BRAC UGANDA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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CORPORATE INFORMATION

DIRECTORS

Mr. Dr. Muhammad Musa *	-	Chairperson (Resigned)
Mr. Shameran Abed*	-	Chairperson (Joined 1" August 2021)
Ms. Ruth Okowa	-	Member
Mr. Syed Abdul Muntakim*	-	Member

*Bangladesh

ADMINISTRATORS

Dr. George Owuor Matete (PhD) - Country Director

PRINCIPAL PLACE OF BUSINESS:
Plot 880, Heritage Road Nsambya
P O Box 31817
Kampala Uganda

REGISTERED OFFICE:
Plot 880, Heritage Road Nsambya
P O Box 31817
Kampala, Uganda

COMPANY SECRETARY:
Khalifa Nazim Uddin
Head of Finance, BRAC Uganda Limited
Plot 880, Heritage Road
Nsambya, Kampala, Uganda

AUDITOR

KPMG
Certified Public Accountants
3rd Floor, Rwenzori Courts
Plot 2 & 4A, Nakasero Road
P O Box 3509
Kampala, Uganda

BANKERS

Standard Chartered Bank Uganda Ltd
Plot 5 Speak Road
P O Box 7111
Kampala, Uganda

Stanbic Bank Ltd
17 Hannington Road
Crested Tower Building
P O Box 7131
Kampala, Uganda

Bank of Africa
Plot 45 Jinja Road
P O Box 2750
Kampala, Uganda

Post Bank Uganda Ltd
Post Bank House
Plot 416 Nkrumah Road
P O Box 7189
Kampala, Uganda

BRAC Uganda Bank Limited
Plot 201, Mengo, Kabuusu Road
P O Box 6582
Kampala, Uganda

Centenary Bank
Mapeera House
Plots 44-46 Kampala Road
P O Box 1872
Kampala, Uganda

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors have pleasure in submitting their report and the audited financial statements of BRAC Uganda Limited ("the Company") for the year ended 31 December 2021, which disclose the state of affairs of the Company.

(a) Registration

BRAC Uganda Limited got incorporated as a Company limited by guarantee on 18th September 2009 as an independent Company. The Organisation prior to incorporation was a component of BRAC Uganda Limited which was first incorporated as BRAC Foundation in January 2006 and it commenced business in June 2006. In March 2007 the name was changed to BRAC through the registry of companies. Later Microfinance and Non-Microfinance programs got incorporated as independent companies in August 2008 and September 2009 respectively. The Organisation was duly registered under the Non-Governmental Organisation registration statute (1989) on 19th March 2010 as BRAC Uganda Limited.

The two entities effectively commenced trading separately on 01 January 2010 and therefore have separate financial statements for BRAC Uganda Limited and BRAC Uganda Bank Limited. BRAC Uganda Limited registered with the registrar of companies on 18th March 2010 as a Company limited by guarantee under the names of BRAC Uganda Limited ("the Company").

(b) Vision

A world free from all forms of exploitation and discrimination where everyone has the opportunity to realise their potential.

(c) Mission

The Company's mission is to empower people and communities in situations of poverty, illiteracy, disease and social injustice. Our interventions aim to achieve large-scale, positive changes through economic and social programmes that enable men and women to realise their potential.

(d) Our Values

Innovation - the Company has been an innovator in the creation of opportunities for the poor to lift themselves out of poverty. We value creativity in programme design and strive to display global leadership in ground breaking development initiatives.

Integrity - the Company values transparency and accountability in all our professional work, with clear policies and procedures, while displaying the utmost level of honesty in our financial dealings. The Company holds these to be the most essential elements of our work ethic.

Inclusiveness - the Company is committed to engaging, supporting and recognising the value of all members of society, regardless of race, religion, gender, nationality, ethnicity, age, physical or mental ability, socioeconomic status and geography.

Effectiveness - the Company values efficiency and excellence in all our work, constantly challenging ourselves to perform better, to meet and exceed programme targets, and to improve and deepen the impact of our interventions.

(e) Principal activities

The Company provides charitable and welfare activities on non-profit basis, engages in poverty eradication, promotes women empowerment in rural areas, and provides sanitation and clean water and provides basic education for school dropouts in rural areas in over 64 districts in Uganda.

(f) Results from operations

The results for the Company for the year ended 31 December 2021 are set out on page 15.

(g) Composition of Directors

The directors who served during the year are set out on page 2.

(h) Directors benefits

No director has received or become entitled to receive any benefits during the financial year.

(i) Corporate Governance

The directors are committed to the principles of good corporate governance and recognise the need to conduct the business in accordance with generally accepted best practices. In so doing the Directors therefore confirm that:

- The board of directors met regularly throughout the year;
- They retain full and effective control over the Company;
- The board accepts and exercises responsibility for strategic and policy decisions, the approval of budgets and the monitoring of performance; and
- They bring skills and experience from their own spheres of business to complement the professional experience and skills of the management team.

In 2021 the board of directors had four directors. The board continued to carry out its role of formulating policies and strategies of the Company, reviewing the business plan, ensuring that the accounting system is maintained in accordance with acceptable standards, the books of the Company are kept properly, and that the accounts are checked by authorised auditors as well as recruitment and development of key personnel.

(j) Risk management

The board accepts final responsibility for the risk management and internal control system of the Company. Management ensures that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

- The effectiveness and efficiency of operations;
- The safeguarding of the Company's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behaviour towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the Company's system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively.

(k) Management Structure

The Company is under the supervision of the board of directors and the day to day management is entrusted to the Country Director who is assisted by the heads of divisions, departments and units. The Organisation structure of the Company comprises of the following divisions:

- Agriculture and Poultry
- Education
- Health
- Empowerment and Livelihood for Adolescents (ELA)
- Research and Evaluation
- Training
- Emergency Response Program
- Accounts and Finance
- Internal Audit
- Monitoring
- Branch Review
- Information Technology (IT) and Management Information System (MIS)
- Human resources
- Communication and Public Relations
- Proposal Development
- Procurement, Logistics and Transportation

(l) Related Party Transactions

Related party transactions are disclosed in notes 15 and 18 to the financial statements.

(m) Corporate Social Responsibility

BRAC Uganda Limited is a development Company dedicated to alleviating poverty by empowering the poor to bring about change in their own lives.

(n) Key achievements in 2021

- 2,139 scholars successfully graduated from the program.
- Stipend was paid for 2,139 mainstream and 167 Technical Vocational and Education Training (TVET) scholars a termly basis.
- 87 teacher mentors received psychosocial training and will use the knowledge acquired to support scholars with psychosocial needs especially because of COVID -19.
- The program organised post-secondary opportunities expos for the scholars which were held in 15 venues with a total number 1,691 able to attend this activity.
- A total of 30 participants attended the TVET employment linkages workshop to engage different stakeholders about the transitioning alternatives into the word of work for the TVET scholars who are currently in the final stages of completing their courses.
- A total of 98 TVET scholars completed their studies by 31st March 2021.
- Alumni led activities was held on across the 5 regions in the country.165 alumni attended the meetings.
- MasterCard Foundation Alumni at BRAC Uganda Limited (MFABU) was able to be registered as a Company limited by guarantee to enable it to transact financial business towards its drive for sustainability after project closure.
- 12 scholars awarded BRAC University graduate level scholarship.
- The program contracted a consultant from Centre for Creativity and Capacity Development Limited, to develop virtual learning content in six modules that will be shared with scholars in form of a workbook and video through the E- learning platform.
- 15 teachers were identified to participate in the recording of academic videos to add and enhance multimedia content for scholars.
- Parents support forum held across the country in 122 districts. A total of 2,105 parents out of 2,123 were able to attend the meeting.

- 25 refugee scholars reported to Bbira Vocational Training Institute to undergo skills training for a period of 10 weeks were assessed by the Directorate of Industrial training (DIT) and those who will have satisfied the assessors shall be issued with DIT certificate.
- 2126 scholars inducted to the alumni platform.
- A total of 1,714 tablets (80%) were collected out of 2,123 during the graduation ceremony.
- Profiles and portraits for 2,126 scholars that completed secondary education were compiled and published into a graduating scholar's prospectus.
- 21 TVET scholars completed their internship and Industrial training.
- A total of 211 alumni from the 2021 cohort have transitioned to university following the release of results in July 2021.
- Career Presentation held on 7 TVET Institutions focused on work readiness discipline remaining focused on academic and having a positive mental attitude.
- 120 TVET scholars attended Digital and Branding training at St. Francis School of Health Sciences.
- Trained approximately 1,684 staff in various trainings and generated income worth Ushs 222 million cumulatively from the various trainings held in 2021
- Awarded scholarships to 3 staff (2 female) as support for career advancement.
- 82% of staff trained on safeguarding and over 2,900 program participants trained as at 31 December 2021
- File digitalisation for all active files at 100% and all staff files have been fully updated in the SBI cloud system despite the system being very manual.
- 2,700 DIG participants received trainings and business mentorships.
- 2,651 participants received livelihood training in the 4 implementation districts.
- 214 (106 males and 108 female) participants with disabilities received assistive and mobility devices.
- 139 inclusive village saving and loans association (VSLA) formed, with 209 persons with disabilities taking leadership of the groups and all groups are registered at the district level.
- 2,700 participants trained on financial literacy, VSLA, life skills and safeguarding.
- 2,088 households' members and participants received treatment from Community Health Promoters (CHPs).
- 1,200 VPR members reached through meetings and psychosocial engagements.
- 6,685 Early Childhood Development (ECD) children (3,276 girls and 3,409 boys) reached through home-based learning and SMS learning.
- 4,125 parents (2,757 female and male 1,368) reached through parenting, child protection, father forums and material development.
- 2,971,000 primary and 5,833,000 secondary radio listeners reached through the radio play labs in both Central and West Nile regions.
- 185 ECD teachers trained on child protection.
- 1,967 mainstream children have been provided with uniform and certificate of completion.
- 65 play leaders/teachers received play-based pedagogical training.
- 195 ECD play leaders trained
- 6,000 Y4BE youths benefited from the life skills training
- 1,500 Y4BE youth registered as micro-enterprise groups
- 400 youths supported with business recovery after the lockdown
- The project was able to offer free eye screening service to 86,065 people were by 65 % (55,942) were seen to experience presbyopia.
- The project further improved livelihoods of 44 % (24,599) of the people experiencing presbyopia by providing affordable reading glasses.
- RGIL Project was recognised as one of the best performing projects in the health program and was a warded a certificate of recognition.
- Discussion for possible collaborations with partners that include MTIC, YARID, and OPM kick stated.
- 10 mentors participated in a monthly mentor's refresher training for both Mayuge and Iganga on the 21st and 22nd respectively.

- 86 (Hair dressing), 93 (Fashion design Tailoring), 14 (Poultry), 21 (Knitting), 61 (Livestock) and Catering (75) were monitored and provided support supervision.
- 10 Clubs (5 in Iganga and 5 in Mayuge) with a total of 100 club members,10 on average per club were in full operation this month.
- 10 VSLA groups were in full operation this month (5 in Iganga and 5 in Mayuge). The groups comprise of 20-30 girls per group.
- 50 girls (26 in Fashion and Design, 10 in Knitting and 14 in Hair dressing) were graduated from the vocational institution.
- 50 girls that completed their Vocational training were supported with start-up kits this month. (26 of Fashion and Design,14 of Hair dressing and 10 of Knitting). The Fashion and Knitting girls received their start-up kits individually while the Hair dressing girls received in groups according to their clubs/ villages.
- 7 community leaders' meetings in the districts of Kampala, Mukono, Wakiso, Kayunga Lyantonde, Mbarara and Isingiro which attracted 157 participants, among the invited community leaders were the District Community Development Officer (DCDO), Youth counsellor, sports representative, Gender officer, club support committee members, coaches, Local Council (LC) LC1, LC2, LC3, Division mayors among others.
- 45 new and old coaches from the 7 districts where the project is being implemented were equipped with life skills and financial literacy skills that they will be required to roll out to the beneficiaries in their clubs. 455 between the ages of 14-24 years adolescent girls and young women participated in a community level Goal event in Kayunga, Isingiro and Wakiso district from the 18th-20th May 2021.
- 114 parents and support committee members attended club meetings in all the clubs of Mukono and Kayunga districts, key achievements, target reach, and beneficiaries' attendance is what formed the key topics of discussions. This was held on 20th May 2021 at Mugungulu seed S.S, Mubende, and was attended by 13 teacher mentors. During the meeting, the teachers were able to reflect and share session experiences, key learnings and recommendations and as well be trained on facilitation skills and content disseminations.
- 486 parents attended the first parents meeting for ELA in school project since its inception, these meetings were conducted from 17th-19th May 2021 in all the 8 prototype implementing schools and was targeting parents and caregivers of students who are currently enrolled under the ELA in school lower secondary content training. Training of Trainers (ToT) for 16 Teacher mentors and 4 staff aimed at equipping them with skills and knowledge on content delivery especially in line with key facilitation skills, transaction analysis concepts, my tree of life and introduction of BRAC and project activities.
- 846 stakeholder (330 female/ 956 male) participated in inception meetings and stakeholders' engagement meeting held on 3rd to 8th of June 2021 and 2nd and 4th November 2021 in the districts of Nakapiripirit, Moroto, Abim, Amuria, Kiryadongo, Kaabong, Kotido, Napak and Bidibidi base camp.
- 55 new clubs including 10 from Yumbe were supported with assorted materials from 10th to 18th of May 2021 and on 12th to 17th November 2021.
- 215 clubs continued to hold Sexual and Reproductive Health and Rights (SRHR) and basic life skills sessions during the month of July to September 2021. The joint stakeholders monitoring was agreed upon during a stakeholder's engagement.
- 19,296 (14,937 female/ 4,359 male) parents participated in quarterly parents' meetings conducted between 14th -18th June 2021.
- Training of the 162 livelihoods beneficiaries from the 15 ELA Clubs continued in small groupings. Girls are training in tailoring and hair dressing. 5 survivors from the matrix are also still undergoing hair dressing (3) and goat raring (2).

(o) Expectations for the year ending 31 December 2022

- Organise 165 TVET scholars' refresher training and capacity development workshops.
- TVET orientation and role modelling for active TVET scholars.
- Development of TVET learning and motivational materials.
- National TVET Stakeholders meeting.
- Regional meeting with TVET Scholars.
- Industrial training linkage and placement.
- Transfer 165 TVET scholars' tuition fees payment.
- Market linkages for graduation TVET scholars and support for business start-up engaging different stakeholders.
- 80% expenditure of the project funds in the most cost-effective way.
- Successful end line evaluation of scholars' project.
- Graduation of 37 TVET scholars.
- 2,700 participants to receive livelihood training in the 4 implementation districts.
- 584 participants' households to receive second round livelihood assets transfer.
- Train 2,700 participants on financial literacy, VSLA, life skills and safeguarding.
- Conduct 21,600 home visits.
- 270 households' members and participants to receive treatment from CHPs and health centers.
- 216 village poverty reduction committees (VPRCs) meetings conducted.
- Transfer 780 goats.
- Transfer 1,124 poultry birds.
- Transfer 108 value addition machines.
- 139 VSLA groups to receive irrigation equipment, training and high value crop seeds and cottage enterprise training and materials.
- To train approximately 2,700 staff on a number of training courses to include safeguarding (500 staff), life skills (100 adolescent leaders), and financial literacy (200 adolescent leaders), Values training 250 new staff, 120 credit officer, child protection 50 staff and diversity training 200 staff.
- Gender awareness 100 staff and disability inclusion awareness training (500 staff).
- ERP Refresher training for HR, IT team & Supervisors.
- Inclusion of the payroll module in Enterprise resource planning (ERP).
- Recruitment portal to provide efficiency to the recruitment process.
- Recruit 150 staff for the different projects and departments.
- Robust orientation for all new staff.
- Conduct BI-annual inter-program staff performance review sessions.
- Policy awareness to all staff – 100% re-signing of code of conduct.
- Capacity building for HR staff in areas of labours & administrative laws.
- Participate in 10 regional meetings to increase HR visibility & address staff concerns.
- Increase performance rewards for staff based on 2021 performance review compared to 15% of 2020 performance review with more focus on women.
- Safeguarding awareness refresher for all staff.
- Safeguarding case management.
- Reshuffle and training for HRCC.
- Regular updating of safeguarding register.
- TOT for safeguarding champions.
- Partnership on PSS & Referral pathways.
- Facilitation of safeguarding protocols (suggestion boxes) and maintenance of safeguarding hotline.
- Inclusion of a safeguarding agenda in periodic meetings and program refreshers.
- Develop a checklist for gender-sensitive and disability-inclusive office facilities.
- To recruit a safeguarding manager fully focused on safeguarding roles.
- Conduct 96 radio episodes (National and Local radio play labs).
- Purchases 500 radio handsets for radio play lab audiences (parents).
- Outdoor installation in the 185 play labs.
- Conduct basic and pedagogical training of 50 new teachers/play leaders.
- Conduct 2 Bi-Annual material development workshops per play lab/ECD centre.
- Conduct 12 monthly parenting sessions incorporating child protection and psychosocial

support for 3,400 parents.

- Hold 4 quarterly CMC review meeting for 729 CMC committee members.
- Provide technical support to at least 450 people through the Toll-free call centre.
- Provide learning materials to 185 play labs.
- Construct 65 humanitarian play labs (25 permanent and 40 low-cost TLS).
- Conduct inception meeting for new Hilton project.
- Continue with SMS learning.
- Print IEC materials like T-shirts, fliers, posters etc.
- Piloting 150 super Community Health Workers (CHWs) to sell eyeglasses with minimal support from the project officers.
- Organise presbyopia specific vision camps for cooperative members in collaboration with MTIC.
- Conduct a survey to understand the acquisition and people who got their first pair of eyeglasses through the RGIL project.
- To offer free eye screening services to 214,286 Ugandan adults.
- To sell 45,000 pairs of reading glasses with the help of Community Health Promoters.
- To train 400 new CHWs.
- Follow up of collaboration with MTIC, YARID, OPM and others stakeholder.
- Facilitation of schools or PTAs on Gender-based violence (GBV) sensitisation for 6 months with special emphasis on Town Roads.
- GBV/VAC clinic for 05 SOVCCs, 05 Police Posts leaders.
- Monthly live radio talk shows on GBV/VAC with prevention, reporting for active and completed road works sections messages.
- Conduct community workshops at branch level and parents' forums targeting 1,550 parents.
- Community engagement including outreach activities and special events.
- Conduct district leaders workshops.
- Conduct quarterly district and sub county stakeholders joint monitoring and reflection meeting. During the quarter, the meeting will begin with the key stakeholders vising the IP sites and interacting with the project participants.
- Psychosocial support, safeguarding and PSEA trainings for mentors, staff and adolescent girls (including PSEA awareness for mentors, male champions, CMCs and the general community.
- At least one webinar with key stakeholders as well as the greater ICT4D community exploring the use of low-tech educational solutions.

(p) Solvency

The Board of directors has reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Board of directors confirms that the applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis.

(q) Employee's Welfare

Management/employee relationship

There were continuous good relations between employees and management for the year 2021. There were no unresolved complaints received by management from the employees during the year. Staff continued to get performance incentive schemes in 2021.Grievance handling guidelines were circulated to all employees to create awareness about employee rights.

The Company is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors such as gender, marital status, tribe, religion and disability which does not impair ability to discharge duties.

Training

Training and development of staff capacity is one of the key priorities of the Company. During the year, 23-line managers had special training in proposal writing, 196 staff had training in BRAC values, 21 staff were trained on child protection, 46 staff received small enterprise development trainings, 20 staff received HMIS training and 80 people received life skills training.

Medical assistance

The Company maintains a medical insurance scheme which covers all staff.

Retirement benefits

All eligible employees are members of the National Social Security Fund (NSSF) which is an approved pension fund. The Company contributes 10% of the employees' gross salary and the employee contributes 5%. The NSSF is a defined contribution scheme with BRAC Uganda Limited having no legal or constructive obligation to pay further top-up contribution.

(r) Gender Parity

In 2021, the Company had 409 staff (473 in 2020). The female staffs were 59% (60.5% in 2020).

(s) Auditor

The auditor, KPMG, being eligible for reappointment, has expressed willingness to continue in office in accordance with the terms of Section 167 (2) of the Companies Act, 2012 Laws of Uganda.

(t) Approval of the financial statements

The financial statements were approved by the directors at a meeting held on.........2nd June 2022.

By order of the Board

Nazim Uddin

SECRETARY

Date: 02/06/2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Company's directors are responsible for the preparation of financial statements that give a true and fair view of BRAC Uganda Limited comprising the statement of financial position as at 31 December 2021, and the statements of comprehensive income, changes in capital fund and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2012 Laws of Uganda.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the ability of the Company to continue as going concern and have no reason to believe that the business will not be a going concern for at least the next twelve months from the date of the financial statements.

Approval of the financial statements

The financial statements of BRAC Uganda Limited which appear on pages 15 to 53, were approved and authorised for issue by the Board of Directors on ....2nd June...... 2022.

Head of Finance: nazim ozzir .... **Country Director:** ....

Director: .... **Director:** ....

Date: ....02/06/.. 2022

KPMG
Certified Public Accountant of Uganda
3rd Floor, Rwenzori Courts
Plot 2 & 4A, Nakasero Road
P O Box 3509
Kampala, Uganda
Reg No. AF0026

Tel +256 312 170 080/1
Fax +256 414 340 318
Email info@kpmg.co.ug
Internet www.kpmg.com/eastafrica

Independent auditor's report

To the members of BRAC Uganda Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of BRAC Uganda Limited set out on pages 15 to 53, which comprise the statement of financial position as at 31 December 2021, and the statements of comprehensive income, changes in capital fund and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of BRAC Uganda Limited as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Companies Act, 2012 Laws of Uganda.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 BRAC Uganda Limited in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Uganda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We draw attention to the fact that the supplementary information presented in United States Dollars (USD) and the project reporting does not form part of the audited financial statements. We have not audited this supplementary information and, accordingly, we do not express an opinion on this supplementary information.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled *BRAC Uganda Limited Annual Report and Financial Statements for the year ended 31 December 2021* but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and 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, 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.

KPMG

Independent auditor's report

To the members of BRAC Uganda Limited

Report on the audit of the financial statements (Continued)

Responsibilities of Directors for the Financial Statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS and the Companies Act, 2012 Laws of Uganda, and for such internal control as the directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the 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 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.

As part of an audit in accordance with International Standards on Auditing, 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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 Company'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 Company 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 the directors 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.

Independent auditor's report

To the members of BRAC Uganda Limited

Report on the audit of the financial statements

Report on Other Legal and Regulatory Requirements

As required by the Companies Act, 2012 Laws of Uganda, we report to you, based on our audit, that:

— We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;

— In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books; and

— The Company's statements of financial position and comprehensive income are in agreement with the books of account.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Asad Lukwago - P0365.

KPMG
Certified Public Accountants
3rd Floor, Rwenzori courts
Plot 2 & 4A, Nakasero Road
P O Box 3509
Kampala, Uganda

…………………………………………
CPA Asad Lukwago

Date: …………23 June 2022

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021	2020	Supplementary Information 2021	Supplementary Information 2020
		Ushs '000	Ushs '000	USD	USD
Grant income	**4**	51,472,675	52,866,352	14,369,213	14,198,478
Other income	**5**	801,271	2,437,210	223,684	654,569
Total income		**52,273,946**	**55,303,562**	**14,592,897**	**14,853,047**
Staff costs and other benefits	**7**	(12,403,367)	(11,239,433)	(3,462,548)	(3,018,609)
Training, workshops & seminars	**8**	(8,102,411)	(4,994,949)	(2,261,885)	(1,341,509)
Occupancy expenses	**9**	(1,036,640)	(659,626)	(289,391)	(177,158)
Program supplies, travel and other general expenses	**10**	(40,085,366)	(37,387,303)	(11,190,309)	(10,041,222)
Depreciation	**12&21a**	(685,867)	(762,202)	(191,468)	(204,707)
Total expenses		**(62,313,651)**	**(55,043,513)**	**(17,395,601)**	**(14,783,205)**
Foreign exchange loss	**6**	(8,337)	(61,750)	(2,327)	(16,584)
Operating surplus		**(10,048,042)**	**198,299**	**(2,805,031)**	**53,258**
Taxation	**11**	**-**	**-**	**-**	**-**
(Deficit)/Surplus reserve		**(10,048,042)**	**198,299**	**(2,805,031)**	**53,258**
Other Comprehensive income					
Other comprehensive income		-	-	-	-
Total Comprehensive income		**(10,048,042)**	**198,299**	**(2,805,031)**	**53,258**

The notes set out on pages 19 to 53 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

				Supplementary Information	
		2021	2020	2021	2020
	Notes	Ushs '000	Ushs '000	USD	USD
ASSETS					
Non-current assets					
Property and equipment	12	1,455,778	1,584,013	410,738	434,521
ROU asset	21a	610,344	752,650	172,204	206,464
Current assets					
Cash and bank	13	10,233,706	26,362,160	2,887,370	7,231,564
Fixed deposit	13	5,346,135	-	1,508,375	-
Inventory	14	535,048	403,171	150,960	110,596
Due from related parties	15	1,567,120	1,227,189	442,152	336,638
Other receivables	16	791,755	1.017,632	223,389	279,153
Total current assets		**18,473,764**	**29,010,152**	**5,212,246**	**7,957,951**
Total assets		**20,539,886**	**31,346,815**	**5,795,188**	**8,598,936**
Liabilities					
Lease liability	21b	670,681	775,794	189,228	212,813
Other payables	17	3,165,507	3,820,583	893,126	1,048,047
Due to related parties	18	1,759,434	198,959	496,412	54,578
Total liabilities		**5,595,622**	**4,795,336**	**1,578,766**	**1,315,438**
Capital fund					
Donor funds	19	2,114,210	3,673,383	596,510	1,007,668
Retained surplus		12,830,054	22,878,096	3,619,912	6,275,830
Total capital fund		**14,944,264**	**26,551,479**	**4,216,422**	**7,283,498**
Total liabilities and capital fund		**20,539,886**	**31,346,815**	**5,795,188**	**8,598,936**

The financial statements of BRAC Uganda Limited which appear on pages 15 to 53, were approved and authorised for issue by the Board of Directors on ....2nd June.. 2022 and were signed on its behalf by:

Head of Finance: ....

Country Director: ....

Director: ....

Director: ....

Date: 02/06/. 2022

The notes set out on pages 19 to 53 form an integral part of these financial statements.

STATEMENT OF CHANGES IN CAPITAL FUND FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Donor Funds Ushs '000	Retained Surplus Ushs '000	Total Capital Fund Ushs '000	Supplementary information Total Capital Fund USD
At 1 January 2020		**18,285,174**	**22,679,797**	**40,964,971**	**11,176,705**
Donations received during the year	**19.1(a)**	38,615,254	-	38,615,254	10,414,296
Utilised during the year	**19.1&2**	(52,866,352)	-	(52,866,352)	(14,198,478)
Transfers to donor	**19.1**	(360,693)	-	(360,693)	(97,032)
Surplus for the year		-	198,299	198,299	53,258
Currency translation		-	-	-	(65,251)
At 31 December 2020		**3,673,383**	**22,878,096**	**26,551,479**	**7,283,498**
At 1 January 2021		3,673,383	22,878,096	26,551,479	7,283,498
Donation received during the year	**19.1(a)**	41,714,895	-	41,714,895	11,706,456
Utilised during the year	**19.1&2**	(51,472,675)		(51,472,675)	(14,395,520)
Transfers to donor	**19.1**	(1,206,036)	-	(1,206,036)	(338,611)
Funds from Health Revolving Fund		580,063	-	580,063	163,661
Donor Grants Receivable		8,824,580	-	8,824,580	2,489,795
Surplus for the year		-	(10,048,042)	(10,048,042)	(2,805,031)
Currency translation		-	-	-	112,174
At 31 December 2021		**2,114,210**	**12,830,054**	**14,944,264**	**4,216,422**

The notes set out on pages 19 to 53 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 Ushs '000	2020 Ushs '000	Supplementary Information 2021 USD	Supplementary Information 2020 USD
Net cash generated from Operating Activities	**20**	**(8,698,725)**	**4,348,758**	**(2,426,386)**	**1,187,397**
Cash flow from Investing Activities					
Acquisition of fixed assets	**12**	(339,101)	(422,327)	(95,675)	(115,851)
Proceeds from the disposal of fixed assets		-	-	-	-
Net cash provided used in Investing Activities		**(339,101)**	**(422,327)**	**(95,675)**	**(115,851)**
Cash flow from Financing Activities					
Decrease in grants received in advance	19	(1,559,173)	(14,611,791)	(439,910)	(4,008,249)
Lease payments		(185,320)	(253,760)	(51,734)	(68,153)
Net cash provided used in Financing Activities		**(1,744,493)**	**(14,865,551)**	**(491,644)**	**(4,076,402)**
Net decrease in cash and cash equivalents		(10,782,319)	(10,939,120)	(3,013,705)	(3,004,856)
Currency translation		-	-	177,886	59,301
Cash and cash equivalents at beginning of the year		26,362,160	37,301,280	7,231,564	10,177,119
Cash and cash equivalents at end of the year	**13**	**15,579,841**	**26,362,160**	**4,395,745**	**7,231,564**

The notes set out on pages 19 to 53 form an integral part of these financial statements

1. THE REPORTING ENTITY

BRAC begun its work in Uganda in June 2006, it chose to work in Uganda because of the opportunities to make a significant difference in a post-conflict country with high poverty and fertility rates as well as demonstrate the potential of its "microfinance multiplied" approach to the microfinance industry in Africa.

The Organisation was incorporated as BRAC Foundation in January 2006 and it commenced business in June 2006. In March 2007, the name was changed to BRAC through the registry of Companies. Later the Microfinance and Non-Microfinance Programs got incorporated as independent companies in August 2008 and September 2010 respectively but were still trading during the year under the umbrella of BRAC.

On 30 September 2010, at a duly convened meeting of the Governing Board, BRAC transferred all assets and liabilities that relate to or are in any way connected with the Microfinance activity it had been operating in Uganda to BRAC Uganda Limited Microfinance Limited and all assets and liabilities that relate to or are in any way connected with the Non microfinance activities it had been operating in Uganda to BRAC Uganda Limited.

BRAC Uganda Limited effectively commenced operations as an independent entity on 1 January 2010. The core elements of the business model are BRAC's community outreach – based delivery methodology and its unwavering focus on the poorer end of the poverty spectrum. These two principles distinguish BRAC from other operators in Africa and are apparent in the way BRAC has designed its operations.

BRAC Uganda is registered as an NGO with the National Bureau for Non-Governmental Organisations in line with the NGO Act,2016

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2012 Laws of Uganda

(i) Basis of measurement

The financial statements are prepared under the historical cost convention.

(ii) Basis of preparation

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the reported period.

The estimates and associated assumptions are based on historical experiences, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results ultimately may differ from these estimates.

(iii) Functional and presentation currency

These financial statements are presented in Uganda shillings (Shs'000), which is the entity's functional currency.

The financial statements include figures, which have been translated from Uganda Shillings (Shs'000) to United States Dollars (USD) at the year-end rate of USD 1: Ushs 3,544.43 (2020: Ushs 3,645.43) for balance sheet items and USD 1: Ushs 3,582.15 (2020: Ushs 3,723.38) for the income statement balances. These figures are for memorandum purposes only and do not form part of the audited financial statements.

2. BASIS OF PREPARATION (Continued)

(iv) Use of estimates and judgment

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of financial statements and reported revenues and expenses during the reported period. The estimates and associated assumptions are based on historical experiences, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Actual results may differ from the estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and the future periods if the revision affects both current and future periods. In particular, information about significant areas of estimation, uncertainty and critical judgment in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in note 25.

3. SIGNIFICANT ACCOUNTING POLICIES

a. Property and equipment

(i) Recognition and measurement

Property and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of their latest equipment is capitalized as part of that equipment.

Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying value of property and equipment and recognized net with other income in profit or loss.

(ii) Depreciation

Depreciation is recognized in profit or loss and calculated to write off the cost of the property and equipment on a straight-line basis over the expected useful lives of the assets concerned, and intangible assets on a straight-line basis. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows: -

	Percentage (%)
Motor vehicles, motorcycles and bicycles	20%
Computers	33.33%
Furniture and Fixtures	10%
Equipment	20%
Buildings	5%

Management and directors review the depreciation methods, residual value and useful life of an asset at the year-end and any change considered to be appropriate in accounting estimate is recorded through the income statement.

(iii) Disposal of property and equipment

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are included in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

b. IFRS 16 Leases

The Company has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 The details of accounting policies under IAS 17 are disclosed separately.

Policy applicable from 1 January 2019

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.
This policy is applied to contracts entered into, on or after 1 January 2019.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on
the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index

b. IFRS 16 Leases (continued)

- or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property separately and lease liabilities separately in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

c. Foreign currency transactions

Transactions in foreign currencies are translated to Ugandan Shilling at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Ugandan Shillings at the closing rate. The foreign currency gain or loss on the monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for the effective interest and payments during the period, and the amortized cost in the foreign currency translated at the exchange rate at the end of the period.

Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to Ugandan Shillings at the foreign exchange rate ruling at the date of transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Ugandan Shillings at foreign exchange rates ruling at the dates the fair values were determined. Foreign exchange differences arising on translation are recognized in the statement of comprehensive income.

d. Financial instruments

i) Financial Assets:

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. The financial assets are classified according to the substance of the contractual arrangements entered into and the definitions of a financial asset.

Investments are stated at cost, the carrying amount is reduced if there is any indication of impairment in value. The financial assets include; cash deposits with banks, amounts due to related parties and other receivables.

At initial recognition, other receivables that do not have a significant financing component are measured at their transaction price.

Financial assets and financial liabilities are recognised initially at fair value; in case of a financial asset or financial liability at amortised cost, plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are classified on the basis of both:

- The entity's business model for managing the financial assets and
- The contractual cash flow characteristics of the financial asset.

The prevailing model for subsequent measurement of a financial asset under IFRS 9 is the fair value model (fair value through profit or loss).

Assets held solely to receive payments of principle and interest (SPPI) will be held at amortised cost, with all other financial assets held at fair value. A financial asset shall be subsequently measured at amortised cost if and only if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

This category includes: Bank deposits and other receivables.

Other receivables

Other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at an amortized cost using the effective interest method (EI), less impairment.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (EIR). The EIR amortisation is included in other income in the statement of comprehensive income. The losses arising from impairment are recognized in the statement of comprehensive income as provisions.

De-recognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired;
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Offsetting financial assets and liabilities

Financial assets and liabilities are offset and the net amount reported on the statement of financial position when there is a legally enforceable right to offset the recognised amount and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Fair value of financial assets and financial liabilities

Fair value of financial assets and financial liabilities is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

ii) Financial Liabilities:

Initial recognition

Financial liabilities are initially measured at fair value; in case of a financial liability at amortized cost, plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial liability.

Classification and subsequent measurement

Financial liabilities are classified as measured at amortized cost or FVTPL.

Financial liabilities at fair value through profit or loss: A financial liability is classified as at FVTPL if it is classified as held-for-trading, it's a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expenses and foreign gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

The Company's financial liabilities include other payables and amounts due to related parties.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires: When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

e. Impairment

At each reporting date, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition, whether or not any actual losses have been recognized, and whether or not the entity has insurance cover or guarantee in place to cover the potential economic loss.

Loss allowances for receivables and contract assets are always measured at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and information and including forward-looking information.

IFRS 9 uses a “three bucket model” for measuring loss allowance based on deterioration in credit rating after initial recognition.

Bucket 1: if at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, an entity shall measure the loss allowance for that financial instrument at an amount equal to 12- month expected credit losses, whether or not any actual losses have been recognized, and whether or not the entity has insurance cover or guarantees in place to cover the potential economic loss;

Bucket 2: at each reporting date, an entity shall measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition and whether or not the entity has insurance cover or guarantees in place to cover the potential economic loss;

Bucket 3: Where there is objective evidence of actual impairment, a lifetime credit loss is recognized, and the effective interest rate is based on the net (post-impairment) amount.

The standard approach is applied to any financial assets held by the Company that have not been recognized as result of applying the revenue standard (IFRS 15) and leasing standard as a result IAS 17.

Measurement of Expected Credit Losses (ECLs)

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Organisation expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Management has made an assessment that the implementation of IFRS 9 will not lead to significant changes and therefore the impact on the financial statements of the Company is considered immaterial.

(ii) Non- financial assets

The carrying amounts of the Company's non- financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists the assets recoverable amount is estimated.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized for financial asset measured at amortized cost. The reversal is recognized in profit or loss.

f. Inventory

Inventory is stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Cost comprises direct item cost that has been incurred in bringing the inventories to their present location and condition.

g. Other receivables

Other receivables comprise of prepayments, deposits and other receivables which arise during the normal course of business. They are carried at original invoice amount less provision made for impairment losses. A provision for impairment of trade receivable is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provisions is the difference between the carrying amount and the recoverable amount.

h. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than 90 days maturity from the statement of financial position date and include: cash in hand, deposits held at call with banks, net of bank overdraft facilities subject to sweeping arrangements.

i. Provisions and other liabilities

A provision is recognized if, as a result of a past event, BRAC Uganda Limited has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Other accounts payables are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received.

j. Revenue recognition

Revenue is recognized on an accrual basis.

Grants

(i) Donor Grants

All donor grants received are initially recognized as deferred income at fair value and recorded as liabilities in the grants received in advance account for the period.

The portion of the grants utilized to purchase property and fixed assets are transferred as deferred income in liabilities and subsequently the portion of the depreciation expense of the same assets for the period is recognized in the Statement of Comprehensive Income as grant income. Grants utilized to reimburse program related expenditure are recognised as grant income for the period.

Grant income is classified as temporarily restricted or unrestricted depending upon the existence of donor-imposed restrictions. For completed or phased out projects and programs, any unutilized amounts are dealt with in accordance with consequent donor and management agreements.

Donor grants received in kind, through the provision of gifts and/or services, are recorded at fair value (excluding situations when BRAC Uganda Limited may receive emergency supplies for onward distribution in the event of a disaster which are not recorded as grants). For ongoing projects and programs, any expenditures yet to be funded but for which funding has been agreed at the end of the reporting period is recognized as Grants receivable.

(ii) Grant income

Grant income is recognised to the extent that BRAC Uganda Limited fulfils the conditions of the grant. This income is transferred from the deferred grant received from donors and recognized as income in the statement of comprehensive income.

A portion of BRAC Uganda Limited donor grants are for the funding of projects and programs, and for these grants, income recognized is matched to the extent of actual expenditures incurred on projects and programs for the period. For donor grants restricted to funding procurement fixed assets, grant income is recognized as the amount equivalent to depreciation expenses charged on the fixed asset.

(iii) Other income

Other income comprises of other project incomes from Agriculture, Training, Research and Health projects, interest from short term deposits, gains less losses related to trading assets and liabilities, and includes gains from disposal of BRAC Uganda Limited assets and all realised and unrealised foreign exchange differences.

Revenue comprises the fair value of the consideration received or receivable for the provision of training services, medical health revolving products and project implementation in the ordinary course of the Company's activities. The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised services to the Donors in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services.

IFRS 15 uses the concept of “control” to determine when revenue should be recognised and requires revenue to be recognised based upon the transfer of services.

The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

BRAC Uganda Limited recognises grant revenue in accordance with the core principle by applying the following five steps:

— Step 1: Identify the contract(s) with a customer;

— Step 2: Identify the performance obligations in the contract;

— Step 3: Determine the transaction price;

— Step 4: Allocate the transaction price to the performance obligations in the contract;

— Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognised in the correct period ("cut-off" issue) and reported only where a service has been offered to the final beneficiaries of the grant. This signifies that BRAC Uganda Limited has satisfied a performance obligation to its Donor in accordance with the requirements of the contract with that Donor (steps 1, 2 and 5 of the Revenue model).

k. Interest from bank and short-term deposits

Interest income on BRAC Uganda Limited's bank deposit is earned on an accruals basis at the agreed interest rate with the respective financial institution.

l. Employee benefits

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the Statement of financial position date. The Company does not operate any retirement benefit fund. However, severance pay is provided for in accordance with the Ugandan statute. The Company also operates an employee bonus incentive scheme. The provision for employee bonus incentive is based on a predetermined Company policy and is recognized in other accruals. The accrual for employee bonus incentive is expected to be settled within 12 months.

m. Contingent liabilities

The Company recognizes a contingent liability where it has a possible obligation from past events, the existence of which will be confirmed only by the occurrence of one or more uncertain events not wholly within the control of the Company, or it is not probable that an outflow of resources will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

n. Related party transactions

Related parties comprise directors, subsidiaries of BRAC International and key management personnel of the Company and companies with common ownership and/or directors.

o. Fundraising costs

BRAC Uganda Limited normally raises its funds through discussion with various donors and stake holders. It also follows a competitive process where it submits its proposal to multinational donor Organisations and gets selected based on merit. BRAC Uganda Limited does not incur any additional costs for fund raising purposes other than over heads which is recorded under Head Office logistic and management expenses.

p. Adoption of new and revised standards

(i) New standards, amendments and interpretations effective and adopted by the Company during the year

The following standards have been adopted by the Company for the first time for the financial year beginning on or after 1 January 2021: The adoption of these new standards has not resulted in material changes to the Company's accounting policies

New amendments or interpretation effective for annual periods beginning on or after 1 January 2021 are summarised below:

New amendments or interpretation	Effective date
Amendments to References to Conceptual Framework in IFRS Standards	1 January 2021
Definition of a Business (Amendments to IFRS 3)	1 January 2021
Definition of Material (Amendments to IAS 1 and IAS 8)	1 January 2021
Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)	1 January 2021
Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4)	1 January 2021

Amendments to References to Conceptual Framework in IFRS Standards

The IASB decided to revise the Conceptual Framework because certain important issues were not covered, and certain guidance was unclear or out of date. The revised Conceptual Framework, issued by the IASB in March 2018, includes:

- a new chapter on measurement;
- guidance on reporting financial performance;
- improved definitions of an asset and a liability, and guidance supporting these definitions;
- updated recognition criteria for assets and liabilities; and
- clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

The IASB also updated references to the Conceptual Framework in IFRS Standards by issuing a separate accompanying document, Amendments to References to the Conceptual Framework in IFRS Standards, which outlines the consequential amendments made to affected IFRS standards. This was done to support transition to the revised Conceptual Framework for companies that develop and apply accounting policies using the Conceptual Framework when no IFRS standard or interpretation applies to a particular transaction.

The revised Conceptual Framework will form the basis of new IFRS standards set by the IASB as well as future amendments to existing IFRS standards

The adoption of these amendments did not have a significant impact on the financial statements of the Company.

Definition of a Business (Amendments to IFRS 3)

Defining a business is important because the financial reporting requirements for the acquisition of a business are different from the requirements for the purchase of a group of assets that does not constitute a business. The proposed amendments are intended to provide entities with clearer application guidance to help distinguish between a business and a group of assets when applying IFRS 3.

In October 2018 the IASB issued this amendment to make it easier for companies to decide whether activities and assets they acquire are a business or merely a group of assets. The amendments:

- Confirm that a business must include inputs and a process and clarified that: (i) the process must be substantive and (ii) the inputs and process must together significantly contribute to creating outputs.
- Narrow the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs; and

p. Adoption of new and revised standards (continued)

(i) New standards, amendments and interpretations effective and adopted by the Company during the year (continued)

- Add a test that makes it easier to conclude that a Company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets.

The adoption of these amendments will have no material impact on the disclosure or on the amounts recognised in the Company's financial statements.

Definition of Material (Amendments to IAS 1 and IAS 8)

The IASB refined its definition of material to make it easier to understand. It is now aligned across IFRS Standards and the Conceptual Framework.

The changes in Definition of Material (Amendments to IAS 1 and IAS 8) all relate to a revised definition of 'material' which is quoted below from the final amendments
"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The Board has also removed the definition of material omissions or misstatements from IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
The amendments are effective from 1 January 2021 but may be applied earlier. However, the Board does not expect significant change – the refinements are not intended to alter the concept of materiality.

The adoption of these amendments did not have a significant impact on the financial statements of the Company.

Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7).

Amendments to IFRS 9, IAS 39 and IFRS 7 have now been issued to address uncertainties related to the ongoing reform of interbank offered rates (IBOR). The amendments provide targeted relief for financial instruments qualifying for hedge accounting in the lead up to IBOR reform.
The amendments address issues affecting financial reporting in the period leading up to IBOR reform, are mandatory and apply to all hedging relationships directly affected by uncertainties related to IBOR reform.

The adoption of these amendments did not have a significant impact on the financial statements of the Company

p. Adoption of new and revised standards (continued)

(i) New standards, amendments and interpretations effective and adopted by the Company during the year (continued)

Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4)

Differing effective dates of IFRS 9 Financial Instruments and the new insurance contracts standard could have had a significant impact on insurers. In response to concerns regarding temporary accounting mismatches and volatility, and increased costs and complexity, the International Accounting Standards Board (the Board) issued amendments to IFRS 4 Insurance Contracts in 2017 with an effective date of 1 January 2021.
The amendments introduced two options that could reduce the impacts but include various complexities as summarized as follows;

Temporary exemption from IFRS 9

- Rather than having to implement IFRS 9 in 2018, some companies are permitted to continue to apply IAS 39 Financial Instruments: Recognition and Measurement.
- To qualify, a reporting Company's activities need to be predominantly connected with insurance.

Overlay approach

- This optional solution provides an overlay approach to presentation to alleviate temporary accounting mismatches and volatility.
- For designated financial assets, a Company is permitted to reclassify between profit or loss and other comprehensive income (OCI), the difference between the amounts recognised in profit or loss under IFRS 9 and those that would have been reported under IAS 39.

On the issue of IFRS 17 (Revised) Insurance Contracts in June 2021, the end date for applying the two options under the IFRS 4 amendments was extended to 1 January 2023, aligned with the effective date of IFRS 17. The adoption of these amendments did not have a significant impact on the financial statements of the Company.

At the date of authorisation of the financial statements of BRAC Uganda Limited for the year ended 31 December 2021, the following Standards and Interpretations were in issue but not yet effective;

New standard or amendments	**Effective for annual periods beginning on or after**
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)	1 January 2022
Annual Improvements to IFRS Standards 2018–2021	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022
Reference to the Conceptual Framework (Amendments to IFRS 3)	1 January 2022
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	1 January 2023
IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts	1 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28	Available for optional adoption/ effective date deferred indefinitely

p. Adoption of new and revised standards (continued)

(ii) New and amended standards and interpretations in issue but not yet effective for the year ended 31 December 2021 (Continued)

All Standards and Interpretations will be adopted at their effective date (except for those Standards and Interpretations that are not applicable to the Company).
The applicable standards and amendments are discussed below;

Onerous Contracts: Cost of Fulfilling a Contract (Amendments to IAS 37)

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets, issued by the International Accounting Standards Board, clarify that the 'costs of fulfilling a contract' when assessing whether a contract is onerous comprise both:
— the incremental costs – e.g. direct labour and materials; and
— an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.

The amendments apply for annual reporting periods beginning on or after 1 January 2022 to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of applying the amendments will be recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives will not be restated. Earlier application is permitted.

The amendments are not expected to have a material impact on the Company

Annual Improvements to IFRS Standards 2018-2021

▪ IFRS 1 First-time Adoption of International Financial Reporting Standards	The amendment permits a subsidiary (as a first-time adopter of IFRS that applies IFRS later than its parent) that applies IFRS 1.D16(a) to measure cumulative translation differences using the amounts reported by its parent, based on the parent’s date of transition to IFRSs.
▪ IFRS 9 Financial Instruments	The amendment clarifies that for the purpose of performing the ‘’10 per cent test” for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf.
▪ IFRS 16 Leases	The amendment removes the illustration of payments from the lessor relating to leasehold improvements. As currently drafted, this example is not clear as to why such payments are not a lease incentive.
▪ IAS 41 Agriculture	The amendment removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in IAS 41 with those in IFRS 13 Fair Value Measurement.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

The amendments are not expected to have a material impact on the Company.

p. Adoption of new and revised standards (continued)

(ii) New and amended standards and interpretations in issue but not yet effective for the year ended 31 December 2021 (Continued)

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)

The amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

Proceeds from selling items before the related item of property, plant and equipment is available for use should be recognized in profit or loss, together with the costs of producing those items. IAS 2 Inventories should be applied in identifying and measuring these production costs.

Companies will therefore need to distinguish between:

- costs associated with producing and selling items before the item of property, plant and equipment is available for use; and
- costs associated with making the item of property, plant and equipment available for its intended use.

Making this allocation of costs may require significant estimation and judgement.

The amendments apply for annual reporting periods beginning on or after 1 January 2022, with earlier application permitted. The amendments apply retrospectively, but only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the Company first applies the amendments.

The amendments are not expected to have a material impact on the Company.

Reference to the Conceptual Framework (Amendments to IFRS 3)

The amendment has:

- updated IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework;
- added to IFRS 3 a requirement that, for transactions and other events within the scope of IAS 37 or IFRIC 21, an acquirer applies IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination; and
- added to IFRS 3 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The amendment is effective for annual periods beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

The amendments are not expected to have a material impact on the Company.

p. Adoption of new and revised standards (continued)

(ii) New and amended standards and interpretations in issue but not yet effective for the year ended 31 December 2021 (Continued)

IFRS 17 Insurance Contracts (and its related amendments)

IFRS 17 supersedes IFRS 4 Insurance Contracts and aims to increase comparability and transparency about profitability. The new standard introduces a new comprehensive model (“general model”) for the recognition and measurement of liabilities arising from insurance contracts. In addition, it includes a simplified approach and modifications to the general measurement model that can be applied in certain circumstances and to specific contracts, such as:

- Reinsurance contracts held;
- Direct participating contracts; and
- Investment contracts with discretionary participation features.

Under the new standard, investment components are excluded from insurance revenue and service expenses. Entities can also choose to present the effect of changes in discount rates and other financial risks in profit or loss or OCI.

The new standard includes various new disclosures and requires additional granularity in disclosures to assist users to assess the effects of insurance contracts on the entity’s financial statements. The entity is in the process of determining the impact of IFRS 17 and will provide more detailed disclosure on the impact in future financial statements. The standard is effective for annual periods beginning on or after 1 January 2023. Early adoption is permitted only if the entity applied IFRS 9.

The amendments are not expected to have a material impact on the Company.

Classification of liabilities as current or non-current (Amendments to IAS 1)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

There is limited guidance on how to determine whether a right has substance and the assessment may require management to exercise interpretive judgement.

The existing requirement to ignore management’s intentions or expectations for settling a liability when determining its classification is unchanged.

The amendments are to be applied retrospectively from the effective date.

The amendments are not expected to have a material impact on the Company.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

The amendments require the full gain to be recognised when assets transferred between an investor and its associate or joint venture meet the definition of a ‘business’ under IFRS 3 Business Combinations. Where the assets transferred do not meet the definition of a business, a partial gain to the extent of unrelated investors’ interests in the associate or joint venture is recognised. The definition of a business is key to determining the extent of the gain to be recognised.

p. Adoption of new and revised standards (continued)

(ii) New and amended standards and interpretations in issue but not yet effective for the year ended 31 December 2021 (Continued)

The IASB has decided to defer the effective date for these amendments indefinitely. Adoption is still permitted.

When a parent loses control of a subsidiary in a transaction with an associate or joint venture (JV), there is a conflict between the existing guidance on consolidation and equity accounting.

Under the consolidation standard, the parent recognises the full gain on the loss of control. But under the standard on associates and JVs, the parent recognises the gain only to the extent of unrelated investors' interests in the associate or JV.

In either case, the loss is recognised in full if the underlying assets are impaired.

In response to this conflict and the resulting diversity in practice, on 11 September 2014 the IASB issued Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28).

The amendments are not expected to have a material impact on the Company.

Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

The amendments address issues that might affect financial reporting as a result of the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate. The amendments provide practical relief from certain requirements in IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 relating to:

Change in basis for determining cash flows

The amendments will require an entity to account for a change in the basis for determining the contractual cash flows of a financial asset or financial liability that is required by interest rate benchmark reform by updating the effective interest rate of the financial asset or financial liability.

Hedge accounting

The amendments provide exceptions to the hedge accounting requirements in the following areas:

- Allow amendment of the designation of a hedging relationship to reflect changes that are required by the reform.
- When a hedged item in a cash flow hedge is amended to reflect the changes that are required by the reform, the amount accumulated in the cash flow hedge reserve will be deemed to be based on the alternative benchmark rate on which the hedged future cash flows are determined.
- When a group of items is designated as a hedged item and an item in the group is amended to reflect the changes that are required by the reform, the hedged items are allocated to sub- groups based on the benchmark rates being hedged.
- If an entity reasonably expects that an alternative benchmark rate will be separately identifiable within a period of 24 months, it is not prohibited from designating the rate as a non-contractually specified risk component if it is not separately identifiable at the designation date.

Disclosure

The amendments will require the Company to disclose additional information about the entity's exposure to risks arising from interest rate benchmark reform and related risk management activities.

Transition

The Company applied the amendments from 1 January 2021. The amendments did not have a material impact on the Company.

q. Comparatives

There have not been any changes in the prior year comparative figures.

4. GRANT INCOME

	2021 Ushs '000	2020 Ushs '000	2021 USD	2020 USD
Education	11,333,632	17,181,652	3,163,919	4,614,529
Health	13,287,372	16,170,676	3,709,329	4,343,008
Empowerment and livelihood of adolescents	9,942,300	2,371,832	2,775,513	637,010
Research & evaluation	5,500,483	3,993,566	1,535,526	1,072,564
UPG	6,002,526	3,200,453	1,675,675	859,556
Play lab	3,165,205	3,900,728	883,605	1,047,630
Emergency preparedness and response	2,241,157	6,047,445	625,646	1,624,181
	51,472,675	**52,866,352**	**14,369,213**	**14,198,478**

Grant income majorly relates to the funds received from the different donors for implementation of the different projects, the funds are transferred from grants received in advance to the statement of comprehensive income.

5. OTHER INCOME

	2021 Ushs '000	2020 Ushs '000	2021 USD	2020 USD
Training program income	223,892	170,619	62,502	45,824
Research program income	159	783,175	44	210,340
Health program revolving fund income	399,421	613,227	111,503	164,696
Bank interest income	177,799	870,189	49,635	233,709
	801,271	**2,437,210**	**223,684**	**654,569**

Other project income relates to the income from the training program, research program, bank interest income and health program revolving fund.

Type of the product	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition under IFRS 15
Health Program revolving fund	Customers obtain control when the goods are delivered to and have been accepted at their premises. Invoices are generated at a point in time. Invoices are usually payable within 30 days.	Revenue is recognised when the health products are delivered and have been accepted by customers at their premises.
Training income	Customers obtain control when the training services have been offered by BRAC Uganda Limited. Invoices are generated at a point in time. Invoices are usually payable within 30 days.	Revenue is recognised when an invoice is raised after the training.
Research income	Customers obtain control when the final research report has been delivered by BRAC Uganda Limited. Invoices are generated at a point in time. Invoices are usually payable within 30 days.	Revenue is recognised when an invoice is raised on submission of the final report to the donors.

There are no contract assets or liabilities.

6. FOREIGN EXCHANGE LOSS

	2021 Ushs '000	2020 Ushs '000	2021 USD	2020 USD
Foreign exchange loss	(8,337)	(61,750)	(2,327)	(16,584)
	(8,337)	**(61,750)**	**(2,327)**	**(16,584)**

The exchange losses arise from translation of foreign currency transactions and revaluations of foreign currency denominated assets and liabilities to Uganda Shillings. Financial assets and liabilities denominated in foreign currencies at year end are translated to Uganda Shillings at the rate ruling at balance sheet date.

7. STAFF COSTS AND OTHER BENEFITS

	2021 Ushs '000	2020 Ushs '000	2021 USD	2020 USD
Salaries	9,879,456	9,065,252	2,757,968	2,434,682
Bonus	806,205	690,256	225,062	185,384
10% employer NSSF contribution	1,089,675	996,031	304,196	267,507
Wages	580,344	400,113	162,010	107,460
Gratuity expenses	47,687	87,781	13,312	23,576
	12,403,367	**11,239,433**	**3,462,548**	**3,018,609**

8. TRAINING, WORKSHOPS AND SEMINARS

	2021 Ushs '000	2020 Ushs '000	2021 USD	2020 USD
External member trainings	8,089,064	4,676,400	2,258,159	1,255,955
Staff training	13,347	318,549	3,726	85,554
	8,102,411	**4,994,949**	**2,261,885**	**1,341,509**

9. OCCUPANCY EXPENSES

	2021 Ushs '000	2020 Ushs '000	2021 USD	2020 USD
Rental charges	972,090	585,483	271,371	157,245
Utilities	64,550	74,143	18,020	19,913
	1,036,640	**659,626**	**289,391**	**177,158**

10. PROGRAM SUPPLIES, TRAVEL AND OTHER GENERAL EXPENSES

	2021 Ushs '000	2020 Ushs '000	2021 USD	2020 USD
Legal and other fees	751,203	297,457	209,707	79,889
Audit and tax fees	339,495	268,091	94,774	72,002
Maintenance and general expenses	3,450,319	5,905,620	936,889	1,586,090
Grant receivables write-off	8,824,580	-	2,489,795	
Printing, stationery and supplies	511,549	329,511	142,805	88,498
Telephone expenses	580,416	442,608	162,030	118,873
Program supplies	21,431,666	25,765,908	5,982,906	6,920,028
Interest on lease liability	105,020	128,865	29,318	34,610
Inventory write-off	25,008	25,888	6,981	6,953
Software maintenance cost	246,455	102,391	68,801	27,499
Head office logistics expenses	866,095	594,915	241,781	159,778
Travel and transportation	2,953,560	3,526,049	824,522	947,002
	40,085,366	**37,387,303**	**11,190,309**	**10,041,222**

Program supplies mainly comprise of tuition, scholarship, training materials, health kits, stipends, learning materials, technical support to projects and supplies for the beneficiaries.

The grant receivables write-off relates to reconciled grants received in advance that was confirmed not recoverable or claimable from the donor. The board of directors approved a write off of the related asset in the current year.

11. TAXATION

BRAC Uganda Limited is registered as a Non-Governmental Organisation with the National Bureau for Non-Governmental Organisations, which is involved in charitable activities and therefore falls within the definition of exempt Organisations for tax purposes as described in the Income Tax Act, Section 2 (bb)-interpretation. Under section 2(b) (ii), the Income Tax Act states that for an Organisation to be tax exempt, it should have been issued with a written ruling by the Commissioner stating that it is an exempt Organisation.

Uganda Revenue Authority issued an exempt Organisation ruling to BRAC Uganda Limited for the year 31 December 2020 and 2021 in a notice DT-1109 and notice number 17410004 dated 13 October 2020.

12. PROPERTY AND EQUIPMENT

	Furniture	Building	Equipment	Motor Vehicles	Total	Total
	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	USD
Cost						
At 1 January 2020	**958,772**	**246,085**	**1,781,572**	**1,075,237**	**4,061,666**	**1,094,124**
Additions	37,134	-	376,243	8,950	422,327	115,851
Disposals	(1,945)	-	(42,806)	-	(44,751)	(12,276)
Currency translation						
As at 31 December 2020	**993,961**	**246,085**	**2,115,009**	**1,084,187**	**4,439,242**	**1,197,699**
Additions	40,760	-	281,556	16,785	339,101	95,675
Disposals	(19,490)	-	(2,184)	-	(21,674)	(6115)
Currency translation						34,682
At 31 December 2021	**1,015,231**	**246,085**	**2,394,381**	**1,100,972**	**4,756,669**	**1,321,941**
Depreciation						
At 1 January 2020	**590,494**	**37,768**	**1,141,629**	**585,794**	**2,355,685**	**628,671**
Charge for the year	66,004	12,476	301,745	160,450	540,675	145,210
Acc depn on disposals	(1,247)	-	(39,884)	-	(41,131)	(11,283)
Currency translation	-	-	-	-	-	580
At 31 December 2020	**655,251**	**50,244**	**1,403,490**	**746,244**	**2,855,229**	**763,178**
Charge for the year	62,379	12,304	270,585	118,085	463,353	129,351
Acc depn on disposals	(15,507)	-	(2,184)	-	(17,691)	(4,991)
Currency translation	-	-	-	-	-	23,665
At 31 December 2021	**702,123**	**62,548**	**1,671,891**	**864,329**	**3,300,891**	**911,203**
Net Book Value						
At 31 December 2021	**313,108**	**183,537**	**722,490**	**236,643**	**1,455,778**	**410,738**
At 31 December 2020	**338,710**	**195,841**	**711,519**	**337,943**	**1,584,013**	**434,521**

13. CASH AND BANK

	Note	2021 Ushs '000	2020 Ushs '000	2021 USD	2020 USD
Cash in hand		4,793	3,082	1,352	846
Cash at bank	13.a	10,228,913	26,359,078	2,886,018	7,230,718
Fixed deposits		5,346,135	-	1,508,375	-
		15,579,841	**26,362,160**	**4,395,745**	**7,231,564**

The Fixed deposit was a period of one month at an effective interest rate of 6%.

13. a) Cash at bank

	2021 Ushs '000	2020 Ushs '000	2021 USD	2020 USD
Standard Chartered Bank	4,641,576	17,087,488	1,309,589	4,687,371
Bank of Africa	19,144	13,709	5,401	3,761
DFCU	-	4,513	-	1,238
Pride Microfinance Ltd	-	2,012	-	552
Equity Bank	-	15,421	-	4,230
Post Bank	3,997	49,577	1,128	13,600
Centenary Bank	26,776	83,355	7,555	22,866
BRAC Uganda Limited Bank Ltd	3,466,957	6,323,182	978,178	1,734,550
Yo Mobile Wallet	581,902	646,630	164,180	177,381
Stanbic Bank	1,488,561	2,133,191	419,987	585,169
	10,228,913	**26,359,078**	**2,886,018**	**7,230,718**

Reconciliation of movement in liabilities to cash flows arising from financing activities

	Lease liabilities Ushs '000	Donor Funds Ushs '000	Total Ushs '000
Balance as at 1 January 2021	**775,794**	**3,673,383**	**4,449,177**
Payment of lease liabilities	(185,320)	-	(185,320)
Donor funds received in advance	-	(1,559,173)	(1,559,173)
Total changes from financing cash flows	**590,474**	**2,114,210**	**2,704,684**
Other changes			
Interest expense	105,020	-	105,020
Interest paid	(105,020)	-	(105,020)
Lease additions	80,207	-	80,207
Total other changes	**80,207**	**-**	**80,207**
Balance as at 31 December 2021	**670,681**	**2,114,210**	**2,784,891**

14. INVENTORY

	2021	2020	2021	2020
	Ushs '000	Ushs '000	USD	USD
Stock and consumables	535,048	403,171	150,960	110,596
	535,048	**403,171**	**150,960**	**110,596**

Stock and consumables include the amount of the stock of health materials, poultry and agriculture that were not yet sold as at 31 December 2021. These materials are normally sold at subsidized rates to low-income earners in communities.

15. DUE FROM RELATED PARTIES

	2021	2020	2021	2020
	Ushs '000	Ushs '000	USD	USD
BRAC Social Business Enterprise	1,567,120	1,227,189	442,152	336,638
	1,567,120	**1,227,189**	**442,152**	**336,638**

Due from related parties relates to amounts owing from BRAC Uganda Limited Social Enterprise Limited for the settlements of staff costs and operating expenditures. BRAC Social Business Enterprise is an affiliate Company of BRAC Uganda Limited. The fair value of these related party receivables approximates their carrying amounts. This amount will be settled during the ordinary course of business and bear no interest.

16. OTHER RECEIVABLES

	2021	2020	2021	2020
	Ushs '000	Ushs '000	USD	USD
Prepaid expenses	791,755	820,438	223,389	225,059
Staff travel advances	-	197,194	-	54,094
	791,755	**1,017,632**	**223,389**	**279,153**

17. OTHER PAYABLES

	2021	2020	2021	2020
	Ushs '000	Ushs '000	USD	USD
Accrued expenses	2,145,148	2,892,207	605,238	793,378
NSSF	250,274	232,478	70,613	63,772
VAT payable	151,454	19,064	42,732	5,230
Audit fees	86,353	86,353	8,888	23,688
Withholding tax	31,501	133,349	24,364	36,580
Salary	-	-	-	-
PAYE	500,777	457,132	141,291	125,399
	3,165,507	**3,820,583**	**893,126**	**1,048,047**

The carrying amounts of other payables approximates their fair value.

18. DUE TO RELATED PARTIES

	2021	2020	2021	2020
	Ushs '000	Ushs '000	USD	USD
BRAC Bangladesh	47,092	44,262	13,287	12,142
Stitching BRAC International	86,952	154,697	24,532	42,436
BRAC Bank Uganda Limited	1,625,390	-	458,593	-
	1,759,434	**198,959**	**496,412**	**54,578**

Related party payables relate to amounts owing to BRAC Bangladesh, Stitching BRAC International and BRAC Bank Uganda Limited, for the settlements of staff costs and operating expenditures incurred on behalf of BRAC Uganda Limited. The fair value of these related party payables/receivables approximates their carrying amounts. Stitching BRAC International is the parent of BRAC Uganda Limited. BRAC Bangladesh and BRAC Uganda Bank Limited are affiliate companies of BRAC Uganda Limited. The amounts bear no interest and are settled in normal course of business.

19. DONOR FUNDS

	Note	2021	2020	2021	2020
		Ushs '000	Ushs '000	USD	USD
Donor funds received in advance	**19.1**	1,035,440	2,448,687	292,142	671,714
Donor funds - investment in fixed assets	**19.2**	1,078,770	1,224,696	304,368	335,954
		2,114,210	**3,673,383**	**596,510**	**1,007,668**

19.1 Donor funds received in advance

	Note	2021	2020	2021	2020
		Ushs '000	Ushs '000	USD	USD
Opening balance		2,448,687	16,897,379	671,714	4,610,208
Donations received during the year	**19.1a**	41,714,895	38,615,254	11,706,456	10,414,296
Transferred to donor*		(1,206,036)	(360,693)	(338,611)	(97,032)
Investment in fixed assets		(339,101)	(422,327)	(95,675)	(115,851)
Asset disposals		21,674	44,751	6,115	12,276
Utilised during the year		(51,009,322)	(52,325,677)	(14,239,862)	(14,053,267)
Funds from health revolving fund		580,063	-	163,661	-
Grant receivables write-off		8,824,580	-	2,489,795	-
Currency translation		-	-	(71,451)	(98,916)
		1,035,440	**2,448,687**	**292,142**	**671,714**

The funds utilized during the year relate to the expenditures that have been incurred in project implementation during the year. The expenditures are paid out from the pool of funds received in advance from the different donors supporting BRAC Uganda. Funds from health revolving fund relates to the funds raised from the sale of the reading glasses obtained from Vision Spring as an in-kind donation which is part of the vision spring grant.

The grant receivables write-off relates to reconciled grants received in advance that was confirmed not recoverable or claimable from the donor. The board of directors approved a write off of the related asset in the current year.

19.1 a) Donations received during the year

	2021 Ushs '000	2020 Ushs '000	2021 USD	2020 USD
MasterCard Foundation (Scholarship and TVET)	5,786,678	-	1,631,889	-
BRAC USA (IERC)	-	106,765	-	28,960
Y-CHPs	-	52,795	-	13,906
Health System (UHSS)	198,080	153,294	55,178	41,466
Crown	172,371	-	46,719	-
Emergency Preparedness		482,273		129,284
IDRC-CHW		165,161		43,501
Living Goods (Health)	6,607,414	12,822,112	1,858,529	3,450,007
Vision Spring (Eye care)	541,728	336,703	153,032	92,007
Women win	517,073	623,096	144,960	166,960
Oak Foundation	-		-	
Capacity Building(Market Survey)	-	17,969	-	4,748
Stockholm university (Research study)	-	180,101	-	48,950
Sanitation for Health(Tetra Tech)	1,279,224	890,787	358,345	239,807
NANNY	27,842	211,216	7,546	57,188
NORAD-ELLAY	573,403	1,066,060	161,337	286,003
Capacity Building	308,681	20,204	86,198	5,491
JSDF (Agriculture)	-	-	-	-
World Bank –(ADP)	-	-	-	
Lego Foundation	-	196,825	-	53,012
ECM (ELA)	3,310,788	913,812	929,432	246,343
ELA –After School	1,198,325	-	337,577	-
ELMA	554,940	946,351	156,490	248,302
TUP (BRAC UK)		-		
UPG-Medicor		-		
UPG-UK AID	3,380,916	588,734	945,387	157,569
UPG-UK AID-Covid		59,914		16,435
UPG-BLF	326,713	31,834	89,125	8,635
UPG-Cartier	2,565,233	1,088,968	710,830	293,799
GIF (BRAC UK)	779,680		219,965	
ADP	491,393	810,415	134,232	220,367
LEGO-Covid	1,925,721	1,417,236	539,160	385,373
Mastercard-Covid	461,206	9,192,318	130,318	2,499,565
ADA-UNDP	1,089,274	-	306,451	-
Skills Development Project Enable	-	-	-	-
TB Reach	434,385	382,588	122,500	104,950
YIDAN	1,121,708	850,972	316,032	224,840
Gates Foundation	-	143,339	-	38,749
UNCDF Project	613,047	-	170,000	-
YBI & EFP (Y4B)	3,152,125	-	888,020	-
SDF-KIRYANDONGO	29,886	-	8,153	-
IERC-SEARCH	-	36,889	-	10,006

	2021	2020	2021	2020
	Ushs '000	Ushs '000	USD	USD
UNRA -World bank	391,480	726,620	109,938	193,727
IERC	1,603,458	-	450,067	
IERC-MNP	58,362	577,437	16,458	157,430
IERC-ELA	-	746,215	-	202,410
IERC- Recap	551,136	325,440	154,495	87,324
IERC- LBS		30,252		7,993
IERC- Applied Research (DigiDev)	637,488	667,213	179,572	179,562
IERC- VSLA	478,775	554,521	135,083	149,234
IERC- ELA After School	242,101	-	68,284	-
IERC-Research	-	176,558	-	47,729
IERC-Behavioural Activation	132,314	158,009	36,550	42,946
IERC-Cluster	-	49,707	-	13,405
IERC-Stanford	171,947	-	48,604	-
IERC- Grand Challenger	-	56,355	-	15,459
IERC-Credit Incentive	-	30,581	-	8,198
IERC-Transparency	-	58,187	-	15,783
IDRC Incentive	-	669,428	-	176,873
	41,714,895	**38,615,254**	**11,706,456**	**10,414,296**

The receipts relate to the grants received from the different donors for implementation of the different projects undertaken by BRAC Uganda Limited.

19.2 Donations – investment in fixed assets

	2021	2020	2021	2020
	Ushs '000	Ushs '000	USD	USD
Opening balance	1,224,696	1,387,795	335,954	378,640
Transferred from donor funds received in advance	339,101	422,327	95,675	115,851
Disposals in the year	(21,674)	(44,751)	(6,115)	(12,276)
Depreciation charged during the year	(463,353)	(540,675)	(129,351)	(145,211)
Currency translation	-	-	8,205	(1,050)
Closing balance	**1,078,770**	**1,224,696**	**304,368**	**335,954**

These donations relate to the fixed assets that are purchased for project implementation using the grants received from the different donors.

20. CASHFLOW FROM OPERATING EXPENSES

	2021 Ushs '000	2020 Ushs '000	2021 USD	2020 USD
Excess of income over expenditure	**(10,048,042)**	**198,299**	**(2,805,031)**	**53,258**
Depreciation	685,867	762,202	191,468	204,707
Interest on lease liability	105,020	128,865	29,318	34,610
Write-off fixed assets	3,982	3,620	1,112	972
Cash flows before changes in working capital	**(9,253,173)**	**1,092,986**	**(2,583,133)**	**293,547**
Changes in working capital				
(Increase)/decrease in inventory	(131,877)	195,637	(37,208)	53,666
Decrease in other receivables	225,877	2,947,108	63,730	808,439
(Increase)/decrease in related party receivables	(339,931)	131,701	(95,909)	36,128
(Decrease)/increase in other payables	(655,076)	201,957	(184,825)	55,400
Increase/in related party payables	1,560,475	(91,766)	440,277	(25,173)
Interest on lease liability	(105,020)	(128,865)	(29,318)	(34,610)
Net cash generated from operations	**(8,698,725)**	**4,348,758**	**(2,426,386)**	**1,187,397**

21. ROU ASSET AND LEASE LIABILITIES

(a) Right-of-use assets

	Office Space Ushs '000	Office Space USD
At 1 January 2020	**974,177**	**265,790**
Depreciation charge for the year	(221,527)	(59,497)
Currency translation	-	171
At 31 December 2020	**752,650**	**206,464**
At 1 January 2021	**752,650**	**206,464**
Additional leases during the year	80,207	22,630
Depreciation charge for the year	(222,513)	(62,117)
Currency translation	-	5,227
At 31 December 2021	**610,344**	**172,204**

(b) Lease liabilities

	Office Space Ushs '000	Office Space USD
At 1 January 2020	**1,045,398**	**285,222**
Interest expense	128,865	34,610
Lease payments	(382,625)	(102,763)
Foreign exchange gains	(15,844)	(4,255)
Currency translation	-	(1)
At 31 December 2020	**775,794**	**212,813**

	Office Space Ushs '000	Office Space USD
At 1 January 2021	**775,794**	**212,813**
Interest expense	105,020	29,318
Lease payments	(290,340)	(81,052)
Lease additions	80,207	22,630
Currency translation	-	5,519
At 31 December 2021	**670,681**	**189,228**

Lease liabilities are payable as follows;

31 December 2021	**Principal**	**Interest**	**Present Value of minimum lease payments**	**Present Value of minimum lease payments**
	Ushs '000	**Ushs '000**	**Ushs '000**	**USD**
Less than one year	20,702	1,498	22,200	6,264
More than one year	585,979	62,502	648,481	182,964
	606,681	**64,000**	**670,681**	**189,228**

31 December 2020	**Principal**	**Interest**	**Present Value of minimum lease payments**	**Present Value of minimum lease payments**
	Shs'000	**Shs'000**	**Shs'000**	**USD**
Less than one year	10,719	381	11,100	3,045
More than one year	714,388	50,306	764,694	209,768
	725,107	**50,687**	**775,794**	**212,813**

(c) Amounts recognized in profit or loss

	2021 Ushs '000	2020 Shs'000	2021 USD	2020 USD
Interest on lease liabilities	105,020	128,865	29,318	34,610
Depreciation charge for the year	222,513	221,528	62,117	59,497
Expense relating to short term leases	972,090	573,736	271,371	154,090
Foreign exchange gain	-	(15,844)	-	(4,255)
	1,299,623	**908,285**	**362,806**	**243,942**

(d) Amounts recognized in the statement of cashflows

	2021 Ushs '000	2020 Shs'000	2021 USD	2020 USD
Lease interest paid	105,020	128,865	29,318	34,610
Lease principal payments	185,320	253,760	51,734	68,153
	290,340	**382,625**	**81,052**	**102,763**

22. SUBSEQUENT EVENTS

The Company has evaluated the subsequent events through the date of signing these financial statements and there were no significant events to be reported in these financial statements.

23. CURRENCY

The financial statements are expressed in Uganda Shillings which is the Company's functional currency.

24. CAPITAL COMMITMENTS

There were no capital commitments as at 31 December 2021 (2020: Nil).

25. USE OF ESTIMATES AND JUDGMENT

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the reported period.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The estimates and associated assumptions are based on historical experiences, the results of which form the basis of making the judgments about the carrying values and liabilities that are not readily apparent from other sources. Actual results ultimately may differ from these estimates.

BRAC Uganda Limited makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management identifies all significant accounting policies and those that involve high judgment and in particular the significant areas of estimation and un-certainty in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements. These are:

(i) Impairment

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company regularly reviews its assets and makes judgments in determining whether an impairment loss should be recognized in respect of observable data that may impact on future estimated cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

(ii) Provisions and contingencies

A provision is recognised if as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. For provisions included in the financial statements see note 17.

26. FINANCIAL RISK MANAGEMENT

Introduction and overview

The Company has exposure to the following risks from financial instruments:

i) Credit risk
ii) Liquidity risk
iii) Market risk
iv) Operational risk

This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for measuring and managing risk.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Board of BRAC Bangladesh International, the parent Company, has established the Group Audit and Risk Committee, Remuneration Committee, Investment Committee, Group Executive Committee and Subsidiary Companies Executive Committee which are responsible for developing and monitoring Group risk management policies in their respective areas. All Board committees have both executive and non-executive members, apart from the Group Executive Committee which comprises of executive directors and senior management and report regularly to the Board of Directors on their activities.

BRAC financial risk management policy seeks to identify, appraise and monitor the risks facing BRAC whilst taking specific measures to manage its interest rate, foreign exchange, liquidity and credit risks. BRAC does not however, engage in speculative transactions or take speculative positions, and where affected by adverse movements, BRAC has sought the assistance of donors.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and principally from trade and other receivable balances and investment in cash and cash equivalents. The Credit policy of BRAC Uganda Limited requires all credit exposures to be measured, monitored and managed proactively. All cash and cash equivalents are held with reputable banks that are regulated by the Central Bank of Uganda and as a result the risk is low.

Management of the risk

The Board of Directors has delegated responsibility for the oversight of credit risk to the Country Director and the Monitoring department.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was;

	2021 Shs '000	2020 Shs '000	2021 USD	2020 USD
Cash and cash equivalents	10,233,706	26,362,160	2,887,370	7,231,564
Fixed deposit	5,346,135	-	1,508,375	-
Other receivables	791,755	1,017,632	223,389	279,153
	16,371,596	**27,379,792**	**4,619,134**	**7,510,717**

The aging of other receivables and other assets as at the reporting date was:

	2021 Shs '000	2020 Shs '000	2021 USD	2020 USD
Between 0 - 30 days	577,980	742,872	163,073	203,782
Between 31 - 60 days	213,775	274,760	60,316	75,371
	791,755	**1,017,632**	**223,389**	**279,153**

ii) Liquidity risk

Liquidity risk is the risk that operations cannot be funded, and financial commitments cannot be met timeously and cost effectively. The risk arises from both the difference between the magnitude of assets and liabilities and the disproportion in their maturities. Liquidity risk management deals with the overall profile of the balance sheet, the funding requirements of the Company and cash flows. In quantifying the liquidity risk, future cash flow projections are simulated, and necessary arrangements are put in place in order to ensure that all future cash flow commitments are met from the working capital generated by the Company and also from available financial institutions facilities.

BRAC Uganda Limited manages its debt maturity profile, operating cash flows and the availability of funding so as to meet all refinancing, repayment and funding needs. As part of its overall liquidity management, BRAC Uganda Limited maintains sufficient levels of cash or fixed deposits to meet its working capital requirements. In addition, BRAC Uganda Limited maintains banking facilities of a reasonable level. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient resources to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The table below indicates the Company's liquidity at the statement of financial position date and an analysis of the liquidity period of the Company's financial assets and liabilities.

2021	Matured	Less than 30 days	Between 31-60 days	Over 60 days	Total
	Ushs '000'	Ushs '000'	Ushs '000'	Ushs '000'	Ushs '000'
ASSETS					
Cash and bank	10,233,706	-	-	-	10,233,706
Fixed deposit	-	5,346,135	-	-	5,346,135
Due from related parties	-	-	-	1,567,120	1,567,120
Other receivables	-	577,980	213,775	-	791,755
	10,233,706	**5,924,115**	**213,775**	**1,567,120**	**17,938,716**
LIABILITIES AND CAPITAL FUND					
Other payables	-	1,841,370	1,342,665	652,153	3,836,188
Due to related parties	-	1,055,660	703,774	-	1,759,434
	-	**2,897,030**	**2,046,439**	**652,153**	**5,595,622**
Liquidity gap	**10,233,706**	**3,027,085**	**(1,832,664)**	**914,967**	**12,343,094**

2020	Matured	Less than 30 days	Between 31-60 days	Over 60 days	Total
	Ushs '000'	Ushs '000'	Ushs '000'	Ushs '000'	Ushs '000'
ASSETS					
Cash and bank	26,362,160	-	-	-	26.362,160
Due from related parties	-	-	-	1,227,189	1,227,189
Other receivables	-	742,872	274,760	-	1,017,632
	26,362,160	**742,872**	**274,760**	**1,227,189**	**28,606,981**
LIABILITIES AND CAPITAL FUND					
Other payables	-	2,206,260	1,286,985	1,103,132	4,596,377
Due to related parties	-	119,375	79,584	-	198,959
	-	**2,325,635**	**1,366,569**	**1,103,132**	**4,795,336**
Liquidity gap	**26,362,160**	**(1,582,763)**	**(1,091,809)**	**124,057**	**23,811,645**

iii) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the fair value or future cash flows of a financial instrument. Market risk arises from open positions in interest rates and foreign currencies, both of which are exposed to general and specific market movements and changes in the level of volatility. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

Management of market risks

Overall responsibility for managing market risk rests with the Country Director. Management is responsible for the development of detailed risk management policies and for the day to day implementation of those policies.

i. Interest rate risk

There is no significant exposure to interest rate risk as there is no material overdraft or interest-bearing assets or liabilities.

ii. Foreign exchange risk

BRAC Uganda Limited foreign exchange risks comprise transactions risk which arise from donor grants received in currencies other than the local currency and minimal foreign currency deposits and cash at bank placed with licensed financial institutions. Foreign exchange exposures in transactional currencies other than the local currency are monitored via periodic cash flow and budget forecasts and are kept to an acceptable level. The Company's transactional exposures give rise to foreign currency gains and losses that are recognized in profit or loss.

Exposure to Foreign currency risk

The following significant exchange rates applied during the year:

	Closing Rate		Average Rate	
	2021	**2020**	**2021**	**2020**
	Ushs	**Ushs**	**Ushs**	**Ushs**
USD	3,544	3,645	3,582	3,723

The table below summarizes the Company's exposure to foreign exchange risk;

	2021	2020
Ushs equivalent	**Ushs'000**	**Ushs'000**
Bank Balances	10,228,913	26,359,078
Due from related parties	1,567,120	198,959
Fixed deposit`	5,346,135	-
	17,142,168	**26,558,037**

Sensitivity Analysis

A reasonably strengthening (weakening) of the US dollar against the Uganda Shilling at 31 December 2021 would have affected the measurement of the above financial instruments denominated in a foreign currency as shown below:

	2021		2020	
		+/-5%		**+/-5%**
Ushs equivalent	**Ushs'000**	**Ushs'000**	**Ushs'000**	**Ushs'000**
Bank Balances	10,233,706	67,909	26,359,078	1,317,953
Due to related parties	1,759,434	24,821	198,959	9,948
	11,993,140	**92,730**	**26,558,037**	**1,327,901**

iv) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness to avoid control procedures that restrict initiative and creativity. The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each BRAC Program. This responsibility is supported by the development of Company level standards for the management of operational risk in the following areas:

i. Requirements for appropriate segregation of duties, including the independent authorisation of transactions.
ii. Requirements for the reconciliation and monitoring of transactions.
iii. Compliance with regulatory and other legal requirements.
iv. Documentation of controls and procedures.

v. Requirements for the periodic assessment of operational risks faced and the adequacy of controls and procedures to address the risks identified.
vi. Requirements for the reporting of operational losses and proposed remedial action.
vii. Development of contingency plans.
viii. Training and professional development.
ix. Ethical and business standards.
x. Close monitoring and management oversight.

Compliance with Company standards is supported by a programme of periodic reviews undertaken by the monitoring department. The results of reviews are discussed with the management of the programs to which they relate, with summaries submitted to the senior management of the Company.

27. CAPITAL RISK MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The directors monitor the performance of the Company through management accounts and operational reviews. They also review the working capital requirements, and these are discussed in the periodic board meetings with management.

The capital fund of the entity is made of the donor funds and the retained surplus. The donor funds comprise funds received from the donors and are managed according to the conditions stipulated by the different donors. Retained surplus is maintained as a reserve for BRAC Uganda Limited and forms part of the entity's capital structure. The retained surplus determines the extent of the entity's capital base and is monitored by management through periodic review of management accounts and operational reviews. The references in BI Accounting and Financial Manual, among other related policies are followed to monitor and manage this fund at Country and BI level. The Board reviews and discusses the status of the retained surplus during the quarterly board meetings.

There are no externally imposed capital requirements and there were no changes in the Company's approach to capital management during the period.

	2021	2020	2021	2020
	Ushs'000	**Ushs'000**	**USD**	**USD**
Donor Funds	2,114,210	3,673,383	596,510	1,007,668
Retained Surplus	12,830,054	22,878,096	3,619,912	6,275,830
	14,944,264	**26,551,479**	**4,216,422**	**7,283,498**

28. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Company determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, the fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

28. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

Valuation models

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments e.g. quoted equity securities. These items are exchange traded positions.
- Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include the net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

	Level 1	Level 2	Level 3	Total Fair value	Total Carrying Amount
31 December 2021					
Financial assets					
Cash and cash equivalents	-	10,233,706	-	10,233,706	10,233,706
Fixed deposit	-	5,346,135	-	5,346,135	5,346,135
Other receivables	-	791,755	-	791,755	791,755
Due from related parties	-	1,567,120	-	1,567,120	1,567,120
Financial liabilities					
Other payables	-	(3,836,188)	-	(3,836,188)	(3,836,188)
Due to related parties	-	(1,759,434)	-	(1,759,434)	(1,759,434)

The table above sets out the carrying amounts of financial assets and financial liabilities not measured at fair value. The carrying amounts of the financial assets and liabilities approximate their fair values.

29. CONTINGENT LIABILITIES

There are no known contingent liabilities as at 31 December 2021.

30. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Stitching BRAC International, a foundation registered in Netherlands.

31. EVENTS AFTER THE REPORTING PERIOD

There are no reportable events after the reporting period.

32. COVID 19 ASSESSMENT

On March 11, 2020, the World Health Organisation declared the Coronavirus COVID-19 outbreak to be a pandemic. Many governments are taking increasingly stringent steps to help contain the spread of the virus, including requiring self-isolation/ quarantine by those potentially affected, implementing social distancing measures, and controlling or closing borders and "locking-down" cities/regions or even entire countries. The pandemic is an unprecedented challenge for humanity and for the economy globally, and at the date of finalization of the financial statements its effects are subject to significant levels of uncertainty.

Associated with the COVID-19 virus, we have considered possible events and conditions for the purpose of identifying whether these events and conditions affect or may affect the future performance of the Company. In making this assessment, we have considered the period up to 12 months after the end of the reporting period.

The following observations have been made regarding this assessment;

— There has been no impact on the donations of the entity with additional donations received in relation to COVID-19 relief measures.

— Despite the effects of the lockdown measures, the project implementation is still on course.

Based on the results of the assessment above, management is of the view that the significant doubt associated with the current uncertainties related to the COVID-19 virus currently does not result in a material uncertainty related to such events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

BRAC UGANDA LIMITED
PROJECT REPORTING UNAUDITED

BRAC Uganda Limited has the following projects. These projects offer different services and are managed separately. The following summary describes the operations of each project.

Projects	Operations
Health-revolving fund	This has three projects which include: primary health care, tuberculosis project and a revolving fund project. The first 2 projects ended but the revolving fund project is still active. The revolving fund project is self-sustaining i.e., Funds from the project are used to purchase health products for sale by the community health promoters (CHPs), who make refunds with a small margin after selling the health products.
Vision spring	This project aims to increase access to presbyopia screening and affordable glasses for low-income earners in Uganda.
Sanitation for health	This project aims to introduce a series of contemporary and integrated water, sanitation and hygiene intervention at community and household level.
Living goods	This is a health project that focuses on mainly children and mothers. Focuses mainly on maternal health and treatment of common diseases like malaria, diarrhoea, and pneumonia.
Scholarship	These are projects offering education by giving scholarships for secondary school education to bright students from poor families.
TVET	Technical Vocational and Education Training (TVET) support for 20% of the scholars and strengthen career education support services to the Scholars. Increase the transition into further education or employment to at least 95% from current 77%.
ADP	These projects focus on the empowerment and livelihood of adolescents. The focus is girls between the ages 11-21; giving them life skills and building their capacity. The funding is from Uganda National Roads Authority, Enable and World bank.
OAK Foundation	This is an empowerment and livelihood of adolescent's project through formation of clubs.
Women Win	This is an empowerment and livelihood of adolescent's project through sports.
Training	This is the training arm of BRAC Uganda Limited; where staff are trained in different aspects like BRAC values, leadership skills. The running projects pay a minimal sum for the staff to be trained and to help in sustainability.
Research	This has all the research and independent evaluation funds / projects. BRAC Uganda Limited has an independent research unit that carries out all the research and evaluation required by the projects and the organisation as a whole.
Play Lab	This is an education project (Early Child Development) targeting children between the ages of 3 and 5 years.
Emergency Preparedness and response	This is a project focusing on emergency rescue. It focuses on areas where there is disaster, natural calamities and refugee camps.
EELAY-NORAD	This project provides education and livelihood opportunities to out of school adolescent girls in Uganda. In addition, it also provides early learning opportunities for children aged 3 – 6 years in primary schools in Uganda.
YCHPs	This is a health project that focuses on mainly family planning.
Ultra-poor graduation program	This project targets the very poor in the community; especially the youths and women, by providing them with start-up capital, animal assets and offering them training.
ELA Plus	This is an "ELA Plus" project which targets the adolescent girls, giving them life skills and apprentice.
Adolescent health promoter	This project focuses on reducing fertility rates, teenage pregnancy and the risk of maternal mobility, increase in use of contraceptives and income generation activities for girls.
Adolescent Health Promoter	Adolescent health promoter- using the ELA model, supports health related aspects in youths like sexual reproductive training and sanitation.
ELMA	This is an education project (early child development) targeting children between the ages of 5 to 8 years children.

Projects	Operations
Yidan Prize	This is an education project (Early Child Development) targeting children between the ages of 3 to 6 years both in central uganda and refugee setting.
UNCDF Project	This project is focusing on digitizing community health systems through equipping four hundred village health teams in four districts with Mhealth technology capacity to carry out their day-to-day duties and also providing financial inclusion services to promote self-reliance and its running for three years
Uganda Health System Strengthening Activity (Palladium)	This project is being implemented in a consortium where BRAC is represented and the major focus is to enhance the community health systems in Uganda through supporting already existing structures and also building the capacity of health workers. Focus is also put to ensure functionality of the community health workers' registry in more than 60% of the districts in Uganda. It is running for a period of five years.
Tuberculosis Wave-7 project	This project is focused on increasing tuberculosis case detection and referral for treatment at health facilities in refugee hosting communities in four west-nile districts running from a period of 1 year March 2020 to March 2021.
Master Card COVID-19 (CRRP)	This project is focusing on COVID-19 recovery and resilience for both staff and beneficiaries of BRAC Uganda Limited programs through providing psychosocial support training, risk communication, and providing PPEs, as well as handing washing and IEC materials to communities, schools as well as District Health Offices. It is running for 8 months starting August 2020 until April 2021.
LEGO Covid	This project is ongoing till December 2022.
Finance for refugee	The project established 200 ELA space for over 3 years in the District of Kiryandongo and Arua Madi Okollo. Train and link 250 savings groups to the BRAC Bank; Train and set up 125 IGA Groups. The Project is targeting 4,500 women and adolescent girls in the refugee settlement. refugee village savings groups, bank opening and linkages to the BRAC Bank. The project will provide income generating activities to the VSAL groups.
GIF	The project was launched in January 2021 and is an 18-month project. It is targeting 6,000 community health workers (village health teams and community health promoters) in the 72 districts where BRAC Health is operating and 2 million beneficiaries to be reached through Integrated Voice Response Technology (IVR). The purpose of the project is to ensure continuity of community-based care during and after the COVID-19 global pandemic, contribute to prevention of COVID-19 by supporting CHWs to deliver COVID-19 related interventions alongside essential health care services and strengthening health systems through the use of technology.
iCoHs	The project was launched in January 2021 and is an 18-month project and is running under the living goods consortium which is composed of living goods as the lead partner and BRAC, Medic and DataKind. It is implemented in Lamwo and Ntungamo district reaching a total of 500 VHTs. The project is contributing to strengthening community health systems service delivery through the digitization of the VHTs and contributing to iCoHs objective 3 which focuses on the use of digital health technologies to sustainably address bottlenecks in service delivery of integrated services at community level including visualisation and use of community level data.
SPACE	Support counselling, case management, referrals, court procedures, court monitoring, bail procedures, plea bargaining, basic legal principles and terminologies, codes of conduct, respect for diversity, gender equality, safe spaces, social enterprise, entrepreneurship, transformational leadership and life skills, conflict triggers and reporting; plus coaching, attachment, exchange visits and peer-to-peer reflection.
ADA-UNDP	The ADA-UNDP project is implemented by BRAC Uganda Limited in five districts of Kaliro, Namutumba, Budaka, Butaleja and Kibuku. The project focuses on the kyoga water management zone in general, particularly the mpologoma catchment area. The project activities have been developed to respond to specific climate-related impacts and vulnerabilities of the mpologoma catchment as outlined in the mpologoma catchment management plan which include sustainable land management practices and reforestation; support climate resilient agricultural practices; and alternative livelihoods for communities living in these areas to reduce the pressures on the wetlands. In this context, this project will further restore wetlands and their eco-system services, based on wise-use principles and guidelines as outlined by the Ramsar convention on wetland and

Projects	Operations
	the uganda catchment management planning guidelines.
YBI&EFP(Y4b)	The project will contribute to the UNDP strategic objectives which among others specifically seek to (i) To support youth and enterprises to pilot innovative ideas (solutions, technologies, business models), or new ways and markets of delivering products and services with a commercial aspect;(ii) To enable enterprises to transform successful innovative pilots into viable and sustainable commercial businesses through business mentorship and follow up; (iii) To stimulate faster recovery of SMEs from the impacts of COVID-19 by providing business recovery grants and enable them build sustainable enterprises that are resilient to similar disruption; and To establish a functional ecosystem platform and to connect young entrepreneurs to government, development partners, financial institutions and private sector actors and to catalyse business innovation. The project aims to support 7,500 youth directly in the next one year and over 50,000 youth over the next five years.

BRAC UGANDA LIMITED

<u>PROJECT REPORTING (UNAUDITED) - CONTINUED</u>

Statement of Comprehensive Income for the year ended 31 December 2021 (Amount in Uganda Shillings)

	ADP	Health - Revolving fund	Vision Spring	USAID Sanitation	Living Goods	TVET	TB Project	Scholarship	Mastercard Covid	Women Win	Training
	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)
Income											
Grant Income	2,229,035	-	1,173,817	1,363,390	9,088,148	542,712	294,548	10,790,919	1,452,459	669,595	-
Other Income	270,279	296,715	-	-	-	-	-	-	-	-	234,277
Foreign exchange gains/ (losses)	(8,337)	-	-	-	-	-	-	-	-	-	-
Total Income	**2,490,977**	**296,715**	**1,173,817**	**1,363,390**	**9,088,148**	**542,712**	**294,548**	**10,790,919**	**1,452,459**	**669,595**	**234,277**
Expenses											
Manpower and compensation	929,430	-	532,411	545,238	2,747,069	302,373	26,986	1,261,495	253,377	159,576	128,911
Travelling and transportation	255,657	52,882	366,880	355,672	1,525,416	35,129	32,521	223,513	52,611	75,061	60,795
Training, workshops and seminars	329,773	-	25,324	166,822	744,949	56,834	5,485	1,340,692	214,822	144,607	62,053
Occupancy expenses	(255,901)	12	317	30,390	605,083	22,390	739	222,307	-	33,178	36,185
Other general & administrative expenses	11,709,284	97,093	152,660	198,704	3,086,997	123,751	219,078	7,711,135	930,735	196,301	25,765
HO logistic expenses	(754,308)	-	96,225	64,818	261,256	-	9,399	-	-	60,872	-
Depreciation	385,911	3,857	-	1,746	117,378	2,235	340	31,777	914	-	2,612
Total expenses	**12,599,846**	**153,844**	**1,173,817**	**1,363,390**	**9,088,148**	**542,712**	**294,548**	**10,790,919**	**1,452,459**	**669,595**	**316,321**
Surplus/ reserve	**(10,108,869)**	**142,871**	-	-	-	-	-	-	-	-	**(82,044)**
Total comprehensive income	**(10,108,869)**	**142,871**	-	-	-	-	-	-	-	-	**(82,044)**

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) - CONTINUED

Statement of Comprehensive Income for the year ended 31 December 2021 (Amount in Uganda Shillings Continued)

	Research	EELAY-NORAD	ELAMA	YADAN PRIZE	Play lab	UNCDF Project	Health System	UPG	ELA Plus	Lego Covid
	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)
Income										
Grant Income	5,500,483	914,048	805,598	1,098,557	38,769	536,410	194,392	6,002,526	3,149,342	308,234
Other Income	-	-	-	-	-	-	-	-	-	-
Foreign exchange gains/ (losses)	-	-	-	-	-	-	-	-	-	-
Total Income	**5,500,483**	**914,048**	**805,598**	**1,098,557**	**38,769**	**536,410**	**194,392**	**6,002,526**	**3,149,342**	**308,234**
Expenses										
Manpower and compensation	2,049,403	281,298	88,199	371359	28,822	104,093	175,590	1,274,787	292,711	33,237
Travelling and transportation	147,119	108,775	93,120	97,465	3,448	97,324	-	782,832	7,978	16,027
Training, workshops and seminars	212,412	204,789	378,021	-	-	273,878	-	1,055,177	1,191,019	-
Occupancy expenses	53,166	23,980	4,244	7,486	-	-	-	63,961	162,686	10,630
Other general & administrative expenses	2,494,113	293,730	168,778	621,969	3,315	29,811	1,130	2,784,971	1,198,774	248,340
HO logistic expenses	464,284	-	73,236	-	-	30357	17,672	-	288,614	-
Depreciation	79,986	1476	-	278	3,184	947	-	40,798	7,560	-
Total expenses	**5,500,483**	**914,048**	**805,598**	**1,098,557**	**38,769**	**536,410**	**194,392**	**6,002,526**	**3,149,342**	**308,234**
Surplus/ reserve	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-	-	-	-	-

Statement of Comprehensive Income for the year ended 31 December 2021 (Amount in Uganda Shillings Continued)

	FFR Ushs (000)	GIF Ushs (000)	SPACE Ushs (000)	ICOHs Ushs (000)	ADA-UNDP Ushs (000)	YBI & ERP(Y4B) Ushs (000)	TOTAL Ushs (000)
Income							
Grant Income	687,311	625,995	375,149	2,979	416,977	3,211,282	**51,472,675**
Other Income	-	-	-	-	-	-	**801,271**
Foreign exchange gains/ (losses)	-	-	-	-	-	-	**(8,337)**
Total Income	**687,311**	**625,995**	**375,149**	**2,979**	**416,977**	**3,211,282**	**52,265,609**
Expenses							
Manpower and compensation	90,003	254,576	132,238	-	46,844	293,341	**12,403,367**
Travelling and transportation	54,760	65,029	32,013	2,829	16,007	137,852	**4,698,715**
Training, workshops and seminars	203,238	1,166	104,006	-	25,585	1,152,592	**7,893,245**
Occupancy expenses	2,268	143	1,669	-	890	8,983	**1,034,806**
Other general & administrative expenses	337,042	305,081	81,079	150	327,651	1,403,976	**34,751,413**
HO logistic expenses	-	-	24,040	-	-	209,774	**846,239**
Depreciation	-	-	104	-	-	4,764	**685,867**
Total expenses	**687,311**	**625,995**	**375,149**	**2,979**	**416,977**	**3,211,282**	**62,313,651**
Surplus/ reserve	-	-	-	-	-	-	**(10,048,042)**
Total comprehensive income	-	-	-	-	-	-	**(10,048,042)**

Statement of Comprehensive Income for the year ended 31 December 2021 (Amount in United States Dollars)

	ADP USD	Health - Revolving fund USD	Vision Spring USD	USAID Sanitation USD	Living Goods USD	TVET USD	TB Project USD	Scholarship USD	Mastercard Covid USD	Women Win USD	Training USD
Income											
Grant Income	622,264	-	327,685	380,607	2,537,065	151,505	82,226	3,012,414	405,471	186,925	-
Other Income	75,452	82,831	-	-	-	-	-	-	-	-	65,401
Foreign exchange gains/ (losses)	(2,327)	-	-	-	-	-	-	-	-	-	-
Total Income	**695,389**	**82,831**	**327,685**	**380,607**	**2,537,065**	**151,505**	**82,226**	**3,012,414**	**405,471**	**186,925**	**65,401**
Expenses											
Manpower and compensation	259,462	-	148,629	152,210	766,877	84,411	7,533	352,161	70,733	44,548	35,987
Travelling and transportation	71,369	14763	102,419	99,290	425,838	9,807	9,079	62,396	14,687	20,954	16,972
Training, workshops and seminars	92,061	-	7,070	46,570	207,961	15866	1,531	374,270	59,970	40,369	17,323
Occupancy expenses	(71,436)	3	88	8,484	168,916	6,250	206	62,060	-	9,262	10,101
Other general & administrative expenses	3,268,787	27,104	42,617	55,471	861,772	34,547	61,158	2,152,656	259,826	54,800	7,193
HO logistic expenses	(210,574)	-	26,862	18,095	72,933	-	2,624	-	-	16,992	-
Depreciation	107,732	1077	-	487	32,768	624	95	8,871	255	-	728
Total Expenses	**3,517,401**	**42,947**	**327,685**	**380,607**	**2,537,065**	**151,505**	**82,226**	**3,012,414**	**405,471**	**186,925**	**88,304**
Surplus/ reserve	**(2,822,012)**	**39,884**	-	-	-	-	-	-	-	-	**(22,903)**
Total comprehensive income	**(2,822,012)**	**39,884**	-	-	-	-	-	-	-	-	**(22,903)**

Statement of Comprehensive Income for the year ended 31 December 2021 (Amount in United States Dollars continued)

	Research	EELAY-NORAD	ELAMA	YADAN PRIZE	Play lab	UNCDF Project	Health System	UPG	ELA Plus	Lego Covid	FFR
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Income											
Grant Income	1,535,526	255,167	224,892	306,675	10,823	149,745	54,267	1,675,677	879,176	86,047	191,871
Other Income	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange gains/ (losses)	-	-	-	-	-	-	-	-	-	-	-
Total Income	**1,535,526**	**255,167**	**224,892**	**306,675**	**10,823**	**149,745**	**54,267**	**1,675,677**	**879,176**	**86,047**	**191,871**
Expenses											
Manpower and compensation	572,115	78,528	24,622	103669	8,046	29,059	49,018	355,872	81,714	9,278	25,126
Travelling and transportation	41,070	30,366	25,995	27,208	963	27,169	-	218,537	2,226	4,475	15,287
Training, workshops and seminars	59,297	57,169	105,529	-	-	76,456	-	294,566	332,487	-	56,736
Occupancy expenses	14,843	6,694	1,185	2090	-	-	-	17,855	45,416	2,967	633
Other general & administrative expenses	696,261	81,998	47,116	173,630	925	8,322	316	777,458	334,652	69,327	94,089
HO logistic expenses	129,611	-	20,445	-	-	8475	4,933	-	80,570	-	-
Depreciation	22,329	412	-	78	889	264	-	11,389	2,111	-	-
Total Expenses	**1,535,526**	**255,167**	**224,892**	**306,675**	**10,823**	**149,745**	**54,267**	**1,675,677**	**879,176**	**86,047**	**191,871**
Surplus/ reserve	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-	-	-	-	-	-

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) - CONTINUED

Statement of Comprehensive Income for the year ended 31 December 2021 (Amount in United States Dollars continued)

	GIF USD	SPACE USD	ICOHs USD	ADA-UNDP USD	YBI & ERP (Y4B) USD	Total USD
Income						
Grant Income	174,754	104,727	832	116,404	896,468	**14,369,213**
Other Income	-	-	-	-	-	**223,684**
Foreign exchange gains/ (losses)	-	-	-	-	-	**(2,327)**
Total Income	**174,754**	**104,727**	**832**	**116,404**	**896,468**	**14,590,570**
Expenses						
Manpower and compensation	71,068	36,915	-	13,077	81,890	**3,462,548**
Travelling and transportation	18,154	8,937	790	4,469	38,482	**1,311,702**
Training, workshops and seminars	325	29,035	-	7,142	321,760	**2,203,493**
Occupancy expenses	40	466	-	248	2,508	**288,879**
Other general & administrative expenses	85,167	22,634	42	91,468	391,937	**9,701,273**
HO logistic expenses	-	6,711	-	-	58,561	**236,238**
Depreciation	-	29	-	-	1,330	**191,468**
Total Expenses	**174,754**	**104,727**	**832**	**116,404**	**896,468**	**17,395,601**
Surplus/ reserve	-	-	-	-	-	**(2,805,031)**
Total comprehensive income	-	-	-	-	-	**(2,805,031)**

Statement of Financial Position for the year ended 31 December 2021 (Amount in Uganda Shillings)

	ADP	Health - Revolving fund	Vision Spring	USAID Sanitation	Living Goods	TVET	TB Project	Scholarship	Mastercard covid	Women Win	Training	Research
	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)
Assets												
Cash and bank	1,606,924	2,219,698	239,884	71,437	1,222,663	23,077	22,062	39,723	1,858,365	10,789	136,523	1,169,005
Fixed deposit	5,346,135	-	-	-	-	-	-	-	-	-	-	-
Receivables and other current assets	(16,218,526)	523,539	(195,330)	41,331	1,943,105	897,843	(80,032)	8,895,479	(718,231)	254,982	1,928,763	4,120,242
Property and equipment	860,382	38,530	-	3,456	345,043	23,328	73	114,565	17	1,073	6,633	319,106
Total assets	**(8,405,085)**	**2,781,767**	**44,554**	**116,224**	**3,510,811**	**944,248**	**(57,897)**	**9,049,767**	**1,140,151**	**266,844**	**2,071,919**	**5,608,353**
Liabilities and capital fund												
Liabilities												
Other current liabilities	(4,451,943)	10,825	488,272	302,790	2,518,425	116,936	50,351	695,393	195,014	178,749	61,567	1,183,822
Related party payables	236,655	(1,743,269)	71,422	44,518	1,893,876	60	16,329	155,761	-	42,623	(3,714)	352,383
Total Liabilities	**(4,215,288)**	**(1,732,444)**	**559,694**	**347,308**	**4,412,301**	**116,996**	**66,680**	**851,154**	**195,014**	**221,372**	**57,853**	**1,536,205**
Capital fund												
Donor funds	(75,410)	-	(515,140)	(240,872)	(371,979)	827,252	(124,577)	689,018	945,137	(51,944)	-	469,853
Retained Surplus	(4,114,387)	4,514,211	-	9,788	(529,511)	-	-	7,509,595	-	97,416	2,014,066	3,602,295
Total capital fund	**(4,189,797)**	**4,514,211**	**(515,140)**	**(231,084)**	**(901,490)**	**827,252**	**(124,577)**	**8,198,613**	**945,137**	**45,472**	**2,014,066**	**4,072,148**
Total liabilities and capital fund	**(8,405,085)**	**2,781,767**	**44,554**	**116,224**	**3,510,811**	**944,248**	**(57,897)**	**9,049,767**	**1,140,151**	**266,844**	**2,071,919**	**5,608,353**

Statement of Financial Position for the year ended 31 December 2021 (Amount in Uganda Shillings continued)

	EELAY-NORAD	ELAMA	YADAN PRIZE	Play lab	UNCDF Project	Health System	UPG	ELA Plus	Lego Covid
	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)
Assets									
Cash and bank	35,635	5,988	6,426	626	2,762	3,301	225,951	806,153	1,885
Fixed Deposit	-	-	-	-	-	-	-	-	-
Receivables and other current assets	(20,568)	177,924	761,226	129,011	(70,924)	131,912	160,403	(561,166)	782,018
Property and equipment	5,358	748	27	115,738	101	-	33,013	107,994	-
Total assets	**20,425**	**184,660**	**767,679**	**245,375**	**(68,061)**	**135,213**	**419,367**	**352,981**	**783,903**
Liabilities and capital fund									
Liabilities									
Other current liabilities	236,791	121,691	215,441	140,243	70,719	122,453	303,675	463,773	131,337
Related party payables	27,486	62,969	-	108,825	20339	12,760	36,094	249,863	1,950
Total Liabilities	**264,277**	**184,660**	**215,441**	**249,068**	**91,058**	**135,213**	**339,769**	**713,636**	**133,287**
Capital fund									
Donor funds	(244,368)	-	552,238	15,598	(159,119)	-	79,598	(106,011)	650,616
Retained surplus	516	-	-	(19,291)	-	-	-	(254,644)	-
Total capital fund	**(243,852)**	-	**552,238**	**(3,693)**	**(159,119)**	-	**79,598**	**(360,655)**	**650,616**
Total Liabilities and capital fund	**20,425**	**184,660**	**767,679**	**245,375**	**(68,061)**	**135,213**	**419,367**	**352,981**	**783,903**

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) - CONTINUED

Statement of Financial Position for the year ended 31 December 2021 (Amount in Uganda Shillings continued)

	FFR	GIF	SPACE	ICOHs	ADA-UNDP	YBI & ERP (Y4B)	TOTAL
	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)
Assets							
Cash and bank	3,871	5,999	8,777	-	146,381	359,801	**10,233,706**
Fixed deposit	-	-	-	-	-	-	**5,346,135**
Receivables and other current assets	77,043	(180,788)	131,657	(2,783)	92,136	(106,343)	**2,893,923**
Property and equipment	-	-	21,095	-	-	69,842	**2,066,122**
Total assets	**80,914**	**(174,789)**	**161,529**	**(2,783)**	**238,517**	**323,300**	**20,539,886**
Liabilities and capital fund							
Liabilities							
Other current liabilities	54,040	60,702	48,763	196	225,213	290,950	**3,836,188**
Related party payables	-	-	16,107	-	13,304	143,093	**1,759,434**
Total Liabilities	**54,040**	**60,702**	**64,870**	**196**	**238,517**	**434,043**	**5,595,622**
Capital fund							
Donor funds	26,874	(235,491)	96,659	(2,979)	-	(110,743)	**2,114,210**
Retained Surplus	-	-	-	-	-	-	**12,830,054**
Total Capital Fund	**26,874**	**(235,491)**	**96,659**	**(2,979)**	-	**(110,743)**	**14,944,264**
Total Liabilities and capital fund	**80,914**	**(174,789)**	**161,529**	**(2,783)**	**238,517**	**323,300**	**20,539,886**

Statement of Financial Position for the year ended 31 December 2021 (Amount in United States Dollars)

	ADP	Health - Revolving fund	Vision Spring	USAID Sanitation	Living Goods	TVET	TB Project	Scholarship	Mastercard Covid	Women Win	Training	Research
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Assets												
Cash and bank	453,383	626,273	67,682	20,156	344,966	6,511	6,225	11,207	524,325	3,044	38,519	329,827
Fixed deposit	1,508,375	-	-	-	-	-	-	-	-	-	-	-
Receivables and other current assets	(4,575,946)	147,713	(55,111)	11,661	548,234	253,320	(22,581)	2,509,799	(202,644)	71,941	544,187	1,162,498
Property and equipment	242,748	10,871	-	975	97,351	6,582	21	32,324	5	303	1,872	90,033
Total assets	**(2,371,440)**	**784,857**	**12,571**	**32,792**	**990,551**	**266,413**	**(16,335)**	**2,553,330**	**321,686**	**75,288**	**584,578**	**1,582,358**
Liabilities and capital fund												
Liabilities												
Other current liabilities	(1,256,085)	3,054	137,763	85,430	710,556	32,993	14,206	196,200	55,022	50,433	17,371	334,008
Related party payables	66,770	(491,851)	20,151	12,561	534,344	17	4,607	43,947	-	12,026	(1,048)	99,422
Total Liabilities	**(1,189,315)**	**(488,797)**	**157,914**	**97,991**	**1,244,900**	**33,010**	**18,813**	**240,147**	**55,022**	**62,459**	**16,323**	**433,430**
Capital fund												
Donor funds	(21,278)	-	(145,343)	(67,961)	(104,951)	233,403	(35,148)	194,402	266,664	(14,656)	-	132,566
Retained surplus	(1,160,847)	1,273,654	-	2,762	(149,398)	-	-	2,118,781	-	27,485	568,255	1,016,362
Total capital fund	**(1,182,125)**	**1,273,654**	**(145,343)**	**(65,199)**	**(254,349)**	**233,403**	**(35,148)**	**2,313,183**	**266,664**	**12,829**	**568,255**	**1,148,928**
Total liabilities and capital fund	**(2,371,440)**	**784,857**	**12,571**	**32,792**	**990,551**	**266,413**	**(16,335)**	**2,553,330**	**321,686**	**75,288**	**584,578**	**1,582,358**

Statement of Financial Position for the year ended 31 December 2021 (Amount in United States Dollars continued)

	EELAY-NORAD	ELAMA	YADAN PRIZE	Play lab	UNCDF Project	Health System	UPG	ELA Plus	Lego Covid
	USD	USD	USD	USD	USD	USD	USD	USD	USD
Assets									
Cash and bank	10,054	1,690	1,812	177	779	931	63,750	227,450	532
Fixed deposit	-	-	-	-	-	-	-	-	-
Receivables and other current assets	(5,803)	50,200	214,775	36,400	(20,011)	37,218	45,257	(158,329)	220,641
Property and equipment	1,512	211	8	32,655	29	-	9,315	30,470	-
Total assets	**5,763**	**52,101**	**216,595**	**69,232**	**(19,203)**	**38,149**	**118,322**	**99,591**	**221,173**
Liabilities and capital fund									
Liabilities									
Other current liabilities	66,809	34,334	60,785	39,568	19,953	34,549	85,680	130,850	37,056
Related party payables	7,755	17,767	-	30,704	5739	3,600	10,184	70,497	550
Total Liabilities	**74,564**	**52,101**	**60,785**	**70,272**	**25,692**	**38,149**	**95,864**	**201,347**	**37,606**
Capital fund									
Donor funds	(68,946)	-	155,810	4,401	(44,895)	-	22,458	(29,910)	183,567
Retained surplus	145	-	-	(5,441)	-	-	-	(71,846)	-
Total capital fund	**(68,801)**	-	**155,810**	**(1,040)**	**(44,895)**	-	**22,458**	**(101,756)**	**183,567**
Total liabilities and capital fund	**5,763**	**52,101**	**216,595**	**69,232**	**(19,203)**	**38,149**	**118,322**	**99,591**	**221,173**

Statement of Financial Position for the year ended 31 December 2021 (Amount in United States Dollars continued)

	FFR	GIF	SPACE	ICOHs	ADA-UNDP	YBI & ERP (Y4B)	TOTAL
	USD	USD	USD	USD	USD	USD	USD
Assets							
Cash and bank	1,092	1,693	2,476	-	41,300	101,516	**2,887,370**
Fixed deposit	-	-	-	-	-	-	**1,508,375**
Receivables and other current assets	21,737	(51,008)	37,146	(785)	25,996	(30,004)	**816,501**
Property and equipment	-	-	5,952	-	-	19,705	**582,942**
Total assets	**22,829**	**(49,315)**	**45,574**	**(785)**	**67,296**	**91,217**	**5,795,188**
Liabilities and capital fund							
Liabilities							
Other current liabilities	15,247	17,127	13,758	55	63,542	82,090	**1,082,354**
Related Party Payables	-	-	4,544	-	3,754	40,372	**496,412**
Total Liabilities	**15,247**	**17,127**	**18,302**	**55**	**67,296**	**122,462**	**1,578,766**
Capital fund							
Donor funds	7,582	(66,442)	27,272	(840)	-	(31,245)	**596,510**
Retained surplus	-	-	-	-	-	-	**3,619,912**
Total capital fund	**7,582**	**(66,442)**	**27,272**	**(840)**	-	**(31,245)**	**4,216,422**
Total liabilities and capital fund	**22,829**	**(49,315)**	**45,574**	**(785)**	**67,296**	**91,217**	**5,795,188**