



BRAC Annual Report 2011

Special Supplement 06 June 2012

Currently the ninth most populous country and the most densely populated of the world's larger states, Bangladesh emerged from a bloody war for independence 40 years ago. Famously called a 'basket case' at the time, the country has since made remarkable and unexpected advances in nearly every economic indicator. Today it stands as one of the so-called 'next 11' countries, poised to become, after Brazil, Russia, India and China, one of the world's largest economies in the 21st century.

From the country's earliest days, BRAC has been with Bangladesh. What started out as a limited relief operation – originally Bangladesh Rehabilitation Assistance Committee, later Bangladesh Rural Advancement Committee, and today simply BRAC – has turned into the largest development organisation in the world. Of major nongovernmental organisations, it is one of the few based in the global south.

Today, BRAC is a development success story, spreading solutions born in Bangladesh to 10 other countries around the world – a global leader in creating opportunity for the world's poor. Organising the poor using communities' own human and material resources, it catalyzes lasting change, creating an ecosystem in which the poor have the chance to seize control of their own lives. We do this with a holistic development approach geared toward inclusion, using tools like microfinance, education, healthcare, legal services, community empowerment and more.

Our work now touches the lives of an estimated 126 million people, with staff and BRAC-trained entrepreneurs numbering in the hundreds of thousands – a global movement bringing change to 10 countries in Asia, Africa and the Caribbean, with operations in our 11th country, Philippines, launched this year.

Some of our innovations in the last four decades

1970s

Functional Education
Life-skills development education for adults that helps to build solidarity, create a savings mentality and prepare people for new income generation

Village organisations (VOs)
The most effective medium for catalyzing change in disadvantaged communities

Para-Professionals
Pioneering models for vaccinators, community health workers and 'barefoot lawyers' that provide incentive-based jobs for those ready to serve their own communities

1980s

Homemade oral rehydration solution campaign
A groundbreaking campaign in which 13 million households in Bangladesh learned how to make oral saline at home – a lesson that continues to save millions of lives from diarrhoea

Incentive salary system
A result-oriented incentive package that measures effectiveness of and compensates our community workers and volunteers accordingly

Education for dropouts and non-entrants
Our own primary schools that help disadvantaged children make successful transitions to formal schools

Credit ++ approach
An integrated set of services for the landless poor, marginal farmers and small entrepreneurs working together to strengthen the supply chain of the enterprises in which our microfinance borrowers invest

1990s

Empowerment and livelihood for adolescents
A range of initiatives to empower adolescents including skills training, social development and micro-loans for their future businesses

Adolescent clubs
Safe spaces where peer-driven interventions for adolescents enhance their personal growth and social skills

Pre primary schools
Our own pre-primary schools where we prepare underprivileged children to enter mainstream primary schools

Hybrid Maize
A pioneering venture to commercialize corn harvesting, which plays a key role in making farmers shift from traditional single-cropping to multiple-cropping to maximise land usage during idle seasons

Popular theatre
A traditional platform that became an effective communication medium to advocate for social changes in rural communities, particularly to the illiterate

Artificial inseminators
We transformed over 2,000 rural poor into entrepreneurs with an innovative livelihood opportunity: providing fee-based 'door-to-door' artificial insemination and education services for livestock farmers

2000s

Enterprises for value-chain support
An integrated network of our development programmes, enterprises and investments that result in a unique synergy that supports our holistic approach for alleviating poverty

Directly observed treatment (DOT) for TB
An effective treatment method for tuberculosis, a result of our incentive-based salary system for community health workers, ensuring patients' daily intake of medicine for six months or more

Share croppers' scheme
A phenomenal initiative to offer soft loans for tenant farmers (sharecroppers) with a specially tailored recovery plan

M-health services
A mobile-based platform that community health workers use to collect data and provide a range of real-time automated services such as storing patient records, categorising and assessing medical risks, prioritising medical responses and monitoring referrals

Challenging the frontiers of poverty reduction
A unique model focusing on extremely deprived women to improve their economic and social situations, allowing ultra-poor households to graduate from extreme poverty and enter mainstream development programmes

Birthing huts
Safe and culturally accepted childbirth places with appropriate services for mothers in urban slums

Unique management model
A unique management model that focuses on internal control without suffocating creativity, runs our large-scale interventions cost effectively, and enables us to constantly learn from the communities we serve across the world

BRAC
(Registered in Bangladesh under the Societies Registration Act, 1860)
Balance Sheet
as at 31 December 2011

	2011 Taka	2010 Taka
ASSETS		
Cash in hand and at banks	10,726,197,131	10,423,106,239
Advance, deposits and prepayments	2,257,580,907	2,007,050,318
Inventories	3,109,682,789	2,617,486,777
Grants and accounts receivable	1,522,043,694	1,540,876,086
Microfinance loans	48,399,046,115	38,946,761,741
Motorcycle loans	743,562,017	823,406,928
Investments in securities and others	235,000,000	170,550,000
Investments in related undertakings	7,399,808,731	6,966,792,236
Property, plant and equipment	7,838,616,600	7,491,768,947
TOTAL ASSETS	82,231,537,984	70,987,799,272
LIABILITIES AND NET ASSETS		
Liabilities:		
Liabilities for expenses and materials	4,029,999,595	2,666,901,064
Bank overdrafts	5,120,907,332	3,199,576,993
Term loans	11,185,623,568	13,067,575,022
Members' savings deposits	22,364,367,269	19,966,011,588
Members project & current account	16,695,598	15,706,367
Grants received in advance account	5,762,859,156	1,507,216,363
Securitised financing	-	645,297,797
Deferred income	216,957,532	254,568,723
Other long term liabilities	6,374,465,005	5,563,709,403
Provision for taxation	640,941,030	490,941,030
Total Liabilities	55,692,816,085	47,377,494,350
Net Assets:		
Capital fund		
-unrestricted	25,679,805,212	22,812,130,179
-temporarily restricted	858,916,687	798,174,743
	26,538,721,899	23,610,304,922
TOTAL LIABILITIES AND NET ASSETS	82,231,537,984	70,987,799,272

The annexed notes form an integral part of these statements.

Chairperson, Governing Body
BRAC
Dhaka, March 14, 2012

Group CFO
BRAC

Executive Director
BRAC

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Statement of Income and Expenditure
for the year ended 31 December 2011

	Unrestricted Taka	Temporarily Restricted Taka	Total 2011 Taka
Income			
Donor grants	2,297,640	10,044,483,277	10,046,780,917
Revenue from:			
- Income Generating Projects	7,342,675,873	-	7,342,675,873
- Program Support Enterprises	3,372,806,327	-	3,372,806,327
Service charges on microfinance loans	11,851,912,448	-	11,851,912,448
Interest on bank accounts and fixed deposits	230,537,415	135,292,609	365,830,024
Investment income	545,994,809	-	545,994,809
Other income	517,944,253	766,834	518,711,087
Income from House Property	90,861,598	-	90,861,598
Total income	23,955,030,363	10,180,542,720	34,135,573,083
Expenditure			
Income Generating Projects	6,353,877,329	-	6,353,877,329
Program Support Enterprises	3,157,743,553	-	3,157,743,553
House Property	80,197,303	-	80,197,303
Education Programme	73,051,304	3,360,953,720	3,434,005,024
Ultra Poor Programme	54,188,500	2,083,148,616	2,137,337,116
Community Empowerment Programme	3,681,981	157,618,323	161,300,304
Human Rights and Legal Services	-	136,546,758	136,546,758
Health Programme	94,751,304	2,646,985,983	2,741,737,287
Water, Sanitation and Hygienic Programme	-	829,577,150	829,577,150
Gender, Justice and Diversity Programme	9,776,923	90,062,688	99,839,611
Micro Finance Programme	10,497,901,219	-	10,497,901,219
Food Security and Climate Change	38,901,638	437,089,680	475,991,318
Other Development Projects	8,212,534	395,870,066	404,082,600
Grants	306,040,276	-	306,040,276
Total expenditure	20,678,323,864	10,137,852,984	30,816,176,848
Surplus of income over expenditure before taxation	3,276,706,499	42,689,736	3,319,396,235
Taxation	(150,000,000)	-	(150,000,000)
Net surplus for the year	3,126,706,499	42,689,736	3,169,396,235

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