



UK Report 2018

BRAC EDUCATION
PROGRAMME



“

Pragmatic, adaptive,
BRAC can now play
any game, whether
using for-profit or
non-profit approaches,
to face and challenge
systems of inequity.

”

said *NGO Advisor*
in its review of BRAC

In 2018 BRAC was ranked as the number one NGO
in the world for the third consecutive year by the
Geneva-based NGO Advisor, an independent media
organisation committed to highlighting innovation,
impact and governance in the non-profit sector.

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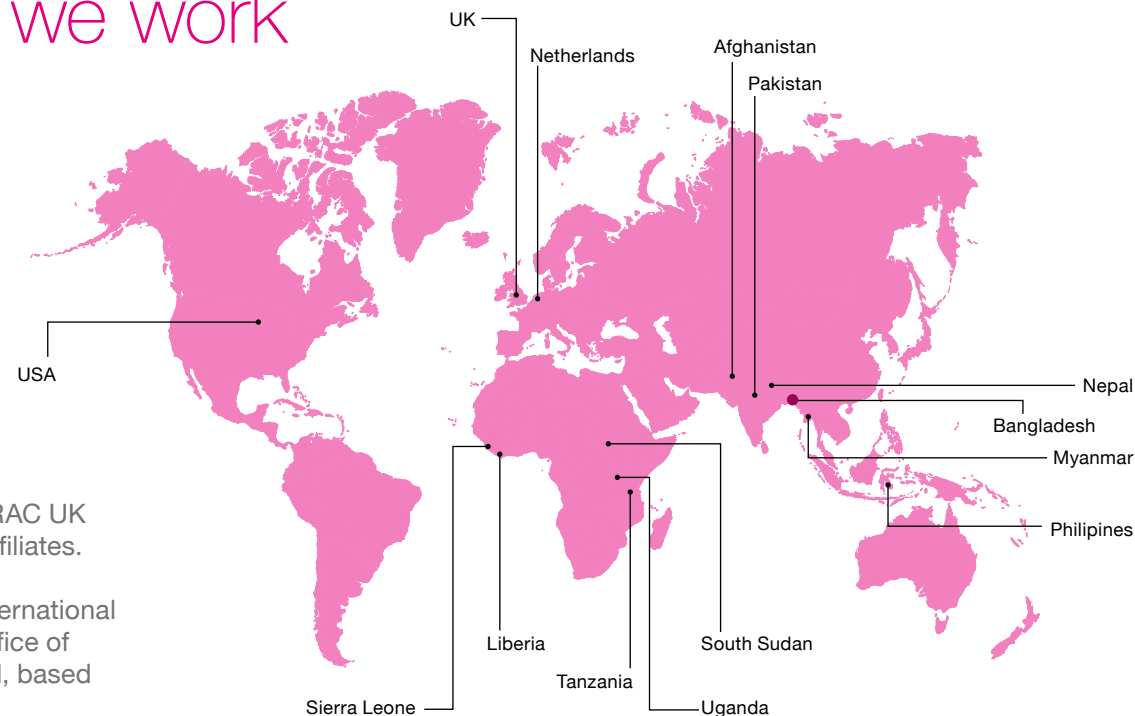
About BRAC

BRAC reaches 120 million people in 11 countries

BRAC is a global leader in developing and implementing cost-effective, evidence based programmes to assist the most marginalised people in extremely poor, conflict prone, and post-disaster settings. These include initiatives in education, healthcare, microfinance, women's and girls' empowerment, agriculture, human and legal rights, and more.

BRAC employs more than 110,000 people in 11 countries, with a total global expenditure of more than £750 million. More than 75% percent of its budget in Bangladesh is self-financed through its own activity, including social enterprises and microfinance. However, much of BRAC's most important work—including its schools, healthcare, ultra-poor graduation programme, and most of its programmes outside Bangladesh—remains reliant on outside donors.

Where we work



BRAC USA and BRAC UK are independent affiliates.

Stichting BRAC International is the registered office of BRAC International, based in the Netherlands.

BRAC's Programmes



Ultra Poverty

We implement a large-scale poverty graduation programme to reach the poorest people and help them achieve a sustainable livelihood in two years. To address extreme poverty globally, we advise and train governments, nonprofits, and UN entities to adapt and implement our approach. Studies show BRAC's methodology significantly improves the income and well-being of participants for years after they complete the programme.

1.9M households completed the programme in Bangladesh



Education and Youth

Our education and skills development programmes support youth from backgrounds of poverty from cradle through career. We prepare them for fulfilling futures through early childhood development, pre-primary, primary, and secondary schools, adolescent empowerment, skills development, and higher education at BRAC University.

1.1M children currently enrolled in BRAC schools



Health

To meet the needs of vulnerable communities, we developed our essential healthcare programme, facilitated through a network of community health workers. We deliver community-based services, with a focus on maternal and child health, infectious diseases, nutrition, family planning, mental health, non-communicable diseases, and much more.

100M people receive health services



Agriculture

We provide inputs such as seeds and fertilizer, and training for farmers to improve their yields and profits. We link supply chains that enable farmers to access markets and sell their goods at a higher price, with the goal of improving food security and nutrition while also fostering economic growth.

620K farmers trained and equipped



Financial Inclusion

With 7 million borrowers, we are one of the world's largest microfinance providers. Access to financial services is an essential tool, especially for women in poverty. Microfinance works in tandem with other programmes to increase clients' economic independence. Our mobile money platform, bKash, is one of the largest in the world, reaching more than 28 million clients.

7M microfinance clients



Social Enterprises

Our social enterprises are designed to help people in poverty by creating access to markets. These businesses are also structured to be financially sustainable. Our enterprises include a high-end fashion retailer that sources from rural artisans and a dairy company that purchases milk from women farmers.

76% of BRAC's budget in Bangladesh is self-financed

A message from BRAC UK leadership

2018 was a challenging but rewarding year for BRAC UK with our continued response to the Rohingya Crisis, one of the foremost humanitarian crises of our time. We also secured a number of exciting new projects, whilst some of our older projects came to an end.

The Rohingya Crisis

BRAC is proud to have delivered the largest and most comprehensive civil society response to the Rohingya Crisis to date. We have more than 4,200 full-time staff and volunteers in Cox's Bazar, including more than 1,600 from the Rohingya population and 1,900 from host communities. Our response has been rapid, flexible and inclusive, providing holistic services to ensure the day-to-day living needs are met and promoted livelihood/self-reliance opportunities for the long-term well-being of the population affected.

BRAC UK has secured significant donations to support our response from the World Memon Organisation, Vitol Foundation and Cartier Philanthropy amongst others, and we thank them for their generous support.

Innovation at BRAC

The most striking aspect of our new projects are the innovative solutions they provide to long established problems. The WESOLVE project, for example, is going to bring clean



energy to Tanzania through solar lighting whilst providing livelihood opportunities for young women.

Similarly, we are bringing industry specific skills training to Nepal through our partnership with Signify, therefore making the youth of Nepal most employable whilst increasing the number of skilled electricians in the country.

We are also innovating through partnership. For example, we are working with Humanity & Inclusion to ensure BRAC's programmes provide services and solutions which include people with disabilities and



meet their needs. It is a wonderful example of a large development organisation working with a Disabled Persons Organisation (DPO) to ensure people with disabilities are also included.

2019 is going to be an exciting year for BRAC UK, as we look to implement these innovative projects and create life changing opportunities for the world's poor.

Lewis Temple
Chief Executive and
Chair of Trustees

BRAC UK Projects

Education and Empowerment

BRAC UK aims to enable out of school children to access quality education and reintegrate into mainstream school, and empower adolescent girls.



Education

BRAC UK projects seek to enable children to access quality education and be reintegrated into mainstream schooling. BRAC UK supports the scaling of education services with a particular focus on post-conflict countries, which have limited government capacity to educate all children of school age. Interventions are time limited whilst we work with governments and local organisations to build capacity and resources to provide education themselves. Building on

BRAC's 'one room-one teacher' community-based school model, BRAC UK supports innovations in sustainable education models and developments in Public Private Partnerships to help schools graduate from grant funding.

Empowerment

BRAC has successfully developed a ground-breaking model that has been proven to impact the life chances of adolescent girls currently working in South Sudan, Uganda, Sierra Leone and

Tanzania. BRAC UK continues to build on this work and expand to additional countries. BRAC's practical approach to realising the rights of marginalised people through 'barefoot' legal services and advice and information services has gained recognition in Bangladesh. There is significant need for similar services in other BRAC countries, and BRAC UK supports the process of developing these services and adapting them to fit local contexts.

Sustainable primary school education in Bangladesh

BRAC launched the Shishu Niketon programme in 2014, as a new initiative piloting a cost-sharing model of primary education. It seeks to target families whose level of income makes them ineligible for BRAC's existing non-formal primary schools, yet who are unable to afford private schooling.

In 2017, BRAC UK received funding from the UBS Optimus Foundation to further develop this model by piloting a quality, regulated, and low cost primary school model in urban Bangladesh. Specifically BRAC, established 15 multi-room primary schools on rental premises with the aim of breaking-even after three years of operation.

These multi-room schools provide affordable (500 Taka or £4.50 per month) and accessible education for children, with teachers and administrators who are held accountable for the quality of instruction and learning outcomes. The schools are located in District towns closer to underserved communities than existing public and private schools. Each school offers six years of quality education (1 year pre-primary), in seven room rented buildings designed for 232 children (making



approximately 30 children per class). BRAC has developed an innovative curriculum that builds extra-curricular lessons (music, art, sport), computer aided learning, and recognised best pedagogical practices into the government curriculum. Teachers are intensively trained and monitored by BRAC, supervised by the Head Teachers and accountable to parents. Pupil performance and progress and educational outcomes are assessed by through annual cognitive tests. This helps BRAC to track child progress and identify which pupils need extra teacher and peer support.

The project has so far achieved excellent results in child learning, parent and child satisfaction, quality of teacher instruction and drop-out. 95% of children passed their annual exams at the end of 2018, 100% of parents and children surveyed reported that they were satisfied with the quality of instruction and 92% of teachers assessed demonstrated the ability to practice child centred learning techniques - up from 80% in 2017. In total, 1752 children were enrolled in the schools at the end of 2018, which is ahead of the yearly target.

Project Code: BD003

Project Name: Shishu Niketon - Fee Paying Schools

Donor: UBS Optimus Foundation

Partner(s): BRAC Bangladesh



UBS Optimus Foundation

Sustainable Early Childhood Development in Tanzania

Our project addresses the significant gaps in Early Childhood Development (ECD) services in Tanzania. ECD is critical for every child's development; under-stimulation can have a negative impact on physical, emotional, cognitive and intellectual advances later in education and life and can lead to primary school drop-out and exam failure.

There are 7.6 million children in Tanzania aged between 0 and 6. Resource constraints and low quality services severely affect their access to much needed ECD services. The Tanzanian ECD sector

is low quality, under-resourced, unregulated and inaccessible to most children from low-income households, with no state provision for 3-5 year olds. In spite of this, demand continues to grow with a willingness to pay for low-fee ECD services, especially in Dar es Salaam. Enrolment in pre-primary education is increasing significantly (41.6% between 2015-16), driving a proliferation of low-cost private schools in Dar es Salaam.

This project, where the initial R&D phase is being funded by the Vitol Foundation in 2019, catalyses the ECD private sector in Tanzania,

by developing a 'Hub & Spoke' business model for the provision of low-cost, high quality and scalable play-based ECD - improving the cognitive, physical, socio-emotional and language development of children aged 3-5 from low income families in Dar es Salaam.

The 'Hub' is BRAC's social business - comprised of premium quality, affordable, early childhood 'Play Labs' or play-based ECD centres that provide children with:

(1) a unique play-based curriculum; (2) quality, child-friendly, stimulating spaces; (3) passionate & creative 'play leaders' who are trained to facilitate play and; (4) parent & community engagement.

The social business, 'the Hub' benefits from two income streams; small fees charged to parents of children from low-income households to attend Play Labs, and; the provision of quality assurance, technical assistance (in play-based learning & business management) and finance, delivered to 'Spokes' (private ECD businesses).

This is a unique, exciting solution aimed at improving the lives of 3-5 year-olds from low-income households in Tanzania, by ensuring they get the quality ECD they deserve.



Project Code: TZ003

Project Name: Playful learning for young children in Tanzania

Donor: Vitol Foundation

Partner(s): BRAC Tanzania



BRAC UK Projects:

Equitable Economic Development

BRAC UK aims to increase the incomes of millions of people through access to financial services and livelihood support. The aim is to ensure at least one third of target clients are categorised as ‘ultra-poor.’

Microfinance

BRAC uses micro-finance as the entry point into communities, utilising our network of sustainable micro-finance branches to provide education, health and livelihood services at low cost. Building on BRAC’s unmatched experience in the provision of micro-finance services BRAC UK supports the development of new financial services and products that enable the very poorest to access the finance they need to develop

businesses, grow their livelihoods and cope with crisis.

Ultra Poor Graduation

BRAC UK focuses on supporting the scaling of BRAC’s ultra-poor graduation approach that has been proven to enable the very poorest to climb out of extreme poverty and stay out.

Agriculture

1.5 billion of the world’s poor live in rural areas and rely on smallholder

farms for their livelihoods. They provide 80 per cent of the food in sub-saharan Africa and South and Southeast Asia. A focus on enabling smallholder farmers to increase their productivity and profits has a dramatic impact on poverty and is the foundation for rural economic growth. BRAC UK supports initiatives that assist smallholder farmers - especially women – to improve their productivity and access to markets for their produce.



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Eradicating extreme poverty in Uganda

The Ultra-Poor Graduation approach is a comprehensive time-bound, sequenced set of interventions targeted at creating sustainable economic and social progress in the lives of the most marginalised who live under the extreme poverty line. The approach includes livelihood training, consumption stipends, asset transfers, savings and social integration working in tandem to promote sustainable livelihood options for the ultra- poor. Pioneered by BRAC, it has been scaled up in Bangladesh where it has graduated 1.9 million households since 2002. It has also been piloted in 8 other countries. Please see page 20 for more information on the approach itself.

This Ultra-Poor Graduation project, funded by Cartier Philanthropy, is a pilot project designed to address the unique needs of 1650 ultra-poor youths in Luwero and Kiryandongo districts of Uganda. It combines support for immediate needs, such as consumption stipends, with longer term investments in life skills and livelihood technical training, asset transfers, enterprise development, savings and planning for the future to transition ultra-poor youth and their families

into sustainable livelihoods. Working together, these interdependent interventions lead to strong outcomes at the household level including increased or improved assets, food security, savings and financial inclusion, health outcomes, social integration and productive skills.

In 2018 the project made strong progress in delivering life skills and technical skills training; consumption stipends; enterprise selection; asset transfer; savings and financial education; and social integration. Collectively these components provide the ‘big push’ that participants need to graduate from ultra-poverty.

So far the programme has been successful in increasing participants capacity to increase their income through enhanced agriculture and livestock productivity as well as petty trading. However it has not been without its challenges. For example, BRAC initially focused on youth, but young people are extremely mobile, especially in Lowero district, and frequently travel to Kampala to seek even precarious job opportunities.

As a result, among the 1,650 participants who received technical livelihood training full

asset packages, some youth have dropped out, leaving 1620 active youth remaining. Monitoring based on a sample of participants shows that 89% of the participants are proficiently applying all the skills acquired through livelihoods training to their enterprises and are therefore likely to graduate from ultra-poverty by the end of the project.



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Project Code: UGA001 and UGA002

Project Name: Targeting the Ultra-Poor: Graduation Programme in Uganda

Donor: Cartier Philanthropy, Medicor Foundation

Partner(s): BRAC Uganda

medicorfoundation

Cartier
philanthropy

Livelihoods opportunities and clean energy to Tanzania

WE SOLVE stands for 'Women Entrepreneurship through the Solar Value chain for Economic development in Tanzania.'

The project aims to tackle the twin problem of (1) the lack of employment and economic opportunities for women in rural Tanzania, and (2) the lack of access to clean energy, especially for rural Tanzanians.

It involves a unique global partnership between BRAC – the world's largest development organization, Solar Sister – a non-profit that trains and supports women to deliver clean energy to rural African communities, and Signify (formerly known as Philips Lighting) – a global company offering high quality, reliable and safe lighting products.

The partners are committed to piloting and testing an innovative business and technology model committed to creating clean, safe jobs for women in rural areas whilst simultaneously improving the lives of numerous people living in dimly lit conditions in rural Tanzania.

The project is funded by the Ministry of Foreign Affairs in Denmark (Danida) and the Signify Foundation,



with additional investment from Signify (the company).

We are piloting and testing an innovative business and technology model delivered in partnership which is specifically designed to overcome the current market barriers that considerably limit sales and jobs growth in last mile solar lighting value chains, and catalyse the sustained growth of the Tanzanian solar lighting sector.

To overcome current market barriers, we have segmented the value chain:

- 1) Signify brings its range of high quality, reliable and safe lighting products to the Tanzanian market.
- 2) Solar Sister, a not for profit social

enterprise who have trained 1,200 Solar Sister Entrepreneurs (SSEs) in Tanzania alone, are selling Signify and other quality solar products to their families, friends and communities.

- 3) For those who cannot afford to purchase the solar products directly, BRAC Microfinance is offering a new solar loan product, enabling clients to buy solar products, therefore improving their living conditions and earning potential. With 146 branches in 109 districts in Tanzania, BRAC already has a robust microfinance network in place to assist with the mission to light up rural Tanzania.

Project Code: TZ001 and TZ002

Project Name: WE SOLVE

Donor: Danida, Signify Foundation

Partner(s): Solar Sister, BRAC Tanzania

signify



Eradicating extreme poverty in Uganda

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Livelihood opportunities and clean energy in Tanzania

BRAC UK Projects: Well-being and Resilience

BRAC UK aims to provide millions of people with access to essential and reproductive, maternal and newborn health services and reduce diarrhoeal disease by enabling access to hygienic sanitation and clean water.

Health

BRAC UK enables people to access essential and reproductive, maternal and newborn health services, reduces diarrhoeal disease by enabling people to access hygienic sanitation and clean water. BRAC has a strong track record in innovation in health services in Bangladesh, from the Oral Rehydration work in the 1980s that dramatically reduced child deaths from diarrhoeal disease to the Shasthya Shebika community health worker model – employing

48,000 rural women and reaching 110 million people in Bangladesh. BRAC UK has supported the piloting of new models of health services such as the Manoshi project in Sierra Leone, which provides safe delivery centres and referrals to women giving birth in slum environments. BRAC UK focuses on scaling successful models and developing sustainable approaches and business models that support healthcare delivery.

WASH

BRAC has achieved impressive scale in enabling people to access drinking water and hygienic sanitation (WASH) in Bangladesh - with over 60 million people reached in the last ten years. So far, BRAC's WASH work has only been in Bangladesh and there is an exciting opportunity to apply the lessons learnt and experience from Bangladesh to the other countries where BRAC works.



Improving the health of vulnerable women, adolescent girls, and children in South Sudan

In Juba, BRAC used a grass-roots level approach to not least strengthen the understanding and access to sexual and reproductive health rights and information, but also sought to improve the provision of reproductive, maternal, newborn and child health (RMNCH) services available and raise greater awareness of sexual and reproductive health rights.

The project's key activities focused on:

- Training 120 Community Health Promoters (CHP) to provide door-step RMNCH information, services and referrals to government health facilities. CHPs also successfully set up community health awareness sessions and 'mother to mother groups'.
- Training and equipping 4 Mobile Nurses in order to facilitate health extension services in the most remote, hard-to-reach communities.
- Developing a network of 120 Youth Health Mentors who provided health and life skills messages targeted specifically at youth through Youth Health Forums.
- Conducting advocacy meetings

with community leaders and government officials to encourage and promote utilization of RMNCH services by women in their communities.

On July 8 2016, conflict arose in Juba, severely compromising BRAC's ability to implement the project activities, leading to the downscaling of the scope and scale of the project. Though the original target of primary beneficiaries to be reached was set at 90,240 women and 5,760 girls of reproductive age and 13,440 children under 5, the target was revised to 20,000 women and 5,000 girls of reproductive age and 9,000 children Under the age of 5 (23% of the total population).

Despite being downscaled, the project actually exceeded revised target expectations successfully ensuring that 24,076 women and 12,374 adolescent girls had enhanced access to appropriate RMNCH information; 13,888 children under five were seen by Mobile Nurses & Community Health Promoters, and 5,400 Children under 5 were referred to health facilities for treatment. It is clear that even in the face of the challenges met along the way, the project can



still be considered a great success. In fact, on delivery of the project, a total of 174% of beneficiaries were actually reached.

On completion of the project in Juba, the BRAC team collaborated with government stakeholders in establishing more effective government health facilities, for example, opting to train local staff and equipping them with the appropriate tools, rather than directly implementing the project ourselves. This is just one way we hope to ensure the long-term sustainability of the project in South Sudan for years to come.

Project Code: SS003 and SS004

Project Name: Improving the RMNCH of vulnerable women, adolescent girls, and their children in South Sudan

Donor: DFID, Big Lottery Fund

Partner(s): BRAC South Sudan



A Tech Challenge prize to combat the Fall Armyworm invasion

The Fall Armyworm is an insect that is native to tropical and subtropical regions of the Americas. In the absence of natural control or good management, it can cause significant damage to crops. It was first detected in Central and Western Africa in early 2016 and has quickly spread across virtually all of Sub-Saharan Africa. 44 countries have been affected resulting in damage to an area of more than 22 million square kilometres. It created an estimated \$13 billion in crop losses with African smallholder farmers being the most affected.

BRAC UK was invited to help facilitate a challenge prize discussion, organised by Nesta, which sought digital tools and approaches that provide timely, context-specific information that enable smallholder farmers and those who support them to identify, treat, and track incidence of fall armyworm in Africa.

Challenge prizes are an innovative solution to development challenges, offering rewards to whoever can first or most effectively meet a defined challenge. By taking the form of a public competition, they aim to engage the broadest community of problem-solvers.

The Challenge Prize Centre at Nesta builds capability and evidence on this approach. So far it has attracted over 7000 problem-solving innovators to its challenges. In this case, they were commissioned to implement the Digital Development for Feed the Future's ("D2FTF") Fall Armyworm Tech Prize. BRAC UK Programme Director Nick Virr and West Africa Programmes Lead Laura Ketteringham travelled to Uganda in July to facilitate the expert carousel sessions for I-to-I feedback

with the Challenge finalists; promote and share news of the Challenge to its networks and through its other appropriate Ugandan outreach opportunities to increase awareness of the Challenge. BRAC also provided technical human resources from its current Uganda team to participate in the Co-Creation Event, including an agricultural specialist, and an Agri-finance specialist with experience in lending to business and agri-business in Uganda.



Project Code: UGA003

Project Name: Fall Armyworm Tech Prize

Donor: USAID

Partner(s): NESTA



A summary of BRAC UK's projects in 2018

Bangladesh

BD001 Working with children at risk in the slums of Dhaka, Bangladesh

This project has improved the life chances of children at risk in urban slums in Dhaka by improving the health of children and their families, improving the children's education and facilitating communication about the risks slum children face.

BD002 Graduation as Resilience Research study undertaken together with the Institute of Development Studies and funded by the Economic and Social Research Council (ESRC). It assessed the progress of our targeting the Ultra Poor Graduation programme in each of its three dimensions, being material, social, and psychological well-being.

BD003 Bangladesh BEP Schools – UBS

15 high quality, low-cost, fee-paying schools, called Shishu Niketon's, in district towns/upazila headquarters around Mymensingh, Rangpur, and Bogra districts in Bangladesh.

BD010 Rohingya Crisis

BRAC UK raised funds to support BRAC's humanitarian response to citizens of Myanmar that were forced to flee into the Cox's Bazar area of neighbouring Bangladesh.

Multi-Country

MC001 Disability Inclusive Development

Commercial contract for Disability Inclusive Development (DID) awarded to Sightsavers. BRAC UK is part of the consortium and is receiving funding for work in Bangladesh, Uganda and Nepal.

Nepal

NP001 PRAGATI

Funding to develop a large scale

programme to provide livelihoods opportunities for young women in Nepal. Funded by DFAT, BRAC UK is part of a consortium contract awarded to Palladium.

NP002 Empowering Girls as Lighting and Electrical Technicians in Nepal

Solar electrician training for Nepali girls who are enrolled in BRAC Nepal's Empowerment and Livelihood for Adolescents (ELA) clubs.

Sierra Leone

SL003 Pull Slum Pan Pipul, Freetown

BRAC provided improved knowledge of, and access to, sexual and reproductive health services across 10 slums in Freetown.

SL004 Pigs Value Chain Programme

This project raised the productivity and incomes of 832 poor, small-scale farmers through improved pig production, processing, marketing and income generation in 25 rural communities in five districts in Sierra Leone.

South Sudan

SS002 Providing quality primary education to out-of-school children

This project provided children with free and flexible school courses, tailored to their circumstances, with the aim being to prepare children to return to the formal primary school system.

SS003 and SS004 Improving the RMNCH of vulnerable women, adolescent girls, and their children in South Sudan

Improving the reproductive, maternal, new-born, and child health of vulnerable women,

adolescent girls, and their children in Central and Eastern states in South Sudan.

Tanzania

TZ001 WE SOLVE

Bringing solar lighting to rural Tanzania whilst creating job opportunities for women entrepreneurs through a partnership with Signify and Solar Sister.

TZ003 Playful learning for young children in Tanzania

Providing sustainable Early Childhood Development services (ECD) to Tanzania through a low cost fee paying mechanism.

Uganda

UGA001 Targeting the Ultra-Poor: Graduation Programme in Uganda

An ultra-poor graduation pilot project aiming to address extreme poverty in Central Uganda through a youth targeted Graduation programme.

UGA004 Disability Inclusive Graduation

The preparation phase of a disability inclusive ultra-poor graduation project to be implemented in Northern Uganda, this involved a disability inclusive workshop.

UPGI Ultra Poor Graduation Global Initiative

A partnership with the Ultra Poor Graduation Initiative, an entity set up by BRAC to provide technical assistance to organisations implementing Ultra-Poor Graduation programmes.

BRAC Priority – Responding to the Rohingya Crisis



The Rohingya are one of the most persecuted people on earth. They have faced prejudice and persecution over a long period of time, resulting in one of the largest humanitarian crises of our time.

The Rohingya fled to Bangladesh to escape state-sanctioned persecution and communal violence in Myanmar in three previous waves: 1992, 2012 and 2016. While significant numbers returned to Myanmar, some remained each time. In late August of 2017, virtually without warning, over half a million people arrived in Bangladesh over a span of four weeks, bringing the total Rohingya population in Bangladesh to one million.

BRAC has delivered the largest

and most comprehensive civil society response to date, from the early stages of the emergency through to the current period, where we are now considering the longer-term needs of approximately half a million people. We have more than 4,200 full-time staff and volunteers in Cox's Bazar, including more than 1,600 from the Rohingya population and 1,900 from host communities. Our response has been rapid, flexible and inclusive.

Since launching our response activities on September 10, 2017, we have provided holistic services to ensure the day-to-day living needs are met and promoted livelihood/self-reliance opportunities for the long-term well-being of the population affected.

Some of our key achievements, till August 2018, include:

- Averted potential risk of waterborne diseases through the provision of safe and dignified sanitation support and access to clean water to over 400,000 people.
- Completed 1 million consultations and referrals through a comprehensive community-based health and nutrition service delivery network.
- Kept more than 43,150 children safe, many of which who were highly traumatised and unaccompanied, and supported their cognitive, emotional, and physical growth through a network of 234 child friendly spaces, in both camps and host communities.
- Facilitated protection support to more than 71,370 people in the camps through psychosocial counselling and a network of 5 community centres and 7 women friendly spaces.

Drawing on more than 45 years of experience working with local communities in Bangladesh, including 35 years in Cox's Bazar, and the strong working relationships we have built over time with the Government of Bangladesh at local and national levels, our response has been a collaboration with the government, United Nations agencies, local and international organisations and, most importantly, members of the communities affected themselves.

BRAC UK would like to thank the World Memon Organisation, Vitol Foundation and Cartier Philanthropy for their generous and timely support.

BRAC Priority – Can we eradicate extreme poverty for the next generation?

Poverty rates across the globe are falling. In almost every region of the world, the poorest of the poor are working to change their futures for the better. Eradicating global poverty in our lifetime has never been a more achievable goal. The World Bank marks 2030 as the target year to end extreme poverty, defined as living on less than the equivalent of \$1.90 a day. BRAC offers support to those living in ultra-poverty, a term for the lower half of the 1.2 billion people in the world who subsist on far less.

BRAC has pioneered a graduation programme to lift people out of the harshest conditions of ultra-poverty. The programme has been implemented and adapted with great success across countries and regions. Scaled up further and replicated internationally, it should be part of a global strategy to eradicate extreme poverty.

What is Ultra Poor Graduation?

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

Graduation occurs when households achieve economic and social advancement measured by



several criteria over the course of 24 months. Criteria vary given the social and geographic context of the programme. For example, graduation criteria can include:

- Multiple sources of income
- Cash savings
- No childhood marriage in the family
- School-aged children are going to school

Ultra Poor Graduation not only ensures upward economic mobility, but that it is also and most importantly addresses structural root causes of poverty, inequality, and vulnerability. Graduation can be integrated within social protection

systems through linkages with, for example, productive safety net programmes, input transfers, and the agriculture sector, as seen in Ethiopia's Productive Safety Net Programme (PSNP).

By mainstreaming BRAC's Graduation Approach, Governments can realize their social protection, protective and preventive functions, as well as maximize their promotive and transformative potential to lift people out of poverty in a sustained way at scale.

BRAC is providing the technical assistance and resources — from programme design and tools to on-site training — to enable governments and other implementers to achieve this.

BRAC Priority – Youth and Skills



As the global economy continues to recover we are seeing slower growth, widening inequalities, and not enough jobs to keep up with a growing labour force. According to the International Labour Organization, more than 204 million people were unemployed in 2015.

The SDGs promote sustained economic growth, higher levels of productivity and technological innovation. Encouraging entrepreneurship and job creation are key to this. BRAC has a methodology for providing young people with the skills and support they need to gain employment and will implement these to help achieve full and productive employment, and decent work,

for all women and men by 2030.

STAR – Skills Training for Advancing Resources

Both young people and businesses in Bangladesh are facing a skills crisis. 2 million young people enter the workforce every year but 75% of business leaders claim that skilled workers are scarce. Most young people end up with irregular jobs. 79% of Bangladesh's workforce is employed by the informal sector.

Skilling Bangladesh's youth will unlock the potential of future generations and create opportunities for better jobs. In parallel, working with employers to improve the quality of jobs will ensure that people are able to

access decent work opportunities in the informal sector.

Skills Training for Advancing Resources (STAR) is a large-scale successful on-the-job apprenticeship model that delivers the skills that employers need in the shortest time frame possible. Apprentices are paired and placed under the guidance of a master craftsman who already runs their own businesses and have been trained on competency based training techniques.

How it works

Formal structure – Learners are work-ready in six months, through a combination of theoretical and on the job training.

Certified – Aligned with the new National Technical and Vocational Qualifications framework: All learners get nationally certified.

Trade Specific Education – Specific terminologies, practical skills and basic English conversation skills are included.

Soft skills – Entrepreneurship, rights and social issues, labour rights, financial literacy and gender equality are taught once per week.

Social inclusion and decent work – Employers are supported to meet BRAC-promoted work standards. All marginalised groups are included.

Demand-driven – Trades are selected based on local market demands and all trainees are connected with job opportunities.

BRAC Priority – Disability Inclusion

Inclusiveness is one of BRAC's core values and it has always focused on supporting those experiencing poverty, illiteracy, disease, and social justice. For over 40 years, BRAC has been empowering communities to harness their own human and material resources to rise out of poverty. However, while BRAC recognises the existing and potential contributions made by persons with disabilities to the overall well-being and diversity of their communities, historically, its efforts at disability inclusion, like many other mainstream organisations, have been ad-hoc.

Over the last decade, BRAC has increasingly recognized the need to systematically and consistently include people with disability in all of our work. BRAC formalized this commitment in a pledge made in its Strategic Plan, 2016 – 2020 to mainstream disability inclusion across its programmes, which reach over 138 million people every year. BRAC's strategy for mainstreaming disability inclusion is three-fold:

1. Work with disability-focused organizations to pilot and test mainstreaming approaches and document learnings.
2. Scale-up of proven mainstreaming approaches within BRAC large-scale development programmes.
3. Build partnerships with relevant Government agencies and the



private sector in order to ensure the long-term sustainability of these mainstreaming approaches.

As part of the above strategy, BRAC recognizes the need to build partnerships to strengthen our capacity to mainstreaming disability inclusive in its programming. Over the last decade it has built partnerships with specialist disability focused organizations, Disabled People's Organisations, the private sector and government to achieve this. This includes a partnership with Humanity & Inclusion, which came into effect in 2018 and has the following goals:

1. To enhance BRAC's ability to integrate disability inclusion organizationally and in its economic empowerment, health and education programmes.

2. To test, replicate and scale 'disability inclusive graduation' as an effective approach for the economic empowerment of ultra poor people with disabilities.

BRAC's major development programmes are at different stages in the implementation of Disability Inclusion, but a brief summary of the progress is outlined throughout the rest of this document.



BRAC Priority – Safeguarding

This statement is in response to cases of sexual misconduct in the aid sector. BRAC UK received a request for information from the Secretary of State for International Development and submitted a response on 26th February 2018. Below is a summarised version of that response:

BRAC UK attaches great importance to safeguarding and have put in place robust policies and procedures. The organisation is unaware of any serious incidents that it should have reported related to projects it has raised resources for or managed.

The majority of people working with BRAC in the field are women. We have over 110 million programme participants worldwide and the majority of them are women and girls from the poorest and the most marginalised communities. Empowering them and eliminating harassment and abuse are core organisational and programmatic priorities for BRAC and have been for over four decades.

BRAC UK is also strongly committed to providing a safe and trusting environment for our staff, volunteers, beneficiaries and anyone else the organisation has contact with. BRAC UK's expectations around conduct are detailed in our staff handbook and policy documents such as the child protection policy. BRAC UK expects staff to respect and comply with

the customs, culture and laws of the country they are working in, and not become involved in any religious, political, illegal or other issues that are inappropriate for staff or for BRAC to be associated with. BRAC provides staff with the necessary information and training about the law, customs and culture of the country where they will be working. This includes information about business practices, customs, etiquette, any risk of harassment, discrimination or violence based on gender, sexuality, ethnicity, religion or disability. Staff personal actions while working abroad will be subject to the law of the country they are working in.

BRAC UK aims to create an open, transparent and safe working environment where staff feel able to speak up, as they are often the first people in the Charity to witness any type of wrongdoing. We strongly encourage staff to come forward and report incidents and concerns to senior staff and to trustees and to have open lines of communication to facilitate the raising of such concerns. Indeed, there has been a concerted effort to allow staff to have a direct line to trustees when and if required and this has been utilised on numerous occasions.

Outside of the UK, BRAC in Bangladesh has in place a Code of Conduct, Sexual Harassment Elimination (SHE) Policy and UN standard policy on Protection

from Sexual Exploitation and Abuse (PSEA). These are given life through measures such as the establishment of a dedicated Gender Training Group responsible for creating awareness and building the capacity of its employees on the prevention of sexual harassment, gender violence and early marriage and also the setting up of 26 local Sexual Harassment Elimination Teams located across Bangladesh providing primary support, necessary information and caring for survivors and witnesses.

However, BRAC is a global organisation with a complex structure and we recognise that this can pose challenges. Discussions around global governance continue to evolve within the BRAC Global family. The BRAC UK board and executive will be liaising with BRAC and BRAC International as a matter of priority to review our safeguarding policies to ensure they are up to the mark.

More broadly, we look forward to a nuanced debate in the sector around global governance issues, especially relating to safeguarding.

An update on our 5 year strategy

During early 2015 BRAC UK developed a five-year strategy covering the period 2015 to 2020. The table below summarises our fundraising performance against the goals set out in the strategy.

5 year strategy			Funding secured	
Year	Fundraising target £m	Direct £m	Supported £m	Total £m
2015	5.0	2.6	1.0	3.6
2016	7.0	1.9	5.6	7.5
2017	10.0	0.3	10.6	10.9
2018	13.0	4.4	0.7	5.1
Total to 31 December 2018	35.0	9.2	17.9	27.1
2019 target	15.0	0.0	0.0	15.0
Total actual + target	50.0	9.2	17.9	42.1

BRAC UK has made good progress towards achieving its 5 year funding target of £50m between 2015 and 2018, securing a total of £27m between April 2015, when the new strategy was approved by the Board, and December 2018. This table shows the position as at 31st December 2018, when this report was prepared. The funding secured is allocated between direct funding, where the funds raised come directly through BRAC UK and the contracts are managed by BRAC UK, and supported funding, where BRAC UK provide the resources to support BRAC

Bangladesh, BRAC International and the country programmes to secure funding that goes to them directly. The revenue from the funding secured will be received over a number of years, specific to each individual grant agreement, and does not relate directly to the income reported as received annually in the financial statements. The 5-year fundraising target for BRAC UK is very ambitious, and with a year left of the strategy period we can see it may not be reached. However, BRAC UK has achieved an impressive period of growth and since 2015 has

successfully embedded its role within the BRAC global family of organisations. We thank BRAC and BRAC International for their generous support of BRAC UK during this period by underwriting a large portion of BRAC UK's core costs. In 2019 BRAC, BRAC International, BRAC UK and BRAC USA will be working together to develop a global strategy for the period up until 2030. BRAC UK will also be working to develop a renewed and refreshed strategy for BRAC UK to align with the new global strategy and to achieve greater impact over the next three years.

Structure, Governance and Management

The Trustees present their report and the audited financial statements for the year ended 31 December 2018. 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. They are supported to attend BRAC International board meetings at least once in their term and to visit BRAC UK country programmes to become familiar with the work on the ground every 3 years. All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note6 to the accounts.

Management
The Chief Executive Officer (CEO) reports to the trustees and is responsible for the day-to-day management of the organisation. The staff management team that reports to the CEO consists of a Director of Programmes, Finance and Resources Manager, Communications & Marketing Manager and a Strategic Partnership 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

Structure, Governance and Management

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 in 2018, is used to set salary levels for staff. In November every year the HR Committee reviews the inflation rate as published by the Office for National Statistics and agrees any inflationary pay increase for the staff. The HR Committee undertakes benchmarking exercises of peer international charities of a similar size by reviewing reports prepared by charity specialist organisations.

Affiliations

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 and BRAC International. BRAC UK observes the BRAC and BRAC International board meetings and the 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 International and BRAC which defines the funding support that will be provided towards the core costs of BRAC UK. This MOU also details the funding and programme activity targets that BRAC UK is expected to achieve each year.

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 Trustees' report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees' ensure the charity's aims, objectives and activities remained 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 2016, 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 76% of its \$682 million average annual national budget from 2011 to 2015 from its own socially-responsible businesses.

BRAC UK works as part of the international 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.

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 2018. 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 2018 financial year was successful for BRAC UK, with 7 active projects running in six countries. Income overall has increased was in line with expected plans, as some new projects have commenced during the year. The total income for BRAC UK in the

period to 31 December 2018 was £2.6m (2017 £1.8m). The breakdown of that income is as follows: £2.1m restricted and £0.5m unrestricted (2017 £1.3m: £0.5m respectively). BRAC and BRAC International continued to contribute to BRAC UK's core expenditure, investing in the capacity to raise more funding. The income received from BRAC International and BRAC was a major factor in BRAC UK's stability and ability to achieve its core operations. The total expenditure in 2018 was £2.2m (2017 £2.2m), of which £1.6m related to restricted funds and £0.6m to unrestricted funds (2017 £1.7m: £0.5m respectively). Total unrestricted expenditure in 2018 increased marginally compared to the previous financial period, in line with increased costs. BRAC UK's organisational growth plan for the 5 year strategy incorporates investment for staff skills and capacity. The total funds held by BRAC UK at 31st December 2018 is £1.2m (2017 £0.7m), £0.4m relates to restricted funds and £0.8m unrestricted (2017 £0.3m: £0.4m).

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

Structure, Governance and Management

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 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 identified by the trustees in 2018 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.
- Safeguarding incidents. This will be mitigated through improving the policy, processes and culture of safeguarding throughout BRAC UK's operations and partnerships.
- 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 DFID and the EU.

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 2018 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. The unrestricted reserves at year end stood at £0.4m (2017 £0.4m), 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 spent in accordance with plans for BRAC UK, and the budget for 2019 includes an amount of up to £0.1m to be used to support BRAC UK core costs.

BRAC UK also holds restricted reserves, representing funds received for specific project work. At the end of 2018 restricted funds held was £0.8m (2017 £0.3m). These funds will be distributed in 2019 in line with donor restrictions. The report has been prepared in accordance with the duty set out in the Charities Act 2006.

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 22 May 2019 and signed on their behalf by:



Simone Sultana Director and Trustee (Chair)



Ultra Poor Graduation: Amina is a graduate of the ultra-poor graduation programme and lives in a village in Faridpur of south-central Bangladesh. Now an entrepreneur with three small businesses, she once survived on less than only 25 cents per day from working in a brick field. She now earns her income from her nursery, her livestock, and a small grocery shop she runs in her locality.



Promoting gender equality: Rasheda is a field organiser for BRAC's gender quality action learning programme in Bangladesh. She hosts courtyard meetings for community members, addressing violence against women and promoting gender equality.

Auditor's Opinion

Opinion

We have audited the financial statements of BRAC UK (the 'charitable company') for the year ended 31 December 2018 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2018 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date

when the financial statements are authorised for issue.

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. 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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Auditor's Opinion

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
- 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 trustees 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.

Auditor's Opinion

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material

uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

Sayer Vincent LLP

Jonathan Orchard
(Senior statutory auditor)

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

Statement of financial activities

For the period ended 31 December 2018

	Note	Unrestricted £	Restricted £	2018 Total £	Unrestricted £	Restricted £	2017 Total £
Income from:							
Donations and legacies	2	16,586	14,810	31,396	29,968	34,891	64,859
Charitable activities							
BRAC UK Core	3	477,646	-	477,646	456,877	-	456,877
Bangladesh	3	-	1,135,221	1,135,221	-	501,688	501,688
Nepal	3	-	-	106,423	106,423	-	-
Sierra Leone	3	-	5,000	5,000	-	65,717	65,717
South Sudan	3	-	30,726	30,726	-	359,593	359,593
Tanzania	3	-	346,936	346,936	-	-	-
Uganda	3	-	420,027	420,027	-	159,946	159,946
BRAC global initiatives	3	-	74,418	74,418	-	151,176	151,176
Investments		-	-	-	361	-	361
Total income		494,232	2,133,561	2,627,793	487,206	1,273,011	1,760,217
Expenditure on:							
Raising funds	4	31,458	-	31,458	23,683	-	23,683
Charitable activities							
BRAC UK Core	4	285,618	-	285,618	315,515	-	315,515
Bangladesh	4	101,454	672,490	773,944	44,284	558,991	603,275
Nepal	4	42,512	97,368	139,880	13,802	-	13,802
Sierra Leone	4	18,793	18,754	37,547	34,123	254,869	288,992
South Sudan	4	7,893	143,284	151,177	32,439	396,814	429,253
Tanzania	4	17,502	232,125	249,627	-	-	-
Uganda	4	43,215	302,262	345,477	23,963	375,355	399,318
BRAC global initiatives	4	14,594	134,317	148,911	55,228	63,811	119,039
Total expenditure		563,038	1,600,600	2,163,638	543,037	1,649,840	2,192,877
Net income / (expenditure) for the year	(68,806)	532,961	464,155	(55,831)	(376,829)	(432,660)	(455,188)
Transfers between funds	15	15	(15)	-	(31,993)	31,993	-
Other gains/losses	15	42,623	-	42,623	(22,528)	-	(22,528)
Net income / (expenditure)		(26,168)	532,946	506,778	(110,352)	(344,836)	(455,188)
Net movement in funds		(26,168)	532,946	506,778	(110,352)	(344,836)	(455,188)
Reconciliation of funds:							
Total funds brought forward		419,655	287,053	706,708	530,007	631,889	1,161,896
Total funds carried forward		393,487	819,999	1,213,486	419,655	287,053	706,708

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 2018

	Note	£	2018 £	£	2017 £
Fixed assets:					
Tangible assets	11		4,710		7,557
			4,710		7,557
Current assets:					
Debtors	12	210,727		186,311	
Cash at bank and in hand		1,187,793		947,194	
		1,398,520		1,133,505	
Liabilities:					
Creditors: amounts falling due within one year	13	189,743		434,354	
Net current assets			1,208,776		699,151
Total assets less current liabilities			1,213,486		706,708
Total net assets			1,213,486		706,708
The funds of the charity:	15				
Restricted income funds			819,999		287,053
Unrestricted income funds:					
General funds		393,487		419,655	
Total unrestricted funds			393,487		419,655
Total charity funds			1,213,486		706,708

Simone Sultana

Approved by the trustees on 22 May 2019 and
signed on their behalf by Simone Sultana, Chair.

Statement of cash flows

For the period ended 31 December 2018

	Note	2018 £	£	2017 £	£
Cash flows from operating activities					
Net cash provided by operating activities	16		198,819		(552,818)
Cash flows from investing activities:					
Dividends, interest and rents from investments		537		361	
Purchase of fixed assets		(1,380)		(2,286)	
Net cash provided used in investing activities		(843)		(1,925)	
Change in cash and cash equivalents in the year		197,976		(554,382)	
Cash and cash equivalents at the beginning of the year		947,194		1,524,104	
Change in cash and cash equivalents due to exchange rate movements		42,623		(22,528)	
Cash and cash equivalents at the end of the year		1,187,793		947,194	

Notes to the Financial statements

For the period ended 31 December 2018

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.

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.

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) (effective 1 January 2015)– (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (March 2018) 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.

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

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 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.

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

- | | |
|--------------------------------------|-----|
| • BRAC UK core charitable activities | 13% |
| • Bangladesh charitable activities | 40% |
| • Nepal charitable activities | 13% |
| • Sierra Leone charitable activities | 3% |
| • South Sudan charitable activities | 3% |
| • Uganda charitable activities | 13% |
| • Tanzania charitable activities | 13% |

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.

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) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

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 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 4% per annum into our selected pension scheme, NEST, provided the employee will meet (or exceed) this amount.

The scheme is compatible with legislation introduced in October 2012 that requires all employers to offer a workplace pension scheme to its employees, which BRAC UK was required to comply with by February 2017.

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 resources for the year.

Notes to the Financial statements continued

2. Income from donations

	Unrestricted £	Restricted £	2018 Total £	Unrestricted £	Restricted £	2017 Total £
Individual Donations	16,586	14,810	31,396	29,968	34,891	64,859
	16,586	14,810	31,396	29,968	34,891	64,859

3. Income from charitable activities

	Unrestricted £	Restricted £	2018 Total £	Unrestricted £	Restricted £	2017 Total £
BRAC International	391,000 4251	-	391,000	456,814	-	456,814
Project contributions for direct costs and overheads	86,068	-	86,068	-	-	-
Other	578	-	578	63	-	63
BRAC global initiatives	-	74,418	74,418	-	151,176	151,176
Sub-total for BRAC UK core charitable activities	477,646	74,418	552,064	456,877	151,176	608,053
Comic Relief	-	-	-	-	107,500	107,500
ESRC (Economic & Social Research Council)	-	30,589	30,589	-	-	-
MedicorFoundation	-	200,000	200,000	-	-	-
Cartier Foundation	-	395,225	395,225	-	-	-
Vitol Foundation and World Memon Organisation	-	152,620	152,620	-	187,619	187,619
British Asian Trust	-	82,100	82,100	-	-	-
UBS Optimus Foundation	-	252,740	252,740	-	206,569	206,569
Other	-	8,559	8,559	-	-	-
Income from DFID Disability Inclusive Development	-	13,388	13,388	-	-	-
Sub-total for charitable activities in Bangladesh	-	1,135,221	1,135,221	-	501,688	501,688
Income from DFAT	-	43,407	43,407	-	-	-
Income from Signify Foundation	-	63,016	63,016	-	-	-
Sub-total for charitable activities in Nepal	-	106,423	106,423	-	-	-
Income from Comic Relief	-	5,000	5,000	-	-	-
Income from GPAF/ UK Aid	-	-	-	-	65,717	65,717
Sub-total for charitable activities in Sierra Leone	-	5,000	5,000	-	65,717	65,717
Income from GPAF/UK Aid	-	30,726	30,726	-	169,002	169,002
Income from Comic Relief	-	-	-	-	24,885	24,885
Income from Big Lottery Fund	-	-	-	-	165,706	165,706

	Unrestricted £	Restricted £	2018 Total £	Unrestricted £	Restricted £	2017 Total £
Sub-total for South Sudan charitable activities	-	30,726	30,726	-	359,593	359,593
Income from Cartier Foundation	-	182,920	182,920	-	159,946	159,946
Income from Medicor Foundation	-	211,986	211,986	-	-	-
Income from Nesta Foundation	-	10,891	10,891	-	-	-
Income from Big Lottery Fund	-	14,230	14,230	-	-	-
Sub-total for charitable activities in Uganda	-	420,027	420,027	-	159,946	159,946
Income from DFID Disability Inclusive Development	-	13,388	13,388	-	-	-
Income from Danida	-	195,358	195,358	-	-	-
Income from Signify Foundation	-	59,275	59,275	-	-	-
Income from Vitol Foundation	-	78,915	78,915	-	-	-
Sub-total for charitable activities in Tanzania	-	346,936	346,936	-	-	-
Total income from charitable activities		477,646	2,118,751	2,596,397	456,877	1,238,120



Ramita and Sabita during their electrical training in Nepal

Notes to the Financial statements cont.

Charitable activities													
4a. Analysis of expenditure	Cost of raising funds £	BRAC UK Core Charitable Activities £	Bangladesh Charitable Activities £	Nepal Charitable Activities £	Sierra Leone Charitable Activities £	South Sudan Charitable Activities £	Tanzania Charitable Activities £	Uganda Charitable Activities £	BRAC global initiatives £	Governance costs £	Support costs £	2018 Total £	2017 Total £
Staff costs (note 7)	28,554	155,658	94,546	34,125	15,566	11,940	50,571	69,622	65,272	47,188	41,101	614,143	467,738
Training and recruitment	-	4,374	-	-	-	-	-	-	-	-	-	4,374	14,489
Grants payments (note 5)	-	-	627,987	84,525	18,705	115,366	156,224	235,513	-	-	-	1,238,320	1,443,580
Programme activities	-	31,807	11,788	8,162	-	20,560	29,476	21,177	82,937	-	-	205,908	167,465
Office management	-	80,878	167	168	51	85	455	6,264	703	-	-	88,770	85,642
Fundraising expenditure	2,904	-	754	-	-	-	-	-	-	-	-	3,658	5,923
Audit & legal fees	-	-	-	-	-	-	-	-	-	8,466	-	8,466	8,040
	31,458	272,717	735,242	126,979	34,321	147,951	236,727	332,576	148,911	55,654	41,101	2,163,638	2,192,877
Governance costs	-	7,420	22,261	7,420	1,855	1,855	7,420	7,420	-	(55,654)	-	-	-
Support costs	-	5,480	16,440	5,480	1,370	1,370	5,480	5,480	-	-	(41,101)	-	-
	-	12,901	38,702	12,901	3,225	3,225	12,901	12,901	-	-	0		
Total expenditure 2018	31,458	285,618	773,944	139,880	37,547	151,177	249,627	345,477	148,911	-	-	2,163,638	2,192,877
Total expenditure 2017	23,683	315,515	603,275	13,802	288,992	429,253	399,318	399,318	119,039	-	-	2,192,877	

Charitable activities											
4b. Analysis of expenditure	Cost of raising funds £	BRAC UK Core Charitable Activities £	Bangladesh Charitable Activities £	Liberia Charitable Activities £	Sierra Leone Charitable Activities £	South Sudan Charitable Activities £	Uganda Charitable Activities £	BRAC global initiatives £	Governance costs £	Support costs £	2017 Total £
Staff costs (note 7)	15,378	188,606	22,670	13,802	25,283	42,675	28,547	46,583	40,747	43,447	467,738
Training and recruitment	-	11,134	175	-	-	3,180	-	-	-	-	14,489
Grants payments (note 5)	-	23,158	546,414	-	220,000	319,938	334,070	-	-	-	1,443,580
Programme activities	-	26,144	1,084	-	19,716	38,454	20,734	61,333	-	-	167,465
Office management	3,312	56,312	1,520	-	3,672	4,685	5,806	962	9,373	-	85,642
Fundraising expenditure	4,993	-	930	-	-	-	-	-	-	-	5,923
Audit & legal fees	-	-	-	-	-	-	-	-	8,040	-	8,040
	23,683	305,354	572,793	13,802	268,671	408,932	389,157	108,878	58,160	43,447	2,192,877
Governance costs	-	5,816	17,448	-	11,632	11,632	5,816	5,816	(58,160)	-	-
Support costs	-	4,345	13,034	-	8,689	8,689	4,345	4,345	-	(43,447)	-
	-	10,161	30,482	-	20,321	20,321	10,161	10,161	-	-	-
Total expenditure 2017	23,683	315,515	603,275	13,802	288,992	429,253	399,318	119,039	-	-	2,192,877

Notes to the Financial statements cont.

5. Grant-making

	2018 Grants to institutions £	2017 Grants to institutions £
BRAC Bangladesh	627,987	546,414
BRAC Nepal	84,525	-
BRAC Sierra Leone	18,705	220,000
BRAC South Sudan	115,366	343,096
BRAC Tanzania	76,390	-
BRAC Uganda	235,513	334,070
Solar Sister	76,164	-
Others	3,670	-
	1,238,320	1,443,580

6. Net incoming resources for the year

	2018 £	2017 £
This is stated after charging:		
Depreciation	4,227	6,752
Loss or profit on disposal of fixed assets	-	-
Operating lease rentals:		
• Property	38,260	38,395
Auditor's remuneration, excluding VAT:		
• Audit	6,900	6,700

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

	2018 £	2017 £
Staff costs were as follows:		
Salaries and wages	501,669	392,416
Social security costs	53,019	41,769
Employer's contribution to defined contribution pension schemes	12,414	7,360
Other staff costs - consultants and volunteers	47,043	26,193
	614,144	467,378

	2018 No.	2017 No.
£60,000 - £69,999	-	-
£70,000 - £79,999	-	-
£80,000 - £89,999	-	-
£90,000 - £99,999	1	1

The total employee benefits including pension contributions of the key management personnel were £224,798 (2017: £193,852).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2017: £nil). No charity trustee received payment for professional or other services supplied to the charity (2017: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £481 incurred by two members in 2018 (2017: £968, three members) relating to attendance at meetings of the trustees.

8. Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2018 No.	2017 No.
This is stated after charging:		
Raising funds	0.6	0.5
BRAC UK Core Charitable Activities	5.6	2.2
Bangladesh Charitable Activities	0.7	1.7
BRAC global Charitable Activities	1.5	0.5
Liberia Charitable Activities	-	0.2
Nepal charitable activities	0.4	-
Sierra Leone Charitable Activities	0.3	0.6
South Sudan Charitable Activities	0.1	0.5
Tanzania charitable activities	0.2	0.5
Uganda Charitable Activities	0.4	0.5
Support	1.2	2.0
Governance	0.8	1.0
	11.5	10.2

9. Related party transactions

There are no related party transactions to disclose for 2018.

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 £391,000 from BRAC and BRAC International during 2018 (2017: £501,521).

The funding was received to provide services, e.g. fundraising, 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 and global initiatives.

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	4,036	13,197	5,400	29,113
Additions in year	-	-	1,380	-	1,380
At the end of the year	6,480	4,036	14,577	5,400	30,493
Depreciation					
At the start of the year	6,480	3,153	9,110	2,813	21,556
Charge for the year	-	588	2,290	1,350	4,227
At the end of the year	6,480	3,741	11,399	4,163	25,783
Net book value					
At the end of the year	-	295	3,177	1,237	4,710
At the start of the year	-	883	4,087	2,587	7,557

All of the above assets are used for charitable purposes.

Notes to the Financial statements cont.

12. Debtors

	2018 £	2017 £
Trade debtors	73,370	157,884
Other debtors	7,875	7,875
Prepayments	17,355	13,337
Accrued income	112,128	7,215
	210,727	186,311

13. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	19,955	20,928
Taxation and social security	1,788	10,481
Other creditors	145	4,602
Accruals	167,855	398,343
	189,743	434,354

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

	General unrestricted £	Restricted £	Total Funds £
Tangible fixed assets	4,710	-	4,710
Net current assets	388,777	819,999	1,208,776
Net assets at the end of the year	393,487	820,014	1,213,486

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

	General unrestricted £	Restricted £	Total Funds £
Tangible fixed assets	7,557	-	7,557
Net current assets	412,098	287,053	699,151
Net assets at the end of the year	419,655	287,053	706,708

15a. Movements in funds (current year)

	At 1 January 2018 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2018 £
Restricted funds:					
BD001 Bangladesh Education-Comic Relief	36,229	-	(32,707)	-	3,522
BD002 Bangladesh Education - ESRC	3,635	30,589	(34,225)	-	
BD003 Bangladesh BEP Schools - UBS	28,423	252,740	(222,868)	-	58,295
BD010 Bangladesh donations/grants-Rohingya crisis	4,813	853,314	(382,690)	-	475,437
MC001 Multi country Sightsavers Disability Inclusive Development - DFID - proposal development	-	26,777	(26,777)	-	-
NP001 Nepal PRAGATI project proposal preparation- DFAT	-	43,407	(37,517)	-	5,890
NP002 Nepal Girls Empowerment through Lighting Entrepreneurship - Signify Foundation	-	63,016	(59,851)	-	3,165
SL003 Sierra Leone Health-Comic Relief	8,344	5,000	(13,344)	-	-
SL004 Sierra Leone Pig Value Chain - DFID/UKAid	5,410	-	(5,410)	-	-
SS002 South Sudan Education 2 -www Comic Relief	42,637	-	(42,637)	-	-
SS003 South Sudan Health - DFID/UK Aid	26,301	30,725	(57,026)	-	-
SS004 South Sudan Health - Big Lottery Fund	43,636	-	(43,621)	(15)	-
TZ001 Tanzania WeSolve - Danida	-	195,358	(181,190)	-	14,168
TZ002 Tanzania WeSolve - Signify Foundation	-	59,275	(24,158)	-	35,117
TZ003 Tanzania ECD - Vitol Foundation	-	78,915	-	-	78,915
UGA001 Uganda TUP - Cartier Foundation	260	182,920	(178,929)	-	4,251
UGA002 Uganda TUP - Medicor Foundation	-	211,986	(98,212)	-	113,774
UGA003 Uganda Fall Army Worm Challenge - Nesta Foundation	-	10,891	(10,891)	-	-
UGA004 Uganda Disability Inclusive Graduation project preparation - Big Lottery Fund	-	14,230	(14,230)	-	-
UPGI Ultra Poor Graduation Global Initiative	87,365	74,418	(134,317)	-	27,466
Total restricted funds	287,053	2,133,561	(1,600,600)	(15)	819,999
Unrestricted funds:					
General funds	419,655	536,855	(563,038)	15	393,487
Total unrestricted funds	419,655	536,855	(563,038)	15	393,487
Total funds	706,708	2,670,416	(2,163,638)	-	1,213,486

Foreign exchange gains/losses

Funding for some projects is transacted through foreign currencey bank accounts – namely US dollars, Australian dollars, Danish Krone, Euro – and therefore the project funds themselves do not suffer foreign exchange gains and losses. However, the bank balances are held in BRAC UKis 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 cont.

15b. Movements in funds (prior year)

	At 1 January 2017 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2017 £
Restricted funds:					
BD001 Bangladesh Education-Comic Relief	10,308	107,500	(81,579)	-	36,229
BD002 Bangladesh Education - ESRC	85,204	-	(81,569)	-	3,635
BD003 Bangladesh BEP Schools - UBS	-	206,569	(178,146)	-	28,423
BD010 Bangladesh donations/grants-Rohingya crisis	-	222,510	(217,697)	-	4,813
SL003 Sierra Leone Health-Comic Relief	158,730	-	(150,386)	-	8,344
SL004 Sierra Leone Pig Value Chain - DFID/UKAid	44,176	65,717	(104,483)	-	5,410
SS002 South Sudan Education 2 - Comic Relief	17,752	24,885	-	-	42,637
SS003 South Sudan Health - DFID/UK Aid	104,413	169,002	(247,114)	-	26,301
SS003 South Sudan Health - DFID/UK Aid	26,301	30,725	(57,026)	-	-
SS004 South Sudan Health - Big Lottery Fund	27,630	165,706	(149,700)	-	43,636
UGA001 Uganda TUP - Cartier	183,676	159,946	(375,355)	31,993	260
UPGI Ultra Poor Graduation Global Initiative	-	151,176	(63,811)	-	87,365
Total restricted funds	631,889	1,273,011	(1,649,840)	31,993	287,053
Unrestricted funds:					
General funds	530,007	464,678	(543,037)	(31,993)	419,655
Total unrestricted funds	530,007	464,678	(543,037)	(31,993)	419,655
Total funds	1,161,896	1,737,689	(2,192,877)	-	706,708

Purposes of restricted funds

Bangladesh Education - Comic Relief

This programme improves the knowledge of, and access to, maternal neonatal and child health services for women and their children plus other family members through the provision of local delivery centres.

Bangladesh Education

Economic and Social Research Council

A research study to assess the progress of our targeting the ultra-poor programme in each of its three dimensions, being material, social, and psychological well-being. How the programme contributes to the resilience of women and their households is measured through their ability to maintain and improve their livelihoods.

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.

Bangladesh - Rohingya crisis - Medicor Foundation, Cartier Foundation, World Memon Organistion and Individual donations:

This funding has been received in response to the Rohingya

crisis, and is supporting BRAC's programmes on the Bangladesh/Myanmar border.

Bangladesh and Tanzania Sightsavers Disability Inclusive Development - DFID commercial contract

"The Disability Inclusive Development Programme (DID) is DFID's single largest investment in disability inclusion, and its flagship global programme in this sector. Under DID, BRAC UK is engaging with Sight Savers International to develop programmes in Bangladesh, Tanzania and Nepal for a total of £1.6M.

Nepal - PRAGATI project preparation - DFAT

The PRAGATI design phase from August to December 2018 involved field visits and workshops with partners to design and submit an investment proposal. Once approved, this programme will to deliver a AUD \$25 million adaptive hybrid programme, working with partners, which seeks to combine market service delivery and direct intervention approaches to provide pro-poor market development outcomes for the most marginalised households in Karnali Province, Western Nepal.

Nepal - Girls Empowerment Through Lighting Entrepreneurship - Signify Foundation

This project addresses 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.

Sierra Leone Health-Comic Relief (PSPP - Pull Slum Pan Pipul Project)

Improving sexual and reproductive health and creating sustainable livelihoods for youth in Freetown Slums in Sierra Leone.

Sierra Leone livelihood-DFID/UKAid-GPAF-INN-075

Reducing Poverty and hunger of Vulnerable People (Majority Women) through Improved Pig Production, Processing, Marketing and Income Generation in 25 Rural Communities in Five Districts in Sierra Leone.

South Sudan Education 1 & 2- Comic Relief

The programme addresses the acute lack of primary education right across South Sudan and gender discrimination that causes people, particularly women, to remain in poverty.

South Sudan Health- DFID/UK Aid-IMP-128

Improving the Reproductive, Maternal, Newborn and Child Health of Vulnerable Women,Adolescent girls and Children in Central and Eastern Equatoria States in South Sudan.

South Sudan Health-Big Lottery Fund

Reaching the most vulnerable beneficiaries (in Yei County) through doorstep services provided by community health promoters (CHPs) and mobile nurses. BRAC will provide quality information on mother and child health, check the health of mothers, new-borns and under-fives, review the immunisation records of children and refer pregnant women to health facilities.

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.

Tanzania ECD - Vitol Foundation

The project aims to catalyse the ECD private sector in Tanzania, by developing a eHub & Spokei business model for the provision of low-cost, high quality and scalable play-based ECD - improving the cognitive, physical, socio-emotional and language development of children aged 3-5 from low income families in Dar es Salaam.

Uganda TUP - Cartier Foundation

The aim of the project is to reduce extreme poverty among youth (1500 direct beneficiaries - ages 18-35) in the Luwero District and Karamaja sub-region, Uganda, through agribusiness programming and sequenced set of interventions which include livelihood training, consumption stipends, asset transfers, savings and social integration.

Uganda TUP - Medicor Foundation

Match funding for the Cartier Foundation project above.

Uganda Fall Army Worm Challenge - Nesta Foundation

An innovation challenge fund, funded by the Nesta Foundation to respond to the Fall Army Worm Challenge in Africa. BRAC UK provided specific networking and facilitation services in Uganda to support the innovation challenge.

Uganda Disability Inclusive Graduation project preparation - Big Lottery Fund

A partnership with BRAC, Humanity and Inclusion and NUWODU (a national Disability Persons Organisation) aimed at expanding socio-economic inclusion for 1500 ultra-poor beneficiaries, including people with disabilities, in Uganda.

Ultra Poor Graduation Initiative

This funding is from BRAC International and is restricted to supporting the UPGI global branding iniative.

16. Reconciliation of net income to net cash flow from operating activities

	2018 £	2017 £
Net income for the reporting period (as per the statement of financial activities)	464,155	(432,660)
Depreciation charges	4,227	6,752
Dividends, interest and rent from investments	(537)	(36)
(Increase)/decrease in debtors		(24,416)
Increase/(decrease) in creditors	(244,611)	(203,543)
Net cash provided by operating activities	198,819	(552,132)

17. 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:

	2018 £	Property 2017 £
More than five years	-	-
1 - 5 years	-	10,500
More than five year	12,753	31500
	12,753	42,000

18. 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 UK is the European affiliate of BRAC. BRAC UK works to raise resources for BRAC programmes in Africa and Asia by developing partnerships with local and global organisations, donor agencies, academic and research institutions and governments. BRAC UK also raises awareness about BRAC's cost-effective and evidence based poverty innovations which empower the poor in 11 countries.

BRAC UK is a registered charity (1115482) and company (5802246)

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