



Annual Report 2014

Special Supplement
23 June 2015

CHAIRPERSON'S STATEMENT



The year 2014 was a reasonably peaceful one in Bangladesh. Women in the villages and slums – farmers, factory workers and entrepreneurs – continued their steady advance down the path out of poverty, with BRAC and other civil society organisations playing a supporting role.

Despite its dysfunctional politics, Bangladesh remains a role model for other lower-income countries. In 2015, we are likely to meet five out of the eight millennium development goals (MDGs) set by the UN at the turn of the millennium. This is a testament to what people can achieve with limited resources.

The byword at BRAC is opportunity. When women and girls in poverty have opportunities to take control of their lives, we see them doing what it takes to end poverty for themselves, their families and others around them. At BRAC, we create the enabling environment and offer whatever tools are needed to make this happen, be it community-based healthcare, micro loans, savings accounts, education for children, legal and human rights empowerment, social justice interventions, enterprises, and even a full-fledged university.

Our work with the ultra poor, those who are too poor to access most of these interventions, has drawn particular attention. Over two years, an intensive programme graduates the poorest out of ultra poverty through a combination of one-on-one coaching, asset grants, cash payments, training and healthcare leading to social integration. About 95 per cent graduate from a strictly defined category of ultra poverty, maintaining their upward trajectory even four years after they leave the programme.

Responding to others' interest, we are now ready to share the graduation methodology. Inspired by BRAC's programme, others have already used similar approaches with success in at least eight countries. Several governments in sub-Saharan Africa have expressed interest in incorporating graduation methodologies into existing cash transfer programmes. We are advocating for more adaptations while offering technical assistance and immersion visits to facilitate implementation and promote learning. While not a panacea for poverty, I believe graduation programmes should play a role in the goal of bringing the global extreme poverty rate below three per cent by 2030.

This work would not have been possible without the support of our donors. I want to call particular attention to the strategic partnership arrangement with the UK's Department for International Development and the Australian Department of Foreign Affairs and Trade, which chose in 2011 to partner with BRAC on a five-year plan that went far beyond previous donor-NGO relationships. Based on shared goals rather than donor demands, this relationship has given us the flexibility necessary to allocate funding where it is needed most. This kind of equal collaboration between donors and a civil

society organisation represents a new paradigm in development financing, and it has worked exceedingly well, with all parties able to show positive results.

The strategic partnership arrangement has allowed BRAC to expand into new areas and adapt to new realities, including increasing urbanisation. Although BRAC was born as a rural development organisation, in 2014 we adopted an urban strategy to address the fact that 57 per cent of Bangladesh's projected population of 200 million will live in cities by 2050, more than twice the present number. Urban slums, filled with migrants from the countryside seeking new economic opportunities, present new challenges.

We remain proud of our achievements but mindful of our shortcomings. In health, Bangladesh is likely to meet the MDG target of 144 maternal deaths per 100,000 live births or come very close to this; in BRAC intervention areas in urban slums, we have shown what is possible by bringing that rate down to 116. Yet, as a member of the Lead Group for the Scaling-Up Nutrition movement, I take special note of the fact that Bangladesh remains among the 36 highest-burden countries when it comes to malnutrition. Mothers and their children here are among the least nourished in the world.

With renewed commitment to address these issues, BRAC has joined the CHARGE pledge, led by the Brookings Institution, to greatly expand access, safety and quality in education for girls. We convened the first annual national Girl Summit, obtaining pledges from the private sector (including the garment industry), media and others to advance the girls' empowerment agenda.

These are some of the barriers we see ahead of us. With strong partnerships, a renewed focus on technology, innovation and urban development challenges, I remain confident we can give people the tools they need to overcome them.

Sir Fazle Hasan Abed, KCMG
Founder and Chairperson

BRAC (Registered in Bangladesh under the Societies Registration Act, 1860) Balance Sheet as at 31 December 2014

	2014 Taka	2013 Taka
ASSETS		
Cash and bank balances	18,663,715,348	16,000,082,561
Advances, deposits and prepayments	3,297,318,487	2,759,742,135
Inventories	3,477,460,108	3,633,398,684
Grants and accounts receivable	1,806,548,216	1,648,357,818
Microfinance loans	85,680,765,603	67,013,205,289
Motorcycle loans	796,996,894	739,565,719
Investments in securities and others	1,291,350,000	237,350,000
Investments in related undertakings	12,543,181,846	9,626,307,409
Property, plant and equipment	11,504,955,982	10,625,485,462
TOTAL ASSETS	139,062,292,484	112,283,495,077
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Liabilities for expenses and materials	5,599,599,179	5,882,838,350
Bank overdrafts	10,992,516,759	3,694,856,519
Term loans	19,075,261,360	15,402,000,309
Members' savings deposits	34,180,809,446	29,034,851,689
Grants received in advance account	6,740,890,268	8,061,468,930
Deferred income	235,500,016	272,431,158
Other long term liabilities	10,619,583,309	9,879,776,479
Provision for taxation	1,386,941,030	1,046,941,030
TOTAL LIABILITIES	88,831,101,367	73,275,164,464
NET ASSETS		
Unrestricted	49,131,940,934	37,976,777,730
Temporarily restricted	1,099,250,183	1,031,552,883
	50,231,191,117	39,008,330,613
TOTAL LIABILITIES AND NET ASSETS	139,062,292,484	112,283,495,077

The annexed notes form an integral part of these statements.

Chairperson, Governing Body
BRAC
Dhaka, March 16, 2015

Chief Financial Officer
BRAC

Executive Director
BRAC

BRAC (Registered in Bangladesh under the Societies Registration Act, 1860) Statement of Income and Expenditure for the year ended 31 December 2014

	Unrestricted Taka	Temporarily Restricted Taka	Total 2014 Taka
Income			
Donor grants	48,961,804	16,177,239,062	16,226,200,866
Revenue from:			
- Social Enterprises	8,654,361,118	-	8,654,361,118
- Programme Support Enterprises	4,492,976,308	-	4,492,976,308
Service charge on microfinance loans	21,106,797,751	-	21,106,797,751
Interest on bank accounts and fixed deposits	1,166,656,767	125,409,190	1,292,065,957
Investment income	662,691,206	-	662,691,206
Other income	788,117,503	43,951,680	832,069,183
Income from House Property	91,365,205	-	91,365,205
Total income	37,011,927,662	16,346,599,932	53,358,527,594
Expenditure			
Social Enterprises	7,615,422,453	-	7,615,422,453
Program Support Enterprises	4,116,999,760	-	4,116,999,760
House property related expenses	100,942,249	-	100,942,249
Education Programme	170,001,239	4,899,580,451	5,069,581,690
Ultra Poor Programme	-	2,406,137,155	2,406,137,155
Community Empowerment Programme	4,797,944	312,697,043	317,494,987
Human Rights and Legal Aids Services	1,791,087	236,654,326	240,445,413
Policy Advocacy	3,967,554	152,821,367	156,788,921
Health Programme	136,474,074	4,685,194,693	4,821,668,767
Water, Sanitation and Hygiene Programme	-	2,419,632,676	2,419,632,676
Micro Finance Programme	13,365,418,399	286,630,547	13,652,048,946
Agriculture and Food Security	-	520,785,414	520,785,414
Other Development Projects	108,990,141	356,769,071	465,759,212
Total expenditure	25,636,742,391	16,278,902,632	41,915,645,023
Surplus of income over expenditure before taxation	11,375,185,271	67,697,300	11,442,882,571
Taxation	(340,000,000)	-	(340,000,000)
Net surplus for the year	11,035,185,271	67,697,300	11,102,882,571

The annexed notes form an integral part of these statements.

Chairperson, Governing Body
BRAC
Dhaka, March 16, 2015

Chief Financial Officer
BRAC

Executive Director
BRAC

Schedule of donation received

Name of the projects	Donor	2014 Taka	2013 Taka
BRAC Education Program (BEP-II)	EKN	-	95,993,600
	CIDA	-	334,886,435
	BRAC-USA	233,998,598	3,950,242
	Sub total	233,998,598	434,740,035
Improving Maternal Neonatal & Child Survival Program (MNCS-Rural)	EKN	-	61,274,159
Vision Bangladesh Project	Sight Saver-UK	-	38,623,175
	BRAC-UK	694,487	38,623,175
	Sub Total	694,487	77,246,350
Strategic Partnership Arrangement (SPA)	DFID	6,948,260,000	7,986,150,000
	AUSAID	3,623,697,700	3,399,871,598
	Sub Total	10,569,947,700	11,266,021,550
Coordination and Change Enabling Project	World Fish	15,564,210	6,584,564
	CSISA-BD	-	1,189,445
	Sub Total	15,564,210	7,774,009
Assistant and Support to the Victims of Rana Plaza	BRAC-USA	1,021,798	1,932,349
	Benson S.r.l.	23,529,668	7,750,000
	Sub Total	24,551,466	9,682,349
IED BRACU	International Inst. Of Social Studies	9,687,625	-
	Porticus	900,870	-
	EKN	28,000,000	-
	GE	894,112	-
	The What to Expect Foundation	-	-
	Sub Total	32,972,307	-
Skill Training for Rana Plaza Victims	ILO	1,528,287	509,000
	BRAC University Institute of Education Development	22,922,747	104,014,683
	GE	351,428	351,428
	Char Development and Settlement Program	2,153,719	21,463,402
Improving Income, Nutrition and Health in Bangladesh through Potato, Sweetpotato and Vegetables	AVRDC (The World Vegetable Centre)	55,682,762	6,795,529
	EKN	686,462,188	82,070,823
	The Global Fund	1,324,900,970	1,292,989,200
	University Research Corporation LLC.	38,774,716	70,246,216
	Sub Total	45,041,637	1,379,095,568
Early Childhood Development Support Program	UNICEF	181,429	(53,601)
	The Global Fund	323,366,404	302,062,227
	EC	-	19,594,690
	UNICEF	152,794,089	242,188,975
	EACH-QATAR	12,915,026	80,333,492
	EACH-QATAR	118,856,298	64,349,824
	Safer World	6,484,095	2,298,313
	Family Health International	2,045,785	4,137,000
	BRAC-USA	205,737,204	225,673,341
	FH Solutions	39,176,728	267,465,187
	BRAC-USA	-	95,282,236
	The Global Alliance for Improved Nutrition (GAIN)	-	21,278,735
	The Global Alliance for Improved Nutrition (GAIN)	45,012,244	12,575,701
	BRAC-USA	11,874,507	25,306,523
	BRAC-USA	-	73,354,986
	EC	88,449,525	71,251,510
	IRRI	-	312,200
	LNDP	-	4,110,992
Spreading awareness to prevent, promote and protect domestic workers and female migrant workers at work place from violence	International Labour Office (ILO)	-	511,000
	Care-Bangladesh	-	23,059,064
	International Food Policy Research Institute	-	2,334,867
	Unilever-UK	21,655,757	62,840,000
Employment of the Socio Economic Rights of Bangladesh's women fish farmers through their economic and social empowerment	AIDA-Spain	-	3,416,805
Changing Social Norms and Supporting Adolescent Empowerment	UNICEF	6,370,955	24,718,729
	UNICEF	3,990,995	292,833,000
	Campaign for Popular Education	-	2,086,393
Productive, profitable and resilient agriculture and aquaculture systems	IRRI	1,046,778	1,139,197
	The Global Alliance for Improved Nutrition (GAIN)	6,462,105	7,457,984

Schedule of donation received (cont'd.)

Name of the projects	Donor	2014 Taka	2013 Taka
Sexual and Reproductive Health Rights Education Program in Bangladesh	Novb	8,935,723	2,706,991
Sustainable Human Development and Empowerment of Vulnerable Women affected Climate Change	UN Women	53,826,784	36,830,400
Urban School Nutrition Programme	The Global Alliance for Improved Nutrition (GAIN)	-	13,779,432
Bangladesh Youth Parliament Project	British Council	-	1,000,000
Engaging Communities for Behaviour Social Change in Cox's Bazar District	UNICEF	-	18,452,831
COMDIS-HSD	University of Leeds	1,964,725	3,045,844
Marketing Innovation for Health (MIH) Program	Social Marketing Company (SMC)	45,648,374	36,295,011
Technology (e-entre) assessment and farm Household Segmentation for Inclusive Poverty Reduction and Sustainable Growth in Agriculture	Center for Development Research	1,116,480	3,193,200
Water Chain Scoping Assessment	AVRDC (The World Vegetable Centre)	-	392,036
Mental Health and Psychosocial Support (MHPSS)	The Asian Disaster Preparedness Centre Foundation	-	555,014
Building Young Women's Leadership through Sports	Women Win	8,185,159	10,920,300
Economic Empowerment for Poor and Vulnerable Women in Bangladesh	EC	-	16,320,482
Guiding Pro-Poor Investments in the Nexus among Domestic Water Quality and Quantity	University of Bonn	-	1,128,357
Iron/Folic Acid	ICDDR	12,487,420	7,492,452
USAID-Agriculture Project	International Potato Centre (CIP)	-	18,028,145
Women's Atlas Ministerial Meeting Partners Forum (IOWFF)	Commonwealth Foundation	-	5,359,562
Root and Tuber Crops Research and Dev. Prog. For Food Security Asia and Pacific Region	AVRDC (The World Vegetable Centre)	2,086,415	925,053
Collaborative for Scaling Innovation	Rockefeller Foundation	-	38,823,602
Reaching out of School Children Project-II (ROSC)	World Bank	5,947,520	8,921,280
Improving Maternal & Child Nutrition (MCN)	WFP	4,005,909	2,406,994
Aquatic Agricultural System (AAS)	World Fish	1,029,334	389,540
Leadership & Student Council Training Project	British Council	-	10,277,025
Measuring Health System Costs of TB Treatment in Bangladesh	London School of Hygiene & Tropical Medicine	579,000	579,000
Pilot project of distributing reading glasses	Vision Spring	18,806,116	10,961,300
Shikha Project	Family Health International	145,794,000	30,260,000
Wash and Clean in the Labour Ward-A Situation Analysis Study	The Burnand Trust	3,352,464	899,020
BRAC School Meal Piloting	WFP	11,442,298	1,072,566
Safe Migration for Bangladesh Workers	World Bank	12,359,057	19,867,243
Impact Assessment of Credit Program for the Tenant Farmers	Global Development Network Inc. (GDN)	5,718,433	19,486,445
Early Recovery Facility of UNDP Bangladesh	UNDP	3,328,529	951,008
Bangladesh-2013 Global Disaster Pre-Positioning Initiative	Americares Foundation	1,038,728	-
BRAC Innovation Fund for Digital Financial Services	Bill and Melinda Gates Foundation	65,622,707	-
Developing Interactive Multimedia Digital Version of Primary Education Contents	Government of Bangladesh	6,643,069	-
English & ICT for Adolescent Phase-2	British Council	1,462,082	-
Ensure Sufficient Food & Nutrition Through Maize Cultivation for Malnourished group	CIMMYT-India	1,838,454	-
Holistic Support package for Rana Plaza Survivors	BRAC-UK	14,218,421	-
Livelihood Skills Training for Out of School Working Children	UNICEF	63,952,434	-
Population within a purpose Ed3/LVAW	Novb	8,479,833	-
Pro-Poor Slum Integration Project (PPSIP)	BRAC University	1,717,870	-
Road Safety Awareness Campaign Project	Chevron Bangladesh	2,518,908	-
Sustainable Childhood Care Bangladesh	The University of British Columbia (UBC)	55,025,469	-
Targeting The Ultra poor Nutrition	WFP	12,993,355	-
Teaching & Learning Materials Research of Pathembari Program	CIBT Education Trust	11,175,179	-
BRAC Health Security Program	Rockefeller Foundation	7,728,509	-
BRAC US RTK Project	The Global Alliance for Improved Nutrition (GAIN)	3,887,214	-
English through Mobile for Adolescent girl	GSMA Mobile for Dev. Foundation	3,495,970	-
Graduation as Resilience	Economic & Social Research Council (ESRC)	5,609,219	-
National Database on Violence Against Women	UNDP	9,113,175	-
Safe Migration Program Study	BRAC-USA	6,050,469	-
TB REACH WAVE 3	ICDDR	1,670,376	-
Agri-Business for Trade Competitiveness Project	KATALYST	500,000	-
Improving Demand and Resilient Livelihood for Infectious Long acting and permanent methods of contraceptives	Engender Health	4,920,696	-
Improving Educational Outcomes of Female Disadvantaged School Student	Monash University	2,670,330	-
Technology Adoption and Food Security in Rural Bangladesh	Monash University	2,157,413	-
Transiting Access to Improved Water, Sanitation and Hygiene Services	Charity Water	45,218,92	