduced to £2.3m (2022: £5.2m). Project grants continued to represent the largest funding stream at £1.6m (2022: £4.4m) although the overall amount of income from grants fell compared to the previous year. This is largely due to changes being made to how BRAC's affiliate organisations, including BRAC UK, are funded which mean that in the future the majority of new grants will be entered into directly between the grantor and BRAC or BRAC International rather than with BRAC UK (see below). Largely as a result of these changes the value of grants coming to an end in 2022 and 2023 exceeded the value of new grants being secured.

BRAC and BRAC International also contributed £0.6m (2022: £0.6m) in unrestricted funding for BRAC UK core costs, and a further £0.1m (2022: £0.1m) was received in unrestricted donations.

BRAC UK's expenditure falls in to two main categories:

- Direct costs of delivering projects, principally as grant disbursements to BRAC and BRAC International (restricted funds expenditure); and
- Costs of fundraising, providing technical advice and other support to projects, advocacy work, and other governance and overhead costs (unrestricted fund expenditure).

Total expenditure in 2023 reduced to £3.5m (2022: £5.4m). Spend from restricted funds on projects fell to £2.4m (2022: £4.8m), in line with the reduction in grant income. Other costs, met from the unrestricted fund, increased to £1.1m (2022: £0.6m) primarily due to a reduction in the share of BRAC UK staff and overheads being charged to restricted funds, and foreign exchange

losses. Expenditure on raising funds rose to £144,000 (2022: £23,000) reflecting BRAC UK's increasing focus on fundraising activities to support BRAC and BRAC International programmes, and we expect this trend to continue next year.

The overall financial result for 2023 was a deficit on the unrestricted fund of £0.3m (2022: surplus £0.2m), and as at 31 December 2023 the unrestricted reserve was £0.5m. This was consistent with the trustees' aim of bringing down the unrestricted reserve to within the target range of £0.45m to £0.55m set with reference to the reserves policy. On restricted funds, the net deficit of £0.8m (2022: £0.4m deficit) meant the closing restricted reserve balance was £8,000.

As part of the transition to OneBRAC, the way in which BRAC UK is funded is changing. Whilst BRAC UK will continue to fundraise grants for projects on behalf of BRAC and BRAC International, in the future the majority of new grants will be entered into directly between the grantor and BRAC or BRAC International rather than with BRAC UK. BRAC UK staff and overheads will no longer be charged to restricted funds on these new grants. Instead BRAC and BRAC International will increase the level of direct financial support to BRAC UK in order to ensure BRAC UK's operating costs remain fully funded. BRAC UK will also continue to seek unrestricted donations.

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 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.

The Trustees consider the following risks to be significant in terms of their potential impact on operations:

Programme funding. Under its new strategy BRAC UK has ambitious plans to increase programme fundraising in several European countries, in addition to the UK, over the next three years. There is a risk that these ambitions take longer to realise than planned, for example because of the need to build BRAC's name and reputation in these new markets, at a time when government funding for overseas aid is increasingly under scrutiny. The roll-out of the new strategy also depends on being able to recruit well and ensuring that grant management responsibilities are handed over successfully to BRAC and BI so that staff can focus on fundraising. BRAC UK manages these risks through detailed research and planning on the development and implementation of the new strategy, with financial support from BRAC to fund the necessary investment in resources.

Staff safety and wellbeing whilst traveling overseas. BRAC UK staff travel to locations where, for example, healthcare facilities or road safety standards increase the risks to their personal safety and wellbeing. BRAC UK addresses this through measures such as regular monitoring of security alerts and travel advisories, ensuring staff receive adequate training and briefings before travel, observance of communication protocols with the UK office, and having suitable travel insurance.

Staff turnover. BRAC UK is a small, highly qualified and experienced team, and we face the ongoing challenges of retaining staff and ensuring that their expertise is replaced if they leave. BRAC UK is addressing this risk by ensuring that staff salaries remain competitive, and that adequate attention is paid to staff wellbeing and development.

Safeguarding incidents. BRAC UK-supported projects involve working with a wide range of stakeholders and keeping these stakeholders safe continues to be our overwhelming priority. We mitigate this risk by improving the policy, processes and culture of safeguarding throughout BRAC UK's operations and partnerships.

External factors including environmental disasters and conflicts. Such incidents may cause delays to programme delivery or necessitate changes to activities on the ground with participants, resulting in the programme having a more limited impact than originally intended. Whenever programmes are affected in this way BRAC UK works closely with BRAC / BI, using their local knowledge to adapt the programme, ensuring donors are fully consulted and in agreement with any changes.

Fraud and cybercrime. In common with many organisations BRAC UK recognises the risk of external fraud and cybercrime, and mitigates this through the application of a robust internal control environment, staff training, and maintaining awareness of trends and emerging threats. In addition, BRAC UK's downstream partners may also be affected by frauds resulting in the loss of programme funds received from BRAC UK. To manage this risk BRAC UK performs due diligence on partners and receives regular financial reports on all programmes.

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 in response to unforeseen events;
- to fund shortfalls in reserves if expected levels are not reached; and
- to fund working capital.

Taking these into account, the Trustees set a target level for unrestricted reserves. The target balances the need to apply funds to BRAC UK's mission in the furtherance of our charitable objectives whilst ensuring there are sufficient funds to run our day-to-day business and to protect from the risk of unanticipated events. The target is reviewed at least annually to ensure it remains relevant to the realities of current operations and their associated risks. At the end of 2023 the Trustees determined that the target reserves level should be in a range of £0.45m to £0.55m. The actual unrestricted reserves at year end stood at £0.53m (2022: £0.83m), and free reserves (excluding fixed assets) were £0.51m (2022: £0.81m).

BRAC UK also holds restricted reserves, representing funds received for specific project work. At the end of 2022 restricted funds held were £8,000 (2022: £0.83m). The reduction in the level of

restricted funds since 2022 was due to the spending down of funds received in previous years and brought forward at the start of 2023.

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.

This report has been prepared in accordance with the duty set out in the Charities Act 2006.

Approved by the Trustees on 9 May and signed on their behalf by

Ken Caldwell Director and Trustee (Chair)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAC UK

Opinion

We have audited the financial statements of BRAC UK (the 'charitable company') for the year ended 31 December 2023 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 2023 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.

Noelia Serrano (Senior statutory auditor)

13 June 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

BRAC UK FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

BRAC UK

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

For the year ended 31 December 2023

		Unrestricted	Restricted	2023 Total	Unrestricted	Restricted	2022 Total
	Note	£	£	£	£	£	£
Income from:							
Donations and legacies	2	121,347	1,308	122,655	87,515	1,605	89,120
Charitable activities							
BRAC UK Core	3	615,336	-	615,336	603,344	-	603,344
BRAC global initiatives	3	-	-	-	108,886	-	108,886
Bangladesh	3	-	1,459,640	1,459,640	-	2,728,650	2,728,650
The Philippines	3	-	48,954	48,954	-	32,210	32,210
Tanzania	3	-	91,282	91,282	-	872,540	872,540
Uganda	3	-	-	-	-	798,946	798,946
Total income		736,683	1,601,184	2,337,867	799,745	4,433,951	5,233,696
Expenditure on:							
Raising funds	4	144,493	-	144,493	22,864	-	22,864
Charitable activities							
BRAC global initiatives	4	-	-	-	104,223	-	104,223
Bangladesh	4	684,285	2,072,486	2,756,771	81,804	3,001,434	3,083,238
The Philippines	4	35,645	49,959	85,604	-	30,249	30,249
Tanzania	4	159,963	298,252	458,215	69,650	834,757	904,407
Uganda	4	16,018	(917)	15,101	313,207	967,736	1,280,943
Total expenditure		1,040,404	2,419,780	3,460,184	591,749	4,834,176	5,425,925
Net (expenditure) / income for the year and Net movement in funds		(303,721)	(818,596)	(1,122,317)	207,996	(400,225)	(192,229)
Reconciliation of funds:							
Total funds brought forward		829,815	826,556	1,656,371	621,819	1,226,781	1,848,600
Total funds carried forward		526,094	7,960	534,054	829,815	826,556	1,656,371

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.

Balance sheet

Company no. 5802246

As at 31 December 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	11		14,315		21,909
			14,315		21,909
Current assets:					
Debtors	12	38,602		291,450	
Cash at bank and in hand		894,960		2,301,128	
		933,562		2,592,578	
Liabilities:					
Creditors: amounts falling due within one year	13	413,823		958,116	
Net current assets			519,739		1,634,462
Total net assets			534,054		1,656,371
The funds of the charity:	15				
Restricted income funds			7,960		826,556
Unrestricted income funds:					
General funds		526,094		829,815	
Total unrestricted funds			526,094		829,815
Total charity funds			534,054		1,656,371

Approved by the trustees on 9 May 2024 and signed on their behalf by

Ken Caldwell
ChairFelicia Meyerowitz
Trustee

Statement of cash flows

For the period ended 31 December 2023

Reconciliation of net expenditure to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the reporting period (as per the statement of financial activities)	(1,122,317)	(192,229)
Depreciation charges	7,911	7,393
Dividends, interest and rent from investments	(7,990)	(3,126)
Loss on disposal of fixed assets	52	-
Decrease in debtors	252,849	60,965
(Decrease)/increase in creditors	(544,292)	272,305
Net cash (used in) / provided by operating activities	(1,413,788)	145,307

	Note	2023 £	£	2022 £	£
Cash flows from operating activities					
Net cash provided by operating activities	16		(1,413,788)		145,307
Cash flows from investing activities:					
Dividends, interest and rents from investments		7,990		3,126	
Purchase of fixed assets		(370)		(9,261)	
Net cash provided by / (used in) investing activities			7,620		(6,135)
Change in cash and cash equivalents in the year			(1,406,168)		139,172
Cash and cash equivalents at the beginning of the year			2,301,128		2,161,956
Cash and cash equivalents at the end of the year			894,960		2,301,128

Notes to the financial statements

For the period ended 31 December 2023

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 reviewed BRAC UK's financial forecasts for 2024 and 2025, and conducted sensitivity analysis to assess the impact of key risks including inflation and a lower than expected level of new business. They have concluded that even on a prudent 'low case' set of assumptions BRAC UK would maintain sufficient unrestricted reserves and liquidity to be able to operate until at least the end of this period.

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) 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.

g) 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

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

h) 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:

~ Bangladesh charitable activities	76%
~ Philippines charitable activities	4%
~ Uganda charitable activities	1%
~ Tanzania charitable activities	19%

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 2023

1 Accounting policies (continued)**i) Operating leases**

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

j) 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:

- Fixtures and Fittings	25%
- Computer Equipment	25%
- Leasehold Improvements	25%
- Website	25%

k) 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.

l) 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.

m) 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.

n) Pensions

BRAC UK deals with its pension arrangements through a NEST money purchase pension scheme. Staff are enrolled in the NEST scheme from the commencement of their employment. BRAC UK matches staff contributions up to a maximum 6% of gross salary per annum.

o) 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	2023 Total	Unrestricted	Restricted	2022 Total
	£	£	£	£	£	£
Individual Donations	65,947	1,308	67,255	47,367	1,605	48,972
Corporate Donations	55,400	-	55,400	40,148	-	40,148
	121,347	1,308	122,655	87,515	1,605	89,120

Notes to the financial statements

For the period ended 31 December 2023

3 Income from charitable activities

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
BRAC	600,000	-	600,000	600,000	-	600,000
Other	15,336	-	15,336	3,344	-	3,344
BRAC global initiatives	-	-	-	108,886	-	108,886
Sub-total for BRAC UK core charitable activities	615,336	-	615,336	712,230	-	712,230
Askehave Climate Foundation	-	347,073	347,073	-	-	-
British Asian Trust	-	-	-	-	73,940	73,940
Danida Danish Market Development Partnerships (DMDP)	-	230,152	230,152	-	286,461	286,461
Foreign & Commonwealth Development Office (FCDO)	-	75,129	75,129	-	716,226	716,226
German Toilet Organization	-	3,990	3,990	-	-	-
Hempel Foundation	-	525,506	525,506	-	590,064	590,064
IKEA Foundation	-	216,706	216,706	-	700,603	700,603
Signify Foundation	-	9,583	9,583	-	-	-
Tik Tok	-	-	-	-	204,658	204,658
UBS Optimus Foundation	-	51,501	51,501	-	156,698	156,698
Sub-total for charitable activities in Bangladesh	-	1,459,640	1,459,640	-	2,728,650	2,728,650
Signify Foundation	-	48,954	48,954	-	32,210	32,210
Sub-total for charitable activities in The Philippines	-	48,954	48,954	-	32,210	32,210
Cartier Philanthropy	-	-	-	-	41,533	41,533
Medicor Foundation	-	-	-	-	20,000	20,000
FCDO	-	-	-	-	624,314	624,314
Global Innovation Fund	-	-	-	-	113,099	113,099
Sub-total for charitable activities in Uganda	-	-	-	-	798,946	798,946
Cartier Philanthropy	-	-	-	-	524,045	524,045
Danida DMDP	-	(26,912)	(26,912)	-	211,999	211,999
Signify Foundation	-	-	-	-	22,658	22,658
UBS Optimus Foundation	-	-	-	-	52,404	52,404
Vitol Foundation	-	-	-	-	61,434	61,434
Whole Planet Foundation	-	118,194	118,194	-	-	-
Sub-total for charitable activities in Tanzania	-	91,282	91,282	-	872,540	872,540
Total income from charitable activities	615,336	1,599,876	2,215,212	712,230	4,432,346	5,144,576

Notes to the financial statements

For the period ended 31 December 2023

4a Analysis of expenditure (current year)

	Cost of raising funds £	Bangladesh Charitable Activities £	Philippines Charitable Activities £	Tanzania Charitable Activities £	Uganda Charitable Activities £	Governance costs £	Support costs £	2023 Total £
Staff costs (note 7)	119,354	214,445	9,891	52,406	4,047	73,154	346,622	819,919
Training, recruitment, wellbeing (note 7)	-	-	-	-	-	-	99,351	99,351
Grants payments (note 5)	-	1,921,524	44,247	252,451	-	-	-	2,218,222
Programme activities	-	3,660	1,672	7,125	-	-	58,728	71,185
Office management	-	-	-	-	-	-	146,285	146,285
Fundraising expenditure	25,139	-	-	-	-	-	-	25,139
Audit & legal fees	-	9,600	-	6,000	-	27,079	-	42,679
Foreign exchange (gains) / losses	-	(70,430)	(1,476)	(25,450)	(1,742)	-	136,502	37,404
	144,493	2,078,799	54,334	292,532	2,305	100,233	787,488	3,460,184
Governance costs	-	76,550	3,531	18,707	1,445	(100,233)	-	-
Support costs	-	601,422	27,739	146,976	11,351	-	(787,488)	-
	-	677,972	31,270	165,683	12,796	-	-	
Total expenditure 2023	144,493	2,756,771	85,604	458,215	15,101	-	-	3,460,184

Notes to the financial statements

For the period ended 31 December 2023

4b Analysis of expenditure (prior year)

	Cost of raising funds	Bangladesh Charitable Activities	Philippines Charitable Activities	Tanzania Charitable Activities	Uganda Charitable Activities	BRAC Global initiatives	Governance costs	Support costs	2022 Total
	£	£	£	£	£	£	£	£	£
Staff costs (note 7)	23,619	126,671	1,096	43,307	189,220	103,523	52,165	392,073	931,675
Training, recruitment, wellbeing (note 7)	-	-	-	-	-	-	-	18,710	18,710
Grants payments (note 5)	(3,121)	2,773,974	26,611	787,057	780,791	-	-	-	4,365,311
Programme activities	-	5,174	922	4,387	29,589	-	-	31,138	71,210
Office management	-	97	-	164	258	-	-	118,431	118,950
Fundraising expenditure	2,366	27	-	-	-	-	-	-	2,393
Audit & legal fees	-	5,460	-	5,460	-	700	17,889	-	29,509
Foreign exchange (gains) / losses	-	(8,101)	-	-	1,514	-	-	(105,246)	(111,833)
	22,864	2,903,302	28,629	840,375	1,001,372	104,223	70,054	455,106	5,425,925
Governance costs	-	24,003	216	8,542	37,294	-	(70,054)	-	-
Support costs	-	155,933	1,404	55,491	242,278	-	-	(455,106)	-
	-	179,936	1,620	64,033	279,571	-	-	-	-
Total expenditure 2022	22,864	3,083,238	30,249	904,407	1,280,943	104,223	-	-	5,425,925

Notes to the financial statements

For the period ended 31 December 2023

5 Grant-making

	2023 Grants to institutions £	2022 Grants to institutions £
BRAC Bangladesh	1,921,524	2,773,890
BRAC International	121,475	100,553
BRAC Tanzania	175,223	602,010
BRAC Uganda	-	701,028
Solar Sister	-	111,189
Humanity & Inclusion (HI)	-	5,036
Viamo	-	22,714
Nuwodu	-	51,980
Others	-	(3,089)
	2,218,222	4,365,311

6 Net outgoing resources for the year

This is stated after charging:

	2023 £	2022 £
Depreciation	7,911	7,393
Operating lease rentals:		
Property	52,093	52,385
Auditor's remuneration, excluding VAT :		
Audit of BRAC UK accounts	10,000	8,200
External audit of project funds	13,000	9,100

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

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	656,145	746,678
Social security costs (National insurance)	64,575	79,232
Employer's contribution to defined contribution pension schemes	33,292	37,206
Other staff costs	165,258	87,269
	919,270	950,385

	2023 No.	2022 No.
£60,000 - £69,999	1	1
£70,000 - £79,999	-	1
£90,000 - £99,999	-	1
£100,000 - £109,999	-	1
£120,000 - £129,999	1	-

The total employee benefits including pension contributions of the key management personnel were £346,577 (2022: £349,425).

Ex-gratia termination payments totalling £25,000 were made to one member of staff in 2023 (2022: £32,779). Termination payments are recognised in full in the accounting period in which they fall due.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £6,175 incurred by seven members in 2023 (2022: £10,269, 5 members) relating to attendance at meetings of the trustees and attendance at BRAC governance meetings in Tanzania.

Notes to the financial statements

For the period ended 31 December 2023

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 13.7 (2022: 16.3). The average number of staff on the FTE basis is as follows:

	2023 No.	2022 No.
Raising funds	1.8	0.4
BRAC UK Core Charitable Activities	8.1	11.4
Bangladesh Charitable Activities	0.9	0.8
BRAC global Charitable Activities	-	0.6
Philippines Charitable Activities	0.2	0.1
Tanzania Charitable Activities	0.5	0.6
Uganda Charitable Activities	0.1	0.6
Support	0.8	0.5
Governance	0.9	0.7
	13.3	15.7

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 £600,000 from BRAC and BRAC International during 2023 (2022: £708,886).

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

In addition to this, from time to time BRAC UK pays suppliers on behalf of other BRAC entities (BRAC, BRAC International, BRAC USA, and BRAC Global), and is reimbursed in full by those entities, and from time to time those entities pay suppliers on behalf of BRAC UK and are reimbursed in full by BRAC UK. As at 31 December 2023 BRAC UK was owed £2,095 by BRAC and £2,632 by BRAC International.

There were no donations received from Trustees (2022: £nil).

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	13,834	4,163	14,392	4,000	36,389
Additions in year	-	-	370	-	370
Disposals in year	-	-	(2,306)	-	(2,306)
At the end of the year	13,834	4,163	12,456	4,000	34,453
Depreciation					
At the start of the year	4,717	2,155	7,109	500	14,481
Disposals in year	-	-	(2,254)	-	(2,254)
Charge for the year	3,459	708	2,744	1,000	7,911
At the end of the year	8,176	2,863	7,599	1,500	20,138
Net book value					
At the end of the year	5,658	1,300	4,857	2,500	14,315
At the start of the year	9,117	2,008	7,283	3,500	21,909

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the period ended 31 December 2023

12 Debtors

	2023 £	2022 £
Trade debtors	13,618	156,032
Other debtors	-	12,150
Prepayments	21,392	22,933
Accrued income	3,592	100,335
	38,602	291,450

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	16,180	318,148
Taxation and social security	19,591	17,485
Accruals	378,052	622,483
	413,823	958,116

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

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	14,315	-	14,315
Net current assets	511,779	7,960	519,739
Net assets at the end of the year	526,094	7,960	534,054

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

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	21,909	-	21,909
Net current assets	807,906	826,556	1,634,462
Net assets at the end of the year	829,815	826,556	1,656,371

Notes to the financial statements

For the period ended 31 December 2023

15a Movements in funds (current year)

		At 1 January 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2023 £
Restricted funds:						
BD010	Bangladesh: Rohingya crisis (individual donations)	-	1,308	(1,751)	-	(443)
BD012	Bangladesh: Youth in Retail (donor: IKEA Foundation/UBS Foundation)	623,434	268,207	(891,641)	-	-
BD018	Bangladesh: Safe Water Development (donor: Danida)	5,699	230,152	(208,982)	-	26,869
BD020	Bangladesh: Education (donor: Hempel Foundation)	(7,142)	525,506	(538,033)	-	(19,669)
BD021	Bangladesh: Relive 2 (donor: Vitol Foundation)	1,624	-	(1,624)	-	-
BD023	Bangladesh: Supporting North-East Flood Affected Households to ensure Food Security through Cash Transfer (donor: UBS Foundation)	(1,899)	-	1,899	-	-
BD025	Bangladesh: Donation of lights to BRAC schools in Kurigram (donor: Signify Foundation)	-	9,583	(9,583)	-	-
BD026	Bangladesh: Climate Disaster Relief Efforts (donor: Askehave Climate Foundation)	-	347,073	(343,456)	-	3,617
BD027	Bangladesh: The Humanitarian Sanitation Knowledge Hub (SANIHUB) (donor: German Toilet Organisation)	-	3,990	(4,186)	-	(196)
BDO12 /BDO35	Bangladesh: Disability Inclusive Development (donor: FCDO)	-	75,129	(75,129)	-	-
PH001	Philippines: Youth Skills (donor: Signify Foundation)	1,961	48,954	(49,959)	-	956
TZ001	Tanzania: WE SOLVE (donor: Danida)	51,972	(26,912)	(25,060)	-	-
TZ002	Tanzania: WE SOLVE (donor: Signify Foundation)	(3,319)	-	3,319	-	-
TZ005	Tanzania: Early Childhood Development (ECD) (donor: Vitol Foundation)	80,072	-	(80,072)	-	-
TZ006	Tanzania: Disability Inclusive Ultra-Poor Graduation (donor: Cartier Philanthropy, UBS Foundation, Whole Planet Foundation)	75,071	118,194	(196,439)	-	(3,174)
UG008	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: Medicor Foundation)	827	-	(827)	-	-
UG012	Uganda: Digital Health (donor: Global Innovation Fund)	(1,744)	-	1,744	-	-
Total restricted funds		826,556	1,601,184	(2,419,780)	-	7,960
General funds		829,815	736,683	(1,040,404)	-	526,094
Total unrestricted funds		829,815	736,683	(1,040,404)	-	526,094
Total funds		1,656,371	2,337,867	(3,460,184)	-	534,054

Funds in deficit at 31 December 2023

There were deficits on funds BD020 Bangladesh: Education and TZ006 Tanzania: Disability Inclusive Ultra-Poor Graduation are due to timing differences between the receipt of grant income from donors, and expenditure incurred on project activities. These deficits will be eliminated in 2024 when the next grant disbursements from the donors fall due. The deficits on funds BD010 Rohingya Crisis and BD027 Bangladesh: The Humanitarian Sanitation Knowledge Hub (SANIHUB) relate to small revaluations of balances held in foreign currencies, which will be eliminated when the funds close.

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 converted to GBP 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 restricted fund to which they relate. Some of the negative fund balances as at 31 December 2023 referred to above are attributable to this, and will be eliminated when the funds close.

Notes to the financial statements

For the period ended 31 December 2023

15b Movements in funds (prior year)

		At 1 January 2022	Income & gains	Expenditure & losses	Transfers	At 31 December 2022
		£	£	£	£	£
Restricted funds:						
AF001	Afghanistan: Education Tech Hub (donor: UBS Foundation)	82,405	-	-	(82,405)	-
BD010	Bangladesh: Rohingya crisis (individual donations)	-	1,519	(1,519)	-	-
BD012	Bangladesh: Youth in Retail (donor: IKEA Foundation/UBS Foundation)	583,274	857,301	(817,141)	-	623,434
BD018	Bangladesh: Safe Water Development (donor: Danida)	102,288	286,461	(383,050)	-	5,699
BD020	Bangladesh: Education (donor: Hempel Foundation)	22,918	590,063	(620,123)	-	(7,142)
BD021	Bangladesh: Relive 2 (donor: Vitol Foundation)	100,298	-	(98,674)	-	1,624
BD022	Bangladesh: Essential Primary Healthcare Support to the Rohingya Refugees in Cox's Bazaar (donor: British Asian Trust)	-	73,940	(73,940)	-	-
BD023	Bangladesh: Supporting North-East Flood Affected Households to ensure Food Security through Cash Transfer (donor: UBS Foundation)	-	-	(84,304)	82,405	(1,899)
BD024	Bangladesh: Supporting North-East Flood Affected Households to ensure Food Security through Cash Transfer (donor: Tik Tok)	-	204,658	(204,658)	-	-
BDTO12 /BDTO35	Bangladesh: Disability Inclusive Development (donor: FCDO)	1,712	716,227	(717,939)	-	-
MC002	Bangladesh: Covid 19 response (individual donations)	-	86	(86)	-	-
PH001	Philippines: Youth Skills (donor: Signify Foundation)	-	32,210	(30,249)	-	1,961
TZ001	Tanzania: WE SOLVE (donor: Danida)	52,531	211,999	(212,558)	-	51,972
TZ002	Tanzania: WE SOLVE (donor: Signify Foundation)	15,852	22,658	(41,829)	-	(3,319)
TZ005	Tanzania: Early Childhood Development (ECD) (donor: Vitol Foundation)	97,630	61,434	(78,992)	-	80,072
TZ006	Tanzania: Disability Inclusive Ultra-Poor Graduation (donor: Cartier Philanthropy, UBS Foundation)	-	576,449	(501,378)	-	75,071
UG007	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: Cartier Philanthropy)	108,935	41,533	(150,468)	-	-
UG008	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: Medicor Foundation)	55,139	20,000	(74,312)	-	827
UG012	Uganda: Digital Health (donor: Global Innovation Fund)	3,799	113,098	(118,641)	-	(1,744)
UGTO54	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: FCDO Inclusive Futures)	-	624,315	(624,315)	-	-
Total restricted funds		1,226,781	4,433,951	(4,834,176)	-	826,556
Unrestricted funds:						
General funds		621,819	799,745	(591,749)	-	829,815
Total unrestricted funds		621,819	799,745	(591,749)	-	829,815
Total funds		1,848,600	5,233,696	(5,425,925)	-	1,656,371

Purposes of restricted funds

BD010	Bangladesh: Rohingya crisis (individual donations) Alongside the projects that were funded through partnerships with like minded organisations, BRAC UK also receives some restricted donations from members of the public for specific campaigns. In 2023 we received donations for our work in responding to the Rohingya Crisis in Bangladesh (BD 010).
BD012	Bangladesh: Youth in Retail (donor: IKEA Foundation/UBS Foundation) This purpose of this pilot project was to provide sustainable livelihoods for low-income urban youth in Bangladesh in partnership with the retail sector and the Government of Bangladesh. It provided decent work opportunities for disadvantaged urban youth (particularly women and People With Disabilities (PwD)) and supported 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. This project ended in November 2023.
BD018	Bangladesh: Safe Water Development (donor: Danida) The objective of this project is to create new jobs and income opportunities in water treatment and distribution, and to increase access to safe and affordable drinking water for over 200,000 people in Bangladesh, tackling the impact of COVID-19 and supporting economic recovery in the coming years. The business objective is for commercial partners 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.
BD020	Bangladesh: Education (donor: Hempel Foundation) This project is providing quality primary education to children in northern Bangladesh who were not previously in the school system. 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 (donor: Vitol Foundation) This project's aim was to 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. The project ended in 2022.
BD022	Bangladesh: Health Cox's Bazaar (donor: British Asian Trust) This project, using zakat funding donated via the British Asian Trust, supported the work of five BRAC health facilities (one primary healthcare centre and four Health Posts) in refugee camps across Cox's Bazar. The project ended in 2022.
BD023	Bangladesh: Flood Emergency (donor: UBS Foundation) This project delivered emergency response to areas affected by severe flooding in Sylhet, Sunamgonj and Netrokona districts of Bangladesh in June 2022. The project ended in 2022.
BD024	Bangladesh: Flood Appeal (donor: TikTok) This project delivered emergency response to areas affected by severe flooding in Sylhet, Sunamgonj and Netrokona districts of Bangladesh in June 2022. The project ended in 2022.
BD025	Bangladesh: Donation of lights to BRAC schools in Kurigram (donor: Signify Foundation) Under this project Signify Foundation supplies solar indoor bulbs to BRAC schools in Kurigram district to improve studying conditions for children, and solar floodlights to flood shelters in the north east of Bangladesh to enhance safety and security for impacted families.
BD026	Bangladesh: Climate Disaster Relief Efforts (donor: Askehave Climate Foundation) Under this project BRAC provides rapid emergency response to communities affected by climate-related disasters in Bangladesh and the Philippines. In 2023 funds were used to help vulnerable households affected by flash flooding in Chattogram district in August, by providing cash support to enable people to buy food and other essentials, and repair damaged property.
BD027	Bangladesh: The Humanitarian Sanitation Knowledge Hub (SANIHUB) (donor: German Toilet Organisation) This funding from the German Toilet Organisation is to support the work being carried out by BRAC at the Rohingya refugee camps in Cox's Bazar to ensure that lessons learned in the field of sanitation and faecal sludge management are made available to the global humanitarian sector through SANIHUB. SANIHUB is a platform for consolidating and sharing knowledge on sanitation and faecal sludge management issues in emergency situations.
BDTO12	Bangladesh: Disability Inclusive Development (donor: FCDO) This project involved working with organisations providing expert support and knowledge around disability inclusion to explore the best ways to scale up BRAC's successful Skills Training for Advancing Resources (STAR) programme, integrating youth with disabilities including severe disabilities such as deafblindness. This project ended in 2023.
MC002	Bangladesh: Covid 19 response (individual donations) Alongside the projects that were funded through partnerships with like minded organisations, BRAC UK also receives some restricted donations from members of the public for specific campaigns. In 2022 we received donations for our work in support of our work in multiple countries outside of Bangladesh through BRAC International.
PH001	Philippines: Youth Skills (donor: Signify Foundation) The aim of this project is to provide meaningful and sustainable livelihood opportunities for women and girls aged 16-30 from marginalised households in communities in the BARMM region of the Philippines by setting them up as trained entrepreneurs for last mile distribution of clean energy, lighting and provision of electrician services.
TZ001 and TZ002	Tanzania: Women Entrepreneurship through the Solar Value Chain for Economic development in Tanzania (WE SOLVE) (donor: Danida) This project was a partnership between BRAC, Solar Sisters and Philips Lighting and involved providing loans to people living in rural areas of Tanzania to purchase solar lamps from female entrepreneurs recruited by Solar Sisters, an organisation that supports women in Africa to create clean energy businesses. The project ended in 2023.

Notes to the financial statements

For the period ended 31 December 2023

Purposes of restricted funds (continued)

TZ005	Tanzania: Early Childhood Development (ECD) (donor: Vitol Foundation) This project piloted 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. The project ended in 2023.
TZ006	Tanzania: Disability Inclusive Graduation (donor: Cartier Philanthropy, UBS Foundation, Whole Planet Foundation) This project is introducing disability-inclusive ultra-poor graduation programming in Tanzania through leveraging its ongoing partnership with Humanity & Inclusion and SHIVYAWATA (a national organisation of persons with disabilities). The project launched in early 2023, reaching participants in two districts of Tanzania over a period of 30 months. The project will graduate ultra-poor households out of ultra-poverty and into sustainable livelihoods, targeting 70% women and 15% persons with disabilities.
UG007 and UG008	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: Cartier Philanthropy) The aim of this project was to implement a disability inclusive ultra-poor graduation programme in Northern Uganda in partnership with Humanity & Inclusion (HI) and the National Union of Women with Disabilities in Uganda (NUWODU). The project ended in 2022.
UG012	Uganda: Digital Health (donor: Global Innovation Fund) This project combined a number of initiatives on responding to the Covid-19 pandemic in Uganda including equipping community health workers with a mobile app and platform to collect data on patients and households, and providing training content and lifesaving information delivered via distance learning platforms and interactive voice response (IVR) technology. The project ended in 2022.
UG054	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: FCDO Inclusive Futures) The purpose of this project was to implement a disability inclusive ultra-poor graduation programme in Northern Uganda in partnership with Humanity & Inclusion (HI) and the National Union of Women with Disabilities in Uganda (NUWODU). The project formed part of a wider global partnership between BRAC and HI to test, replicate, adapt and scale contextually appropriate models for disability inclusive graduation. The project ended in 2022.

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	
	2023	2022
	£	£
More than five years	-	-
1 - 5 years	40,618	91,918
Less than one year	51,300	51,300
	91,918	143,218

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.

BRAC Europe

England & Wales - Charity number 1115482

Accounts

Company number: 5802246

Charity number: 1115482

BRAC UK

Report and financial statements

For the year ended 31 December 2022

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.

Address

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Trustees

Ken Caldwell (Chair of Trustees)
Richard Nartey (Treasurer)
Kate Kuper (term ended 9 February 2022)
Jane Cooper
Shameran Abed (term ended 11 May 2022)
Jack Lundie
Anne-Marie Harris
Deepali Sood
Shanthi Flynn

Principal staff

Lewis Temple (Chief Executive)
Laura Griffin (Deputy Chief Executive & Director of Partnerships) (resigned 16 December 2022)
Juliette Webb (Finance & Resources Director) (resigned 30 November 2022)
Chris Lyne (Director of Communications and External Engagement) (appointed 1 January 2023)
George Mukkath (Acting Director of Partnerships) (appointed 1 January 2023)
Giles Totterdell (Finance & Operations Director) (appointed 3 January 2023)

Bankers

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

Solicitors

Bates Wells & Braithwaite London LLP, 10 Queen Street Place, London, EC4R 1BE

Auditor

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

Statement from the Chair of Trustees

In 2022, BRAC celebrated our 50th birthday. It's a remarkable story of how our founder, Sir Fazle Hasan Abed, inspired a unique organisation that has changed the lives of tens of millions of poor and marginalised people in Bangladesh, and played an important part in Bangladesh's transformation from the second poorest country in the world at independence in 1971, to becoming a middle-income country, with significantly lower levels of inequality than most other countries at the same stage of development. In the last two decades, BRAC has taken that learning to ten other countries across Asia and Africa, and our distinctive ultra-poor graduation approach is now being taken up by a growing number of developing country governments around the world.

But our celebrations have been muted by the recognition that over the past three years, the combined effects of Covid, rapidly increasing global food and fuel prices, and more extreme weather events, have pushed over 70m people around the world back into extreme poverty, reversing the long term trend of reducing global extreme poverty, and making the global goal of ending extreme poverty by 2030 (UN Sustainable Development Goal 1) feel very hard to attain.

So, in BRAC we are determined to redouble our efforts around the world to help the poorest households recover from recent setbacks and get back on track to empower people to have sustainable livelihoods and access to decent health and education. In 2022, we worked with a growing range of partners who share our passion for these goals, and who see the benefits of our distinctive southern-led approach.

The role of BRAC UK within the BRAC global family is to support this global goal, through building partnerships with funders and global development actors based in Europe, and to contribute to our global advocacy on the causes and solutions of extreme poverty.

During the year under review, we welcomed the gradual recovery of our programmes around the world from Covid restrictions, but UK government funding for developing countries has been slow to recover from recent UK aid cutbacks. 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 2023.

We have continued a wide range of discussions with global development actors based in Europe, bringing BRAC's experience to global policy discussions affecting those living in extreme poverty across the world. We also advocated around the 2022 climate change summit (COP27) to mobilise a greater share of climate change funding for locally led adaptation, drawing on our

experience of working with affected communities who are bearing the brunt of the consequences of climate change.

After refreshing our board in 2021, we focused in 2022 on clarifying and refining our board roles, committees, and processes; strengthening the engagement of our board members and staff with BRAC's global work; and making an active contribution to the work of BRAC's global governance. I would like on behalf of the organisation to take this opportunity to thank Kate Kuper and Shameran Abed, both of whom stood down from our Board in 2022, after playing key roles in shaping the development of BRAC in the UK over many years.

Ken Caldwell
Chair of Trustees
BRAC UK

A message from the Chief Executive

It has been a truly historic year for BRAC, marking 50 years since Sir Fazle Hasan Abed founded the organisation in Bangladesh. This milestone would not have been possible without the contributions made by our staff, volunteers, partners, donors, and participants.

Advocacy has been a major focus of our work this last year. In 2021, we facilitated the creation of the UK's first All Party Parliamentary Group (APPG) on extreme poverty. Through this group we have shared BRAC's knowledge and experience of empowering women to secure sustainable livelihoods and escape the poverty trap through the Ultra Poor Graduation approach. The group was instrumental to the UK Parliamentary International Development Committee undertaking an Inquiry into Extreme Poverty and the Sustainable Development Goals in 2022, the Inquiry report was published on December 13th.

We were also proud to mark the successful conclusion of our Disability Inclusive Ultra Poor Graduation project in Uganda. Over three years, BRAC reached 2,700 ultra-poor households with disability inclusive services, including mentoring, financial support, and an asset for which they received training to turn into a regular income. 75% of the households were able to lift themselves out of extreme poverty and the project generated key learning on effectively targeting extremely poor households that are not reached by traditional development programmes, while overcoming barriers for people with disabilities. Building on the success of the project in Uganda, this year we launched the same model in Tanzania in partnership with Cartier Philanthropy, UBS Optimus Foundation, and the Whole Planet Foundation. While BRAC's ultra-poor graduation approach was developed and refined in Bangladesh, its success and continued growth in Africa signals a move towards a truly global impact.

Operating in Afghanistan has continued to prove a challenge for development organisations. In December 2022, BRAC suspended operations in Afghanistan following a directive from the Afghan government barring women from working in non-governmental organisations (NGOs). Over half of BRAC's staff in Afghanistan are women. Without them, we cannot reach women and

girls living in poverty, depriving those most at risk from accessing vital support. BRAC will continue to advocate for women in Afghanistan to be allowed to return to work safely.

As we celebrate BRAC's 50th anniversary on March 2nd 2023, at the Houses of Parliament in London, I would like to thank each and every one of our staff, volunteers, partners and donors for your support in helping us to continue our mission of improving the lives of people living in poverty around the world. Your commitment to transforming lives of those in need is truly inspiring and I am honoured to be a part of this incredible community.

Lewis Temple
Chief Executive
BRAC UK

About BRAC

BRAC is an international development organisation founded in Bangladesh in 1972 that partners with over 100 million people living with inequality and poverty to create opportunities to realise their potential. BRAC is known for its community-led, holistic approach and delivering long-term impact at scale. BRAC works with communities in marginalised situations, hard-to-reach areas and post-disaster settings across Asia and Africa, with a particular focus on women and children. BRAC operates as a solutions ecosystem, including social development programmes, social enterprises, humanitarian response, a bank, and a university. BRAC is born and proven in the south and has become a world leader in developing and implementing cost-effective, evidence-based programmes.

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 11 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. Our programmes include:

Extreme Poverty

Worldwide, over 700 million people experience extreme poverty, living on less than \$2.15 per day (£1.75). 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, alongside a sharp rise in global food and fuel prices due to the Ukraine war. Due to these factors, the number of people living in extreme poverty is 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 with the help of BRAC
- BRAC has developed or assisted Ultra Poor Graduation programmes in 15 countries
- The programme results in a 37% average increase in earnings among participants in Bangladesh
- Participants experience sustained economic benefits for many years after graduating

Climate Change

People living in poverty are adversely and disproportionately affected by 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

- 3 million people living in climate vulnerability were holistically supported to tackle climate change impacts in 2022
- 17K farmers trained in climate-smart agriculture in Liberia in 2022

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 groundbreaking Play Lab programme in Bangladesh, Tanzania, and Uganda, reaching more than 100,000 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

- 14 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 and livelihood prospects.

BRAC's youth programmes combine social empowerment, economic empowerment, and education to enable young people to reach their full potential. The Accelerating Impact for Young Women (AIM) programme, supported by the Mastercard Foundation, started in 2022 and over the next 5 years will equip 1.2 million adolescent girls and women across 7 African countries with learning opportunities, work and market-relevant skills, resources and network to start and scale businesses, and the confidence to act and advocate for the enabling environment they need to thrive.

Key Facts (Since 2014)

- BRAC's Youth programmes are implemented across 11 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, nutrition promotion, and the prevention and diagnosis of non-communicable diseases. They also earn a modest income from the sale of basic health goods.

Key Facts

- Over 50,000 community health workers currently deliver last-mile care across 5 countries
- BRAC serves over 80 million people in Bangladesh through health education and service delivery
- Community Health Workers in Bangladesh 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 900,000 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 9 million borrowers across 7 countries
- 88% of borrowers are women
- 57 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. We were 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 2022, we 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.

Key Facts

- BRAC has provided services for more than 700,000 Rohingya refugees since 2017
- 722,00 people were 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. We also reinvest profits from our enterprises into our development programmes, 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 and social impact investments
- Through Aarong, the number one lifestyle retailer in Bangladesh, 65,000 artisans have been linked to a market for their produce and talents
- Aarong Dairy has linked 28,000 smallholder dairy farmers to market, with an average number of dairy cattle of three.

Afghanistan update

In December 2022, BRAC suspended operations in Afghanistan following a directive from the government barring women from working in NGOs. Over half of BRAC's staff in Afghanistan are women. Without them, we cannot reach women and girls living in poverty, depriving those most at risk from accessing vital support. The exclusion of women staff members obstructs the delivery of critical humanitarian and development interventions and undermines the fundamental right of women to work.

Asia Projects funded through BRAC UK in 2022

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 2022. For a full list of projects, please see the Financial Statements.

Project: Progressing the Retail Sector by Increasing Decent Employment (PRIDE) (BD 012)

Country: Bangladesh

Donor(s): IKEA Foundation, UBS Optimus Foundation

This pilot project is providing sustainable livelihood options for low-income youth in urban Bangladesh in partnership with the retail sector and the Government of Bangladesh. It is providing decent work opportunities for disadvantaged 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. After initial delays due to Covid lockdowns in 2021, the project has been extended by 1 year and is back on track to deliver the planned targets. In 2022, we provided training to 2,198 young people (overall: 2,976) and 1,576 graduates were placed in decent

employment (overall: 2,238). As the project will close in November 2023, a priority for this year is the design of a potential next phase and securing further funding.

Project: Rehabilitation of Livelihood and Vulnerability Eradication (RELIVE) for flood affected population in Bangladesh (BD 021)

Country: Bangladesh

Donor(s): Vitol Foundation

RELIVE 2 built 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. It strengthened the resilience of vulnerable households to floods by adopting a build-back-better approach in the recovery and rehabilitation of affected communities, implemented community-based mitigation measures through systematic flood risk assessment, developed a risk reduction action plan and finally built the capacity of local government institutions, engaging them in implementation to foster long-term sustainability. The project ended in late November 2022, and we are aiming to apply the learning from this project to potential new programmes related to emergency relief and resilience.

Project: Safe Water for All (BD 018)

Country: Bangladesh

Donor(s): Danish Ministry of Foreign Affairs

This project started in late 2021, aiming to create inclusive and sustainable economic growth, to increase income through 669 jobs and further employment opportunities in water treatment and distribution, and to increase access to safe and affordable drinking water for 204,000 people in Bangladesh. The project includes commercial partnerships, mainly with Danish pump company Grundfos, and aims 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 through water treatment plants whilst creating green jobs and additional income for the sector in the process. Due to global supply chain issues and the nature of the project as a pilot, it is experiencing some delays that are currently being addressed working closely with the commercial partners.

Project: Supporting Out of School Children in Northern Bangladesh (BD 020)

Country: Bangladesh

Donor(s): Hempel Foundation

This partnership with Hempel Foundation provides quality primary education to children who spent up to 18 months out of school in northern Bangladesh due to the COVID pandemic. 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. The project has reached its targets for 2022, and if it continues to prove successful, BRAC plans to put it forward as a robust and effective method for helping pupils that have been left behind to catch up. In the event that this approach is proven effective, there is potential for replication, for example as a response to future pandemics.

Project: Essential Primary Healthcare Support to the Rohingya Refugees in Cox's Bazar, Bangladesh (BD 022)
Country: Bangladesh
Donor(s): British Asian Trust

The British Asian Trust, using zakat funding, donated money to support BRAC's response to the Rohingya Crisis. Specifically, the funding went towards the running costs of five BRAC health facilities (one primary healthcare centre and four Health Posts) in five different refugee camps across Cox's Bazar. The centres improve access to a range of quality lifesaving health services, including sexual and reproductive health, maternal, neonatal, child and adolescent health, non-communicable diseases, and mental health.

Project: Supporting north-east flood affected households to ensure food security through cash transfers (BD 023)
Country: Bangladesh
Donor(s): UBS Philanthropy Foundation

Large portions of the Sylhet, Sunamgonj and Netrokona districts of Bangladesh were submerged by severe monsoon waters in June 2022. The flood was considered worse than previous ones, affecting over 4 million people out of which 1.4 million were women. UBS Philanthropy Services agreed that BRAC UK could repurpose funding remaining from a previous project (AF 001 Afghanistan Ed Tech Hub) towards the response, which supported 5,800 households in Sylhet with 1,500 Bangladesh Taka, which provided two weeks' worth of food baskets.

Project: Supporting north-east flood affected households to ensure food security through cash transfer (BD 024)
Country: Bangladesh
Donor(s): Tik Tok

Large portions of the Sylhet, Sunamgonj and Netrokona districts of Bangladesh were submerged by severe monsoon waters in June 2022. The flood was considered worse than previous ones, affecting over 4 million people out of which 1.4 million were women. Tik Tok donated funds

towards BRAC's emergency response to the flood, which included cash transfers for 50,000 families affected by the floods.

Project: Disability Inclusive Vocational Training and Youth Employment (BDTO 12)

Country: Bangladesh

Donor(s): Inclusive Futures

This project is being funded through the Disability Inclusive Development (DID) Programme; a FCDO-funded consortium programme led by Sightsavers, which sits within the FCDO-funded Inclusive Futures coalition. Working together with organisations providing expert support and knowledge around disability inclusion, we are aiming to explore the best ways to scale up BRAC's successful Skills Training for Advancing Resources (STAR) programme while integrating youth with disabilities, including severe disabilities such as deafblindness. A large focus is capturing and disseminating key learnings from this process, which will be finalised following the completion of the programme in early 2023.

Project: Youth and Skills in the Philippines: Training for Marginalised Youth as lighting entrepreneurs in Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) (PH 001)

Country: The Philippines

Donor(s): Signify Foundation

Still in its design phase, this project intends to provide meaningful and sustainable livelihood opportunities for young women and girls aged 16-30 from marginalised communities in BARMM by setting them up as trained lighting entrepreneurs and last mile distributors of lighting products. A market survey was completed in late 2022, which evaluated the capacity of local markets and reaffirmed the opportunities to involve women and girls in the lighting sector, and specifically solar lighting for remote regions. The project design will be finalised in early 2023, and activities are due to start soon after.

Africa Projects funded through BRAC UK in 2022

Project: Women Entrepreneurship through the Solar Value chain for Economic development in Tanzania (TZ 001 and TZ 002)

Country: Tanzania

Donor(s): DANIDA, Signify Foundation, Signify

WE SOLVE (Women Entrepreneurship through the Solar Value chain for Economic development in Tanzania) is a partnership that generates new, decent, and green employment for women in 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 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. Throughout 2022, the project expanded the redesigned loan product and welcomed d.light into the partnership. This was a period of growth and implementation of learnings from the previous years; the project expanded to 5 regions with an additional 13 microfinance branches, for a total of 23 branches overall. The project is due to conclude in March 2023. Partners will build on lessons learned to replicate similar models in other contexts as the initiative has demonstrated that consumer financing is essential for increasing access to electricity for last mile communities.

Project: Playful Learning for Young Children in Tanzania (Early Childhood Development) (TZ 005)

Country: Tanzania

Donor(s): Vitol Foundation

Launched in 2021, this project pilots a high-quality play-based Early Childhood Development (ECD) social enterprise to improve the cognitive, physical, socio-emotional and language development of children aged 3 to 5 years in Dar es Salaam, Tanzania. BRAC aims to find a business model that is financially sustainable, scalable, and affordable for low to middle-income households through testing an innovative cross-subsidy “Hub and Spoke” approach. The “Hubs” (Bloom Academy) provide premium quality, affordable, play-based early learning to families and generate income through school fees targeting middle-income families, which are used to subsidize two lower-fee interventions targeting low and low-middle income households: “Spoke” schools (Angaza Academy) and a mobile ECD center (Angaza Wheels) which delivers mobile ECD lessons to existing daycares and low-income communities. At its peak in 2022, 175 students were enrolled in BRAC’s 2 Hub and 2 Spoke schools, with plans to increase enrolment in 2023 through hiring and training more teachers, expanding marketing to better reach parents, new school renovations, increasing flexibility in payments and launching a transport service for Hub schools.

Project: Disability Inclusive Ultra-Poor Graduation Programme (DIG) (TZ 006)

Country: Tanzania

Donor(s): Cartier Philanthropy and UBS Optimus Foundation

As the design for the Disability Inclusive Graduation (DIG) project in Tanzania was finalised in 2021 using lessons learned from the DIG project in Uganda, a similar programme was designed in Tanzania, with funding also provided by Cartier Philanthropy and UBS Optimus Foundation agreed to provide an additional 10% co-funding. With the support of both funding partners, BRAC will introduce disability-inclusive ultra-poor graduation programming in Tanzania through leveraging its ongoing partnership with Humanity & Inclusion and SHIVYAWATA (a national organisation of persons with disabilities). The project entered its planning phase in November

2022 and will be launched in early 2023, reaching participants in two districts of Tanzania over a period of 30 months. The project will graduate ultra-poor households out of ultra-poverty and into sustainable livelihoods, targeting 70% women and 15% persons with disabilities.

Project: Disability Inclusive Ultra-Poor Graduation Programme (DIG) (UG 007, UG 008, and UGTO 54)

Country: Uganda

Donor(s): UK Aid, Cartier Philanthropy, Medicor Foundation, Inclusive Futures

Together BRAC, Humanity & Inclusion and National Union of Women with Disabilities of Uganda (NUWODU) implemented a disability-inclusive ultra-poor graduation programme in Northern Uganda. The project formed part of a wider global partnership between BRAC and Humanity & Inclusion to test, replicate, adapt and scale contextually appropriate models for disability-inclusive graduation. Concluding in 2022, the project achieved its core objectives: 2,700 participants aged 15-64 and living in ultra-poverty (87% women and 17% persons with disabilities) were trained in enterprise development (small business management, livestock rearing, apiculture and crop production), given assets to diversify their income and linked up to social protection and financial inclusion, allowing them to better access social safety nets to ensure they do not fall back into poverty. By April 2022, 70% of the participants met the graduation score prerequisites, with a 74.4% graduation rate for participants with disabilities. The project team is developing learning materials to share the knowledge gained with other stakeholders working in disability-inclusive graduation.

Project: Digital Health Innovations: Tools and Services to improve essential healthcare (UG 012)

Country: Uganda

Donor(s): Global Innovation Fund

In Uganda, using Viamo's Interactive Voice Response (IVR) platform via mobile phones, BRAC remotely trained 6,000 Community Health Workers (CHWs) and government Village Health Teams on COVID-19 behaviour change and integrated community case management. CHW response rates were positive, with 98% starting and 76% completing at least one lesson. BRAC and the Ministry of Health jointly created behaviour change messaging on COVID-19 and COVID vaccinations, which were disseminated to the wider population via two-way IVR. Over 2 million contacts were dialed with 49% picking up the calls, and about a quarter listening to the message in full. All BRAC Community Health Workers (CHW's) were equipped with Medic Mobile's Community Health Toolkit (CHT), a mobile-based decision support application that collects data on patients, households, and visits; 93% of CHWs and 100% of supervisors are using the platform. BRAC together with Medic completed the testing of integrating the CHT with the Ministry of Health district information system (DHIS2), with full integration expected to take place after the project lifetime.

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).

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 socially oriented investments. Unrestricted donations are transformative for BRAC UK as they allow us to invest in our capacity and increase our ability to innovate and test project concepts to get them to the point where institutional donors will be interested in investing to help them reach more people.

Advocacy and Thought Leadership

BRAC UK has been developing our advocacy programme over the past three years, with two primary objectives - working to end extreme poverty by 2030 and raising BRAC's profile in the UK as a leading Global South voice on development.

We have worked to develop our political and parliamentary networks, as well as strengthening our civil society networks in the UK.

BRAC UK provides secretariat support to the All Party Parliamentary Group (APPG) on Extreme Poverty, which is chaired by Chris Law MP. The Group was launched in October 2021, and in 2022 held two sessions in Parliament. The APPG includes 12 parliamentarians from across the political spectrum. You can find out more about the APPG by visiting the website www.appgextremepoverty.org.

In 2022, BRAC UK supported the UK's International Development Committee, which oversees UK government spending on development, with their inquiry into Extreme Poverty and the Sustainable Development Goals. The APPG on Extreme Poverty was instrumental in establishing the inquiry, and we used our expanding network of contacts to ensure the Committee received a wide variety of evidence from different development actors.

Future Activities – Our 3 Year Plan

BRAC UK has four priorities in 2023:

- 1) **Securing high value, and multi-year funding** by building strong and purposeful partnerships with a targeted number of bi-lateral and foundation donors.
- 2) **Progression of our new Major Donor Programme** with the aim of securing more flexible, strategic funding through individuals able to make large donations. Much of the ground-work was prepared for this in 2022 and we expect to raise some significant funds in 2023.
- 3) **Advocating for extreme poverty to be at the centre of the UK's aid programme.** Specifically, we expect to have intensive engagement with both the Government and opposition parties to ensure that eradicating extreme poverty is a priority in both their aid policy and election manifestos.
- 4) **Increasing the visibility of BRAC in the UK and Europe** among target audiences, to facilitate fundraising for BRAC. There will be a targeted focus on publishing opinion pieces and securing mentions and interviews in the media, production of marketing materials to support fundraising and ensuring BRAC is visible at global events and conferences.

2023 is the last year of BRAC UK's 3-year plan and so during the year a new strategy and plan will be developed to outline BRAC UK's objectives for 2024 to 2027.

Annual Report of the Board of Trustees

The Trustees present their report and the audited financial statements for the year ended 31 December 2022. 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. They then undertake the selection and appointment of new trustees to the board. The appointment of trustees is made on the basis of a vote of the board. 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 7 to the accounts.

The Board conducted an internal governance review during 2022, to clarify and refine our governance processes and our board committees and roles. We now have three formal Board committees, with terms of reference approved by the Board.

- Finance, Audit, and Risk
- Board and Organisational Development
- Remuneration

Members of the Board of Trustees provide additional support to staff through different advisory committees on Fundraising, and on Advocacy & Communications. We also have lead trustees to guide our oversight of safeguarding and human resources policies and practices.

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 other BRAC entities to create 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 also has a small Executive Team which provides 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 started work in early 2022.

Management

The Chief Executive Officer (CEO) reports to the Chair of trustees and is responsible for the day-to-day management of the organisation. In 2022, 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 Remuneration Committee oversees the overall remuneration policies of BRAC UK and agrees the remuneration of the CEO and executive leadership team.

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.

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 2022, 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 which is 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 2022. 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

BRAC UK receives income principally from three sources:

- Grants from governments, institutions and other major donors to fund specific projects (restricted funding);
- Donations from individuals and corporate bodies (unrestricted funding); and
- Funding from BRAC to support BRAC UK's fundraising, communications and advocacy work in the UK and Europe (unrestricted funding).

Total income in 2022 increased to £5.2m (2021: £3.4m). Project grants continue to represent the largest funding stream at £4.4m (2021: £2.5m). This figure included grants for new projects in 2022 such as the *Disability Inclusive Ultra-Poor Graduation Programme* in Tanzania, and grants to support relief efforts following floods in Bangladesh in June 2022. BRAC contributed £0.6m (2021: £0.6m) in unrestricted funding for BRAC UK core costs, and BRAC Global a further £0.1m (2021: £0.2m) to support global initiatives. A further £0.1m (2021: £0.1m) was received in unrestricted donations.

BRAC UK's expenditure falls in to two main categories:

- Direct costs of delivering projects, principally as grant disbursements to BRAC and BRAC International; and
- Project support and governance costs, including advocacy and costs associated with supporting BRAC's global initiatives.

Total expenditure in 2022 increased to £5.4m (2021: £4.1m). Spend on delivering projects rose to £4.8m (2021: £3.3m), in line with the increase in grant income. Project support and governance costs fell to £0.6m (2021: £0.8m) mainly due to lower costs incurred on supporting global initiatives following staffing changes.

The overall financial result for 2022 was positive for BRAC UK. We ended the year with a surplus on unrestricted funds of £0.2m (2021: surplus £0.1m), increasing the unrestricted reserve to £0.8m which is slightly above our target level (see "Reserves Policy" below). This result includes

the £0.6m funding from BRAC, and the financial support received from BRAC continues to be an important factor in BRAC UK's stability and ability to achieve its core operations. With regard to restricted funds total expenditure exceeded income by £0.4m; this was due to the disbursement of funds that had been received from donors in prior years and was in line with expectations. The aggregate value of all restricted funds at the end of 2022 was £0.8m (2021: £1.2m). Total funds at year-end were therefore £1.6m (2021: £1.8m).

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 2022 that could affect the operating ability of BRAC UK were:

Highly competitive grant funding landscape. Competition for major grant funding from institutions and charitable trusts and foundations has increased in recent years, particularly in the UK following the UK Government's decision in 2021 to reduce its commitment to spend 0.7% of Gross National Income on Overseas Development Assistance to 0.5%. BRAC UK is mitigating this risk by diversifying our income streams and establishing relationships with new donors whose interests align with ours.

Loss of expertise in the UK team due to staff turnover. BRAC UK is a small, highly qualified and experienced team, and we face the ongoing challenges of retaining staff and ensuring that their expertise is replaced if they leave. BRAC UK is addressing this risk by ensuring that staff salaries remain competitive, and that adequate attention is paid to staff wellbeing and development.

High inflation in the UK and internationally. Over the last year inflation has risen to historically high levels in the UK and across much of Asia and Africa. Rising costs put pressure on project budgets and can necessitate reductions to the scope of our work, and high inflation in the UK has led to increased costs in running the UK office. BRAC UK has responded to this by reviewing and where necessary revising budgets on current projects, and ensuring that all new projects have appropriate inflation assumptions built in. UK office running costs have also been scrutinised to mitigate the impact of rising costs as much as possible.

Occurrence and reporting of safeguarding incidents. BRAC UK-supported projects involve working with a wide range of stakeholders and keeping these stakeholders safe continues to be our overwhelming priority. We mitigate this risk by improving the policy, processes and culture of safeguarding throughout BRAC UK's operations and partnerships.

Staff safety and wellbeing whilst travelling overseas. BRAC UK staff travel to locations where, for example, healthcare facilities or road safety standards increase the risks to their personal safety and wellbeing. BRAC UK addresses this through measures such as regular monitoring of security alerts and travel advisories, ensuring staff receive adequate training and briefings before travel, observance of communication protocols with the UK office, and having suitable travel insurance.

Grant management and compliance. Failure to complete projects to plan and budget, or to comply with the terms and conditions of grant agreements, would damage BRAC UK's reputation with donors and threaten to undermine our attempts to secure future funding. We mitigate this risk by working closely with our BRAC partners to design and monitor workplans, support project staff where necessary, and ensure that robust processes are in place to comply with grant conditions.

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 in response to unforeseen events
- to fund shortfalls in reserves if expected levels of income are not reached
- to fund working capital

Taking these into account, the Trustees set a target level for unrestricted reserves. The target balances the need to apply funds to BRAC UK's mission in the furtherance of our charitable objectives whilst ensuring there are sufficient funds to run our day-to-day business and to protect from the risk of unanticipated events. The target is reviewed at least annually to ensure it remains relevant to the realities of current operations and their associated risks. At the end of 2022 the Trustees determined that the target reserves level should be in a range of £0.45m to £0.55m. The actual unrestricted reserves at year end stood at £0.8m (2021: £0.6m). Based on current financial forecasts the level of unrestricted reserves is expected to reduce to £0.7m by the end of 2023 and the Trustees intend to bring reserves back within the target range over the next 3-4 years.

BRAC UK also holds restricted reserves, representing funds received for specific project work. At the end of 2022 restricted funds held was £0.8m (2021: £1.2m). These funds will be disbursed in 2023 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.

This report has been prepared in accordance with the duty set out in the Charities Act 2006.

Approved by the Trustees on 2 May 2023 and signed on their behalf by

Ken Caldwell Director and Trustee (Chair)

Opinion

We have audited the financial statements of BRAC UK (the 'charitable company') for the year ended 31 December 2022 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 2022 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)

16 May 2023

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 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from:							
Donations and legacies	2	87,515	1,605	89,120	66,234	82,622	148,856
Charitable activities							
BRAC UK Core	3	603,344	-	603,344	603,341	-	603,341
BRAC global initiatives	3	108,886	-	108,886	243,021	-	243,021
Afghanistan	3	-	-	-	-	8,030	8,030
Bangladesh	3	-	2,728,650	2,728,650	-	608,692	608,692
Nepal	3	-	-	-	-	(84,585)	(84,585)
The Philippines	3	-	32,210	32,210	-	-	-
Sierra Leone	3	-	-	-	-	366,109	366,109
Tanzania	3	-	872,540	872,540	-	307,201	307,201
Uganda	3	-	798,946	798,946	-	1,184,356	1,184,356
Total income		799,745	4,433,951	5,233,696	912,596	2,472,425	3,385,021
Expenditure on:							
Raising funds	4	22,864	-	22,864	27,310	-	27,310
Charitable activities							
BRAC global initiatives	4	104,223	-	104,223	231,124	-	231,124
Afghanistan	4	-	-	-	4,908	8,030	12,938
Bangladesh	4	81,804	3,001,434	3,083,238	281,977	1,072,872	1,354,849
Nepal	4	-	-	-	(1,437)	(42,988)	(44,425)
The Philippines	4	-	30,249	30,249	-	-	-
Sierra Leone	4	-	-	-	(25,893)	366,109	340,216
Tanzania	4	69,650	834,757	904,407	93,652	188,892	282,544
Uganda	4	313,207	967,736	1,280,943	196,116	1,659,035	1,855,151
Total expenditure		591,749	4,834,176	5,425,925	807,757	3,251,950	4,059,706
Net income / (expenditure) for the year		207,996	(400,225)	(192,229)	104,839	(779,525)	(674,686)
Other gains/losses	15	-	-	-	-	-	-
Transfers between funds	15	-	-	-	-	-	-
Net income / (expenditure)		207,996	(400,225)	(192,229)	104,839	(779,525)	(674,686)
Net movement in funds		207,996	(400,225)	(192,229)	104,839	(779,525)	(674,686)
Reconciliation of funds:							
Total funds brought forward		621,819	1,226,781	1,848,600	516,980	2,006,306	2,523,286
Total funds carried forward		829,815	826,556	1,656,371	621,819	1,226,781	1,848,600

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.

Balance sheet

Company no. 5802246

As at 31 December 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	11		21,909		20,040
			21,909		20,040
Current assets:					
Debtors	12	291,450		352,415	
Cash at bank and in hand		2,301,128		2,161,956	
		2,592,578		2,514,371	
Liabilities:					
Creditors: amounts falling due within one year	13	958,116		685,811	
Net current assets			1,634,462		1,828,560
Total assets less current liabilities			1,656,371		1,848,600
Total net assets			1,656,371		1,848,600
The funds of the charity:	15				
Restricted income funds			826,556		1,226,781
Unrestricted income funds:					
General funds		829,815		621,819	
Total unrestricted funds			829,815		621,819
Total charity funds			1,656,371		1,848,600

Approved by the trustees on 2 May 2023 and signed on their behalf by

Ken Caldwell
Chair

Statement of cash flows

For the period ended 31 December 2022

Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	(192,229)	(674,686)
Depreciation charges	7,393	4,165
Dividends, interest and rent from investments	(3,126)	(1,692)
Loss on disposal of fixed assets	-	417
(Increase)/Decrease in debtors	60,965	(293,907)
Decrease in creditors	272,305	(110,883)
Net cash provided by operating activities	145,307	(1,076,586)

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	16	145,307	(1,079,586)
Cash flows from investing activities:			
Dividends, interest and rents from investments		3,126	1,692
Purchase of fixed assets		(9,261)	(20,710)
Net cash provided used in investing activities		(6,135)	(19,018)
Change in cash and cash equivalents in the year		139,172	(1,095,604)
Cash and cash equivalents at the beginning of the year		2,161,956	3,257,560
Change in cash and cash equivalents due to exchange rate movements		-	-
Cash and cash equivalents at the end of the year		2,301,128	2,161,956

Notes to the financial statements

For the period ended 31 December 2022

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 reviewed BRAC UK's financial forecasts for 2023 and 2024, and conducted sensitivity analysis to assess the impact of key risks including inflation and a lower than expected level of new business. They have concluded that even on a prudent 'low case' set of assumptions BRAC UK would maintain sufficient unrestricted reserves and liquidity to be able to operate until at least the end of this period.

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:

- Bangladesh charitable activities	34%
- Philippines charitable activities	0%
- Uganda charitable activities	53%
- Tanzania charitable activities	12%
- 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 2022

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) 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.

m) 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.

n) 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.

o) Pensions

BRAC UK deals with its pension arrangements through a NEST money purchase pension scheme. Staff are enrolled in the NEST scheme from the commencement of their employment. BRAC UK matches staff contributions up to a maximum 6% of gross salary per annum.

p) 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	2022 Total	Unrestricted	Restricted	2021 Total
	£	£	£	£	£	£
Individual Donations	47,367	1,605	48,972	25,708	82,622	108,330
Corporate Donations	40,148	-	40,148	40,526	-	40,526
	<u>87,515</u>	<u>1,605</u>	<u>89,120</u>	<u>66,234</u>	<u>82,622</u>	<u>148,856</u>

Notes to the financial statements

For the period ended 31 December 2022

3 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
BRAC	600,000	-	600,000	600,000	-	600,000
Other	3,344	-	3,344	3,341	-	3,341
BRAC global initiatives	108,886	-	108,886	243,021	-	243,021
Sub-total for BRAC UK core charitable activities	712,230	-	712,230	846,362	-	846,362
Overseas Development Institute (ODI)	-	-	-	-	8,030	8,030
Sub-total for charitable activities in Afghanistan	-	-	-	-	8,030	8,030
UBS Optimus Foundation	-	156,698	156,698	-	4,391	4,391
IKEA Foundation	-	700,603	700,603	-	-	-
Danida Danish Market Development Partnerships (DMDP)	-	286,461	286,461	-	169,674	169,674
Hempel Foundation	-	590,064	590,064	-	22,918	22,918
Vitol Foundation	-	-	-	-	100,298	100,298
Foreign & Commonwealth Development Office (FCDO)	-	716,226	716,226	-	311,411	311,411
British Asian Trust	-	73,940	73,940	-	-	-
Tik Tok	-	204,658	204,658	-	-	-
Sub-total for charitable activities in Bangladesh	-	2,728,650	2,728,650	-	608,692	608,692
FCDO	-	-	-	-	8,303	8,303
Signify Foundation	-	-	-	-	(92,888)	(92,888)
Sub-total for charitable activities in Nepal	-	-	-	-	(84,585)	(84,585)
Signify Foundation	-	32,210	32,210	-	-	-
Sub-total for charitable activities in The Philippines	-	32,210	32,210	-	-	-
Global Innovation Fund (GIF)	-	-	-	-	366,109	366,109
Sub-total for charitable activities in Sierra Leone	-	-	-	-	366,109	366,109
Cartier Philanthropy	-	41,533	41,533	-	113,251	113,251
Medicor Foundation	-	20,000	20,000	-	80,000	80,000
National Lottery Community Fund (NLCF)	-	-	-	-	(36,700)	(36,700)
FCDO	-	624,314	624,314	-	729,819	729,819
GIF	-	113,099	113,099	-	297,986	297,986
Sub-total for charitable activities in Uganda	-	798,946	798,946	-	1,184,356	1,184,356
Cartier Philanthropy	-	524,045	524,045	-	4,702	4,702
Danida DMDP	-	211,999	211,999	-	152,364	152,364
Signify Foundation	-	22,658	22,658	-	38,093	38,093
UBS Optimus Foundation	-	52,404	52,404	-	-	-
Vitol Foundation	-	61,434	61,434	-	112,042	112,042
Sub-total for charitable activities in Tanzania	-	872,540	872,540	-	307,201	307,201
Total income from charitable activities	712,230	4,432,346	5,144,576	846,362	2,389,803	3,236,165

Notes to the financial statements

For the period ended 31 December 2022

4a Analysis of expenditure (current year)

	Cost of raising funds	Bangladesh Charitable Activities	Philippines Charitable Activities	Tanzania Charitable Activities	Uganda Charitable Activities	BRAC Global initiatives	Governance costs	Support costs	2022 Total
	£	£	£	£	£	£	£	£	£
Staff costs (note 7)	23,619	126,671	1,096	43,307	189,220	103,523	52,165	392,073	931,675
Training, recruitment, wellbeing (note 7)	-	-	-	-	-	-	-	18,710	18,710
Grants payments (note 5)	(3,121)	2,773,974	26,611	787,057	780,791	-	-	-	4,365,311
Programme activities	-	5,174	922	4,387	29,589	-	-	31,138	71,210
Office management	-	97	-	164	258	-	-	118,431	118,950
Fundraising expenditure	2,366	27	-	-	-	-	-	-	2,393
Audit & legal fees	-	5,460	-	5,460	-	700	17,889	-	29,509
Foreign exchange gains/losses	-	(8,101)	-	-	1,514	-	-	(105,246)	(111,833)
	22,864	2,903,302	28,629	840,375	1,001,372	104,223	70,054	455,106	5,425,925
Governance costs	-	24,003	216	8,542	37,294	-	(70,054)	-	-
Support costs	-	155,933	1,404	55,491	242,278	-	-	(455,106)	-
	-	179,936	1,620	64,033	279,571	-	-	-	
Total expenditure 2022	22,864	3,083,238	30,249	904,407	1,280,943	104,223	-	-	5,425,925

Notes to the financial statements

For the period ended 31 December 2022

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 £	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 2022

5 Grant-making

	2022 Grants to institutions £	2021 Grants to institutions £
BRAC Afghanistan	-	3,864
BRAC Bangladesh	2,773,890	956,726
BRAC International	100,553	(45,434)
BRAC Sierra Leone	-	321,892
BRAC Tanzania	602,010	107,855
BRAC Uganda	701,028	1,185,867
Solar Sister	111,189	17,804
Humanity & Inclusion (HI)	5,036	104,268
Viamo	22,714	115,020
Nuwodu	51,980	59,064
Others	(3,089)	1,066
	4,365,311	2,827,992

6 Net incoming resources for the year

This is stated after charging:

	2022 £	2021 £
Depreciation	7,393	4,165
Operating lease rentals:		
I Property	52,385	55,010
Auditor's remuneration, excluding VAT :		
I Audit of BRAC UK accounts	8,200	7,450
I External audit of project funds	-	4,850

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

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	746,678	716,284
Social security costs (National insurance)	79,232	78,593
Employer's contribution to defined contribution pension schemes	37,206	38,380
Other staff costs	87,269	144,757
	950,385	978,014

	2022 No.	2021 No.
£60,000 - £69,999	1	1
£70,000 - £79,999	1	-
£90,000 - £99,999	1	-
£100,000 - £109,999	1	1
£120,000 - £129,999	-	1

The total employee benefits including pension contributions of the key management personnel were £349,425 (2021: £484,140) of which in 2022 £79,053 were for staff seconded to and funded by BRAC and BRAC International.

Ex-gratia termination payments totalling £32,779 were made to two members of staff in 2022 (2021: none). Termination payments are recognised in full in the accounting period in which they fall due.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £10,269 incurred by 5 members in 2022 (2021: £25, no members) relating to attendance at meetings of the trustees and visits to BRAC Bangladesh.

Notes to the financial statements

For the period ended 31 December 2022

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 16.3 (2021: 13.6). The average number of staff on the FTE basis is as follows:

	2022 No.	2021 No.
Raising funds	0.4	0.3
BRAC UK Core Charitable Activities	11.4	7.5
Afghanistan Charitable Activities	-	0.1
Bangladesh Charitable Activities	0.8	0.9
BRAC global Charitable Activities	0.6	1.2
Nepal Charitable Activities	-	0.0
Philippines Charitable Activities	0.1	-
Sierra Leone Charitable Activities	-	0.1
Tanzania Charitable Activities	0.6	0.4
Uganda Charitable Activities	0.6	0.4
Support	0.5	0.4
Governance	0.7	0.7
	15.7	11.8

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 £708,886 from BRAC and BRAC International during 2022, of which £108,886 was for staff seconded to BRAC and BRAC International) (2021: £843,021).

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.

There were no donations received from Trustees (2021: £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	11,920	3,899	11,309	5,400	32,528
Additions in year	1,914	264	3,083	4,000	9,261
Disposals in year	-	-	-	(5,400)	(5,400)
At the end of the year	13,834	4,163	14,392	4,000	36,389
Depreciation					
At the start of the year	1,457	1,060	4,570	5,400	12,488
Disposals in year	-	-	-	(5,400)	(5,400)
Charge for the year	3,259	1,095	2,539	500	7,393
At the end of the year	4,717	2,155	7,109	500	14,481
Net book value					
At the end of the year	9,117	2,008	7,283	3,500	21,909
At the start of the year	10,462	2,839	6,739	-	20,040

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the period ended 31 December 2022

12 Debtors

	2022 £	2021 £
Trade debtors	156,032	147,874
Other debtors	12,150	12,150
Prepayments	22,933	19,472
Accrued income	100,335	172,919
	291,450	352,415

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	318,148	153,848
Taxation and social security	17,485	24,995
Deferred Income	-	26,734
Accruals	622,483	480,234
	958,116	685,811

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

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	21,909	-	21,909
Net current assets	807,906	826,556	1,634,462
Net assets at the end of the year	829,815	826,556	1,656,371

14b Analysis of net assets between funds (prior 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	621,818	1,226,781	1,848,600

Notes to the financial statements

For the period ended 31 December 2022

15a Movements in funds (current year)

		At 1 January 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2022 £
Restricted funds:						
AF001	Afghanistan: Education Tech Hub (donor: UBS Foundation)	82,405	-	-	(82,405)	-
BD010	Bangladesh: Rohingya crisis (individual donations)	-	1,519	(1,519)	-	-
BD012	Bangladesh: Youth in Retail (donor: IKEA Foundation/UBS Foundation)	583,274	857,301	(817,141)	-	623,434
BD018	Bangladesh: Safe Water Development (donor: Danida)	102,288	286,461	(383,050)	-	5,699
BD020	Bangladesh: Education (donor: Hempel Foundation)	22,918	590,063	(620,123)	-	(7,142)
BD021	Bangladesh: Relive 2 (donor: Vitol Foundation)	100,298	-	(98,674)	-	1,624
BD022	Bangladesh: Essential Primary Healthcare Support to the Rohingya Refugees in Cox's Bazaar (donor: British Asian Trust)	-	73,940	(73,940)	-	-
BD023	Bangladesh: Supporting North-East Flood Affected Households to ensure Food Security through Cash Transfer (donor: UBS Foundation)	-	-	(84,304)	82,405	(1,899)
BD024	Bangladesh: Supporting North-East Flood Affected Households to ensure Food Security through Cash Transfer (donor: Tik Tok)	-	204,658	(204,658)	-	-
BDTO12 /BDTO35	Bangladesh: Disability Inclusive Development (donor: FCDO)	1,712	716,227	(717,939)	-	-
MC002	Bangladesh: Covid 19 response (individual donations)	-	86	(86)	-	-
PH001	Philippines: Youth Skills (donor: Signify Foundation)	-	32,210	(30,249)	-	1,961
TZ001	Tanzania: WE SOLVE (donor: Danida)	52,531	211,999	(212,558)	-	51,972
TZ002	Tanzania: WE SOLVE (donor: Signify Foundation)	15,852	22,658	(41,829)	-	(3,319)
TZ005	Tanzania: Early Childhood Development (ECD) (donor: Vitol Foundation)	97,630	61,434	(78,992)	-	80,072
TZ006	Tanzania: Disability Inclusive Ultra-Poor Graduation (donor: Cartier Philanthropy, UBS Foundation)	-	576,449	(501,378)	-	75,071
UG007	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: Cartier Philanthropy)	108,935	41,533	(150,468)	-	-
UG008	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: Medicor Foundation)	55,139	20,000	(74,312)	-	827
UG012	Uganda: Digital Health (donor: Global Innovation Fund)	3,799	113,098	(118,641)	-	(1,744)
UGTO54	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: FCDO Inclusive Futures)	-	624,315	(624,315)	-	-
Total restricted funds		1,226,781	4,433,951	(4,834,176)	-	826,556
Unrestricted funds		At 1 January 2021	2021 Income & gains	2021 Expenditure & losses	Transfers	
General funds		621,819	799,745	(591,749)	-	829,815
Total unrestricted funds		621,819	799,745	(591,749)	-	829,815
Total funds		1,848,600	5,233,696	(5,425,925)	-	1,656,371

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 2022

15b Movements in funds (prior year)

		At 1 January 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2021 £
Restricted funds:						
AF001	Afghanistan: Education Tech Hub (donor: UBS Foundation)	82,405	-	-	-	82,405
AF002	Afghanistan: Education Tech Hub (donor: ODI)	-	8,030	(8,030)	-	-
BD003	Bangladesh: BEP Schools (donor: UBS Foundation)	297	-	(297)	-	-
BD010	Bangladesh: Rohingya crisis (individual donations)	-	2,498	(2,498)	-	-
BD011B	Bangladesh: Education in Emergencies (donor: UBS Foundation)	33,441	-	(33,441)	-	-
BD012	Bangladesh: Youth in Retail (donor: IKEA Foundation/UBS Foundation)	806,713	4,391	(227,830)	-	583,274
BD014	Bangladesh: Anti Trafficking (donor: CIFF)	242,914	-	(242,914)	-	-
BD017	Bangladesh: Floods recovery (donor: Cartier Philanthropy)	77,762	-	(77,762)	-	-
BD018	Bangladesh: Safe Water Development (donor: Danida)	-	169,674	(67,386)	-	102,288
BD019	Bangladesh: WASH (donor: Charities Aid Foundation)	-	80,000	(80,000)	-	-
BD020	Bangladesh: Education (donor: Hempel Foundation)	-	22,918	-	-	22,918
BD021	Bangladesh: Relive 2 (donor: Vitol Foundation)	-	100,298	-	-	100,298
BDTO12 /BDTO35	Bangladesh: Disability Inclusive Development (donor: FCDO)	30,921	311,411	(340,620)	-	1,712
MC002	Bangladesh: Covid 19 response (individual donations)	-	124	(124)	-	-
NP003	Nepal: Girls Empowerment through Lighting Entrepreneurship Phase 2 (donor: Signify Foundation)	41,147	(92,888)	51,741	-	-
NPT015 / NPT036	Nepal: Disability Inclusive Development (donor: FCDO)	450	8,303	(8,753)	-	-
SL006	Sierra Leone: Health (donor: Global Innovation Fund)	-	366,109	(366,109)	-	-
TZ001	Tanzania: WE SOLVE (donor: Danida)	27,864	152,364	(127,697)	-	52,531
TZ002	Tanzania: WE SOLVE (donor: Signify Foundation)	1,855	38,093	(24,096)	-	15,852
TZ004	Tanzania: Disability Inclusive Graduation (donor: Cartier Philanthropy)	13,357	4,702	(18,059)	-	-
TZ005	Tanzania: Early Childhood Development (ECD) (donor: Vitol Foundation)	4,628	112,042	(19,040)	-	97,630
UG005 / UG011	Uganda: Disability Inclusive Graduation (donor: FCDO UK Aid)	35,397	729,819	(765,216)	-	-
UG006	Uganda: Disability Inclusive Graduation (donor: National Lottery Community Fund)	64,119	(36,700)	(27,419)	-	-
UG007	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: Cartier Philanthropy)	460,736	113,251	(465,052)	-	108,935
UG008	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: Medicor Foundation)	82,300	80,000	(107,161)	-	55,139
UG012	Uganda: Digital Health (donor: Global Innovation Fund)	-	297,986	(294,187)	-	3,799
Total restricted funds		2,006,306	2,472,425	(3,251,949)	-	1,226,781
Unrestricted funds:						
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

Notes to the financial statements

For the period ended 31 December 2022

Purposes of restricted funds

BD010	Bangladesh: Rohingya crisis (individual donations) Alongside the projects that were funded through partnerships with like minded organisations, BRAC UK also receives some restricted donations from members of the public for specific campaigns. Specifically, in 2022 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).
BD012	Bangladesh: Youth in Retail (donor: IKEA Foundation/UBS Foundation) 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. Following delays due to the Covid-19 pandemic the project has been extended to November 2023.
BD018	Bangladesh: Safe Water Development (donor: Danida) This project creates 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.
BD020	Bangladesh: Education (donor: Hempel Foundation) This project is providing quality primary education to children in northern Bangladesh who were not previously in the school system. 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 (donor: Vitol Foundation) This project builds 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 is strengthening 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.
BD022	Bangladesh: Health Cox's Bazaar (donor: British Asian Trust) This project, using zakat funding donated via the British Asian Trust, is supporting BRAC's response to the Rohingya Crisis. Specifically, the funding supports the work of five BRAC health facilities (one primary healthcare centre and four Health Posts) in refugee camps across Cox's Bazar. The centres improve access to a range of quality lifesaving health services, including sexual and reproductive health, maternal, neonatal, child and adolescent health, non-communicable diseases, and mental health.
BD023	Bangladesh: Flood Emergency (donor: UBS Foundation) Large portions of the Sylhet, Sunamgonj and Netrokona districts of Bangladesh were submerged by severe monsoon waters in June 2022. The flood was considered worse than previous ones, affecting over 4 million people out of which 1.4 million were women. UBS Philanthropy Services agreed that BRAC UK could repurpose funding remaining from a previous project (AF 001 Afghanistan Tech Hub) towards the response, which supported 5,800 households in Sylhet with 1,500 Bangladesh Taka, which provided two weeks' worth of food baskets.
BD024	Bangladesh: Flood Appeal (donor: TikTok) Large portions of the Sylhet, Sunamgonj and Netrokona districts of Bangladesh were submerged by severe monsoon waters in June 2022. The flood was considered worse than previous ones, affecting over 4 million people out of which 1.4 million were women. Tik Tok donated funds towards BRAC's emergency response to the flood, which included cash transfers for 50,000 families affected by the floods.
BDO12	Bangladesh: Disability Inclusive Development (donor: FCDO) This project involves working with organisations providing expert support and knowledge around disability inclusion to explore the best ways to scale up BRAC's successful Skills Training for Advancing Resources (STAR) programme, integrating youth with disabilities including severe disabilities such as deafblindness. A large focus is capturing and disseminating key learnings from this process, which will be finalised following the completion of the programme in early 2023.
MC002	Bangladesh: Covid 19 response (individual donations) Alongside the projects that were funded through partnerships with like minded organisations, BRAC UK also receives some restricted donations from members of the public for specific campaigns. Specifically, in 2022 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).
TZ001 and TZ002	Tanzania: Women Entrepreneurship through the Solar Value Chain for Economic development in Tanzania (WE SoLVE) (donor: Danida) This project 'WE SoLVE' is a partnership between BRAC, Solar Sisters and Philips Lighting. 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 women in Africa to create clean energy businesses. The project creates inclusive and sustainable economic growth and productivity (SDG8), enables generation of new income (SDG1) and creates new decent, green and appropriate employment and livelihoods for women (SDG8,5) in rural Tanzania.

Notes to the financial statements

For the period ended 31 December 2022

Purposes of restricted funds (continued)

TZ005	Tanzania: Early Childhood Development (ECD) (donor: Vitol Foundation) This project is piloting 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.
TZ006	Tanzania: Disability Inclusive Graduation (donor: Cartier Philanthropy, UBS Foundation) This project is introducing disability-inclusive ultra-poor graduation programming in Tanzania through leveraging its ongoing partnership with Humanity & Inclusion and SHIVYAWATA (a national organisation of persons with disabilities). The project entered its planning phase in November 2022 and will be launched in early 2023, reaching participants in two districts of Tanzania over a period of 30 months. The project will graduate ultra-poor households out of ultra-poverty and into sustainable livelihoods, targeting 70% women and 15% persons with disabilities.
UG007 and UG008	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: Cartier Philanthropy) This project is implementing a disability inclusive ultra-poor graduation programme in Northern Uganda in partnership with Humanity & Inclusion (HI) and the National Union of Women with Disabilities in Uganda (NUWODU). The project forms part of a wider global partnership between BRAC and HI 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.
UG012	Uganda: Digital Health (donor: Global Innovation Fund) This project combines a number of initiatives on responding to the Covid-19 pandemic in Uganda. Through the project BRAC's network of over 4,000 Community Health Workers were 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 two million people. BRAC has also engaged 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. Remote-training for Community Health Workers is delivered 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 has facilitated data-driven evidence and advocacy with the Ministry of Health and wider health stakeholders on the effectiveness and value for money of innovative health technologies.
UG054	Uganda: Disability Inclusive Ultra-Poor Graduation (donor: FCDO Inclusive Futures) This project is implementing a disability inclusive ultra-poor graduation programme in Northern Uganda in partnership with Humanity & Inclusion (HI) and the National Union of Women with Disabilities in Uganda (NUWODU). The project forms part of a wider global partnership between BRAC and HI to test, replicate, adapt and scale contextually appropriate models for disability inclusive graduation. Concluding in 2022, the project achieved its core objectives: 2,700 participants aged 15-64 and living in ultra-poverty (87% women and 17% persons with disabilities) were trained in enterprise development (small business management, livestock rearing, apiculture and crop production), given assets to diversify their income and linked up to social protection and financial inclusion, allowing them to better access social safety nets to ensure they do not fall back into poverty. By April 2022, 70% of the participants met the graduation score prerequisites, with a 74.4% graduation rate for participants with disabilities. The project team is developing learning materials to share the knowledge gained with other stakeholders working in disability-inclusive graduation.

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	
	2022	2021
	£	£
More than five years	-	-
1 - 5 years	91,918	47,397
Less than one year	51,300	51,300
	143,218	98,697

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.

Accounts

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.

Address

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Email: info@bracuk.net

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:

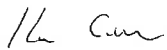
- to fund unexpected expenditure, e.g., if projects overrun, or unplanned events occur
- to fund shortfalls in income if expected levels are not reached
- to fund working capital
- to allow Trustees resources and time to act in an unforeseen emergency situation within BRAC UK.

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

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 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
	2,827,992	2,188,600

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	4850	4750

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
	978,014	603,673

	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	–

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 – Vitof 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 Vitof 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 – ClIFF	–	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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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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For the period ended 31 December 2021

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 UGT054 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.