

roots infrastructure that ensures its reach is national and can implement programmes quickly and efficiently. For instance, the new flagship water, sanitation and hygiene programme, began as a sanitation pilot under the essential health care programme and has since been rolled out to 150 sub-districts. It is the first integrated approach to water, sanitation and hygiene that involves the entire population of an area. BRAC aims for national coverage by 2015. The logistical infrastructure was also crucial when BRAC needed to mobilise 2,500 field staff positioned in the cyclone sidr affected area for emergency relief work in november 2007.

Going international

BRAC's experiences in bangladesh of innovating new approaches in key areas of development and taking them to scale rapidly, against a range of constraints, is of significant relevance for the fight against poverty in other developing countries. It is this experience, expertise and attitude with a southern core and perspective that BRAC intends to deploy in helping the poverty reduction efforts of other developing countries. BRAC afghanistan was the first of BRAC's international initiatives. Its microfinance programme is operating across 75 per cent of the country and is a lifeline to more than 189,000 households whose livelihoods have been devastated by decades of conflict and uncertainty. In africa, BRAC has been able to scale up in Tanzania and Uganda after less than three years of operations in the region and is helping 166,000 households in these two countries - with plans to help the citizens of sierra leone and Liberia rebuild their lives after decades of disastrous civil wars. In Southern sudan, BRAC currently operates programmes in microfinance, education, health and agriculture.

Future vision

When the world is free from hunger and poverty, BRAC's work will be done. Until then, BRAC will strive to find practical and scalable approaches to eradicate poverty. With one billion people in the world today still suffering from poverty, the task ahead is enormous. Even countries which are making good progress in economic growth and achieving the mdg goals, there are second generation development challenges that remain unsolved. BRAC will be working actively and in close alliance with civil society, private sector, government and knowledge institutions, in addressing these challenges.

BRAC GOVERNING BODY

CHAIRPERSON

Fazle Hasan Abed, Founder and Chairperson

MEMBERS

Ainun Nishat	Country Representative, IUCN, Bangladesh
Faruq A. Choudhury	Chairman, DBH
Kazi Aminul Huque	Chartered Accountant
Latifur Rahman	Industrialist
Luva Nahid Choudhury	Director General, Bengal Foundation
Maria Otero	President & CEO, ACCION International
Rokia Afzal Rahman	Industrialist
Shabana Azmi	Social Activist & Film Actress
Shafiq ul Hassan (Quais)	Businessman
Syed Humayun Kabir	Chairman, Renata Limited
Taherunnessa Abdullah	Social Scientist & Gender Specialist
Timothy G. Evans	Assistant Director-General WHO
Mahabub Hossain	(ex-officio) Executive Director, BRAC
Muhammad A. (Rume) Ali	(ex-officio) Managing Director, BRAC Enterprises

AUDIT COMMITTEE AND EXTERNAL AUDITORS

Chair	
Kazi Aminul Huque	Member, BRAC Governing Body
Members	
Taherunnessa Abdullah	Member, BRAC Governing Body
S. K. Sarkar	Member, BRAC General Body

OMBUDSPERSON

Mohammed Abu Hena

EXTERNAL AUDIT GROUPS

Ernst & Young, Malaysia
S. F. Ahmed & Co.
J. R. Chowdhury and Co.
S. K. Barua and Co.
ACNABIN & Co.
Masih Muhit Haque & CO.

MANAGEMENT

CHAIRPERSON

Fazle Hasan Abed

EXECUTIVE DIRECTOR

Mahabub Hossain

MANAGING DIRECTOR, ENTERPRISES

Muhammad A. (Rume) Ali

EXECUTIVE DIRECTOR, INTERNATIONAL PROGRAMMES

Md. Aminul Alam

DEPUTY EXECUTIVE DIRECTOR, INTERNATIONAL PROGRAMMES

Imran Matin

DIRECTOR, CHAIRPERSON'S OFFICE (Chief of Staff)

Tania Zaman

DIRECTORS

Ahmed Najmul Hussain	Procurement, Estate & Management Services
Anna Minj	Social Development
Babar Kabir	Water, Sanitation, & Hygiene and Disaster, Environment & Climate Change
Faruque Ahmed	Health
Faustina Pereira	Human Rights and Legal Services
Kishwar S Sayeed	Human Resources
S. M. Ziauddin Hyder	Research
S. N. Kairy	Finance & Accounts
Safiqul Islam	Education
Saied Bakht Mozumder	Tea Estates
Shabbir Ahmed Chowdhury	Microfinance
Sheepa Hafiza	Training, Advocacy and Gender
Sukhendra K. Sarkar	Administration & Risk Management
Tamara H Abed	Aarong & Ayesha Abed Foundation and Dairy & Food Project
Tanwir Rahman	Finance, International Programmes

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2008

BRAC (Registered in Bangladesh under the Societies Registration Act, 1860) Balance Sheet as at December 31, 2008		
	2008 Taka	2007 Taka
ASSETS		
Property, plant and equipment	5,607,339,327	5,468,612,685
Investments in related undertakings	2,878,210,799	1,806,369,952
Investments in securities and others	59,140,000	44,285,706
Loans to Village Organization (VO) members	41,542,182,420	33,986,290,977
Motorcycle loans	684,439,580	566,378,307
Inventories	1,716,963,574	1,636,657,415
Grants and accounts receivable	1,054,292,357	826,085,804
Advance, deposits and prepayments	2,269,911,533	1,915,282,147
Fixed deposits	6,616,102,277	9,318,975,818
Cash in hand and at banks	4,880,055,354	4,594,103,724
TOTAL ASSETS	67,308,637,221	60,163,042,535
LIABILITIES AND NET ASSETS		
Liabilities:		
Deferred income	422,422,160	425,549,866
Term loans	22,704,437,727	20,142,007,672
VO members' savings deposits	15,764,569,644	13,467,188,019
Securitized financing	345,083,404	71,785,351
Other long term liabilities	3,819,825,051	3,145,191,876
VO members project & current account	27,540,740	25,059,115
Grants received in advance account	1,834,102,592	1,623,732,366
Other current liabilities	1,245,272,326	745,080,907
Provision for taxation	191,941,030	171,441,030
Bank overdrafts	5,657,677,143	6,881,999,845
Total Liabilities	52,012,871,817	46,699,036,047
Net Assets:		
Capital fund		
-unrestricted	14,766,605,071	13,074,137,119
-temporarily restricted	529,160,333	389,869,369
	15,295,765,404	13,464,006,488
TOTAL LIABILITIES AND NET ASSETS	67,308,637,221	60,163,042,535

The annexed notes form an integral part of these statements.

Fazle Hasan Abed
Chairperson, Governing Body
BRAC
Dhaka, March 17, 2009

Mahabub Hossain
Executive Director
BRAC

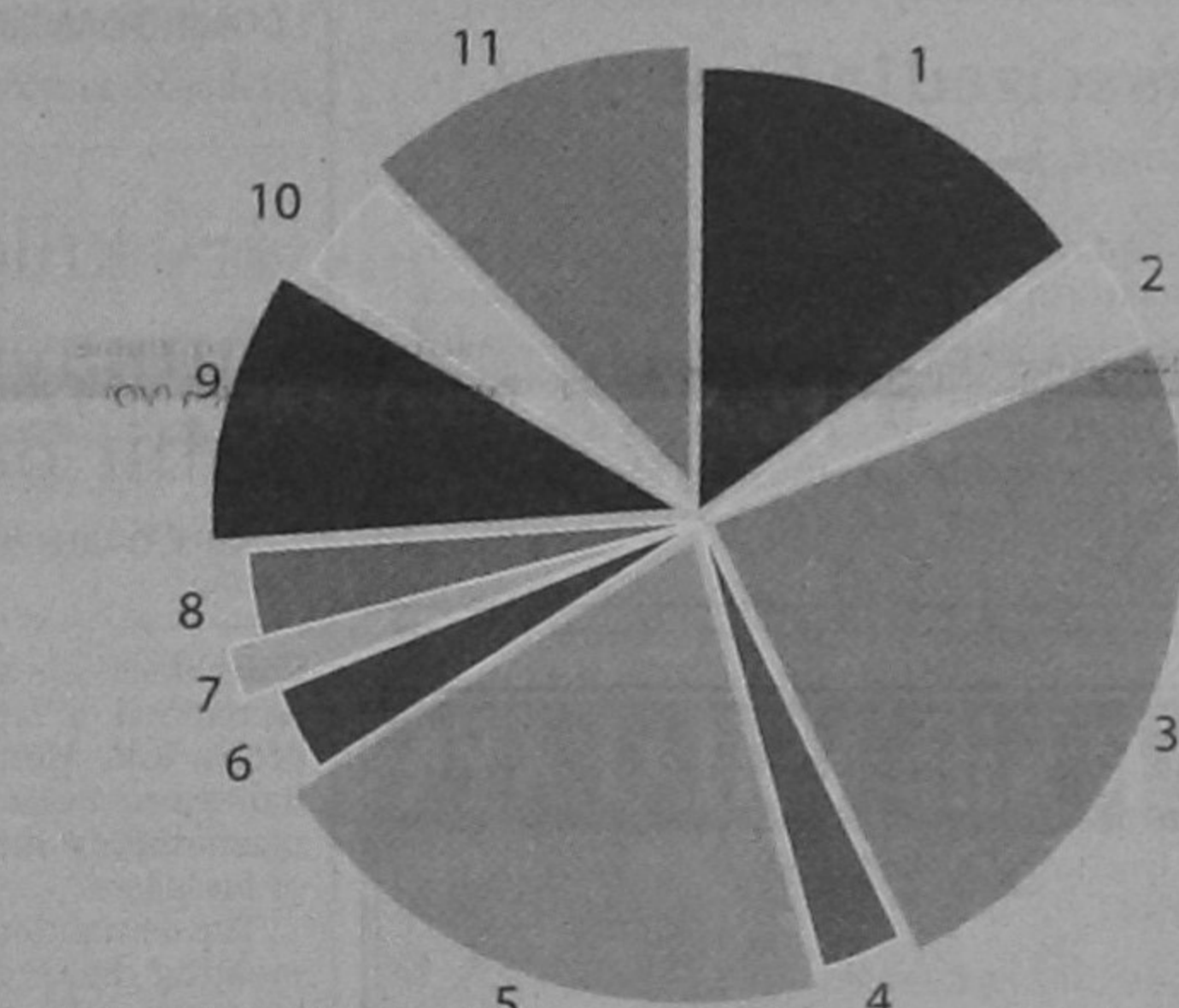
BRAC (Registered in Bangladesh under the Societies Registration Act, 1860) Statement of Income and Expenditure for the year ended December 31, 2008			
	Unrestricted Taka	Temporarily Restricted Taka	Total 2008 Taka
Income			
Donor grants	39,542,877	9,818,812,688	9,858,355,565
Revenue from:			
- Income Generating Projects	4,541,369,528	-	4,541,369,528
- Program Support Enterprises	2,649,039,605	-	2,649,039,605
Service charge on loans to VO members	10,265,858,263	-	10,265,858,263
Investment income	1,003,691,788	20,723,622	1,024,415,410
Other income	589,262,413	10,326,492	599,588,905
Income from House Property	93,577,802	-	93,577,802
Total income	19,182,342,276	9,849,862,802	29,032,205,078
Expenditure			
Income Generating Projects	3,947,828,653	-	3,947,828,653
Program Support Enterprises	2,628,845,524	-	2,628,845,524
House Property	87,894,145	-	87,894,145
Education Programmes	486,519,266	3,908,998,159	4,395,517,425
Challenging the Frontiers of Poverty Reduction Programme	209,717,000	2,505,065,550	2,714,782,550
Health and Population Programme	88,034,303	1,955,962,779	2,043,997,082
Micro Finance Programme	9,696,673,450	-	9,696,673,450
Relief and Rehabilitation	14,662,345	1,224,795,990	1,239,458,335
Poultry & Livestock Extension Programme	31,365,838	-	31,365,838
Fisheries Extension Programme	29,850,378	1,033,314	30,883,692
Agriculture & Sericulture Extension Programme	42,748,731	7,272,202	50,020,933
Livelihood Development Programme	189,309,925	39,890,972	229,200,897
Grant to BRAC University	15,924,766	-	15,924,766
Research, Monitoring and Evaluation	-	67,552,872	67,552,872
Total expenditure	17,469,374,324	9,710,571,838	27,179,946,162
Surplus of income over expenditure before taxation	1,712,967,952	139,290,964	1,852,258,916
Taxation	(20,500,000)	-	(20,500,000)
Net surplus for the year	1,692,467,952	139,290,964	1,831,758,916

The annexed notes form an integral part of these statements.

Fazle Hasan Abed
Chairperson, Governing Body
BRAC
Dhaka, March 17, 2009

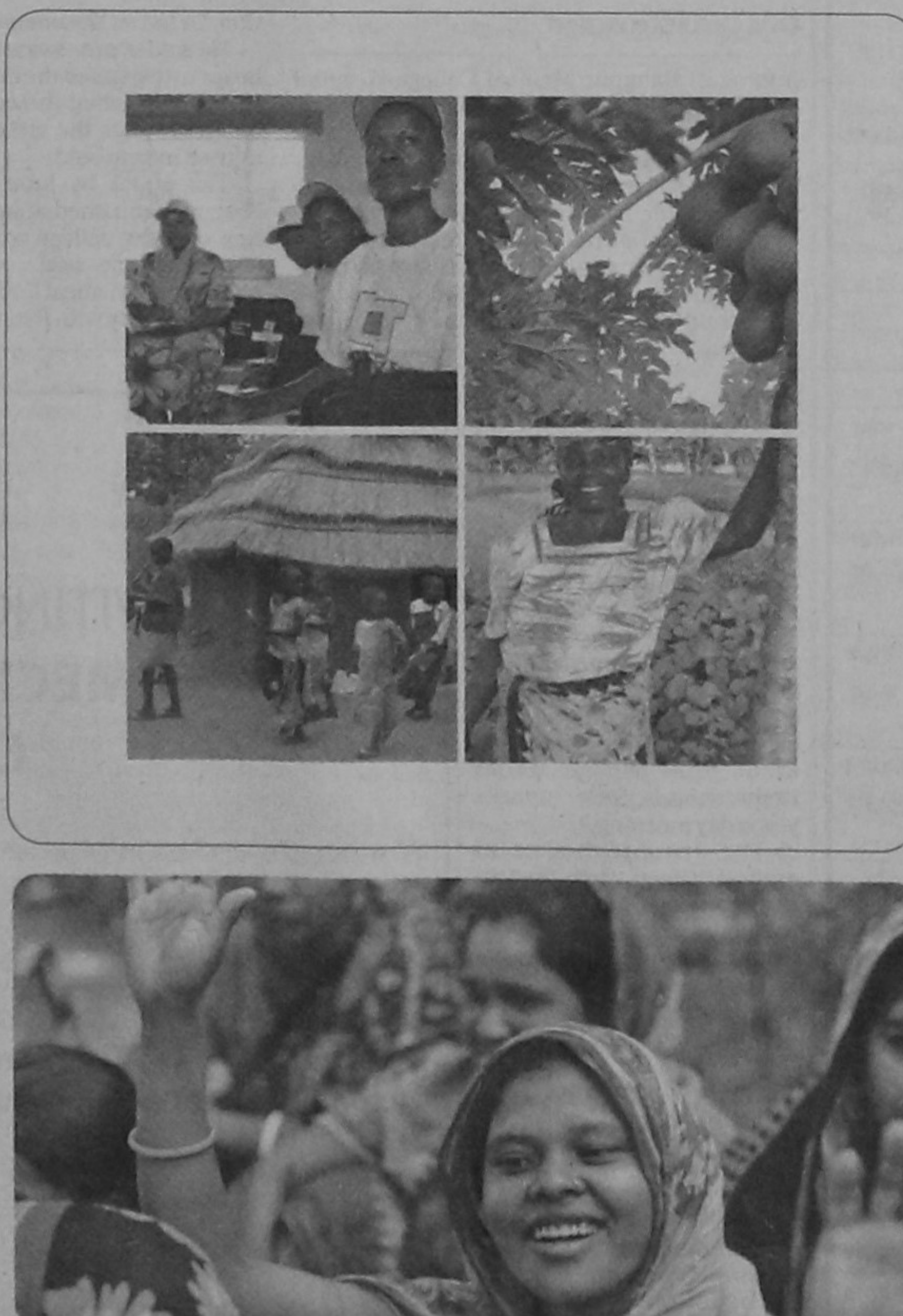
Mahabub Hossain
Executive Director
BRAC

ANNUAL EXPENDITURE - YEAR 2008 TAKA 3,651 CRORE



1. Cost of goods sold Tk. 557 cr. 15%
2. Loan loss provision Tk. 159 cr. 4%
3. Increase in loan portfolio Tk. 868 cr. 24%
4. Asset Tk. 121 cr. 3%
5. Salary & benefits Tk. 725 cr. 20%
6. Teachers' salaries Tk. 108 cr. 3%
7. Travelling and transportation Tk. 78 cr. 2%
8. Rent and others Tk. 104 cr. 3%
9. Program supplies Tk. 369 cr. 10%
10. Training Tk. 126 cr. 4%
11. Interest expenses Tk. 436 cr. 12%

26. Schedule of donation received				
Name of the projects	Donor	2008 Taka	2007 Taka	
BRAC Education Program	EKN	1,563,706,880	1,363,937,236	
	NOVIB	53,416,100	50,189,095	
	DFID	775,413,019	835,679,246	
	CIDA	331,750,003	21,420,884	
	AKF	192,963,488	232,733,185	
	NORAD	2,917,249,490	2,908,509,255	
Challenging the Frontiers of Poverty Reduction Programme	NOVIB	37,206,961	44,633,906	
	AusAID	498,012,555	119,889,000	
	DFID	1,372,231,746	1,095,464,493	
	CIDA	752,157,586	485,458,767	
	Sub Total	2,659,608,828	1,745,446,166	
Road Safety Awareness Campaigns	Embassy of Denmark	-	5,286,036	
	GITAC Consult GmbH	-	350,273	
		-	5,636,309	
BRAC University Institute of Education Development	EKN	12,782,240	15,854,821	
	NORAD	(6,967,923)	13,217,143	
	SDC	21,390,078	7,523,558	
		27,204,395	36,595,522	
BRAC University Institute of Education	Plan Bangladesh	9,945,299	11,986,017	
	Institute of Dev. Studies-Suarez	7,745,382	2,414,881	
	World Bank	-	554,876	
		11,690,681	14,955,774	
MA in Governance and Development Program	EKN	50,397,284	73,673,640	
	World Bank	2,082,000	5,899,000	
		52,479,284	79,572,640	
Cyclone Relief and Rehabilitation Activities	NOVIB	46,874,788	59,523,990	
	Australian High Commission	-	1,100,000	
	Charities Aid Foundation/America	-	4,763,108	
	Conrad N. Hilton Foundation	409,859	13,608,880	
	The Johnnie Walker Foundation	-	8,179,096	
	Ford Foundation	34,154,900	-	
	AusAID	94,815,000	-	
	DFID	398,788,738	-	
	BRAC USA	150,713,477	-	
	WFP	772,562	-	
	Local contribution	6,123,804	11,277,180	
		732,652,828	98,952,254	
Flood Relief and Rehabilitation Activities	Plan Bangladesh	14,356,296	6,950,078	
	UNICEF	14,811,060	411,000	
	United Way International	-	1,712,562	
	CIDA	-	6,393,359	
	NOVIB	43,971,772	-	
	Local contribution	-	9,875,783	
		73,139,128	25,342,382	
Improving Maternal Neonatal & Child Survival Program (MNCSS)	AusAID	191,699,310	-	
	EKN	68,196,876	-	
		259,895,186	-	
Pilot project of distributing reading glass in Matikganj	Scopo Foundation Incorporation	1,315,559	-	
Nutrition Facilitation Program (NFP)	GOB	-	26,539,281	
Early Childhood Development Support Program	AKF	1,975,000	-	



Name of the projects	Donor	2008 Taka	2007 Taka
Inclusion of Visual Impaired Children in NYPE School	Sight savers	-	2,500,142
Char Development and Settlement Program	EKN	28,316,340	23,220,507
BRAC AKF Learning Partnership Project	AKF/CIDA	-	21,420,884
Adolescent Peer Organized Network (APON)	UNICEF	46,983,894	56,485,552
Community Based Fisheries Management Project	ICLARM/World Fish Centre	-	393,860
Ata Fortification Program	WFP	60,162,670	20,737,951
Northeast Crop Diversification Project	GOB	5,191,837	26,391,945
HIV/AIDS Prevention Project	UNICEF	3,047,620	9,989,304
School Feeding Program	Land O Lakes	5,227,209	5,184,000
Northwest Microfinance Expansion Program	AusAID	4,990,309	48,741,816
Sprinkles Study in Bangladesh	Hospital for Sick Children	-	622,655
TB Control Program	The Global Fund	425,191,291	460,097,085
Community Based TB Control Program in Rural Area	The Int Union Against Tuberculosis and Lung Disease	-	1,143,934
Social Protection Package for Retrenched State Owned Enterprise Workers	DFID	25,889,125	63,555,085
Tree Improvement project	Inter Co-operation Bangladesh	5,863,960	8,404,455
Primary Health Care in Later Life (PHC)	EC	-	3,702,557
Improving Sexual and Reproductive Health	Institute of Dev. Studies-Suarez	8,228,467	8,085,421
Pathway of Women Empowerment of research project	Institute of Dev. Studies-Suarez	9,918,336	1,114,570
BRAC Water Sanitation and Hygiene Program	EKN	829,597,068	482,240,295
Adolescent-blinded placebo Controlled randomized trial	Hospital for Sick Children	-	1,843,837
Malakia Control Program	The Global Fund	181,329,193	211,875,269
Deepening Democracy, Building Citizenship and Promoting Participation	Institute of Dev. Studies-Suarez	3,956,556	4,086,639
Dissemination of Small Solar Home System	GTZ-Germany	-	1,136,578
Eurasian South Asia Teaching Excellence and Achievement	International Research and Exchanges Board	2,281,335	1,779,783
Safe Migration Facilities	Manusher Jonno Foundation	20,713,974	8,609,007
Maternal, Neonatal and Child Health	Bill and Melinda Gates Foundation	496,489,089	372,507,992
Research Center on Chronic Poverty Phase-II	The University of Manchester	-	4,291,999
BRAC Non-Formal Primary Education Program	EC	219,357,003	93,047,070
Revealing the Challenges of Urban Bangladesh DOTS Program	University of Leeds	913,626	2,765,556
Targeting Vitamin A Capsule for the Unreached	Micro-Nutrient Initiative	6,285,966	3,972,045
Children in Hard to Reach Areas	UNICEF	146,079,961	10,080,100
Early Learning for Child Development Project (ELCDP)	AusAID	212,218,555	291,647,553
Meeting Basic Education Needs in Bangladesh	NOVIB	6,150,249	24,624,575
BRAC Innovation Fund towards a new Dimension of Adolescent Development Program	International Committee of the Red Cross (ICRC)	898,346	1,793,853
BRAC Limb Centre and Brace Centre	ICDORB	941,732	2,151,382
Mainstreaming Nutrition in to BRAC Program	ICDORB	2,484,851	-
Community Based Postnatal Care Study in Bangladesh	Save the Children	4,559,436	-
Prevention & Control of HIV among High Risk Population	Save the Children	32,698,950	-
Indoor Air Pollution and Health in Developing Countries Survey	Stanford University	2,266,617	-
Improving Recognition Prolonged Labor and Birth with Unstable Academic	Emory University	2,910,913	-
Impact of Oral Supplementation with Sprinkles on Infection morbidity	Hospital for Sick Children	1,809,396	-
HIV/AIDS Targeted Intervention among Clients of Sex Workers	UNICEF	12,862,823	-
BRAC Economic and Social Development Program in Aceh	NOVIB	25,911,247	-
Community Safety Pilot project	Safe World	958,757	-
Impact of Maternal Perinatal Depressive Symptom on Infant Development & Health in Bangladesh	Karolinska University-Sweden	728,124	-
Post SIDA Livelihood Rehabilitation Program	EC	341,564,392	-
Cyclone SIDA Emergency Health & Nutrition Response in Bangladesh	Save the Children	25,699,997	-
BRAC New Initiative of IRLS	GTZ	1,137,446	-
Post-Pror Growth for South Africa and Asia	University of Edinburgh	4,329,456	-
Distributing Essential Information over Mobile Phones	DMAGO	2,864,200	-
Screening of Tube Well in Bangladesh Arsenic	The Rotary Foundation	830,729	-
TOTAL		9,960,971,420	7,157,800,141