

STICHTING BRAC INTERNATIONAL, KENYA BRANCH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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ORGANISATION INFORMATION

BOARD OF DIRECTORS	: Mr. Shameran Abed	- Executive Director
	: Ms. Shahrukh Yasmin Mir	- Member (appointed on 15 November 2024)
FINANCE TEAM	: Rose Manguru	- Regional Head of Finance
	: Judy Wambui	- Finance manager
	: Brian Nyamweya	- Finance Officer
REGISTERED OFFICE	: Adlife Plaza	
	: P.O. Box 6219, 00100	
	: Nairobi	
PRINCIPAL PLACE OF BUSINESS	: FAWE House, Chania Avenue	
	: Off Wood Avenue, Kilimani	
	: Nairobi	
INDEPENDENT AUDITOR	: PKF Kenya LLP	
	: Certified Public Accountants	
	: P.O. Box 14077, 00800	
	: NAIROBI	
PRINCIPAL BANKER	: Standard Chartered Bank Kenya Limited	
	: NAIROBI	

REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the year ended 31 December 2024, which disclose the state of affairs of the organisation.

REGISTRATION

The organisation is registered in Kenya under the Kenyan Companies Act, 2015.

PRINCIPAL ACTIVITIES

The principal activity of the organization is to provide support on ongoing projects in Africa.

RESULTS AND PERFORMANCE

The results for the year ended 31 December 2024 are set out in the statement of income and expenditure on page 7.

KEY PERFORMANCE INDICATORS	2024 KES	2023 KES	2024 USD	2023 USD
BRAC contribution	280,798,384	209,468,653	2,096,623	1,478,160
Other income	5,505,919	-	41,111	-
Grant Income	279,329,171	180,856,721	2,085,652	1,276,253
	<u>565,633,474</u>	<u>390,325,374</u>	<u>4,223,386</u>	<u>2,754,413</u>

PRINCIPAL RISKS AND UNCERTAINTIES

The overall operational environment continues to remain challenging and this has a resultant effect on the organisation's activities. The organisation's strategic focus is to provide support on ongoing projects in Africa.

The organisation's activities expose it to a number of financial risks including cash flow and foreign currency risk and liquidity risk as set-out below:

Cash flow and foreign currency risk

The majority of the organisation's expenses are in Kenya Shillings but where donor funds are received in foreign currency, the organisation is exposed to currency risk. This risk is managed through appropriate operational offset of open receivable and payable foreign currency positions.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for on-going operations and future developments, the organisation monitors its need for cash on a regular basis and takes appropriate action through financing arrangements.

DIRECTORS

The directors who held office during the year and to the date of this report are shown on page 1.

In accordance with the company's Articles of Association, no director is due for retirement by rotation.

STATEMENT AS TO DISCLOSURE TO THE ORGANISATION'S AUDITOR

With respect to each director at the time this report was approved:

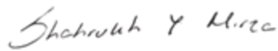
- there is, so far as the person is aware, no relevant audit information of which the organisation's auditor is unaware; and
- the person has taken all the steps that the person ought to have taken as a director so as to be aware of any relevant audit information and to establish that the organisation's auditor is aware of that information.

REPORT OF THE DIRECTORS (CONTINUED)

INDEPENDENT AUDITOR

PKF Kenya LLP, continues in office in accordance with the company's Articles of Association and Section 719 of the Kenyan Companies Act, 2015. The directors monitor the effectiveness, objectivity and independence of the auditor. The directors also approve the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fees.

BY ORDER OF THE BOARD



Ms. Shahrukh Yasmin Mirza
Member
BRAC International



Mr. Shameran Abed
Executive Director
BRAC International

_____ **2025**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

It is the responsibility of the directors to prepare 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 result for that year. The directors are also required to ensure that the organisation maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the organisation. The management is also responsible for safeguarding the assets of the organisation.

The directors accept responsibility for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs Accounting Standard and in the manner required by the Kenyan Companies Act, 2015. They also accept responsibility for:

- i. Designing, implementing and maintaining such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii. Selecting and applying appropriate accounting policies; and
- iii. Making accounting estimates and judgements that are reasonable in the circumstances.

The Directors confirm that the financial statements give a true and fair view of the financial position of the company as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS for SMEs Accounting Standard and the requirements of the Kenyan Companies Act, 2015.

Having made an assessment of the company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the company's ability to continue as a going concern.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of directors on _____ 2025 signed on its behalf by:



Ms. Shahrulkh Yasmin Mirza
Member
BRAC International



Mr. Shameran Abed
Executive Director
BRAC International

**REPORT OF THE INDEPENDENT AUDITOR
TO THE DIRECTORS OF STICHTING BRAC INTERNATIONAL, KENYA BRANCH**

Opinion

We have audited the organisation financial statements of Stichting BRAC International, Kenya Branch set out on pages 8 to 20 which comprise the statement of financial position as at 31 December 2024, statement of income and expenditure, statement of changes in reserves and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the state of financial position of the organisation as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with IFRS for SMEs Accounting Standard and the requirements of the Kenyan Companies Act, 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial Statements section of our report. We are independent of the organisation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (Including International Independence Standard) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The management is responsible for the other information. The other information comprises organisation information, report of the directors but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the financial statements

The management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS for SMEs Accounting Standard and the requirements of the Kenyan Companies Act, 2015 and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**REPORT OF THE INDEPENDENT AUDITOR
TO THE DIRECTORS OF STICHTING BRAC INTERNATIONAL, KENYA BRANCH (CONTINUED)**

Responsibilities of management for the financial statements (continued)

In preparing the financial statements, the management is responsible for assessing the organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the organisation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organisation's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



**REPORT OF THE INDEPENDENT AUDITOR
TO THE DIRECTORS OF STICHTING BRAC INTERNATIONAL, KENYA BRANCH (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements (continued)

We communicate with those charged with governance 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.

Report on other matters prescribed by the Kenyan Companies Act, 2015

In our opinion the information given in the report of the directors on pages 2 and 3 are consistent with the financial statements.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Mike Njuguna Kimundu, Practising certificate No. 2235

**For and on behalf of PKF Kenya LLP
Certified Public Accountants
Nairobi, Kenya**

2025

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STATEMENT OF INCOME AND EXPENDITURE

	Note	SBI Units 2024 KES	AIM Unit 2024 KES	Total 2024 KES	2024 USD	SBI Units 2023 KES	AIM Unit 2023 KES	Total 2023 KES	2023 USD
Income									
BRAC contributions	3.1	280,798,384	-	280,798,384	2,096,623	209,468,653	-	209,468,653	1,478,160
Other income	3.3	5,505,919	-	5,505,919	41,111	-	-	-	-
Grant Income	3.2	-	279,329,171	279,329,171	2,085,652	-	180,856,721	180,856,721	1,276,253
Total income		286,304,303	279,329,171	565,633,474	4,223,386	209,468,653	180,856,721	390,325,374	2,754,413
Less: expenditure									
General and administrative expenses	4	257,411,252	278,148,504	535,559,756	3,998,836	214,045,232	180,072,082	394,117,314	2,781,172
Depreciation on property and equipment	5	6,491,552	1,180,667	7,672,219	57,286	4,914,171	784,639	5,698,810	40,215
Finance costs	6	22,401,499	-	22,401,499	167,264	(9,490,750)	-	(9,490,750)	(66,973)
Total expenses		286,304,303	279,329,171	565,633,474	4,223,386	209,468,653	180,856,721	390,325,374	2,754,413
		-	-	-	-	-	-	-	-

The notes on pages 12 to 20 form an integral part of these financial statements.

Report of the independent auditor - pages 5 to 7.

STATEMENT OF FINANCIAL POSITION

		As at 31 December			
	Notes	2024 KES	2023 KES	2024 USD	2023 USD
Assets					
Non-current assets					
Property and equipment	7	22,382,715	28,207,141	173,118	180,281
Current assets					
Other receivables	8	12,459,742	25,751,576	96,369	164,587
Related party receivable	8.1	26,715,977	6,813,896	206,633	43,550
Cash and cash equivalents	9	112,863,473	174,996,269	872,935	1,118,460
		152,039,192	207,561,741	1,175,937	1,326,597
Total assets		174,421,907	235,768,883	1,349,054	1,506,879
Reserves and non current liabilities					
BRAC and donor contribution investment in fixed assets	11.2	22,382,715	28,207,141	173,118	180,281
Payable to Bangladesh	10.2	1,190,399	1,525,096	9,207	9,747
		23,573,114	29,732,237	182,325	190,029
Current liabilities					
BRAC contribution received in advance	11.1	43,681,067	51,529,273	337,848	329,341
Grants received in advance	11.1	85,545,908	108,317,773	661,649	692,295
Related party payables	10.1	2,159,665	25,409,007	16,704	162,398
Other payables	10	19,462,153	20,780,593	150,529	132,816
		150,848,793	206,036,646	1,166,730	1,316,850
Total reserves and liabilities		174,421,907	235,768,883	1,349,054	1,506,878

The financial statements on pages 8 to 20 were approved and authorised for issue by the board of management on _____ 2025 and were signed on its behalf by:


Ms. Shahrukh Yasmin Mirza
Member
BRAC International


Mr. Shameran Abed
Executive Director
BRAC International

The notes on pages 12 to 20 form an integral part of these financial statements.

Report of the independent auditor - pages 5 to 7.

STATEMENT OF CHANGES IN RESERVES

	BRAC contribution investment in fixed assets KES	Total USD
Year ended 31 December 2023		
At start of year	5,414,898	43,625
BRAC contribution investment in fixed assets	28,491,053	201,053
Amortization of BRAC contribution investment in fixed assets	(5,698,810)	(40,215)
Translation adjustment	-	(24,182)
At end of year	28,207,141	180,281
Year ended 31 December 2024		
At start of year	28,207,141	180,281
BRAC contribution investment in fixed assets	2,547,448	19,021
Amortization of BRAC contribution investment in fixed assets	(7,672,219)	(57,286)
Disposals	(1,556,176)	(11,619)
Charge on disposal	856,522	6,395
Translation adjustment	-	36,325
At end of year	22,382,715	173,118

The notes on pages 12 to 20 form an integral part of these financial statements.

Report of the independent auditor - pages 5 to 7.

STATEMENT OF CASH FLOWS

	Note	2024 KES	2023 KES	2024 USD	2023 USD
Cash flows from operating activities					
Surplus for the year		-	-	-	-
Adjustments for:					
Depreciation on property and equipments	7	7,672,219	5,698,810	57,286	40,215
Changes in working capital:					
- other receivables		(6,610,246)	(8,944)	(49,356)	(63)
- other payables		(24,902,480)	34,593,280	(185,938)	244,115
- restricted cash balances		-	(18,835,417)	-	(132,916)
Net cash flows (used in)/from operating activities		(23,840,507)	21,447,729	(178,009)	151,350
Cashflow (used in) investing activities					
Purchase of property and equipment	7	(2,547,448)	(28,491,052)	(19,021)	(201,053)
Sales proceeds from disposal of property and equipment		699,654	-	5,224	-
Net cash flows (used in) investing activities		(1,847,794)	(28,491,052)	(13,797)	(201,053)
Cashflow from financing activities					
(Decrease)/increase of BRAC contribution received in advance		(30,620,071)	15,985,393	(228,629)	112,804
(Decrease)/increase of BRAC contribution investment in fixed assets		(5,824,425)	22,792,243	(43,489)	160,838
Net cashflow (used in)/from financing activities		(36,444,496)	38,777,636	(272,118)	273,643
(Decrease)/increase in cash and cash equivalents		(62,132,796)	31,734,313	(463,924)	223,940
Movement in cash and cash equivalents					
At start of year		66,678,496	34,944,183	497,865	246,592
(Decrease)/increase in cash and cash equivalent		(62,132,796)	31,734,313	(463,924)	223,940
Translation adjustment		-	-	1,216	(44,366)
At end of year	9	4,545,700	66,678,496	35,158	426,165

The notes on pages 12 to 20 form an integral part of these financial statements.

Report of the independent auditor - pages 5 to 7.

NOTES

1. General information

Stichting BRAC International, Kenya Branch is registered as a hub to oversee programs operations of Brac International in Africa. The address of its registered office and principal place of business is indicated on page 1. The principal activity of the organisation is to provide support services on the various projects ongoing in Africa.

2. Significant accounting policies

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

a) Basis of preparation

These financial statements have been prepared in accordance with the IFRS for SMEs Accounting Standard issued by the International Accounting Standards Board (IASB) and are consistent with the previous period.

The preparation of financial statements in conformity with the IFRS for SMEs Accounting Standard requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements.

b) Going concern

The financial performance of the organisation is set out in statement of income and expenditure. The financial position of the organisation is set out in the statement of financial position.

Based on the financial performance and position of the organisation and its risk management policies, the management is of the opinion that the organisation is well placed to continue in operation for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

c) Revenue including grants and donations received

Revenue comprises the fair value of the consideration received or receivable from the head quarters.

Contributions are initially recognised at fair value and recorded as liabilities as contribution received in advance for the year and the portion of the contribution utilised to purchase property and equipment's are transferred as BRAC contribution investment in fixed assets and subsequently the portion of the depreciation expenses of the same assets for the period is recognised in the Income statement as BRAC contribution. Contribution relating to expenditure for the year is released to income and expenditure as it is utilised or incurred.

d) Translation of foreign currencies

Transactions in foreign currencies are translated to the respective functional currency of the entity at exchange rates at the dates of the transactions; Stichting BRAC International, Kenya branch used an exchange rate of USD 1: KES 129.30 (closing rate) and KES 134.70 (average rate) for the year 2024 for conversion to presenting currency. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency.

NOTES (CONTINUED)

2. Significant accounting policies (continued)

e) Property and equipment

All property and equipment acquired from unrestricted funds are initially recorded at cost and thereafter stated at historical cost less depreciation. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost can be reliably measured.

Depreciation is calculated on straight line method to write down the cost of each asset, to its residual value over its estimated useful life using the following annual rates:

	<u>Rate %</u>
Furniture and fittings	10.00
Motor vehicles	20.00
Equipment	20.00
Computers	33.33
Leasehold improvements	5yrs

All depreciation costs are charged and written off in the year it was written off.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating profit or loss.

f) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

g) Other receivables

Other receivables include deposits and prepayment for services/goods to be delivered in future and advances to staff. Other receivables are only accounted for if there is tangible evidence that the service will be performed in future or a refund will be made in the event the service is not performed.

h) Taxation

No taxation has been provided in these financial statements as discussed further in Note 12 to the financial statements.

i) Other payables

Other payables are obligations on the basis of normal credit terms and do not bear interest.

NOTES (CONTINUED)

2. Significant accounting policies (continued)

j) Brac contribution received in advance

Grants represent unutilised funds as at the end of the reporting period. These funds are accrued as part of current liabilities

k) Brac contibution investment in fixed asset

Capital grant represent funds received specifically for purchase of equipment and intangible assets or the value of such equipment and intangible assets that are granted to the organisation. This is classified as part of current account head office

The initial amount is credited to deferred capital grant. The grant balance is amortised to income annually at an amount equal to the depreciation of the assets purchased with the grants.

l) Comparatives

There were no changes in presentation in the current year.

NOTES (CONTINUED)

	2024 KES	2023 KES	2024 USD	2023 USD
3.1 BRAC contributions				
BRAC contributions realised	273,607,178	204,554,482	2,042,928	1,443,482
Amortisation of investment in fixed assets - SBI unit	6,491,552	4,914,171	48,470	34,678
Amortisation charge on disposal	699,654	-	5,224	-
	<u>280,798,384</u>	<u>209,468,653</u>	<u>2,096,623</u>	<u>1,478,160</u>
3.2 Grant Income				
Grant income AIM Mastercard Foundation (note 11.1 (d))	278,148,504	180,072,082	2,076,837	1,270,716
Amortisation of investment in fixed assets - AIM unit	1,180,667	784,639	8,816	5,537
	<u>279,329,171</u>	<u>180,856,721</u>	<u>2,085,652</u>	<u>1,276,253</u>
3.3 Other Income				
Brac Global	5,471,085	-	40,851	-
Other non operating Income	34,834	-	260	-
	<u>5,505,919</u>	<u>-</u>	<u>41,111</u>	<u>-</u>
Total Income	<u><u>565,633,474</u></u>	<u><u>390,325,374</u></u>	<u><u>4,223,386</u></u>	<u><u>2,754,413</u></u>
4. Expenses				
4.1 Salaries and benefits				
	2024 KES	2023 KES	2024 USD	2023 USD
Salaries and wages	282,694,828	198,186,861	2,110,783	1,398,547
Director salaries	17,396,159	24,687,871	129,891	174,215
Bonus	17,722,980	14,551,657	132,331	102,687
NSSF - Employee	887,760	295,560	6,629	2,086
NSSF - Employer	887,760	295,560	6,629	2,086
Pension - Employee	10,472,570	5,976,173	78,195	42,172
Pension - Employer	20,522,306	11,500,850	153,233	81,158
Insurance and medical benefits	13,755,249	10,226,395	102,706	72,165
Other staff costs	5,700,972	3,341,285	42,567	23,578
	<u>370,040,584</u>	<u>269,062,212</u>	<u>2,762,963</u>	<u>1,898,694</u>
4.2 General and administrative expenses				
Advertisement	-	1,411,882	-	9,963
Computer and internet expenses	1,529,559	2,413,471	11,421	17,031
Printing and stationery	707,988	398,897	5,286	2,815
Repairs and maintenance	1,588,852	991,776	11,863	6,999
Office expenses	6,248,437	5,834,466	46,655	41,172
Bank charges	1,063,740	1,827,258	7,943	12,894
Security expenses	160,901	81,200	1,201	573
Postage and telephone	-	277,363	-	1,957
Loss in disposal	631,436	-	4,715	-
	<u>11,930,913</u>	<u>13,236,313</u>	<u>89,084</u>	<u>93,405</u>
4.3 Travelling and Transportation				
International travel	74,968,181	40,941,402	559,761	288,912
Local travel	3,791,259	2,032,572	28,308	14,343
	<u>78,759,440</u>	<u>42,973,974</u>	<u>588,069</u>	<u>303,255</u>

NOTES (CONTINUED)

	2024 KES	2023 KES	2024 USD	2023 USD
4.4 Audit, legal and professional fees				
Audit fees-current fee	734,000	734,000	5,481	5,180
Audit fee under provision 2023	102,481	54,034	765	381
Legal and professional fees	9,935,486	14,706,365	74,185	103,779
	<u>10,771,967</u>	<u>15,494,399</u>	<u>80,430</u>	<u>109,339</u>
4.5 Training Workshops and seminars				
Workshop and meeting expense	26,760,960	31,837,811	199,815	224,670
Research costs	22,341,683	3,560,734	166,817	25,127
	<u>49,102,643</u>	<u>35,398,545</u>	<u>366,632</u>	<u>249,797</u>
4.6 Occupancy Expenses				
Office rent	11,791,445	16,340,127	88,043	115,308
Utilities	3,162,764	1,611,744	23,615	11,374
	<u>14,954,209</u>	<u>17,951,871</u>	<u>111,658</u>	<u>126,681</u>
	<u>535,559,756</u>	<u>394,117,314</u>	<u>3,998,836</u>	<u>2,781,172</u>
The average number of persons employed during the year were:			No. of employees	
			2024	2023
Management and administration			<u>36</u>	<u>28</u>
	2024 KES	2023 KES	2024 USD	2023 USD
5. Depreciation				
Depreciation on property and equipment	<u>7,672,219</u>	<u>5,698,810</u>	<u>57,286</u>	<u>40,215</u>
	2024 KES	2023 KES	2024 USD	2023 USD
6. Finance costs				
Exchange loss/(gain)	<u>22,401,499</u>	<u>(9,490,750)</u>	<u>167,264</u>	<u>(66,973)</u>

NOTES (CONTINUED)

7. Property and equipment

	Leasehold improvements KES	Furniture & fittings KES	Motor vehicles KES	Equipment KES	Computers KES	Total KES	Total USD
Cost							
At start of year	9,668,903	7,554,081	7,300,000	1,634,728	10,400,742	36,558,454	233,657
Additions	-	36,000	-	316,680	2,194,768	2,547,448	19,021
Disposals	-	(613,717)	-	(398,182)	(544,277)	(1,556,176)	(11,619)
Translation adjustment	-	-	-	-	-	-	49,367
At end of year	9,668,903	6,976,364	7,300,000	1,553,226	12,051,233	37,549,726	290,426
Depreciation							
At start of year	1,933,781	872,583	863,832	413,279	4,267,839	8,351,313	53,376
Charge for the year	1,987,496	880,778	1,484,334	264,352	3,055,259	7,672,219	57,286
Charge on disposal	-	(184,053)	-	(128,192)	(544,277)	(856,522)	(6,395)
Translation adjustment	-	-	-	-	-	-	13,042
At end of year	3,921,277	1,569,308	2,348,166	549,439	6,778,821	15,167,011	117,308
Net book value 2024	5,747,626	5,407,056	4,951,834	1,003,787	5,272,412	22,382,715	173,118
Net book value 2023	-	6,681,499	-	1,221,449	6,132,903	28,207,141	180,281

	2024 KES	2023 KES	2024 USD	2023 USD
8. Other receivables				
Deposits and advances	515,462	1,771,117	3,987	11,320
Prepayments	9,762,773	19,275,597	75,509	123,197
Other receivables	2,181,507	4,704,862	16,873	30,070
	12,459,742	25,751,576	96,369	164,587

8.1 Related party receivables (Note 11.3)

Receivable from SBI	17,141,919	-	132,583	-
Receivable from BIHBV Kenya	9,574,058	6,813,896	74,050	43,550
	26,715,977	6,813,896	206,633	43,550

9. Cash and cash equivalents

Cash at bank	112,815,699	170,220,725	872,565	1,087,938
Cash in hand	47,774	17,228	370	110
Cash in transit	-	4,758,316	-	30,412
	112,863,473	174,996,269	872,935	1,118,460

For the purposes of the statement of cash flows, the year end cash and cash equivalents comprise the following:

	2024 KES	2023 KES	2024 USD	2023 USD
Cash and bank balances	112,863,473	174,996,269	872,935	1,118,460
Less: AIM bank balances (restricted cash balances)	(108,317,773)	(108,317,773)	(837,776)	(692,295)
	4,545,700	66,678,496	35,158	426,165

NOTES (CONTINUED)

	2024 KES	2023 KES	2024 USD	2023 USD
10. Other payables				
Current				
Provision for NSSF	43,586	1,700	337	11
Provision for NHIF	-	20,400	-	130
Provision for PAYE	12,041,748	11,662,640	93,136	74,540
Payable to BRAC USA	5,007,873	5,007,873	38,733	32,007
Provision for audit fees	754,000	754,000	5,832	4,819
Liabilities for expenses	1,614,946	3,333,980	12,491	21,309
	<u>19,462,153</u>	<u>20,780,593</u>	<u>150,529</u>	<u>132,816</u>
10.1 Related party payables (Note 11.4)				
Payable to BRAC Maendeleo Tanzania	249,276	-	1,928	-
Payable to BRAC Uganda	1,910,389	-	14,776	-
Payable to BHIBV Kenya	-	25,409,007	-	162,398
	<u>2,159,665</u>	<u>25,409,007</u>	<u>16,704</u>	<u>162,398</u>
10.2 Non current				
Payable to Bangladesh	<u>1,190,399</u>	<u>1,525,096</u>	<u>9,207</u>	<u>9,747</u>
11. Related party transactions				
The following transactions were carried out with the related parties:				
	2024 KES	2023 KES	2024 USD	2023 USD
BRAC contribution received in advance (11.1, 11.1a)	<u>129,226,975</u>	<u>159,847,046</u>	<u>999,497</u>	<u>1,021,636</u>
BRAC contribution investment in fixed assets (11.2)	<u>22,382,715</u>	<u>28,207,141</u>	<u>173,118</u>	<u>180,281</u>
Contributions received during the year (11)	<u>546,196,990</u>	<u>404,311,907</u>	<u>4,078,260</u>	<u>2,853,112</u>
11.1 BRAC contribution received in advance				
At start of year	51,529,273	33,620,669	329,341	270,861
Contributions received during the year (11.1b)	268,076,161	239,946,528	2,005,087	1,693,233
Income from Brac USA	-	2,092,361	-	14,765
Transferred to BRAC contribution investment in fixed assets	(2,317,188)	(22,803,434)	(17,302)	(160,917)
Foreign exchange gain	-	3,227,632	-	22,776
Transferred to income and expenditure	(273,607,178)	(204,554,482)	(2,042,928)	(1,443,482)
Translation adjustment	-	-	63,650	(67,896)
At end of year	<u>43,681,067</u>	<u>51,529,273</u>	<u>337,848</u>	<u>329,341</u>
11.1. Grants received in advance				
At start of year	108,317,773	-	692,295	-
Contributions received during the year (11.1d)	272,649,744	164,365,379	2,062,016	1,159,879
Transferred to BRAC contribution investment in fixed assets	(230,260)	(5,687,618)	(1,719)	(40,136)
Foreign exchange gain	(17,042,845)	19,471,111	(127,253)	137,402
Transferred to income and expenditure	(278,148,504)	(180,072,082)	(2,076,837)	(1,270,716)
Translation adjustment	-	-	113,147	(182,278)
At end of year	<u>85,545,908</u>	<u>108,317,773</u>	<u>661,649</u>	<u>692,295</u>
Transfer to income and expenditure comprises of:				
Funds received released	295,191,349	160,600,971	2,204,090	1,133,314
Exchange gain on bank treated as program income	(17,042,845)	19,471,111	(127,253)	137,402
	<u>278,148,504</u>	<u>180,072,082</u>	<u>2,076,837</u>	<u>1,270,716</u>

NOTES (CONTINUED)

11. Related party transactions (continued)

	2024 KES	2023 KES	2024 USD	2023 USD
11.1b BRAC contribution received during the year				
0001 SBI - Stichting BRAC International	149,130,952	151,843,258	1,113,508	1,071,514
0003 PRL - Program Research and Learning	22,911,086	29,815,180	171,069	210,397
0004 UPG - Ultra Poor Graduation	10,152,883	5,017,081	75,808	35,404
0005 BUSA - BRAC USA	13,062,614	1,162,418	100,991	8,203
0007 UPGI	72,818,625	52,009,078	543,711	367,013
Translation adjustment	-	-	(3,457)	-
	<u>268,076,161</u>	<u>239,847,015</u>	<u>2,001,630</u>	<u>1,692,531</u>
11.1c 'Other Income				
009 Brac Global	<u>5,471,085</u>	<u>99,512</u>	<u>40,851</u>	<u>702</u>
11.1d Grant income received during the year				
0006 MCF AIM	272,649,744	164,365,379	2,062,016	1,159,879
Translation adjustment	-	-	(26,236)	-
	<u>272,649,744</u>	<u>164,365,379</u>	<u>2,035,780</u>	<u>1,159,879</u>
Total contributions received	<u>546,196,990</u>	<u>404,311,907</u>	<u>4,078,260</u>	<u>2,853,112</u>
Funds received during the year	540,725,905	404,311,907	4,037,410	2,853,112
Effects of foreign exchange	<u>(17,042,845)</u>	<u>22,698,743</u>	<u>(127,253)</u>	<u>160,178</u>
	<u>523,683,060</u>	<u>427,010,650</u>	<u>3,910,157</u>	<u>3,013,290</u>
11.2 BRAC contribution investment in fixed assets				
At start of year	28,207,141	5,414,898	180,281	43,625
Transferred from BRAC contribution received in advance	2,547,448	28,491,052	19,021	201,053
Amortization of BRAC contribution investment in fixed assets	(7,672,219)	(5,698,810)	(57,286)	(40,215)
Amortization on disposal	(699,654)	-	(5,224)	-
Translation adjustment	-	-	31,101	(24,181)
At end of year	<u>22,382,715</u>	<u>28,207,141</u>	<u>173,118</u>	<u>180,281</u>
11.3 Receivable from related party (note 8.1)	2024 KES	2023 KES	2024 USD	2023 USD
Receivable at the start of the year	6,813,896	1,264,211	52,702	8,921
Receipts during the year	(6,813,896)	(4,758,316)	(52,702)	(33,578)
Expenses paid during the year	26,715,981	10,308,001	206,633	72,741
Total receivable	<u>26,715,981</u>	<u>6,813,896</u>	<u>206,633</u>	<u>48,084</u>
11.4 Payable to related party related party (note 10.1)	2024 KES	2023 KES	2024 USD	2023 USD
Receivable at the start of the year	25,409,007	(17,992,026)	162,398	(144,951)
Receipts during the year	(143,130,620)	(77,301,799)	(1,068,706)	(545,496)
Expenses paid during the year	119,881,282	120,702,832	923,012	852,845
Total receivable	<u>2,159,669</u>	<u>25,409,007</u>	<u>16,704</u>	<u>162,398</u>
11.5 Key management personnel compensation				
Short term employee benefits	<u>37,450,474</u>	<u>43,988,361</u>	<u>289,658</u>	<u>281,144</u>

NOTES (CONTINUED)

12. Taxation

Whilst the organisation does not have a tax exemption certificate at present, the organisation deals in activities which are not for profit and therefore the management is of the view that the organisation would not be subject to tax. Therefore no provision for current or deferred tax is recognised in these financial statements.

13. Commitments

Operating lease commitments - as a lessee

The future minimum lease payments payable under non-cancellable operating leases are as follow

	KES	KES
Not later than 1 year	2,224,308	5,738,839
Later than 1 year and not later than 5 years	<u>2,224,308</u>	<u>-</u>
	<u>4,448,616</u>	<u>5,738,839</u>

The organisation leases office space through operating lease agreements. The lease terms are between 1 to 2 years and these are generally renewable at the end of the tenure of the lease.

14. Registration

The organisation is registered in Kenya under the Kenyan Companies Act, 2015.

15. 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 (Kenya Shillings). Major activities were measured in Kenya Shillings and translated in USD. Stichting BRAC International, Kenya branch uses an exchange rate of USD 1: KES 129.30 (closing rate) & KES 133.93 (avg. rate) for 2024 and of USD 1: KES 156.46 (closing rate) & KES 141.71 (avg. rate) for 2023.

The exchange rates used are as follows:	2024	2023
Statement of financial position 1 USD	<u>129.29</u>	<u>156.46</u>
Statement of profit and loss (average rate) 1 USD	<u>133.93</u>	<u>141.71</u>

APPENDIX I: SCHEDULE OF EXPENDITURE

	2024	2023	2024	2023
	Shs	Shs	USD	USD
1.1 Salaries and benefits				
Salaries and wages	282,694,828	198,186,861	2,110,783	1,398,547
Director salaries	17,396,159	24,687,871	129,891	174,215
Bonus	17,722,980	14,551,657	132,331	102,687
NSSF - Employee	887,760	295,560	6,629	2,086
NSSF - Employer	887,760	295,560	6,629	2,086
Pension - Employee	10,472,570	5,976,173	78,195	42,172
Pension - Employer	20,522,306	11,500,850	153,233	81,158
Insurance and medical benefits	13,755,249	10,226,395	102,706	72,165
Other staff costs	5,700,972	3,341,285	42,567	23,578
	<u>370,040,584</u>	<u>269,062,212</u>	<u>2,762,963</u>	<u>1,898,694</u>
1.2 General and administrative expenses				
Advertisement	-	1,411,882	-	9,963
Computer and internet expenses	1,529,559	2,413,471	11,421	17,031
Printing and stationery	707,988	398,897	5,286	2,815
Repairs and maintenance	1,588,852	991,776	11,863	6,999
Office expenses	6,248,437	5,834,466	46,655	41,172
Bank charges	1,063,740	1,827,258	7,943	12,894
Security expenses	160,901	81,200	1,201	573
Postage and telephone	-	277,363	-	1,957
Loss in disposal	631,436	-	4,715	-
	<u>11,930,913</u>	<u>13,236,313</u>	<u>89,084</u>	<u>93,405</u>
1.3 Travelling and Transportation				
International travel	74,968,181	40,941,402	559,761	288,912
Local travel	3,791,259	2,032,572	28,308	14,343
	<u>78,759,440</u>	<u>42,973,974</u>	<u>588,069</u>	<u>303,255</u>
1.4 Audit, legal and professional fees				
Audit fees-current fee	734,000	734,000	5,481	5,180
Audit fee under provision 2023	102,481	54,034	765	381
Legal and professional fees	9,935,486	14,706,365	74,185	103,779
	<u>10,771,967</u>	<u>15,494,399</u>	<u>80,430</u>	<u>109,339</u>
1.5 Training Workshops and seminars				
Workshop and meeting expense	26,760,960	31,837,811	199,815	224,670
Research costs	22,341,683	3,560,734	166,817	25,127
	<u>49,102,643</u>	<u>35,398,545</u>	<u>366,632</u>	<u>249,797</u>
1.6 Occupancy Expenses				
Office rent	11,791,445	16,340,127	88,043	115,308
Utilities	3,162,764	1,611,744	23,615	11,374
	<u>14,954,209</u>	<u>17,951,871</u>	<u>111,658</u>	<u>126,681</u>
Total Expenses	<u>535,559,756</u>	<u>394,117,314</u>	<u>3,998,836</u>	<u>2,781,172</u>
2 Depreciation				
Depreciation on equipment	<u>7,672,219</u>	<u>5,698,810</u>	<u>57,286</u>	<u>40,215</u>
3 Finance costs				
Exchange loss/(gain)	<u>22,401,499</u>	<u>(9,490,750)</u>	<u>167,264</u>	<u>(66,973)</u>

APPENDIX II: STATEMENT OF INCOME AND EXPENDITURE UNIT WISE

	Africa RO	PRL	BUSA	UPG	Global	UPGI	AIM	Total
	2024	2024	2024	2024	2024	2024	2024	2024
	KES	KES	KES	KES	KES	KES	KES	KES
Income								
BRAC contributions	171,177,922	24,908,783	7,945,482	7,752,381	4,846,653	69,673,082	-	286,304,303
Grant Income	-	-	-	-	-	-	279,329,171	279,329,171
Total income	171,177,922	24,908,783	7,945,482	7,752,381	4,846,653	69,673,082	279,329,171	565,633,474
Expenditure								
Staff costs and other benefits	52,793,189	13,543,129	840,951	6,871,278	4,454,892	62,662,082	203,221,015	344,386,535
Training, Workshops and Seminars	35,490,277	-	-	-	-	-	13,612,366	49,102,643
Occupancy expenses	6,868,809	583,356	-	-	160,268	-	6,083,109	14,954,209
Professional and Consultancy fees	10,373,217	398,749	-	-	-	-	-	10,771,966
Travelling and entertainment	29,301,318	8,447,052	7,103,000	748,308	71,594	4,173,424	28,914,745	78,759,440
Other general & administrative expenses	9,827,262	508,527	-	6,151	117,054	808,699	26,317,269	37,584,962
Depreciation	5,072,419	479,434	-	126,644	42,845	770,210	1,180,667	7,672,219
Total expenditure	149,726,490	23,960,247	7,943,951	7,752,381	4,846,653	69,673,082	279,329,171	543,231,974
Finace cost								
Foreign exchange (gain)/Loss	21,451,432	948,536	1,531	-	-	-	-	22,401,499
Surplus/(deficit) for the year	-	-	-	-	-	-	-	-

APPENDIX III: STATEMENT OF FINANCIAL POSITION UNIT WISE

	Africa R.O	PRL	BUSA	UPG	Global	UPGI	AIM	Total
	2024	2024	2024	2024	2024	2024	2024	2024
	KES	KES	KES	KES	KES	KES	KES	KES
Assets								
Non-current assets								
Property and equipment	15,501,502	567,049	-	571,686	72,942	945,914	4,723,622	22,382,715
Current assets								
Other receivables	22,110,871	(3,428,821)	9,006,758	1,916,106	(721,338)	10,292,147	-	39,175,719
Cash and cash equivalents	22,106,460	5,211,103	-	-	-	-	85,545,910	112,863,473
	44,217,331	1,782,282	9,006,758	1,916,106	(721,338)	10,292,147	85,545,910	152,039,192
Total assets	59,718,833	2,349,331	9,006,758	2,487,792	(648,396)	11,238,061	90,269,532	174,421,907
Reserves and non current liabilities								
BRAC contribution investment in fixed assets	14,956,338	1,119,914	-	563,898	72,942	945,914	4,723,622	22,382,715
Other payables	959,407	-	-	230,995	-	-	-	1,190,400
	15,915,745	1,119,914	-	794,893	-	945,914	4,723,622	23,573,114
Current liabilities								
BRAC contribution received in advance	34,025,110	300,809	3,581,323	939,891	(600,424)	5,434,355	-	43,681,067
Grant received in advance	-	-	-	-	-	-	85,545,908	85,545,908
Other payables	9,777,979	928,609	5,425,434	753,012	(120,914)	4,857,791	-	21,621,818
	43,803,089	1,229,418	9,006,757	1,692,903	(721,338)	10,292,146	85,545,908	150,848,792
Total reserves and liabilities	59,718,833	2,349,332	9,006,757	2,487,796	(648,396)	11,238,060	90,269,530	174,421,907