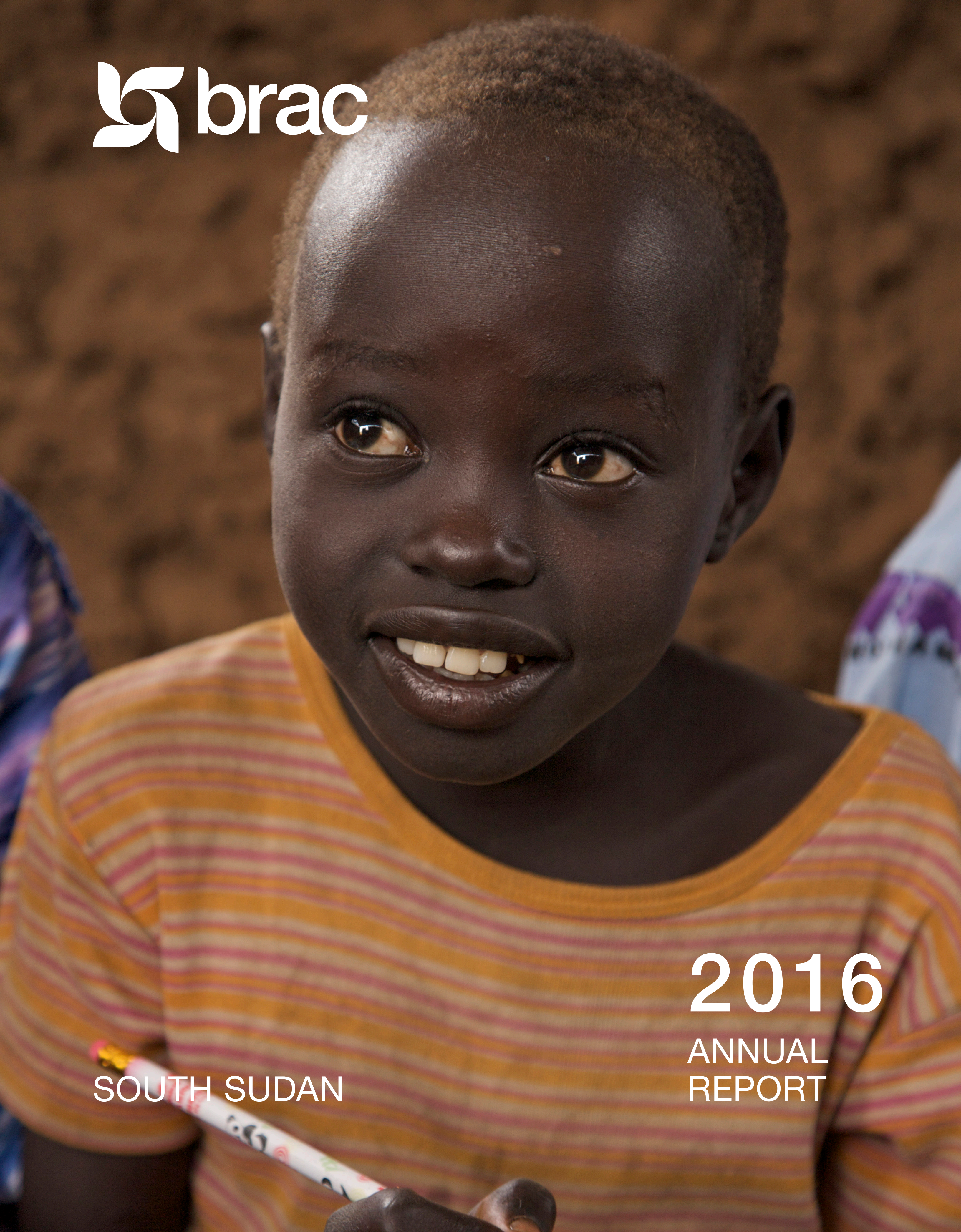

brac
2016
ANNUAL
REPORT
SOUTH SUDAN

BUILDING A WORLD THAT WORKS FOR ALL OF US

We act as a catalyst, creating opportunities for people living in poverty to realise their potential. We specialise in piloting, perfecting and scaling innovation to impact the lives of millions. We were born in Bangladesh, are almost completely self-sustainable through our own network of social enterprises and investments, and operate in 11 countries across Asia and Africa.

Vision

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

Mission

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 women and men to realise their potential.

Values

Integrity

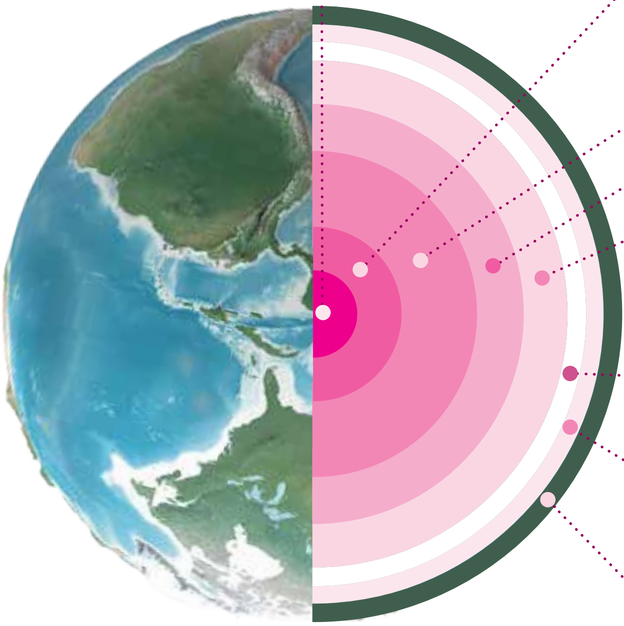
Innovation

Inclusiveness

Effectiveness

5-year goal

Empower 20 million of the most underserved and disenfranchised people to gain greater access to and have more control over resources, decisions and actions, **while continuing to maximise opportunities and expand services for the unmet needs of the 120 million people we already reach in Bangladesh by 2020.**



Social enterprises

Initiatives that engage individuals, micro and small enterprises as suppliers, producers and consumers. Instead of maximising profits, our 13 social enterprises focus on maximising gains in quality of life for all.

Investments

Socially responsible companies that assist us in our mission. Our network of seven investments help us strive towards the goal of self-sustainability.

BRAC University

An educational institution's goal is not only to provide the highest quality teaching, but also to inculcate the values essential for tomorrow's leaders. BRAC University constantly incorporates the most current educational techniques and material. The journey starts by building a high calibre and supportive faculty and administration team who are capable of teaching the most challenging and up-to-date educational programmes, and empowering them with knowledge and life skills so that they can take on the challenges of building themselves and a better nation.

BRAC across the world

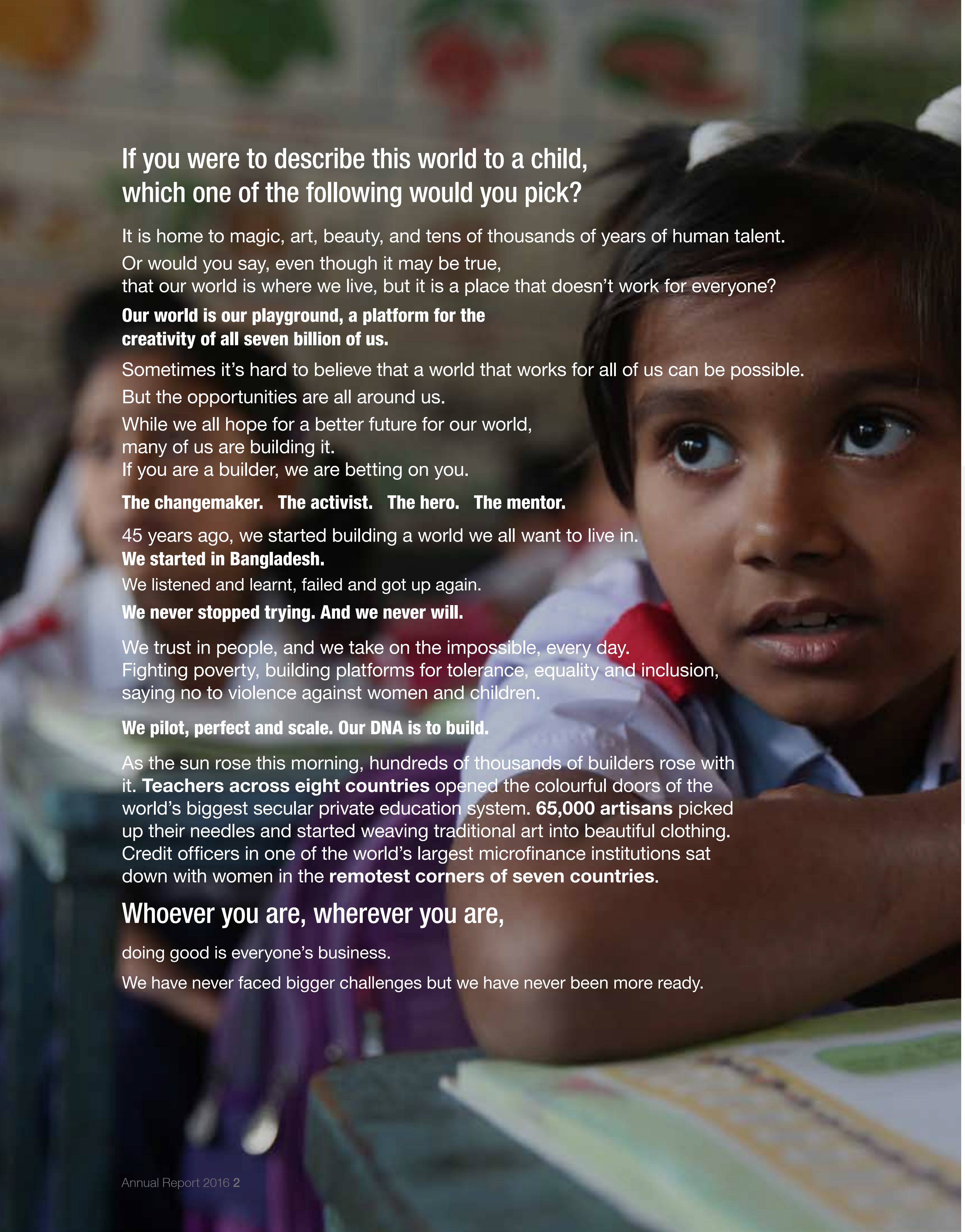
Country offices

BRAC in Bangladesh
BRAC in Afghanistan
BRAC in Pakistan
BRAC in Myanmar
BRAC in Nepal
BRAC in Philippines
BRAC in South Sudan
BRAC in Liberia
BRAC in Tanzania
BRAC in Sierra Leone
BRAC in Uganda

Affiliate offices

BRAC USA
BRAC UK

Stichting BRAC International, Netherlands



If you were to describe this world to a child, which one of the following would you pick?

It is home to magic, art, beauty, and tens of thousands of years of human talent.

Or would you say, even though it may be true,
that our world is where we live, but it is a place that doesn't work for everyone?

Our world is our playground, a platform for the creativity of all seven billion of us.

Sometimes it's hard to believe that a world that works for all of us can be possible.

But the opportunities are all around us.

While we all hope for a better future for our world,
many of us are building it.
If you are a builder, we are betting on you.

The changemaker. The activist. The hero. The mentor.

45 years ago, we started building a world we all want to live in.
We started in Bangladesh.

We listened and learnt, failed and got up again.

We never stopped trying. And we never will.

We trust in people, and we take on the impossible, every day.
Fighting poverty, building platforms for tolerance, equality and inclusion, saying no to violence against women and children.

We pilot, perfect and scale. Our DNA is to build.

As the sun rose this morning, hundreds of thousands of builders rose with it. **Teachers across eight countries** opened the colourful doors of the world's biggest secular private education system. **65,000 artisans** picked up their needles and started weaving traditional art into beautiful clothing. Credit officers in one of the world's largest microfinance institutions sat down with women in the **remotest corners of seven countries**.

Whoever you are, wherever you are,

doing good is everyone's business.

We have never faced bigger challenges but we have never been more ready.

Here at BRAC, we are many things:

social enterprise
non-government organisation
public forum
knowledge hub
social investors
policy advocates
university

and we bring together many different people:

changemakers
activists
heroes
mentors

inspired by a single vision.
Building a world that works for all of us takes all of us.
Get onboard:

share the ideas
follow the best minds
take action
support us

we are a team of the world's most dedicated staff, a dynamic board and passionate partners, standing together at the frontline of the world's biggest challenges.

Join the world's biggest family.

CONTENTS

CHAIRPERSON'S FOREWORD

We entered 2016 with 17 Sustainable Development Goals, the first of which was to end all forms of poverty by 2030. This is one of the most pressing yet exciting challenges we face today. For the first time in history we have the means to achieve this goal in the not-too-distant future.

BRAC is increasingly at the forefront of this movement. A provider and global advocate of holistic solutions to reduce poverty over the last 45 years, our ultra poor graduation model in particular is being championed as a solution to help reach the millions of households around the world that still live in extreme poverty.

Established in 2002, the ultra poor graduation approach targets households left behind by economic growth or mainstream development interventions. Our model supports them towards building sustainable livelihoods through a powerful combination of asset transfer, enterprise training, financial services, healthcare, mentoring and social integration. In Bangladesh alone our programme has put 1.77 million households on to sustained pathways out of poverty. With impacts confirmed by rigorous research both in Bangladesh and internationally, the ultra poor graduation approach has now been adapted in 59 programmes across 37 countries by other NGOs, governments and multilateral institutions.

Our work on extreme poverty also extends beyond our own programming. Our ultra poor graduation initiative comprises advocacy efforts and technical assistance on how to adapt and implement the approach effectively in different environments. With staff working across the US, UK, Bangladesh and BRAC country offices around the world, we are spearheading the movement to proliferate graduation and reach as many extreme poor households globally as possible. This year, for example, we started working with the Governments of Kenya and the Philippines to integrate the model into their poverty alleviation strategies.

Our development programmes are funded from internally-generated revenue and grants received from external sources. Our internal revenue totalled BDT 4,997 crore (USD 646 million) this year, making up 82% of our total annual revenue.

We continue to invest in a range of socially-responsible companies. This year we consolidated BRAC Bank, an institution that was founded at a time when it was almost impossible for small and medium enterprise entrepreneurs to obtain financing from the banking sector in Bangladesh. We took banking solutions to entrepreneurs, and have disbursed over USD 4.37 billion since inception. More than half of our lending today is still to small and medium enterprises.

Our home-grown solutions in education, health, microfinance and other development areas now reach 10 countries outside of Bangladesh. This year we continued our expansion in Nepal, moving from the relief we provided after the 2015 earthquake into education and health. We have also launched a five-year strategy for Africa which will take us into five new countries by 2020.

We have never faced bigger challenges but I truly believe that, as a global community, we have never been more equipped, more connected or more ready to face them. I am filled with a genuine feeling of hope as we look ahead into 2017. I look forward to sharing the journey with you.

Sir Fazle Hasan Abed, KCMG
Founder and Chairperson

LETTER FROM THE EXECUTIVE DIRECTOR

It is my pleasure to share our Annual Report with you. At BRAC International, we believe we are One BRAC, working with a unified goal to achieve large-scale, positive impact through our economic and social programmes around the world.

I am happy to say that we have accomplished much in 2016. We opened 31 new microfinance branches. Liberia and Sierra Leone are now operationally sustainable, and there is surplus in five out of six countries. We partnered with the government of Liberia to improve learning outcomes. Our initiatives in health, agriculture and livestock have inspired people to receive training and offer support to others in their own communities. We are implementing BRAC's ultra-poor graduation programme in Uganda and Pakistan, and hope to expand our reach to lift more people out of poverty.

Despite our accomplishments, we faced several challenges in 2016. We witnessed significant paradigm changes with traditional donor countries reassessing their foreign aid. We faced unexpected crises like the civil war in South Sudan that compelled us to scale down our projects and restrict our work to Juba. The challenges only bring us closer in our efforts to building a better world for all.

At BRAC, we believe that young people today will be our strength tomorrow, and technology is the language of the future. We are capacitating the youth by providing them with training and access to finance. We are exploring web-based monitoring and management system and the use of mobile money. Our priority is to adapt with changing times, build on our accomplishments and work even harder and smarter in 2017.

BRAC was ranked #1 by Geneva-based NGO Advisor in a list of world's best 500 NGOs because of our impact, innovation, and sustainability. We must maintain our effectiveness and ensure the quality of our work. At BRAC, we know it is the people that make us #1. I urge you all to stay with us as you have over the years. I thank our board members and country advisory councils for their guidance, as well as all members of the BRAC family around the world for their support and hard work.

I look forward to continuing our work together with renewed energy and hope, with the same dream that unites us all - a world free of exploitation and discrimination, and a better future for all.

Faruque Ahmed
Executive Director
BRAC International

MESSAGE FROM THE COUNTRY REPRESENTATIVE

The year 2016 was a challenging one for us. We faced increased inter-communal conflicts, massive displacement, devaluation of local currency, and price hikes which severely disrupted our operations. Despite the challenges, we undertook our education, health and nutrition, agriculture and livelihood interventions in five former states during the first half of the year.

We started the year by expanding our education, health, nutrition and emergency agriculture programmes across former three states. A total of 6,408 pupils were mainstreamed into primary schools while 405 community-based schools were fully operational till mid-July with 12,150 pupils. We provided healthcare services to communities aiming to reduce maternal and under-five mortality and morbidity through a network of 3,616 health volunteers. We distributed more than 625,224 long lasting insecticide treated nets to prevent malaria in Greater Lakes states.

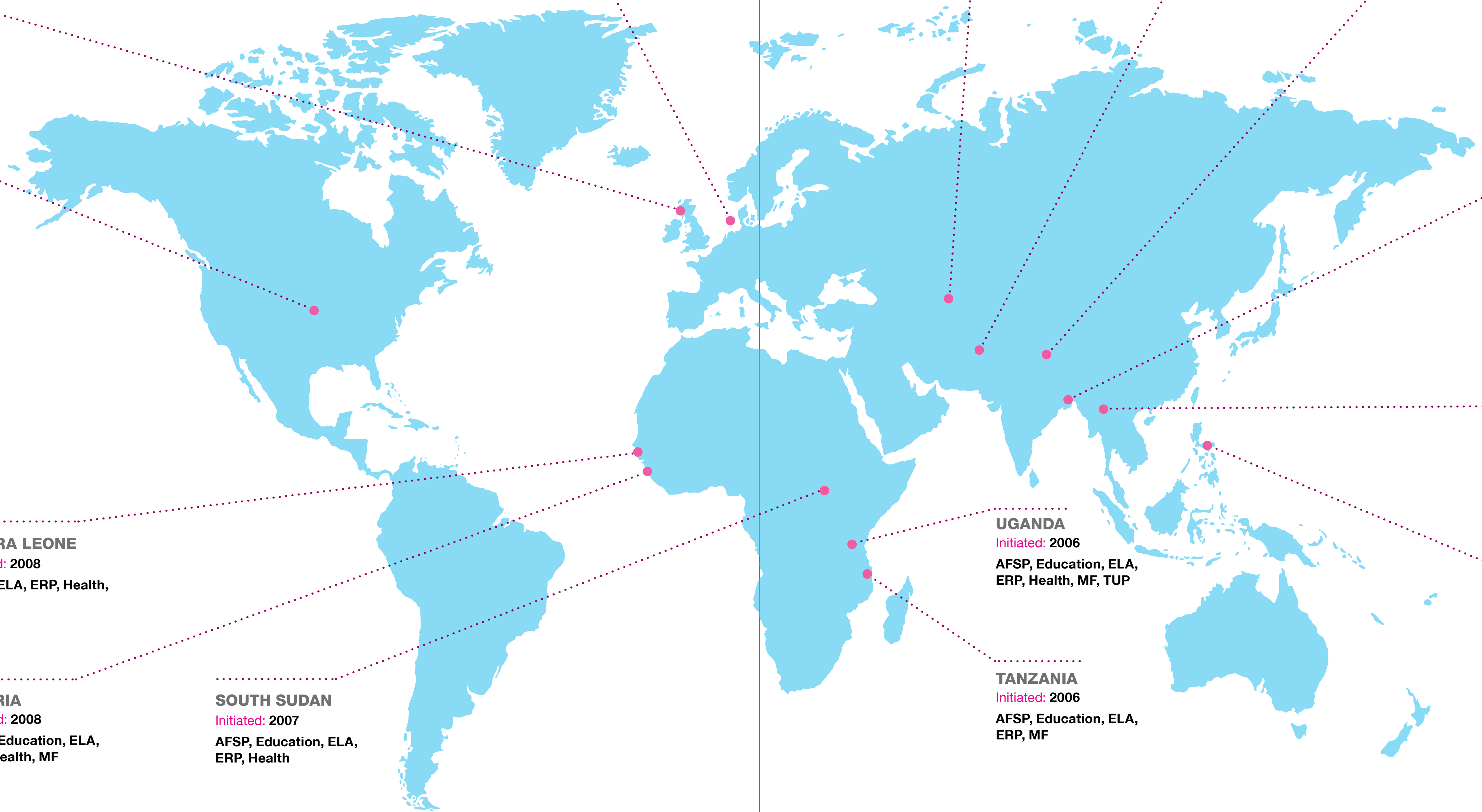
Unfortunately, the eruption of conflicts in Juba worsened the humanitarian crisis and it spread across the country. Immediately after the outburst of violence in July, we activated the crisis management team and safely relocated 26 international staff members and visitors from Juba, Yei and three other field locations to Kampala. In Juba, the security alert was raised to Level 5. Considering the situation, we were compelled to close our offices, thus temporarily suspending operations in Juba and Yei.

Though we resumed operations in all areas except Yei in September, by the end of December, all existing projects outside Juba were handed over or suspended, in coordination with the government and our development partners.

I would like to extend my thanks and heartiest gratitude to the Government of South Sudan, our donors, development partners and advisory council for their sincere support. I would also like to thank BRAC International staff at the head office. Finally, I'd like to thank our colleagues in South Sudan without whom it would not be possible for us to stay on the forefront of the country's development journey.

Rezaul Karim
Country Representative
BRAC South Sudan

BRAC ACROSS THE WORLD



UK
Initiated: **2006**
An independent charity to raise profile and funds for BRAC globally

USA
Initiated: **2007**
An independent charity to raise profile and funds for BRAC globally

NETHERLANDS
Initiated: **2009**
Stichting BRAC International registered as a foundation

SIERRA LEONE
Initiated: **2008**
AFSP, ELA, ERP, Health, MF

LIBERIA
Initiated: **2008**
AFSP, Education, ELA, ERP, Health, MF

SOUTH SUDAN
Initiated: **2007**
AFSP, Education, ELA, ERP, Health

AFGHANISTAN
Initiated: **2002**
AFSP, Education, CDP, ERP, Health, NSP

PAKISTAN
Initiated: **2007**
Education, ERP, MF, Health, TUP

NEPAL
Initiated: **2015**
ERP, ELA, Health, WASH

BANGLADESH
Initiated: **1972**
AFSP, BEP, CEP, DMCC, GJD, HNPP, HRLS, IDP, MF, MG, SDP, TUP, UDP, WASH

MYANMAR
Initiated: **2013**
ERP, MF

UGANDA
Initiated: **2006**
AFSP, Education, ELA, ERP, Health, MF, TUP

PHILIPPINES
Initiated: **2012**
Education

TANZANIA
Initiated: **2006**
AFSP, Education, ELA, ERP, MF

AFSP: Agriculture and Food Security Programme
BEP: BRAC Education Programme
CDP: Capacity Development Programme
CEP: Community Empowerment Programme
DMCC: Disaster, Management and Climate Change
ELA: Empowerment and Livelihood for Adolescents
ERP: Emergency Response Programme
GJD: Gender Justice and Diversity
HNPP: Health, Nutrition and Population Programme
HRLS: Human Rights and Legal Aid Services
IDP: Integrated Development Programme
MF: Microfinance
MG: Migration
SDP: Skills Development Programme
TUP: Targeting the Ultra Poor
UDP: Urban Development Programme
WASH: Water, Sanitation and Hygiene

SCORECARD

76,122
CHILDREN RECEIVED EDUCATION FROM BRAC COMMUNITY–BASED SCHOOLS
AFGHANISTAN

86,975
HOUSEHOLDS GRADUATED FROM EXTREME POVERTY
BANGLADESH

40,517
PEOPLE REACHED THROUGH NUTRITION–AWARENESS CAMPAIGNS
LIBERIA

38,270
CLIENTS RECIEVED A TOTAL OF $11.7 MILLION IN MICROLOANS
MYANMAR

750
EARTHQUAKE–AFFECTED VICTIMS RECEIVED MEDICAL CARE
NEPAL

56,327
CLIENTS RECEIVED A TOTAL OF $24.5 MILLION IN LOANS
PAKISTAN

21,639
RECEIVED EDUCATION FROM 730 BRAC LEARNING CENTERS
PHILIPPINES

100
URBAN HEALTH PROMOTERS PROVIDED SEXUAL & REPRODUCTIVE HEALTH SERVICES TO ADOLESCENTS IN 10 SLUMS OF FREETOWN
SIERRA LEONE

167,452
PATIENTS RECEIVED ANTI–MALARIAL MEDICATION
SOUTH SUDAN

106,460
FARMERS AND POULTRY REARERS ORGANIZED IN 8,021 GROUPS
TANZANIA

49,093
ELA GIRLS LEARNED FROM 1,096 MENTORS
UGANDA

COUNTLESS STORIES TO TELL...

AGRICULTURE AND FOOD SECURITY

We started our agriculture programme in 2012 to improve techniques and technology in agriculture and ensure food security. Communities face dire food insecurity despite 95% of the population depending on farming, fishing or herding to meet their food and income needs. Our goal is to enable farmers to get the best out of their efforts through better farming skills, input access and linkages to markets.

WHAT WE DO

We trained farmers on utilising better farming techniques and supplied inputs to farmers in rural areas to improve their yield and income. We set up two collective demonstration farms each in Yei and Yambio counties in Central Equatoria State and Western Equatoria State. We trained farmers on how to increase their yields, preserve seeds and practice modern farming techniques through these farms. We also reached internally-displaced farmers to ensure emergency livelihood through seed multiplication and emergency seed and tool distribution projects.

All agricultural projects in South Sudan have been phased out by the end of 2016.

HIGHLIGHTS

12,077 vulnerable households received a variety of vegetable seeds, fishing kits and tools

Established 50 demonstration plots in Yei, Kajokaji Torit and Magwi counties of Central and Eastern Equatoria states for farmers to learn and practice agriculturally improved crop production by using modern techniques

HEALTH

We started our interventions in the health sector in 2008 to bring affordable healthcare to people's doorsteps. Our projects are designed to prevent and treat malaria, pneumonia, diarrhoea and malnutrition. We also provide maternal and child care services to reduce mortality and morbidity.

WHAT WE DO

Our strength lies in utilising our network of community-based drug distributors who visit households in their respective communities to not only provide essential medicine, but also to provide healthcare services.

We are implementing a malaria project in four counties of Lakes State to increase the treatment of up to 50% of children under five years of age who have symptomatic fever. We provide appropriate treatment with Artemisinin-based combination therapy.

We are working with Population Services International for integrated community case management programme in the eastern Lakes States of Gok and some parts of Juba county since 2013. Our objective is to reduce morbidity and mortality of children under five from malaria, pneumonia, diarrhoea and acute malnutrition.

We completed the emergency nutrition support programme in three states. We also started the targeted supplementary feeding programme and blanket supplementary feeding programme with support from World Food Programme in Aweil Centre County in northern Bahr el Ghazal. Our objective is to reduce malnutrition in Aweil Centre.

We provide door-to-door reproductive, maternal, newborn and child health information, services and referrals, with the support of UKAID and Big Lottery Fund. Our community health promoters improve reproductive, maternal, newborn, and child health through household visits.

HIGHLIGHTS

131,152 fever episodes treated with anti–malarial medicine and 625,224 LLINs distributed

885 antenatal and 321 postnatal care provided

1,578 patients treated through mobile clinic

Conducted 480 deliveries in health facility

52,992 children under–five with diarrhoea received ORS+ Zinc

73,091 children under–five with pneumonia received antibiotic treatment

10,743 children under–five with SAM received treatment

9,734 children discharged from OTP site cured through Global Fund malaria and ICCM project

12,574 children under–five with SAM admitted and received treatment from BRAC OTP through Global Fund malaria and ICCM project

9,734 children discharged from OTP site cured

4,400 under–five children received TSFP and BSFP, 2,086 PLW received TSFP and BSFP

18,160 children under–five screened for acute malnutrition, 14,538 children under–five identified with SAM, 28,090 children under–five identified with MAM

EDUCATION

We started our education intervention in 2008 to support the government to increase enrollment, minimise gender disparity and improve the quality of education. We support both formal and non-formal education. We also provide young people with technical and vocational education linked with livelihood development.

WHAT WE DO

We provide a second chance at primary education for out-of-school children. Our low-cost, child-friendly, non-formal primary education model leads to improved access and quality in education. We conduct a one-classroom model with flexible timing and low-cost learning materials.

We mainstream our students into the formal education system once they graduate.

We reduce gender disparity in education by focusing on girls' enrollment. The majority of the students enrolled in our schools are girls. Girls in South Sudan have fewer opportunities of attending schools due to non-availability of government schools and poverty.

HIGHLIGHTS

Operating 380 Community Girls' Schools (CGS) with 11,250 students in 13 counties under four states

Operating 25 accelerated learning centres with 750 girls aged 10-19 in Central Equatoria State

Supporting 346 government schools in eight counties of Lakes State with 50,000 girls

8,544 students have graduated from 315 CGSs, of which 5,553 (65%) were girls

EMPOWERMENT AND LIVELIHOOD FOR ADOLESCENTS

We started focusing on empowering adolescents in 2013 so that they can conduct themselves with confidence and lead lives with independence and dignity.

WHAT WE DO

We provide safe spaces called empowerment and livelihoods for adolescents clubs where girls can exercise the freedom to express themselves, interact with peers and mentors, and learn about critical social issues like sexual and reproductive health, early marriage, gender-based violence and drug abuse.

We empower girls between the ages of 11 to 15, both socially and financially. The clubs serve as centres for various trainings, with curriculums based on extensive labour market surveys and local demands. Some areas of training include rearing livestock and chicken, tailoring and embroidery, salon activities, hotel management and agriculture.

HIGHLIGHTS

Operating 100 clubs reaching 3,000 girls with support from NoVo Foundation

Operating 10 clubs reaching 300 girls with support from Stromme Foundation

Provided life skills training to 3,000 members

EMERGENCY RESPONSE

We strengthened our emergency response from June 2016. We revised our emergency preparedness skills and knowledge to build safer and more resilient communities, with the support of the Bill and Melinda Gates Foundation. The current conflicts in South Sudan made it imperative for us to develop a comprehensive response plan.

WHAT WE DO

We develop organisational capacity on emergency response, which includes conflict mapping and trend analysis, disaster preparedness planning, country risk assessments, multi-hazard risk assessment and equipping staff with new skills..

HIGHLIGHTS

- Constructed 179 community centres in rural areas
- Constructed 17 primary and 4 secondary schools
- Built 5,258 km gravelling and plain cement construction roads
- Installed 10,222 hand pumps and 4,534 shallow and deep tube wells
- Installed 104 micro hydropower plants
- Implementing 86.59 km canal constructions for irrigation

THE DOCTOR WHO NEVER WENT TO SCHOOL

Martha Adhel Manyang, a 39-year-old from Pachong Payam of Rumbek East County, feels fulfilled serving her community and being referred to as the 'doctor'.

Martha joined us in 2010 and is working as a community-based drug distributor. She feels proud of her work as a drug distributor despite being illiterate. "I fought in the war together with my husband. Now I am also fighting against malaria to save our children. I am illiterate but BRAC trained me on how to identify and treat symptomatic cases of malaria, diarrhoea and pneumonia", she proudly explains.

Martha attends quarterly refresher trainings, which help her in identifying symptomatic diseases and giving treatment as per protocol. She also refers her patients to nearby primary healthcare units when she sees the need to do so. She received training on how to screen severely acute malnourished children who are under five years old. During her home visits, she screens all children aged five and below. She treats about 10-15 children every month.

Martha says she is very happy with her community work and feels fulfilled when most of the people in her community call her doctor, even though she never went to school. She is confident in her work and passionate about continuing no matter what. "Even if BRAC leaves my community, I will continue my work and tend to the sick children," she assures.

A NEW HOPE

Lina Mariko Omeni lost her mother to cancer in 2010. Her father died of alcohol poisoning two years later. Losing her mother at only six, Lina says she had no idea where her two siblings were as they got taken in by different relatives upon their mother's passing.

She stays with her maternal uncles and attends our primary school in the area. Lina used to attend a government primary school before but had to drop out as she could not afford the tuition fee.

"I sell mangoes in the morning and go to school in the afternoon. My teacher loves me. She helps and supports me a lot. I am very happy because I can now solve basic mathematical problems," she says. She added that she would love to become a driver some day.

I am BRAC

My name is Andura Nancy and this is my story.

As a young African lady coming from a very poor family, I, at most times, feel obliged to render whatever help I can to anybody in need. I like working with people, both young and old.

I started working with BRAC in 2006 when the organisation arrived in South Sudan. I started as an enumerator. I later joined the microfinance programme as a community organiser and rose through the ranks to become an area manager. When the programme closed down in 2013, I got appointed as a monitoring officer for general programmes. I have attained many other positions since. I like travelling a lot, which explains why I have been able to travel to various parts of the country for work.

BRAC chose me to participate in a course to build my capacity in management. I obtained a certificate from the School of African Microfinance in Mombasa.

I have been able to do a lot for my family since I started my journey with BRAC. I even sponsored my younger brother for an engineering and driving course in Kampala and now he works for another international NGO. In South Sudan, I became the first female staff to receive the BRAC Values Award in 2012. I used the award money to build a flat for my family. Upon advice from my supervisor, I have recently enrolled for a distant bachelor's degree in social work and administration.

I have very few family members but because of BRAC, I am now part of the world's biggest family. I have overcome many challenges and I know I have many more to overcome, and this is why I choose to continue my journey with BRAC.

Andura Nancy
BRAC South Sudan

GOVERNANCE AND MANAGEMENT

BRAC INTERNATIONAL

BRAC International is registered as Stichting BRAC International in the Netherlands.

GOVERNING BODY

Stichting BRAC International has a constitution under the laws of the Netherlands and was governed by a 10-member board of directors. In line with the rising fiscal requirements and public expectations in the Netherlands, the board decided to adopt a two-tier governance structure, with a management board and a supervisory board.

On 8 December 2016, on its 31st meeting, the Stichting BRAC International governing board adopted the following amendments to the Constitution of Stichting BRAC International which came into effect from 28 December 2016: The present governing board becomes the supervisory board of Stichting BRAC International.

The supervisory board appointed the management board of Stichting BRAC International comprising 1) Executive Director, BRAC International, 2) Director Finance, BRAC International and 3) a maximum of three BRAC International programme directors.

The composition of the supervisory board of Stichting BRAC International is as follows:

Chairperson:
Sir Fazle Hasan Abed, KCMG

Members:
Ahmed Mushtaque Raza Chowdhury
Dr Muhammad Musa
Sylvia Borren

Dr Debapriyo Bhattacharya
Shabana Azmi

Shafiqul Hassan (Quais)
Parveen Mahmud

Irene Zubaida Khan
Fawzia Rashid

BRAC INTERNATIONAL HOLDINGS BV

BRAC International Holdings BV is a wholly owned subsidiary of Stichting BRAC International and was incorporated in 2010. BRAC International's microfinance programmes, social enterprises and investment companies are consolidated under this wing. The social programmes currently supporting the enterprises include seed production and training centres.

BRAC International Holdings BV has the role to consolidate the financial results of all country operations in six countries. The consolidated financial statements include the financial data of the stand-alone

parent organisation, its group companies and other legal entities over which the foundation has control.
On 8 December 2016, on the 31st general meeting of the shareholder of BRAC International Holdings BV, the Stichting BRAC International Governing Board adopted the amendments to the Articles of Association of BRAC International Holdings BV.

The following came into effect from 28 December 2016:

The present board of directors, with the exception of Hans Eskes becomes the supervisory board of BRAC International Holdings BV.

A two-member management board is formed with one Bangladeshi and one Dutch national.

The composition of the present supervisory board of BRAC International Holdings BV is as follows:

Chairperson:
Sir Fazle Hasan Abed, KCMG

Members:
Sylvia Borren

Dr Muhammad Musa
Parveen Mahmud

The composition of the management board of BRAC International Holdings BV is as follows:

Managing Director:
Faruque Ahmed

Director:
Hans Eskes

Details about the roles of the supervisory board and management board are available in the Deed of Incorporation of Stichting BRAC International and BRAC International Holdings BV.

FINANCE AND AUDIT COMMITTEE

Composition of the present finance and audit committee is as follows:

Parveen Mahmud, Chair
Dr Muhammad Musa, Member

Sylvia Borren, Member

Faruque Ahmed, Member
Hans Eskes, Member
SN Kairy, Secretary of the Committee

The primary function of the finance and audit committee is to assist the governing board in fulfilling its responsibilities on the:

- Financial reporting and budgeting processes
- System of internal controls and risk assessment
- Compliance with legal and regulatory requirements
- Qualifications, independence, and performance of the external auditors

- Qualifications, independence, and performance of the internal audit function

LOCAL BOARDS

Each country entity has a local board. We pursue microfinance and development activities through separate entities in countries where it is required. The local board members are appointed by Stichting BRAC International's board. The business of the local entities is managed by these local boards. Further details of the roles of the local board are available in the respective incorporation documents of these entities.

ADVISORY COUNCIL

In 2015, BI decided to form advisory councils to strengthen governance, support advocacy at the national level and enhance credibility.

The council members, who are country nationals, provide the country leadership with advice and support on standards and policies, and the development and implementation of programmes. They advise on key external developments and trends nationally, and promote BRAC's mission through effective and strategic working relationships with key stakeholders and civil society partners in the countries. They also support information sharing and relevant advocacy on behalf of BRAC.

ACCOUNTABILITY AND TRANSPARENCY

The internal audit department conducts periodical audits at all our cost centres on a sample basis. Audits take place at least once a year and twice or more in locations and on programmes where a closer watch is warranted. In addition, special investigations are conducted in case of fraud or irregularities that may be detected. A 'whistle blower' policy is in place and HR takes actions as and when required.

External audit of Stichting BRAC International, BRAC International Holdings BV and all of our legal entities are undertaken annually. Financial transparency is ensured by BRAC International's finance and accounts division, which prepares financial statements following the International Financial Reporting Standards and the laws of relevant countries.

The summary of all audits and investigations are submitted to the audit and finance committee on a half yearly basis.

BRAC IN SOUTH SUDAN

GOVERNANCE

Local Board Members
- Dr A M R Chowdhury (Chair)
- Faruque Ahmed
- S N Kairy

Country Advisory Council Members
- Dr Christopher M Kenyi (Chair)
- Margaret Ayite Milyan
- Nhial Bol Aken
- Rezaul Karim (Member Secretary)

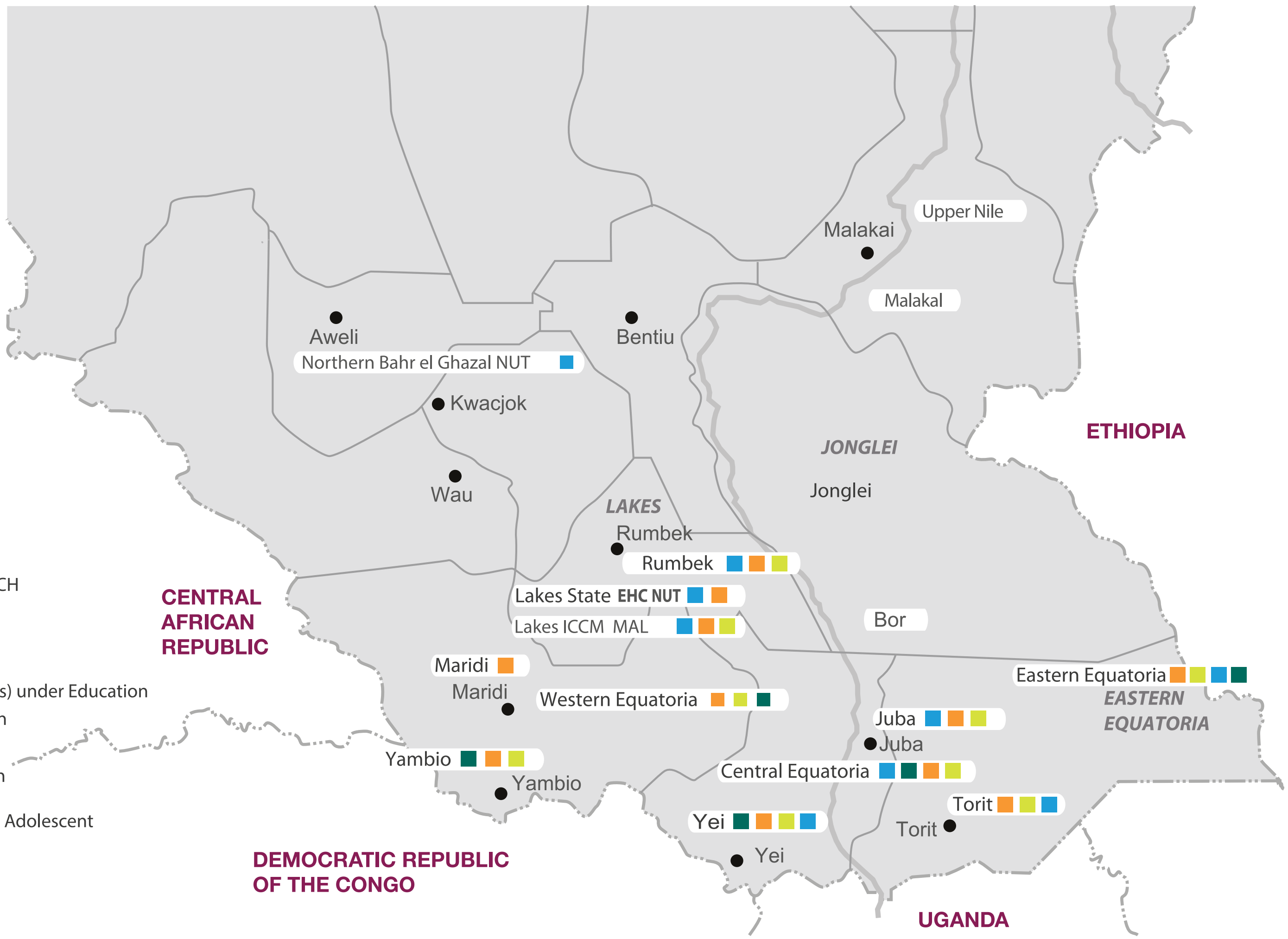
MANAGEMENT

Rezaul Karim, Country Representative
M M Habibur Rahman, Senior Programme Manager, Health and Nutrition
Mohammed Zahidur Rahman, Programme Manager, Livelihood
Parven Akhter Khanam, Programme Manager, Education & ELA
Md Ariful Alam, Head of Accounts
Md Shahid Uddin, Head of Internal Audit
ABM Monimul Islam, ERP and Capacity Building Lead
SK Tariquzzaman, Research Associate
Nigusu Aboset, Manager Monitoring
Din Mohammed, Manager Administration
Katushabe Francis Sancho, Finance Manager
Ahmed Ismail Julla, Project Manager, Health (RMNCH)

DEVELOPMENT PARTNERS

COMIC RELIEF
LOTTERY FUNDED
UKaid from the British people
NoVo Foundation create. change.
Strømme Foundation
Norad
unicef
FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS
USAID FROM THE AMERICAN PEOPLE
WFP
psi
The Global Fund

BRAC IN SOUTH SUDAN



Branch Programmes

- Health
  ICCM, Malaria, Nutrition and RMNCH
- Agriculture and Food Security
- Education

ALP (Accelerated Learning Process) under Education
GESS Girls' Education South Sudan
CGS Community Girls' School
SPE Support to Primary Education

- Empowerment and Livelihood for Adolescent

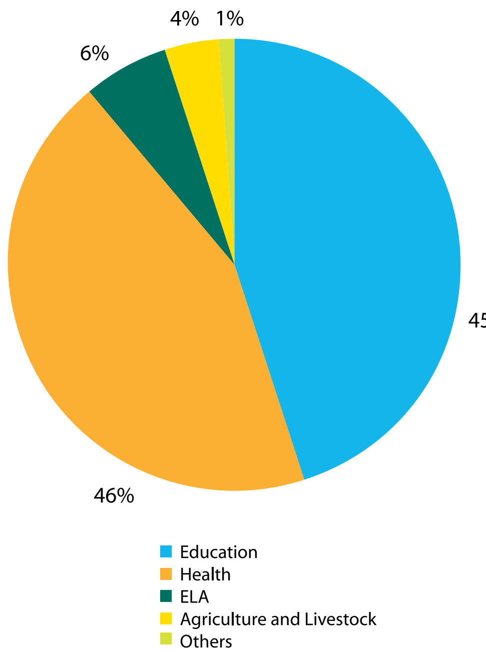
FINANCIALS

BRAC in South Sudan completed year 2016 with grants received amounting to USD 4,543,878 compared to USD 8,214,243 in 2015. Total project expenses for the year were USD 3,928,773 (USD 8,311,933 in 2015). Out of the total expenses, majority is spent in education and health programme funded by DFID, USAID, UNICEF and GF. Almost 86% of the total expenditure is being used for direct programme implementation with only 14% as administration expenses.

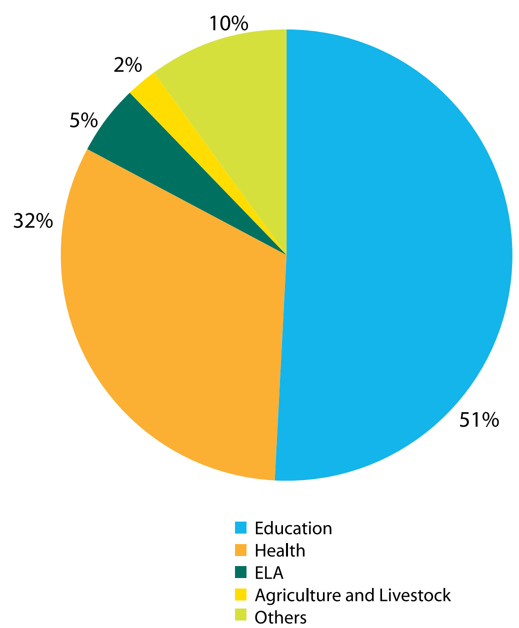
PROGRAMME COST

Programs	In USD		In USD	
	2016	%	2015	%
Education	1,777,823	45%	4,225,531	51%
Health	1,703,303	43%	2,668,599	32%
ELA	247,742	6%	425,311	5%
Agriculture and livestock	158,618	4%	195,218	2%
Others	41,287	1%	797,274	10%
Total	**3,928,773**	**100%**	**8,311,933**	**100%**

2016



2015

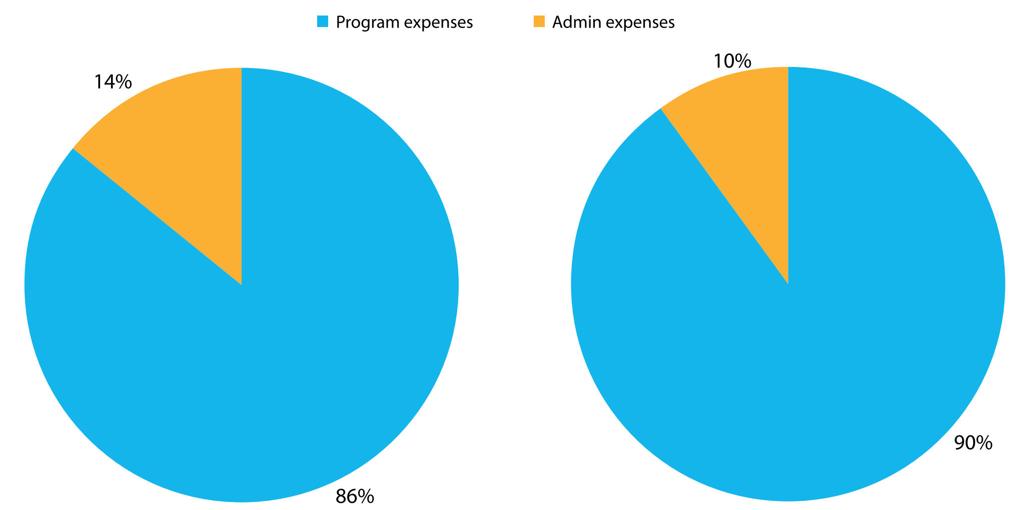


PROGRAMME COST

Expenses	In USD			
	2016	%	2015	%
Programme expenses	3,386,521	86%	7,456,650	90%
Administration expenses	542,252	14%	855,283	10%
Total	3,928,773	100%	8,311,933	100%

Pie Chart (Programme-wise) 2016

Pie Chart (Programme-wise) 2015



PERFORMANCE REVIEW

Income Statement	2016	2015	2014	2013	2012
	USD	USD	USD	USD	USD
Grant income	4,300,738	7,732,752	4,100,213	3,798,641	3,607,816
Other income/ (expenses)	(292,243)	186,896	2,165,642	193,016	229,454
Programme expenses	3,386,521	7,456,650	4,064,961	3,805,804	4,359,071
Administration expenses	542,252	855,283	443,162	372,804	448,828

Contribution to Government Exchequer	2016	2015
Withholding tax	24,386	9,080
Staff tax	75,963	71,196
Social insurance	194,480	150,862

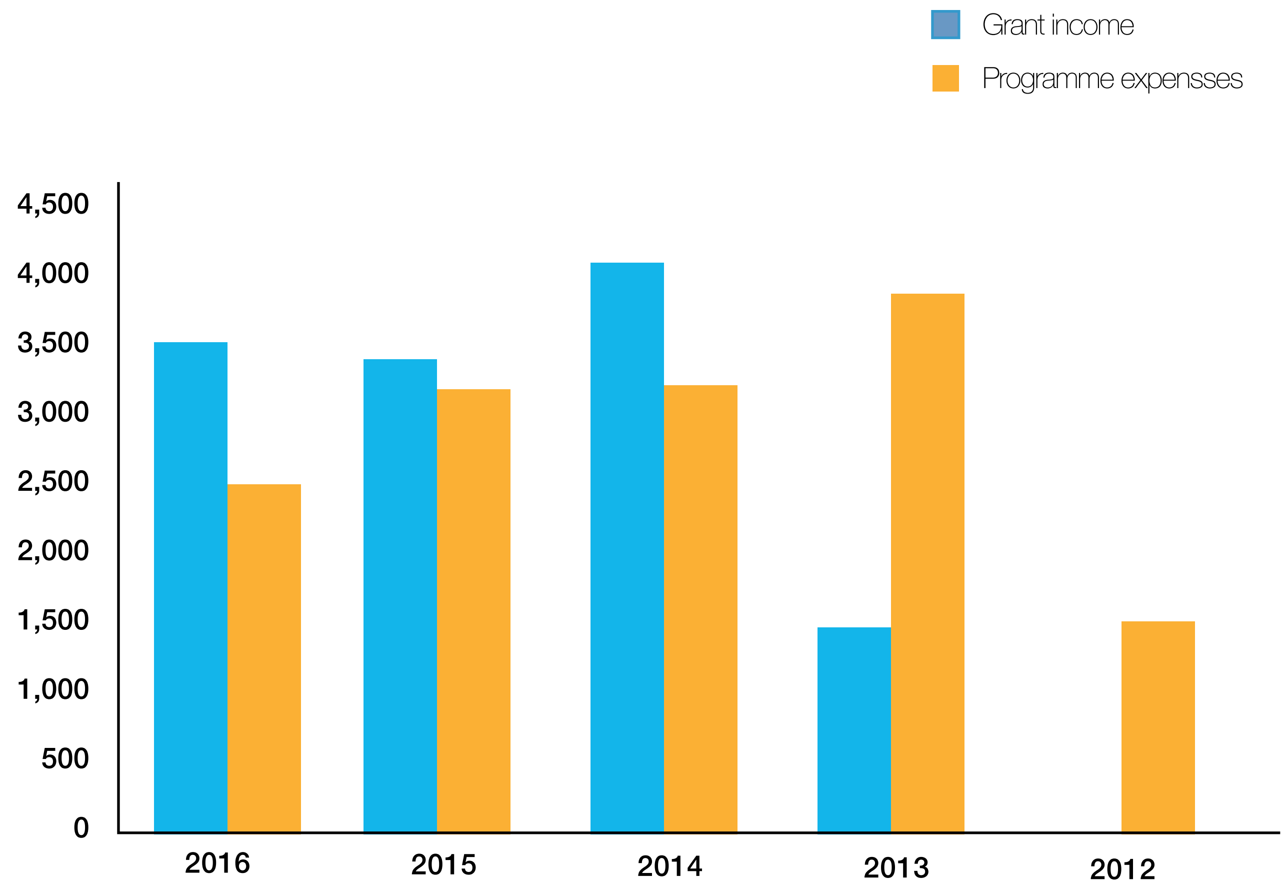
PERFORMANCE REVIEW

Financial Position	2016	2015	2014	2013	2012
	USD	USD	USD	USD	USD
Equity and grants	723,737	2,408,170	2,203,212	371,154	147,383
Cash and bank	3,789,606	4,561,950	5,384,878	5,391,505	5,828,183

Operational Statement	2016	2015	2014	2013	2012
Number of projects	17	23	21	19	18

LAST FIVE YEARS GRANT USED AS INCOME VS. PROGRAM EXPENSES

(In ‘000 USD)



BRAC IN SOUTH SUDAN

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

BRAC SOUTH SUDAN

Statement of Directors' Responsibilities

For the year ended 31 December 2016

It is the responsibility of the Directors of the Organisation to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the Organisation as at the end of the financial year and of the operating results of the Organisation for that year. The Directors of the Organisation are also required to ensure that the Organisation keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Organisation. They are also responsible for safeguarding the assets of the Organisation.

The Directors of the Organisation are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal controls as the Directors of the Organisation determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors of the Organisation accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards. The Directors of the Organisation are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Organisation and of its operating results. The Directors of the Organisation further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors of the Organisation to indicate that the Organisation will not remain a going concern for at least the next twelve months from the date of this statement.

The financial statements were approved by the directors on ....23 May..........2017 and signed on its behalf by:

Director

Director

Building a better working world

Ernst & Young
Certified Public Accountants
Tong Ping, Off Airport Road,
Off UNMISS Road,
Central Equatoria State,
Vivacell/SPLM Driveway,
Juba, South Sudan

Office: +211 920002151/2
Office: +211 959003340/1
www.ey.com

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF BRAC SOUTH SUDAN

Report on the financial statements

Opinion

We have audited the inflation adjusted financial statements of BRAC South Sudan (the organisation) set out on pages 6 to 29, which comprise the statement of financial position as at 31. December 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the inflation adj;usted financial statements present fairly, in all material respects, the financial position of BRAC South Sudan as at 31December 2016, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our aud.it in a.ccordance with International Sta.ndards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organisation in accordance with the International Ethics Standards Board for Accountants' Cod.e of Ethics for Professional Accountants (IESBA Code) and have fulfilled our other responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We. draw attention to note 22 tn the financial statements which indicates that as at 31 December
201.6, the Organisa.tion was technically insolvent as its total Habilities exceeded its total assets by SSP 44,222,000 and the Organisation reported a net loss of SSP 11,454,000 for the year then ended. These conditions, along with other matters as set forth in note 22, indicate that a material uncertainty exfsts tha.t may cast significant doubt about the Organisation's ability to continue as a going concern. Our opi:nion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the the historical cost financial statements, us Dollar financial statements and project wise information. The
other information does not include the inflation adjusted financial statements and our auditors' report thereon.

Our opinion on the inflation adjusted financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the inflation adjusted financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the inflation adjusted 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 missta. tement of this other information, we are required to report that fact. We have nothing to report in this regard.Other Offices: NAIROBI, KAMPALA, D AR ES SALAAM, K IGALI, ADDIS ABABA

Responsibilities of the Directors for the Financial Statements

The directors are responsible for th.e preparation and fair presentation of the inflation adjusted financial statements in accordance with International F[nancial Reporting Standards, 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 inflation adjusted financial statements, the directors are responsible for assessing the organisation-'s ability to continue as a going concern, disclosing, as a,pplicable, matters related to going concern and using the going concern basis of accounting un.less the directors either intend. to liquidate the organisation or to cease operations, or have no realistic alternative but: to do so.

Other Offices: NAIROBI, KAMPALA, DAR ES SALAAM, KIGALI, ADDIS ABABA

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REPORT OF THE INDEPENDENT AUDITORS (CONTINUED)

The directors are responsible for overseeing the organisation's Hnancial reporting processes. Auditors' Responsibilities for the Audit of the Financial Statements Our objectives are to obtain reasonable assurance about whether the inflation adjusted financial statements as a whole are free from material misstatement, whether due. to fraud or error, and to issue an auditors.' 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 th.ese financial statements.

As part of an audit in accorda.nce with ISAs, we exercise professional judgement a.nd 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 organisation'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 director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exJsts related to events or conditions that may cast significant doubt on the organisClion's ability to continue as a going concern. If we conc.lude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements. or, if such 9isclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the organisClion to cease t:o 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.

Other Matter

Th.e financial statements of BRAC South Sudan for the year ended December 31. 2015, were audited by another auditor who expressed an unmodified opinion on those statements on 9 May
2016.

The engagement partner responsible for the audit resulting in this independent a.uditors' report is Michael Kimoni.

Michael Kimoni
For Ernst & Young, Juba, South Sudan

2 June 2017

EY Building a better working world
Ernst & Young
Tong Ping, Off Airport Road
Off UNMISS Road
Central Equatorial State
Vivacell/SPLM Drive way
Juba South Sudan

BRAC SOUTH SUDAN
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR 31 DECEMBER 2016

		Inflation Adjusted		Hisorical Cost			
	Notes	**2016**	**2015**	**2016**	**2015 Restated***	**2016**	**2015**
		SSP"000"	**SSP"000"**	**SSP"000"**	**SSP"000"**	**USD"000"**	**USD"000**
Interest income	6	-	140	-	17	-	6
Grant income	7	289,159	275,891	194,176	32,027	4,301	7,733
Other Income	8	174	5,758	122	686	3	41
Total operating income		**289,333**	**281,789**	**194,298**	**32,730**	**4,304**	**7,780**
Foreign exchange losses	9	(37,783)	(39,368)	(24,728)	(4,698)	(295)	146
Staff costs and other benefits	10	(155,297)	(103,317)	(107,971)	(12,328)	(2,184)	(3,400)
Other general & administrative expenses	11	(153,991)	(187,164)	(100,283)	(22,096)	(2,185)	(4,912)
Total expenditure		**(347,071)**	**(333,241)**	**(232,982)**	**(39,121)**	**(4,664)**	**(8,167)**
Gain/(loss) on net monetaryposition		46,284	(71,138)	-	-	-	-
Surplus/(deficit) for the year		**(11,454)**	**(122,590)**	**(38,684)**	**(6,391)**	**(360)**	**(387)**
Other comprehensive income/(loss)							
Translation reserve		-	-	-	-	(153)	(59)
Total comprehensive incomefor the year		**(11,454)**	**(122,590)**	**(38,684)**	**(6,391)**	**(513)**	**(446)**

*Certain amounts shown here do not correspond to the 2015 financial statements and reflect adjustments made, refer to Note 4.

BRAC SOUTH SUDAN
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

		Inflation Adjusted		Hisorical Cost			
	Notes	2016	2015	2016	2015	2016	2015
ASSETS		SSP"000"	SSP"000"	SSP"000"	SSP"000"	USD"000"	USD"000
Non-current assets							
Property and equipment	12	19,952	24,987	2,385	1,927	342	600
Current assels							
Receivables and other current assets	13	58,955	139,528	58,955	24,072	702	1,449
Short term deposits	14	3	596	3	103	5	
Cash and cash equivalents	15	317,986	439,463	317,986	75,820	3,790	4,562
		376,944	579,587	376,944	99,995	4,492	6,016
TOTAL ASSETS		**396,896**	**604,574**	**379,329**	**0 ,911**	**4,834**	**6,6 6**
LIABILITIES AND CAPITAL FUND							
Capital fund							
BRAG contribution	16	94,332	94,332	5,015	5,015	1,700	1,700
Accumulated losses		(138,554)	(127,100)	(49,585)	(10,901)	(2,275)	(1,915)
Translation reserve						(212}	(59}
		(44,222}	**'(32,768}**	**(44,570}**	**(5,886}**	**(787}**	**(274}**
Liabilities							
Non-current liabilities							
Term loan	17	117,747	135,179	117,747	23,322	1,403	1,403
Current liabilities							
Other liabilities	18	26,073	40,457	26,073	6,980	312	419
Donor grants	19	96,215	231,979	78,996	37,872	1,510	2,683
Related party payables	20(b)	201,083	229,727	201,083	39,634	2,396	2,385
		323,371	502,163	306,152	84,486	4,218	5,487
Total liabilities and Capital fund		**396,896**	**604,574**	**379,329**	**101,922**	**4,834**	**6,616**

*Certain amounts shown here do not correspond to the 2015 financial statements and reflect adjustments made, refer to Note 4.

The financial statements on pages 4 to 34 were approved for issue by the board of directors on 23 May 2017 and signed on its behalf by:

Director

Director

BRAC SOUTH SUDAN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED AT 31 DECEMBER 2016

	Retained Earnings SSP"000"	BRAC Contribution SSP"000"	Total Capital Fund USD"000"	Total Capital Fund USD"000
At 1 January 2015	**(4,510)**	**5,015**	**505**	**172**
Deficit for the year	(122,590)	-	(122,590)	(387)
Adjustment due to inflation accounting as per IAS-29		89,317	89,317	
Currency translation	-	-	-	(59)
At 31 December 2015	**(127,100)**	**94,332**	**(32,768)**	**(274)**
At 1 January 2016	**(127,100)**	**94,332**	**(32,768)**	**(274)**
Surplus for the year	(11,454)	-	(11,454)	(360)
Currency translation	-	-	-	(153)
At 31 December 2016	**(138,554)**	**94,332**	**(44,222)**	**(787)**
Historical cost				
At 1 January 2015	(4,510)	5,015	505	172
Deficit for the year	(6,391)	-	(6,391)	(387)
Fluctuation gain	-	23,239	23,239	-
Restatement due to correction of error (Note 4)		(23,239)	(23,239)	
Currency translation	-	-	-	(59)
At 31 December 2015 (restated*)	**(10,901)**	**5,015**	**(5,886)**	**(274)**
At 1 January 2016	(10,901)	5,015	(5,886)	(274)
Deficit for the year	(38,684)	-	(38,684)	(360)
Currency translation	-	-	-	(153)
At 31 December 2016	**(49,585)**	**5,015**	**(44,570)**	**(787)**

Currency translation reserve arises from changes in exchange rates between SSP against USD.

BRAC SOUTH SUDAN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

		Inflation Adjusted		Hisorical Cost			
	Notes	2016 SSP"000"	2015 SSP"000"	2016 SSP"000"	2015 SSP"000"	2016 USD"000"	2015 USD"000
Cash flow flows (used in)/from operating activities	21	(95,777)	306,650	150,828	42,087	3,245	2,629
Cash flow from Investing Activities							
Purchase/transfer of fixed assets	12	(8,861)	(13,617)	(3,187)	(1,335)	(103)	(271)
Net cash flow from investing activities		**(8,861)**	**(13,617)**	**(3,187)**	**(1,335)**	**(103)**	**(271)**
Cash flow from Financing Activities							
Increase/(decrease) in term loan	17	(17,432)	131,037	94,425	19,182	-	-
Net cash flow from financing activities		**(17,432)**	**131,037**	**94,425**	**19,182**	**-**	**-**
Net (decrease)/increase in cash and cash equivalents		(122,070)	424,070	242,066	59,934	3,142	2,358
Cash and cash equivalents at beginning of the year (including deposits)		440,059	15,989	75,923	15,989	4,567	5,391
Currency translation						(3,919)	(3,182)
Cash and cash equivalents at the end of year (including deposits)		**317,989**	**440,059**	**317,989**	**75,923**	**3,790**	**4,567**

BRAC SOUTH SUDAN
NOTES OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Notes

1 General information

BRAC South Sudan, an international private development organization was incorporated on 8th November 2006 under the Non- Governmental Organizations Act, 2003 and registered under the Ministry of Internal Affairs, the Republic of South Sudan with a view to participating in the development activities by adapting an environmental friendly sustainable development approach through high-impact education, health, agriculture and employment and income generation activities for the poor especially for the women and children. It's the South Sudan Operation of the International NGO BRAC.

BRAC is the largest non-governmental development organisation in the world, measured by the number of employees and number of people it has helped. BRAC was ranked the number one NGO in the world for the second consecutive year in 2017 by the Geneva based NGO Advisor, an independent organisation committed to highlighting innovation, impact and governance in the non-profit sector. BRAC retained the top spot as part of the 2017 top 500 NGOs World rankings.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements are based on the statutory records that are maintained under historic cost convention. The financial statements are restated in accordance with International Accounting Standard 29 "Financial Reporting in Hyperinflationary Economies". The historical cost information has been restated for changes in the general purchasing power of the South Sudanese Pound and appropriate adjustments and reclassifications have been made. Accordingly, the inflation adjusted financial statements represent the primary financial statements of the Organisation. The historical cost financial statements have been provided as supplemental information and are not in accordance with IFRS.

Inflation accounting

With effect from 2016, the South Sudanese economy is considered to be hyperinflationary in accordance with the criteria of IAS 29. IAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of a measuring unit current at the reporting date and that corresponding figures for previous periods be stated in the same terms to the latest balance sheet date. The restatement has been calculated by means of conversion factors derived from South Sudan Consumer Price Index (CPI) compiled by Trading Economics and National Bureau of Statistics, South Sudan. The conversion factors used to restate the financial statements at 31 December 2016, using a 2007 base year, are as follows:

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
CPI	63	71	73	82	135	170	155	170	257	2,068
Conversion factor	33	29	28	25	15	12	13	12	8	1

The main procedures applied in the above mentioned restatement of transactions and balances are as follows:

- All corresponding figures as of, and for the period ended 31 December 2015 are restated by applying the change in the index for 31 December 2015 and 31 December 2016.
- Monetary assets and liabilities are not restated as they are already stated in terms of the measuring unit current at the reporting date.
- Non-monetary assets and liabilities that are not carried at amounts current at the reporting date and components of equity are restated by applying the relevant monthly conversion factor.
- Non- monetary assets and liabilities that are carried at amounts current at the reporting date, i.e. at fair value, are not restated.
- Property and equipment are stated at indexed cost less applicable indexed depreciation and impairment losses.
- Profit or loss transactions, except depreciation and amortisation, are restated by applying the change in index from the month of transaction to 31 December 2015.
- Gains and losses arising from the net monetary asset and liability positions are included in profit or loss.

Cash flow items are expressed in terms of the measuring unit current at the reporting date.

The net effect of inflation adjustment has been passed through statement of comprehensive income.

2 Summary of significant accounting policies (continued)

a) Basis of preparation (continued)
Changes in accounting policy and disclosures
New and amended standards and interpretations

The Organisation applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2016. The Organisation has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The nature and the effect of these changes are disclosed below. Although these new standards and amendments applied for the first time in 2016, they did not have a material impact on the annual financial statements of the Organisation. The following new standards or amendments do not have any impact on the Organisation:

IFRS 14 Regulatory Deferral Accounts
- *Amendments to IFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations*
- *Amendments to IFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations(continued)*
- *Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation*
- *Amendments to IAS 16 and IAS 41 Agriculture: Bearer Plants*
- *Amendments to IAS 27: Equity Method in Separate Financial Statements*
- *Annual Improvements 2012-2014 Cycle*

These improvements include:
> *IFRS 5 Non-current Assets Held for Sale and Discontinued Operations*
> *IFRS 7 Financial Instruments: Disclosures*
> *IAS 19 Employee Benefits*
- Amendments to IAS 1 Disclosure Initiative
- Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception

<u>Standards issued but not yet effective</u>

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Organisation's financial statements are disclosed below. The Organisation intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments

Introduction
In July 2014, the IASB issued IFRS 9 Financial Instruments, the standard that will replace IAS 39 for annual periods on or after 1 January 2018, with early adoption permitted.

Classification and measurement
From a classification and measurement perspective, the new standard will require all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics.

The IAS 39 measurement categories will be replaced by: fair Value through profit or loss (FVPL), fair value through other comprehensive income (FVOCI), and amortised cost. IFRS 9 will also allow entities to continue to irrevocably designate instruments that qualify for amortised cost or fair value through OCI instruments as FVPL, if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Equity instruments that are not held for trading may be irrevocably designated as FVOCI, with no subsequent reclassification of gains or losses to profit or loss.

The accounting for financial liabilities will largely be the same as the requirements of IAS 39, except for the treatment of gains or losses arising from an entity's own credit risk relating to liabilities designated at FVPL. Such movements will be presented in OCI with no subsequent reclassification to profit or loss, unless an accounting mismatch in profit or loss would arise.

2 Summary of significant accounting policies (continued)

a) Basis of preparation (continued)
Changes in accounting policy and disclosures (continued)
New and amended standards and interpretations (continued)
<u>Standards issued but not yet effective (continued)</u>

IFRS 9 Financial Instruments (continued)

Classification and measurement (continued)
Having completed its initial assessment, the Organisation has concluded that:
- Receivables that are classified as loans and receivables under IAS 39 are expected to be measured at amortised cost under IFRS 9
- Financial assets and liabilities held for trading and financial assets and liabilities designated at FVPL are expected to be continue to be measured at FVPL

Hedge accounting
IFRS 9 allows entities to continue with the hedge accounting under IAS 39 even when other elements of IFRS become mandatory on 1 January 2018. The Organisation does not have any hedge instruments.

Impairment of financial assets
Overview
IFRS 9 will also fundamentally change the loan loss impairment methodology. The standard will replace IAS 39's incurred loss approach with a forward-looking expected loss (ECL) approach. The Organisation will be required to record an allowance for expected losses for all loans and other debt financial assets not held at FVPL, together with loan commitments and financial guarantee contracts. The allowance is based on the expected credit losses associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination, in which case, the allowance is based on the probability of default over the life of the asset.

The Organisation has established a policy to perform an assessment at the end of each reporting period of whether credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

To calculate ECL, the Organisation will estimates the risk of a default occurring on the financial instrument during its expected life.
- ECLs are estimated based on the present value of all cash shortfalls over the remaining expected life of the financial asset, i.e., the difference between: the contractual cash flows that are due to the Organisation under the contract; and,
- The cash flows that the Organisation expects to receive, discounted at the effective interest rate of the loan.

In comparison to IAS 39, the Organisation expects the impairment charge under IFRS 9 to be more volatile than under IAS 39 and to result in an increase in the total level of current impairment allowances.

Forward looking information

The Organisation will incorporate forward-looking information in both the assessment of significant increase in credit risk and the measurement of ECLs. The Organisation considers forward-looking information such as macroeconomic factors (e.g., unemployment, GDP growth, interest rates and house prices) and economic forecasts. To evaluate a range of possible outcomes, the Organisation intends to formulate three scenarios: a base case, a worse case and a better case. The base case scenario represents the more likely outcome resulting from the Organisation's normal financial planning and budgeting process, while the better and worse case scenarios represent more optimistic or pessimistic outcomes. For each scenario, the Organisation will derive an ECL and apply a probability weighted approach to determine the impairment allowance. The Organisation will use internal information coming from internal economic experts, combined with published external information from government and private economic forecasting services. Both the Risk and Finance management teams will need to approve the forward-looking assumptions before they are applied for different scenarios.

2 Summary of significant accounting policies (continued)

a) Basis of preparation (continued)
Changes in accounting policy and disclosures (continued)
New and amended standards and interpretations (continued)
Standards issued but not yet effective (continued)

IFRS 9 Financial Instruments (Continued)

Limitation of estimation techniques
The models that will be applied by the Organisation may not always capture all characteristics of the market at a point in time as they cannot be recalibrated at the same pace as changes in market conditions. Interim adjustments are expected to need to be made until the base models are updated. Although the Organisation will use data that is as current as possible, models used to calculate ECLs will be based on data that is one month in arrears and adjustments will be made for significant events occurring prior to the reporting date.

Amendments to IAS 12 Income Taxes

In January 2016, through issuing amendments to IAS 12, the IASB clarified the accounting treatment of deferred tax assets of debt instruments measured at fair value for accounting, but measured at cost for tax purposes. The amendment is effective from 1 January 2017. The Organisation is currently evaluating the impact, but does not anticipate that adopting the amendments an impact on its financial statements.

IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers, effective for periods beginning on 1 January 2018 with early adoption permitted. IFRS 15 defines principles for recognising revenue and will be applicable to all contracts with customers. However, interest and fee income integral to financial instruments and leases will continue to fall outside the scope of IFRS 15 and will be regulated by the other applicable standards (e.g., IFRS 9, and IFRS 16 Leases).

Revenue under IFRS 15 will need to be recognised as goods and services are transferred, to the extent that the transferor anticipates entitlement to goods and services. The standard will also specify a comprehensive set of disclosure requirements regarding the nature, extent and timing as well as any uncertainty of revenue and corresponding cash flows with customers.

The Organisation does not anticipate early adopting IFRS 15 and is currently evaluating its impact.

IFRS 16 Leases

The IASB issued the new standard for accounting for leases - IFRS 16 Leases in January 2016. The new standard does not significantly change the accounting for leases for lessors. However, it does require lessees to recognise most leases on their balance sheets as lease liabilities, with the corresponding right of use assets. Lessees must apply a single model for all recognised leases, but will have the option not to recognise 'short-term' leases and leases of 'low-value' assets. Generally, the profit or loss recognition pattern for recognised leases will be similar to today's finance lease accounting, with interest and depreciation expense recognised separately in profit or loss. IFRS 16 is effective for annual periods beginning on or after 1 January 2019. Early application is permitted provided the new revenue standard, IFRS 15, is applied on the same date. Lessees must adopt IFRS 16 using either a full retrospective or a modified retrospective approach.

The Organisation does not anticipate early adopting IFRS 16 and is currently evaluating its impact.

Amendments to IAS 7 Statement of Cash Flows

In January 2016, the IASB issued amendments to IAS 7 Statement of Cash Flows with the intention to improve disclosures of financing activities and help users to better understand the reporting entities' liquidity positions. Under the new requirements, entities will need to disclose changes in their financial liabilities as a result of financing activities such as changes from cash flows and non-cash items (e.g., gains and losses due to foreign currency movements). The amendment is effective from 1 January 2017. The Organisation is currently evaluating the impact.

2 Summary of significant accounting policies (continued)

a) Basis of preparation (continued)
Changes in accounting policy and disclosures (continued)
New and amended standards and interpretations (continued)
Standards issued but not yet effective (continued)

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

The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively.

IFRS 2 Classification and Measurement of Share-based Payment Transactions — Amendments to IFRS 2

The IASB issued amendments to IFRS 2 Share-based Payment that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settled. On adoption, entities are required to apply the amendments without restating prior periods, but retrospective application is permitted if elected for all three amendments and other criteria are met. The amendments are effective for annual periods beginning on or after 1 January 2018, with early application permitted. The amendment has no effect on Organisation's financial statements.

Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts - Amendments to IFRS 4

The amendments introduce two options for entities issuing insurance contracts: a temporary exemption from applying IFRS 9 and an overlay approach.

Temporary exemption from IFRS 9
The optional temporary exemption from IFRS 9 is available to entities whose activities are predominantly connected with insurance. The temporary exemption permits such entities to continue to apply IAS 39 Financial Instruments: Recognition and Measurement while they defer the application of IFRS 9 until 1 January 2021 at the latest. Predominance must be initially assessed at the annual reporting date that immediately precedes 1 April 2016 and before IFRS 9 is implemented. Also the evaluation of predominance can only be reassessed in rare cases. Entities applying the temporary exemption will be required to make additional disclosures.

The overlay approach
The overlay approach is an option for entities that adopt IFRS 9 and issue insurance contracts, to adjust profit or loss for eligible financial assets; effectively resulting in IAS 39 accounting for those designated financial assets. The adjustment eliminates accounting volatility that may arise from applying IFRS 9 without the new insurance contracts standard. Under this approach, an entity is permitted to reclassify amounts between profit or loss and other comprehensive income (OCI) for designated financial assets. An entity must present a separate line item for the amount of the overlay adjustment in profit or loss, as well as a separate line item for the corresponding adjustment in OCI.

The temporary exemption is first applied for reporting periods beginning on or after 1 January 2018. An entity may elect the overlay approach when it first applies IFRS 9 and apply that approach retrospectively to financial assets designated on transition to IFRS 9. The entity restates comparative information reflecting the overlay approach if, and only if, the entity restates comparative information when applying IFRS 9. The overlay approach requires an entity to remove from profit or loss additional volatility that may arise if IFRS 9 is applied with IFRS 4. When applying the temporary exemption, entities must still provide extensive disclosure that require the application of some aspects of IFRS 9. The amendment is effective from 1 January 2018. The Organisation will not have an impact on the Organisation as it does not have insurance contracts.

2 Summary of significant accounting policies (continued)

a) Basis of preparation (continued)
Changes in accounting policy and disclosures (continued)
New and amended standards and interpretations (continued)
Standards issued but not yet effective (continued)

Transfers of Investment Property (Amendments to IAS 40)

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with IAS 8 is only permitted if that is possible without the use of hindsight. Early application of the amendments is permitted and must be disclosed. The amendment is effective from 1 January 2018. The amendment has no impact on the Organisation.

IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration

The interpretation clarifies that in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the recognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the nonmonetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or Receipts in advance, then the entity must determine a date of the transactions for each payment or receipt of advance consideration. The amendment is effective from 1 January 2018. The Organisation is currently evaluating the impact.

Annual Improvements 2014-2016 cycle

IFRS 1 First-time Adoption of International Financial Reporting Standards

Deletion of short-term exemptions for first-time adopters - Short-term exemptions in paragraphs E3–E7 of IFRS 1 were deleted because they have now served their intended purpose. The amendment is effective from 1 January 2018.

IAS 28 Investments in Associates and Joint Ventures

Clarification that measuring investees at fair value through profit or loss is an investment-by investment choice - The amendments clarifies that an entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss. If an entity that is not itself an investment entity has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent. The amendments should be applied retrospectively and are effective from 1 January 2018, with earlier application permitted. If an entity applies those amendments for an earlier period, it must disclose that fact.

IFRS 12 Disclosure of Interests in Other Entities

Clarification of the scope of the disclosure requirements in IFRS 12 - The amendments clarify that the disclosure requirements in IFRS 12, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale. The amendments are effective from 1 January 2017 and must be applied retrospectively.

2 Summary of significant accounting policies (continued)

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in South Sudanese Pounds (SSP) which is the organization's functional currency.
The financial statements include figures, which have been translated from South Sudanese Pounds (SSP) to United States Dollars (USD) at the year-end rate for monetary items, historical rates for non-monetary items and average rates for statement of comprehensive income items. These figures in United States Dollars (USD) are for memorandum purposes only and do not form part of the audited financial statements.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss. All other foreign exchange gains and losses are presented in profit or loss within 'other income or expenses'.

(c) Income recognition

Income is measured at the fair value of the consideration received or receivable.

The organization recognises income when the amount of income can be reliably measured, it is probable that future economic benefits will flow to the organization and when specific criteria have been met for each of the organization's activities as described below. The organization bases its estimates on historical results, taking into consideration the type of donor, the type of transaction and the specifics of each arrangement.

Income is recognised as follows:

Service charge on loans and advances to customers

Service charge on loans and advances to customers are recognized in the statement of comprehensive income using the effective interest rate method (EIR). EIR is a method to calculate the amortized cost of a financial asset and to allocate the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset.

When calculating the effective interest rate, BRAC estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses.

Membership fees and other charges

Membership fees and other charges are recognized on an accrual basis when the service has been provided.

Other income

Other income comprises gains less losses related to trading assets and liabilities, and includes gains from disposal of BRAC assets and all realized and unrealized foreign exchange differences and grant income.

2 Summary of significant accounting policies (continued)

Donor grants

All donor grants received are initially recognized as deferred income at fair value and recorded as liabilities.

Donor grants are recognized if there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. When the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

d) Property and equipment

Land and buildings, plant and equipment, other fixed operating assets, tangible fixed assets in production and prepayments on tangible fixed assets are stated at cost of acquisition or manufacture, less accumulated depreciation.

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, such as production cost, production overhead cost and interest paid to third parties during the period of construction or manufacturing.

Government grants are deducted from the cost price of the assets to which the grants relate.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each item of the tangible fixed assets. Land, tangible fixed assets in production and prepayments on tangible fixed assets are not depreciated.

The following rates of depreciation are applied:

- Equipment : 15 - 33%
- Vehicles : 20%
- Other : 10%

Maintenance expenditure is only capitalized when the maintenance extends the useful life of the asset.

Tangible fixed assets, for which the organization possesses the economic ownership under a financial lease, are capitalized. The obligation arising from the financial lease contract is recognized as a liability. The interest included in the future lease instalments is charged to the statement of income and expenses during the term of the finance lease contract.

(e) Financial assets

(i) Classification

All financial assets of the organization are classified as loans and receivables, based on the purpose for which the financial assets were acquired. The directors determine the classification of the financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

(ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the organization commits to purchase or sell the asset. Loans and receivables are initially recognised at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method.

2 Summary of significant accounting policies (continued)

(iii) Offsetting financial instruments

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

(iv) Impairment

(A) Assets carried at amortised cost

The organization assesses at the end of each reporting period whether there is objective evidence that a financial asset or organization of financial assets is impaired. A financial asset or an organization of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or organization of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or an organization of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

(f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

(g) Other receivables

Other receivables comprise prepayments, deposits and other recoverable 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 Organisation 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) Other payables

Other accounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received.

(i) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any differences between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings, using the effective interest method. Borrowings in these financial statements relate to the term loan.

2 Summary of significant accounting policies (continued)

(j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the organization or the counterpart.

Provisions are recognised when: the organization has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The organization makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Useful lives of equipment

The organization determines the estimated useful lives and related depreciation charges for its equipment. This estimate is based on projected product lifecycles for its high-tech segment. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

4 Correction of an error

In December 2015, BRAC contribution that was made in USD was erroneously translated at the closing rate of SSP/USD 16.62 instead of the historical rate of SSP/USD 2.95 being a non-monetary item and the exchange differences recognised in the profit and loss. As a consequence, BRAC contribution was overstated by SSP 23,239,000. This reporting year, the error has been corrected by restating each of the affected financial statement line items for the prior periods, as follows:

	Impact on (Increase / (decrease)) in SSP '000'		
Particular	Profit	BRAC Contribution	Retained Earnings
Foreign exchange losses erroneously recognised on BRAC Contribution through profit and loss	23,239	(23,239)	23,239

The above did not have any impact on periods before 31 December 2015 or other comprehensive income or the organisations investing cashflows and the inflation adjusted figures since the inflation accounting adjustments were made after the error was corrected.

The net impact of the above on equity is nil.

5 Financial risk management objectives and policies

The organization's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The organization's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The organization does not hedge any of its risk exposures.

5 Financial risk management objectives and policies (continued)

Financial risk management is carried out by the finance department under policies approved by the Board of Directors. The board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

Market risk
(i) Currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change s in foreign exchange rates.

The organization has set limits on positions by currency. Positions are closely monitored by the organization's management to ensure positions aremaintained within established limits. At 31 December, the organization had net exposures denominated in USD as follows:

	Historical cost and inflation adjusted	Inflation adjusted	Historical cost
	2016	2015	2015
	USD	USD	USD
	SSP'000'	SSP'000'	SSP'000'
Financial assets			
Receivables and other current assets	53,907	136,740	23,592
Cash and cash equivalents	313,907	425,981	73,494
Total financial assets	367,814	562,721	97,086
Financial liabilities			
Term loan	117,747	135,179	23,322
Other liabilities	6,042	5,779	997
Donor grants	76,448	206,992	35,712
Related party payable	201,083	229,727	39,634
Total financial liabilities	401,320	577,677	99,665
Net currency exposure	(33,506)	(14,956)	(2,579)
Effect on profit and equity ±400% change	±134,024	±59,824	±10,316

(ii) Interest rate risk

The organization's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the organization to cash flow interest rate risk which is partially offset by cash held at variable rates. The organization regularly monitors financing options available to ensure optimum interest rates are obtained. However, the organisation exposure to interest rate is zero because it does not have interest-bearing financial instruments.

Credit risk

Credit risk arises from deposits with banks and financial institutions as well as credit exposures to customers, including outstanding receivables and committed transactions. Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the organization.

Credit risk is managed by the finance director, except for credit risk relating to accounts receivable balances.The credit controller is responsible for managing and analysing credit risk for each new client before standard payment and delivery terms are offered.

For account receivables, the credit controller assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The organization does not grade the credit quality of receivables. Individual risk limits are set based on internal ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates.

Maximum exposure to credit risk

The Organization's maximum exposure to credit risk on financial assets subject to credit risk is set out in the table below:

	Inflation Adjusted		Historical Cost	
	2016	2015	2016	2015
	SSP'000'	SSP'000'	SSP'000'	SSP'000'
Receivables and other current assets	54,051	138,465	54,051	23,889
Short term deposits (Note 14)	3	596	3	103
Cash at bank (Note 15)	317,829	438,450	317,829	75,645
	371,883	**577,511**	**371,883**	**99,637**

Liquidity risk

Liquidity risk is the risk that the organisation will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying organisation's operations, the finance department maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the organisation's liquidity reserve on the basis of expected cash flow.

The table below analyses the organisation's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows:

	Inflation Adjusted		Historical Cost	
	Less than 1 year	Between 1 and 2 years	Less than 1 year	Between 1 and 2 years
	SSP'000'	SSP'000'	SSP'000'	SSP'000'
At 31 December 2016				
Term loan	-	117,747	-	117,747
Other liabilities	26,073		26,073	-
Donor grants	70,162	-	70,162	-
Related party payable	201,083	-	201,083	-
	297,318	**117,747**	**297,318**	**117,747**
At 31 December 2015				
Term loan	-	135,179	-	23,222
Other liabilities	40,456	-	6,980	-
Donor grants	206,992	-	37,872	-
Related party payable	229,727	-	39,634	-
	477,176	**135,179**	**82,326**	**23,222**

		Inflation Adjusted		Historical Cost			
		2016	2015	2016	2015	2016	2015
		SSP'000'	SSP'000'	SSP'000'	SSP'000'	USD'000'	USD'000'
6	**INTEREST INCOME**						
	Interest income on term deposits short	-	140	-	17	-	6

		Inflation Adjusted		Historical Cost			
		2016	2015	2016	2015	2016	2015
		SSP'000'	SSP'000'	SSP'000'	SSP'000'	USD'000'	USD'000'
7	**GRANT INCOME**						
	Grant Incomes from Donors	275,301	263,682	191,453	31,465	4,086	7,599
	Amortization for the period	1,900	3,861	866	469	17	128
	Fixed asset write-off	11,958	8,348	1,857	93	198	6
		289,159	**275,891**	**194,176**	**32,027**	**4,301**	**7,733**
8	**OTHER INCOME**						
	Loan security fund written back	-	201	-	24	-	1
	Other income	174	5,557	122	662	3	40
		174	**5,758**	**122**	**686**	**3**	**41**
9	**Foreign exchange Gain/Loss**						
	Foreign exchange gain	411,114	12,870	285,829	1,536	3,406	521
	Foreign exchange loss	(448,897)	(52,239)	(310,557)	(6,233)	(3,701)	(376)
		(37,783)	**(39,369)**	**(24,728)**	**(4,697)**	**(295)**	**145**
10	**STAFF COSTS AND OTHER BENEFITS**						
	Salaries and benefits	149,612	95,032	104,018	11,339	2,104	3,068
	Staff insurance	4,262	1,718	2,964	206	60	69
	Social security fund (NSSF)	1,168	6,438	812	768	16	258
	Staff insurance	255	129	177	15	4	5
		155,297	**103,317**	**107,971**	**12,328**	**2,184**	**3,400**
11	**OTHER GENERAL & ADMINISTRATIVE EXPENSES**						
	Training, workshops andseminars	25,735	25,814	17,892	3,080	362	835
	Occupancy expenses*	33,803	31,004	23,502	3,699	475	1,139
	Travel and transportation	19,507	29,665	13,562	3,540	274	1,082
	Maintenance and general expenses	16,348	10,158	11,366	1,212	230	223
	Printing and office stationery	1,764	2,067	1,227	247	25	81
	Research cost	2,357	4,202	1,638	501	33	151
	Professional fees	6,892	8,543	4,792	1,019	97	79
	Program supplies	25,945	56,406	18,039	6,730	365	985
	HO logistics and management expenses	7,338	9,919	5,102	1,184	103	184
	Write off of fixed assets and eceivable	12,402	8,348	2,297	346	204	21
	Write off of looted cash	-	568	-	69	-	4
	Depreciation	1,900	3,861	866	469	17	128
		153,991	**190,555**	**100,283**	**22,096**	**2,185**	**4,912**

11 OTHER GENERAL & ADMINISTRATIVE EXPENSES (CONTINUED)

* The organisation has leased one premise for office space and residential use under operating leases. The leases typically run for two years, with an option to renew the lease after that date. The lease arrangements contain no escalation clauses for lease rentals.

Operating lease commitments
Future minimum rentals payable under non-cancelable operating leases as at 31 December are as follows:

	Inflation Adjusted		Historical Cost			
	2016	2015	2016	2015	2016	2015
	SSP'000'	SSP'000'	SSP'000'	SSP'000'	USD'000'	USD'000'
Within one year	5,880	751	4,028	897	48	54
After one year but not more than five years	-	-	-	-	-	-
	5,880	751	4,028	897	48	54

12 PROPERTY, PLANT AND EQUIPMENT

31 December 2016 Inflation Adjusted	Furniture SSP'000'	Equipment SSP'000'	Vehicle (Tractor) SSP'000'	Motor cycle SSP'000'	Total USD'000'	Total USD'000'
Cost						
At 1 January 2016	5,239	15,958	12,089	5,451	38,737	978
Additions	416	4,184	2,490	1,771	8,861	103
Write-off	(2,396)	(7,014)	(4,402)	(4,648)	(18,460)	(331)
Transfers	-	-	-	(48)	(48)	(1)
At 31 December 2016	3,259	13,128	10,177	2,526	29,090	749
Depreciation						
At 1 January 2016	2,735	5,386	4,393	1,236	13,750	378
Charge for the year	82	917	476	425	1,900	17
Write-off	(1,221)	(3,004)	(1,417)	(860)	(6,502)	(134)
Transfers	-	-	-	(10)	(10)	-
Exchange difference	-	-	-	-	-	146
At 31 December 2016	1,596	3,299	3,452	791	9,138	407
Net book value						
At 31 December 2016	1,663	9,829	6,725	1,735	19,952	342

31 December 2015 Inflation Adjusted	Furniture SSP'000'	Equipment SSP'000'	Vehicle (Tractor) SSP'000'	Motor cycle SSP'000'	Total USD'000'	Total USD'000'
At 1 January 2015	7,244	11,506	17,042	3,425	39,247	748
Additions	762	8,963	1,312	2,580	13,617	271
Write-offs	(2,767)	(4,511)	(6,295)	(544)	(14,127)	(41)
At 31 December 2015	5,239	15,958	12,089	5,451	38,737	978

12 PROPERTY, PLANT AND EQUIPMENT

31 December 2015 Inflation Adjusted	Furniture SSP'000'	Equipment SSP'000'	Vehicle (Tractor) SSP'000'	Motor cycle SSP'000'	Total USD'000'	Total USD'000'
Depreciation						
At 1 January 2015	3,130	5,261	5,673	1,604	15,668	271
Charge for the year	653	857	1,673	678	3,861	128
Write-off	(1,048)	(732)	(2,953)	(1,046)	(5,779)	(21)
At 31 December 2015	2,735	5,386	4,393	1,236	13,750	378
Net book value						
At 31 December 2015	2,504	10,572	7,696	4,215	24,987	600

31 December 2016 Historical Cost	Furniture SSP'000'	Equipment SSP'000'	Vehicle (Tractor) SSP'000'	Motor cycle SSP'000'	Total USD'000'	Total USD'000'
At 1 January 2016	301	1,152	838	567	2,858	978
Additions	123	1,281	1,298	485	3,187	103
Write-off	(172)	(1,106)	(330)	(854)	(2,462)	(331)
Transfers	-	-	-	(12)	(12)	(1)
At 31 December 2016	252	1,327	1,806	186	3,571	749
Depreciation						
At 1 January 2016	156	299	342	134	931	378
Charge for the year	39	362	300	165	866	17
Write-off	(65)	(193)	(153)	(194)	(605)	(133)
Transfers	-	-	-	(6)	(6)	(0)
Exchange differences	-	-	-	-	-	145
At 31 December 2016	130	468	489	99	1,186	407
Net book value						
At 31 December 2016	122	859	1,317	87	2,385	342

PROPERTY, PLANT AND EQUIPMENT(continued)

31 December 2015	Furniture	Equipment	(Tractor)	Vehicle Motor cycle	Total	Total
Historical Cost	SSP'000'	SSP'000'	SSP'000'	SSP'000'	USD'000'	USD'000'
Cost						
At 1 January 2015	326	551	1,042	288	2,207	748
Additions	94	792	152	297	1,335	271
Write-offs	(119)	(191)	(356)	(18)	(684)	(41)
At 31 December 2015	**301**	**1,152**	**838**	**567**	**2,858**	**978**
Depreciation						
At 1 January 2015	156	252	270	122	800	271
Charge for the year	69	130	191	79	469	128
Write off	(69)	(83)	(119)	(67)	(338)	(21)
At 31 December 2015	**156**	**299**	**342**	**134**	**931**	**378**
Net book value						
At 31 December 2015	**145**	**853**	**496**	**433**	**1,927**	**600**

The organisation has not pledged its assets as security for liabilities and therefore, it has no restriction over title of its assets as at 31 December 2015 and 2016. There were no commitments for acquisition of property and equipment at the reporting date.

13 RECEIVABLES AND OTHER CURRENT ASSETS

	Inflation Adjusted		Historical Cost			
	2016	2015	2016	2015	2016	2015
	SSP'000'	SSP'000'	SSP'000'	SSP'000'	USD'000'	USD'000'
Related party receivable- BRAC Uganda (Note:20(a))	8,220	9,437	8,220	1,628	98	98
Other current assets	5,048	2,788	5,048	481	60	29
Grants receivable	45,687	127,303	45,687	21,963	544	1,322
	58,955	**139,528**	**58,955**	**24,072**	**702**	**1,449**

14 SHORT TERM DEPOSIT

Equity Bank Ltd	3	596	3	103	-	5

All short term deposits are maturing within 3 months of year end.

15 CASH AND CASH EQUIVALENTS

	Inflation Adjusted		Historical Cost			
	2016	2015	2016	2015	2016	2015
	SSP'000'	SSP'000'	SSP'000'	SSP'000'	USD'000'	USD'000'
Cash in hand	157	1,013	157	175	2	11
Cash at bank	317,829	438,450	317,829	75,645	3,788	4,551
	317,986	**439,463**	**317,986**	**75,820**	**3,790**	**4,562**

16 BRAC CONTRIBUTION

This fund relates to the initial contribution towards the establishment of BRAC South Sudan and was used for starting up the Microfinance programme.

	Inflation Adjusted		Historical Cost			
	2016	2015	2016	2015	2016	2015
	SSP'000'	SSP'000'	SSP'000'	SSP'000'	USD'000'	USD'000'
BRAC Contribution	94,332	94,332	5,015	5,015	1,700	1,700

17 TERM LOAN

BRAC Foundation	117,747	135,179	117,747	23,322	1,403	1,403

BRAC South Sudan obtained a loan from BRAC Foundation totalling to $3,000,000 in two instalments; USD 600,000 at an interest rate of 16% per annum on 1 December 2008, and a second instalment of USD 2,400,000 on 1 October 2010, which is interest free. The loan was obtained to support Microfinance Program in South Sudan (The Microfinance program was subsequently indefinitely suspended in 2012). The first instalment of USD 600,000 was due after 5 years and the second instalment of the loan was repayable within one year of disbursement. The first instalment has not been paid to-date and the total principal and interest amounted to US$ 997,566 as at 31 December 2012 when BRAC Foundation stopped charging interest on this loan. The second loan disbursed in October 2010 had been repaid to a tune of US$ 1,994,308 by 31 December 2014. The balance of USD 405,692 is still outsnding to-date. The total outstanding balance on both loans as at 31 December 2016 was USD 1,403,258 and this has not been repaid and there has been no renegotiation for the loan repayment. The management of BRAC Foundation will not call back any part of the loan within 1 year and therefore, the whole loan has been treated as non-current from 31 December 2016. The loan is not secured.

18 OTHER CURRENT LIABILITIES

	Inflation Adjusted		Historical Cost			
	2016	2015	2016	2015	2016	2015
	SSP'000'	SSP'000'	SSP'000'	SSP'000'	USD'000'	USD'000'
Accrual for expenses	20,519	33,374	20,519	5,758	245	346
Bonus provision	790	802	790	138	9	8
Social insurance	1,365	6,079	1,365	1,050	17	63
Current acc in transit	-	4	-	-	-	-
Health insurance	755	-	756		9	-
Payable to Bits	2,589	-	2,589	-	31	-
Withholding tax payable	55	198	55	34	1	2
	26,073	**40,457**	**26,074**	**6,980**	**312**	**419**

19 DONOR GRANTS

Donor Grant -control (Note 19.1)	1,426	1,486	233	256	2	16
Donor Grants - SDP (Note19.2)	94,789	230,493	78,764	37,616	1,508	2,667
	96,215	**231,979**	**78,996**	**37,872**	**1,510**	**2,683**

19.1 Donor Grants -Control

Opening balance	1,486	2,174	256	375	15	127
Amortization during the period	(60)	(688)	(24)	(119)	-	(37)
Currency translation	-	-	-	-	(13)	(74)
	1,426	**1,486**	**233**	**256**	**2**	**16**

19.2 Donor Grants SDP

Donor funds received in advance (Note 19.3)	76,448	206,992	76,448	35,712	1,245	2,149
Deferred income (Note19.5)	18,341	23,501	2,316	1,904	263	518
	9 4,789	**230,493**	**78,764**	**37,616**	**1,508**	**2,667**

19.3 Donor grants received in advance

	Inflation adjusted		Historical cost			
	2016	**2015**	**2016**	**2015**	**2016**	**2015**
	SSP'000'	**SSP'000'**	**SSP'000'**	**SSP'000'**	**USD'000'**	**USD'000'**
Donations received (Note 19.4)	168,579	196,812	168,579	33,956	4,544	8,214
Transferred to deferred income - investment in fixed assets						
Transferred to statement	(8,560)	(7,453)	(3,107)	(1,286)	(99)	(254)
of income and expenses	(183,700)	(182,365)	(183,700)	(31,463)	(3,998)	(7,599)
Paid back to donor	(9,437)	(11,495)	(9,437)	(1,983)	(202)	(595)
Written off	(7,758)	(875)	(7,758)	(151)	(371)	(9)
IAS 29 Adjustment	(60,487)	-	-	-	-	-
Currency translation	52,435	66,757	52,435	11,518	-	-
	30,761	**79,689**	**30,761**	**13,749**	**700**	**827**
Receivable from donors	45,687	127,303	45,687	21,963	544	1,322
At 31 December	**76,448**	**206,992**	**76,448**	**35,712**	**1,245**	**2,149**

19.4 Donations received-SDP

Oxfam Novib (Agriculture)	288	762	288	131	9	45
SSDP (FAO)	-	636	-	110	-	37
SMP (FAO)	-	101	-	17	-	6
Comic Relief (Education)	-	4,950	-	854	-	290
Stormee Foundation(Education)	2,768	1,470	2,768	254	53	86
GPAF (DFID)	18,397	40,891	18,397	7,057	576	969
Bonga	801	999	801	172	40	58
USAID	28,271	50,441	28,271	8,702	988	2,247
Norad Foundation	5,822	1,821	5,822	314	112	106
BRAC USA (Novo-ELA)	-	9,207	-	1,588	-	538
RESERCH	-	3,334	-	575	-	195
BRAC USA (Health)	-	839	-	145	-	49
IDRC Research	-	555	-	96	-	32
Strengthening and Supporting Rumbek State Hospital (IMC)	2,520	-	2,520	-	48	-
RMNCH-Big Lottery Fund	2,679	-	2,679	-	75	-
RMNCH-UK AID	5,943	-	5,943	-	174	-
Distribution of Crop seeds Fair(ITF)	3,548	-	3,548	-	117	-
Emergency Preparedness Program	1,714	-	1,714	-	23	-
WFP Supported Food Distribution	1,134	-	1,134	-	36	-
Community Based Seed Multiplication FFS	-	466	-	80	-	27

19.4 Donations received-SDP (continued)

	Inflation adjusted		Historical cost			
	2016	**2015**	**2016**	**2015**	**2016**	**2015**
	SSP'000'	**SSP'000'**	**SSP'000'**	**SSP'000'**	**USD'000'**	**USD'000'**
PSI (Malaria)	37,825	10,855	37,825	1,873	991	635
Emergency Nutrition	10,490	19,919	10,490	3,437	234	1,165
FFTIG/ UN WFP	-	30	-	5	-	2
DFID PSI (ICCM)	28,983	26,883	28,983	4,638	594	699
TUP (DFID)	-	1,630	-	281	-	95
Peach Building (UNICEF)	-	4,862	-	839	-	284
WHO (TB Reach)	1,062	-	1,062	-	32	-
GESS	16,334	16,161	16,334	2,788	442	649
	168,579	**169,812**	**168,579**	**33,956**	**4,544**	**8,214**

19.5 Deferred Income

At 1 January						
Transferred from grants received in advance	8,560	7,453	3,107	1,286	99	254
Amortization during the period	(1,839)	(2,037)	(841)	(352)	(17)	(91)
Adjustment	(11,881)	(542)	(1,854)	(93)	(197)	(5)
Currency traslation	-	-	-	-	(140)	-
At 31 December	**18,341**	**23,501**	**2,316**	**1,904**	**263**	**518**

20 RELATED PARTY DISCLOSURES

The Organization is controlled by Stiching BRAC International, incorporated in The Netherlands. There are other organisations that are related to the organisation through common control or common directorships. The amounts due to or from related parties are unsecured, non-interest bearing and no provisions for bad and doubtful debts are required for the amounts receivable. Related party payables relate to amounts owing to BRAC Bangladesh and BRAC Stichting International for the settlement of staffs costs and operating expenditure on behalf of BRAC South Sudan. Below are the year-end balances arising from related party transactions:

a) RELATED PARTY RECEIVABLES

	Inflation Adjusted		Historical Cost			
	2016	**2015**	**2016**	**2015**	**2016**	**2015**
	SSP'000'	**SSP'000'**	**SSP'000'**	**SSP'000'**	**USD'000'**	**USD'000'**
BRAC Uganda (Note 13)						
At 1 January	9,437	831	1,628	143	98	49
Expenses paid by BRAC South Sudan on behalf of BRAC Uganda	-	829	-	143	-	49
Effects of changes in the exchange rates	(1,217)	7,777	6,592	1,342	-	-
At 31 December	**8,220**	**9,437**	**8,220**	**1,628**	**98**	**98**
b) RELATED PARTY PAYABLES						
BRAC Bangladesh(Note(c))	168,257	195,820	168,257	33,784	2,005	2,033
BRAC Stichting International (Note (d))	32,826	33,907	32,826	5,850	391	352
	201,083	**229,727**	**201,083**	**39,634**	**2,396**	**2,385**

	Inflation Adjusted		Historical Cost			
	2016	2015	2016	2015	2016	2015
	SSP'000'	SSP'000'	SSP'000'	SSP'000'	USD'000'	USD'000'
c) BRAC Bangladesh						
At 1 January	195,820	32,577	33,784	5,621	2,033	1,905
Expenses paid on behalf of BRAC South Sudan	3,427	4,672	3,427	806	147	272
Amount paid	(5,739)	(2,492)	(5,739)	(430)	(175)	(144)
Effects of changes in the exchange rates	(25,251)	161,063	136,785	27,787	-	-
At 31 December	**168,257**	**195,820**	**168,257**	**33,784**	**2,005**	**2,033**
d) BRAC Stichting International						
At 1 January	33,907	4,281	5,850	739	352	250
Expenses paid on behalf of BRAC South Sudan	3,292	6,791	3,292	1,172	39	352
Amount paid	-	(4,281)	-	(739)	-	(250)
Effects of changes in the exchange rates	(4,373)	27,116	23,684	4,678	-	-
At 31 December	**32,826**	**33,907**	**32,826**	**5,850**	**391**	**352**

e) Key management compensation

The organisation does not pay any remuneration to its directors (executive and non-executive). The compensation paid to members of senior management (Country Representative) for employment services is shown below:

	Inflation Adjusted		Historical Cost			
	2016	2015	2016	2015	2016	2015
	SSP'000'	SSP'000'	SSP'000'	SSP'000'	USD'000'	USD'000'
Salaries and other short-term employment benefits	4,784	2,204	3,326	263	72	67

21 CASHFLOW FROM OPERATING ACTIVITIES

Surplus/(deficit) before tax	(11,454)	(122,590)	(38,684)	(6,391)	(360)	(387)
Depreciation	1,900	3,861	866	469	17	128
Assets write-off	11,958	8,348	1,857	346	198	20
Increase BRAC Contribution	-	89,317	-	-	-	-
Loss on transfer of property and equipment	38	-	6	-	1	-
Restatement of fixed asset cost and depreciation	-	(22,170)	-	-	-	-
Operating results before changes in working capital	2,442	(43,234)	(35,955)	(5,576)	(144)	(239)
Receivables and other current assets	80,573	(137,799)	(34,883)	(22,344)	747	(1,344)
Donor grants	(135,764)	225,985	41,124	31,879	490	1,918
Other liabilities	(14,384)	38,355	19,093	4,877	228	293
Loan security fund	-	(24)	-	(24)	-	(1)
Related party payables	(28,644)	223,367	161,449	33,275	1,924	2,002
Net cash flows (used in)/from operating activities	**(95,777)**	**306,650**	**150,828**	**42,087**	**3,245**	**2,629**

Cash balance

As at 31 December 2016, BRAC South Sudan held cash balance amounting to US$ 1,340,628 in Stanbic Bank Uganda Limited. BRAC Uganda is the signatory to this account.

22 Going Concern of the Organisation

As at 31 December 2016, the Organisation was technically insolvent as its total liabilities exceeded its total assets by SSP 44,222,000. The Organisation also reported a net loss of SSP 11,454,000 for the year then ended. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Organisation's ability to continue as a going concern. However, Stiching BRAC International, the controlling entity, has confirmed that it intends to continue providing financial support to the Organisation for the next twelve months to enable it to meet its financial obligations as and when they fall due, and it will not cause the withdrawal of SSP 318,830,000 due to the related organizations in a manner that would jeopardise the going concern of the Organisation.

Thus, the financial statements have been prepared on the going concern basis and do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to amounts and classification of liabilities that may be necessary if the Organisation does not continue as a going concern.

23 Taxation

The organisation is exempt from income tax.

24 Events after the reporting period

There were no significant events after the financial reporting date which require disclosures in or amendments to these financial statements.

BRAC SOUTH SUDAN
APPENDIX 1- PROJECT WISE INFORMATION

Statement of Financial Position as at 31 December 2016 (Amounts in USD '000') (continued)

	Stormee	Health	IDRC Research	Strenghting and Supporting Rumbek State Hospital	RMNCH Big Lottery Fund	RMNCH UK AID	Distributtion crop seeds through input Trade Fair(TF)	Emergency preparedness Program	WFP supported Food Distribution	PSI	RED	GPAF (DFID)
ASSETS												
Receivables and other Current Assets	-	-	-	-	17	30	-	-	12	-	-	1
Cash and bank	64	-	24	3	(8)	(13)	16	3	(3)	419	5	52
Property and equipment	-	-	-	-	3	10	9	-	-	2	1	44
TOTAL PROPERTY AND ASSETS	**64**	**-**	**24**	**3**	**12**	**27**	**25**	**3**	**9**	**421**	**6**	**97**
LIABILITIES AND CAPITAL FUND												
Non-current liabilities												
Term loan	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Current Liabilities												
Loan security fund	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	2	(4)	-	-	8	16	-	-	5	7	2	31
Donor Grants	90	-	39	-	1	2	21	5	-	541	-	44
Related party payable	6	4	-	3	-	-	4	-	4	75	4	-
Total Liabilities	**98**	**-**	**39**	**3**	**9**	**18**	**25**	**5**	**9**	**623**	**5**	**75**
CAPITAL FUND												
Retained Surplus	-	-	-	-	-	-	-	-	-	-	-	-
BRAC contribution	-	-	-	-	-	-	-	-	-	-	-	-
Translation Reserve	(34)	-	(15)	-	3	9	-	(2)	-	(202)	1	22
Total Capital Fund												
TOTAL LIABILITIES AND CAPITAL FUND	**64**	**-**	**24**	**3**	**12**	**27**	**25**	**3**	**9**	**421**	**6**	**97**

BRAC SOUTH SUDAN
APPENDIX 1- PROJECT WISE INFORMATION (CONTINUED)

Statement of Financial Position as at 31 December 2016 (Amounts in USD '000') (continued)

	GESS	NOVO AGI	USAID	NORAD	ICCM	TB Reach	Bonga	Emergency Nutrition	Others Project	Total SDP	Control	Total
ASSETS												
Receivables and other Current Assets	249	-	198	-	-	-	6	-	33	546	156	702
Cash and bank	(220)	369	(9)	92	105	6	(2)	69	(25)	947	2,843	3,790
Property and equipment	-	135	45	10	3	-	-	-	-	262	80	342
TOTAL PROPERTY AND ASSETS	**29**	**504**	**234**	**102**	**108**	**6**	**4**	**69**	**8**	**1,755**	**3,079**	**4,834**
LIABILITIES AND CAPITAL FUND												
Non-current liabilities												
Term loan at amortized cost	-	-	-	-	-	-	-	-	-		1,403	1,403
	-	-	-	-	-	-	-	-	-	-	1,403	1,403
Current Liabilities												
Loan security fund	-	-	-	-	-	-	-	-	-			
Other liabilities	29	11	61	2	8	1	1	10	2	191	121	312
Donor Grants	-	560	8	147	42	-	-	-	8	1508	2	1,510
Related party payable	-	23	128	-	71	5	3	59	1	390	2,006	2,396
Total Liabilities	**29**	**594**	**197**	**149**	**121**	**6**	**4**	**69**	**11**	**2,089**	**2,129**	**4,218**
CAPITAL FUND												
Retained Surplus	-	-	-	-	-	-	-	-	-		(2,275)	(2,275)
BRAC contribution	-	-	-	-	-	-	-	-	-		1,700	1,700
Translation Reserve	-	(90)	37	(47)	(13)	-	-	-	(3)	-334	122	(212)
Total Capital Fund	**-**	**(90)**	**37**	**(47)**	**(13)**	**-**	**-**	**-**	**(3)**	**-334**	**(453)**	**(787)**
TOTAL LIABILITIES AND CAPITAL FUND	**29**	**504**	**234**	**102**	**108**	**6**	**4**	**69**	**8**	**1,755**	**3,079**	**4,834**

BRAC SOUTH SUDAN
APPENDIX 1- PROJECT WISE INFORMATION (CONTINUED)

Statement of Comprehensive Income for the year ended 31 December 2016 (Amounts in USD '000')

	Stormee	Health	IDRC Research	Strenghting and Supporting Rumbek State Hospital	RMNCH Big Lottery Fund	RMNCH UK AID	Distributtion crop seeds through input Trade Fair(TF)	Emergency preparedness Program	WFP supported Food Distribution	PSI	RED	GPAF (DFID)
INCOME												
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Grant Income	44	3	8	-	88	185	102	20	48	535	12	241
Other Income	-	-	-	-	-	-	-	-	-	-	-	-
	44	**3**	**8**	**-**	**88**	**185**	**102**	**20**	**48**	**535**	**12**	**241**
EXPENDITURE												
Staff costs and other benefits	18	-	6	-	56	117	68	11	44	260	7	64
Other general & administrative expenses	26	3	2	-	32	67	34	9	4	274	5	174
Depreciation	-	-	-	-	-	1	-	-	-	1	-	3
TOTAL EXPENSES	**44**	**3**	**8**	**-**	**88**	**185**	**102**	**20**	**48**	**535**	**12**	**241**
NET SURPLUS FOR THE YEAR												
Translation Reserve												
Total comprehensive gain/(loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

BRAC SOUTH SUDAN
APPENDIX 1- PROJECT WISE INFORMATION (CONTINUED)

Statement of Comprehensive Income for the period 31 December 2016 (Amount in USD) (continued)

	GESS	NOVO AGI	USAID	NORAD	ICCM	TB Reach	Bonga	Emergency Nutrition	Others Project	Total SDP	Control	Total
INCOME												
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Grant Income	398	247	1,008	65	495	6	22	391	10	3928	373	4,301
Other Income	-	-	-	-	-	-	-	-	-	-	3	3
	398	247	1,008	65	495	6	22	391	10	3928	376	4,304
EXPENDITURE												
Staff costs and other benefits	154	110	537	37	305	-	6	221	4	2025	158	2,183
Other general & administrative expenses	242	132	468	28	188	6	16	170	6	1886	577	2,463
Depreciation	2	5	3	-	2	-	-	-	-	17	-	17
TOTAL EXPENSES	**398**	**247**	**1,008**	**65**	**495**	**6**	**22**	**391**	**10**	**3928**	**735**	**4,663**
NET DEFICIT FOR THE YEAR	-	-	-	-	-	-	-	-	-	**-**	(359)	(359)
Translation Reserve											(153)	(153)
Total comprehensive gain/(loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(512)**	**(512)**

** Total Others project are :- Oxfam Novib, Comic Relief, Community Based Seed Multiplication FFS, MHM-UNICEF, TUP (DFID),SSDP (FAO), SMP (FOA)

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BRAC

BRAC Centre
75 Mohakhali
Dhaka 1212
Bangladesh

T : +88 02 9881265
F : +88 02 8823542
E : info@brac.net
W : www.brac.net

BRAC International

Bezuidenhoutseweg 2
2594 AV The Hague
The Netherlands

BRAC in South Sudan

Plot 15, Street 22
Block L-14, Atlabara
Juba, South Sudan

T : +211 (0) 920558011
E : info.southsudan@brac.net