

BRAC UGANDA LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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BRAC UGANDA LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

CORPORATE INFORMATION

DIRECTORS

Mr. Shameran Abed*	- Chairperson
Ms. Shahrukh Yasmin Mirza*	- Member (Appointed 15th November 2024)
Mr Saif Md. Imran Siddique	- Member (Resigned on 30th June 2024)
Ms Rudo Kayombo**	- Member (Resigned on 30th September 2024)

*Bangladesh

** Kenyan

ADMINISTRATORS

Ms. Spera Atuhairwe	- Country Director
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PRINCIPAL PLACE OF BUSINESS: Plot 8406, Tank Hill Road Muyenga
P O Box 31817
Kampala Uganda

REGISTERED OFFICE: Plot 8406, Tank Hill Road Muyenga
P O Box 31817
Kampala, Uganda

COMPANY SECRETARY: Khalifa Nazim Uddin
Senior Manager, Finance and Accounts
Plot 8406, Tank hill Road, Muyenga
P O Box 31817
Kampala Uganda

AUDITOR

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

BANKERS

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

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

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

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

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The directors have pleasure in submitting their report and the audited financial statements of BRAC Uganda Limited ("the Company") for the year ended 31 December 2024, which disclose the state of affairs of the Company.

(a) Registration

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

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

(b) Vision

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

(c) Mission

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

(d) Our Values

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

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

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

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

(e) Principal activities

The Company is a non-profit organisation providing provides social and economic empowerment support to communities particularly women, children and youth living in marginalised situations and creates opportunities for them to realise their potential using an integrated model of social development, microfinance, social enterprise and humanitarian response in 114 districts in Uganda.

(f) Results from operations

The results for the Company for the year ended 31 December 2024 are set out on page 15.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (Continued)

(g) Composition of Directors

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

(h) Directors benefits

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

(i) Corporate Governance

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

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

In 2024 the board of directors had two directors. The board continued to carry out its role of formulating policies and strategies of the Company, reviewing the business plan, ensuring that the accounting system is maintained in accordance with acceptable standards, the books of the Company are kept properly, and that the financial statements are checked by authorised auditors as well as recruitment and development of key personnel.

(j) Risk management

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

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

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

(k) Management Structure

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

- Education program.
- Health program.
- Youth empowerment program.
- Human resource department.
- Emergency preparedness and response program.
- Accounts and finance department.
- Internal audit department.
- Monitoring, evaluation and learning department.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (Continued)

(k) Management Structure – continued

- Fundraising and partnerships department.
- Grant management department.
- Operations department.

(l) Related Party Transactions

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

(m) Corporate Social Responsibility

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

(n) Key achievements in 2024

Health Programme

During the year, the BRAC Health Program implemented two (02) projects, namely, Reading Glasses for Improved Livelihoods (RGIL), and Scaleup of Depot Medroxyprogesterone Acetate – Subcutaneous Self-Injection (DMPA SC-SI) project. The Health Programme reached 265,705 participants through the active 1,315 community health workers in 55 districts of Uganda

In partnership with the Ministry of Health (MoH) and District Health Teams (DHT), the Clinton Health Access Initiative funded DMPA SC-SI. The initiative is expanding the community's adoption of DMPA-SC self-injection. The project is to analyze and update the current MoH community-based reporting tool in order to improve the reporting of data on SI in Buikwe District and expedite the scale-up of DMPA-SC SI.

In the meantime, Reading Glasses for Livelihood supported by Vision Spring seeks to provide integrated eye care services and vision screening to presbyopic individuals aged 35 years and over who make less than \$4 per day. It also seeks to create efficient referral networks and offer reasonably priced reading glasses to help combat presbyopia.

Highlights of achievements

- 110,375 household members reached with family and Integrated Community Case Management (ICMM) services through the 883 active Community Health workers.
- Trained 54 Trainer of Trainers (ToTs) to effectively build the capacity of Village Health Team (VHTs) on the provision of community-based family planning methods, emphasizing DMPASC-SI, and refreshing ToTs on reporting community data while utilizing the Electronic Community Health Information System (eCHIS). Re-oriented the ToTs on the integrated service delivery package for community health workers and the facility catchment area planning approach.
- Trained 883 community health workers on the provision of DMPA-SC through self-injection practices and the use of the eCHIS to improve community-level reporting.
- 153,960 people were screened for presbyopia, of whom 51% (78,821) were identified with presbyopia, and 55,416 accessed reading glasses to improve their vision.
- Created sustainable, market-based access to reading glasses through a network of 432 Community Health Promoters to earn incentives off each pair of reading glasses sold.
- Micro-enterprises for the Adolescent Girls and Young Women (AGYW) established with 1,040 learners (aged 3-6 years)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (Continued)

Education Programme

Early childhood and graduation programme in refugee settlements in Uganda:

BRAC Uganda, with funding from the Conrad N. Hilton Foundation, is implementing a two-generation model integrating early childhood development (Humanitarian Play Labs) and livelihood intervention to support refugees and host communities by building sustainable early childhood development and livelihoods in Rhino and Imvepi. The project targets 700 households using the graduation selection criteria and 4,050 vulnerable and marginalized children aged 3 to 5 years. The project builds the fields of Early Childhood Development (ECD) through capacity building, research, and advocacy under its technical assistance component, targeting 395 non-BRAC ECD professionals and 40 local and national ECD implementing partners in the humanitarian space.

In Rhino and Imvepi refugee settlements in Northwestern Uganda, BRAC has established 75 Humanitarian Play Labs (HPLs). The HPLs are safe, sustainable, child-friendly spaces that utilize culturally relevant, low-cost materials to support healing and learning through play as well as support children to develop holistically to build their social-emotional skills, self-regulation, language, friendship, and confidence. The HPLs currently serve over 4,000 children from 3 to 6 years of age and their caregivers.

Highlights of achievements

- 5,660 participants (5,432 learners and 228 teachers) throughout the Education programme.
- 700 ultra-poor households of 15 to 64 years, with children 3 to 6 years, continued to receive support from the programme.
- 50 Village Savings and Loan Association (VSLA) groups were established, with 1,236 members in the groups (697 refugees and 539 host communities)
- 4,392 learners continued to receive quality learning in 56 constructed HPLs/ECD centers and inherited 20 HPLs from World Vision.
- 173 play leaders trained and continued to teach the learners in the play labs

From the graduation scanning survey conducted among 661 participants from Imvepi 1, Imvepi 2, and Rhino Camp settlements, the assessment was meant to find out if the household progressed under two generational models across critical areas such as income generation, food security, health, education, financial practices, and hygiene. The results demonstrate significant advancements in economic stability, household decision-making, and overall well-being. Notably, 58% of participants successfully met the graduation criteria, reflecting substantial progress, although 42% of participants did not meet the benchmarks. Among the major findings from the survey.

- All households 100% (661) owned at least one productive asset, such as livestock or a small business, reflecting strong economic resilience. Goats, a common asset, were owned by 655 households, with an average value of Ushs 116,937 per household, demonstrating active participation in income-generating activities.
- An impressive 97% of households reportedly eat at least two meals per day, with access to a balanced diet including protein, vitamins, and carbohydrates. Additionally, 96% of households maintained kitchen gardens, bolstering food security and nutritional diversity.
- VSLA engagement was high, with 84% of participants saving at least Ushs 1,500 during 75% of VSLA meetings, indicating robust savings habits and a foundation for financial resilience within the community.
- School attendance was high, with 95% of children attending at least 75% of classes. However, 57% of children missed school due to illness or adverse weather conditions.
- Parental engagement in ECD was also significant, with 98% of parents attending parenting sessions.
- Participants showed high involvement in key household decisions, including finances, children's education, and community activities. Nonetheless, participation in family planning decisions was inconsistent, with 70% reporting regular involvement.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (Continued)**Accelerating impact for young women (AIM)**

The Accelerating Impact for Young Women (AIM) in Africa is a five-year project funded by the Mastercard Foundation, reaching out to 1.2 million Adolescent Girls and Young Women (AGYW), 1.9 million households, and 9.5 million people in the seven target African countries, including, Uganda, Liberia, Sierra Leone, Rwanda, Ghana, Kenya, and Tanzania by 2027. As a result of this partnership, 720,000 AGYW (60% of the targeted 1.2 million AGYW) will be engaged in meaningful and dignified work. The program intends to support Adolescent Girls and Young Women living in poverty, aged 12-35 years old to achieve their potential in life.

In partnership with the Mastercard Foundation, BRAC will implement scalable development strategies to empower Adolescent Girls and Young Women through tailored life skills training to pursue their aspirations, support their engagement in sustainable livelihoods, and create an environment that encourages AGYW to advocate for themselves and influence policy makers.

Highlights of achievements

- 72,776 participants were reached and empowered with life skills in the 736 AIM clubs in 46 branches in the 7 regions of the AIM program delivery in Uganda (Masindi, Fort Portal, Mbale, Kamuli, Mukono, Kampala, and Iganga Regions).
- 1,472 mentors were recruited and trained to deliver the social empowerment component through the life skills curriculum, including Sexual and Reproductive Health and Rights (SRHR) education, financial literacy etc.
- 4,912 Youth Development Committee (YDC) members were established to contribute to advocating for the rights of AGYWs, address harmful gender norms, create linkages to social protection and other public/private services, create a space for youth to integrate and engage in community matters, and facilitate problem-solving and conflict resolution.
- 261 Community Livestock Promoters (CLPs) and 260 Community Agriculture Promoters (CAPs) trained on skills and knowledge of good agronomic practices, animal husbandry, principles in different crop/livestock enterprises, agrochemicals, harvesting and postharvest handling, and business management skills. The CLP and CAPs also received a cash transfer.
- 9,588 Small trade participants received cash transferred to their accounts through Brac Uganda Bank Limited. All have started small and medium-sized businesses. Findings from the Cohort1 survey show that 75% of the participants who received cash transfers were engaged in Income Generating Activities (IGAs), and were earning an average of approximately Ushs 226,481 (\$62) monthly.
- 31,686 participants received livelihood support (i.e. cash, goats, pigs, and chickens)
- Working with 6 Technical and Vocational Education and Training (TVET) service providers for the training of 1,208 participants (in tailoring, cosmetology, and soap-making participants).
- 30 ECD micro-enterprises for the AGYW established with 1,040 learners (aged 3-6 years).
- The AIM program registered a total number of 1,173 VSLA groups that are actively saving out of the 1,463 targeted. The cumulative savings are to the tune of Ushs 748,453,922 (USD 199,588), the cumulative welfare fund was Ushs 213,685,580 (USD 56,983) and loans borrowed were Ushs 410,917,214 (USD 109,578), demonstrating a significant commitment from VSLA members towards saving and securing capital to engage in meaningful income-generating activities to get them out of poverty.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (Continued)**Youth empowerment**

With funding from the Mastercard Foundation, United Nations Population Fund (UNFPA), Bill and Melinda Gates Foundation, and Standard Chartered Foundation and Women Win, the Youth Empowerment Program implemented 4 projects. These are; a) Empowerment and Livelihood for Adolescents plus (ELA+), b) Girls' Opportunity Advancement and Learning (GOAL), c) Empowerment and Livelihood for Adolescents in school (ELAS), and d) Scholars Entrepreneurship Fund (SEF).

The implementation approach included: Social empowerment (i.e. safe spaces, life skills, sexual and reproductive health and rights (SRHR) education, and gender-based violence (GBV) prevention and response, economic empowerment (financial literacy, financial inclusion, soft skills, career pathways, skilling, and seed capital for enterprise development), and stakeholders' engagement (i.e. parents, district local governments, line ministries and agencies, development partners and private sector). The youth empowerment programme reached a total of 46,846 participants in 35 Districts of Uganda.

Highlights of achievements

- 2,198 adolescents and youth trained in financial literacy and supported with start-up and booster capital to set up small and medium enterprises (SMEs).
- 27,292 adolescent boys and girls trained in life skills and SRHR education among which 6,400 adolescent girls were supported with menstrual hygiene kits.
- 731 teacher mentors trained in financial literacy and safeguarding.
- 2,413 school management committees trained in sexuality education.
- 458 school administrators trained in leadership and management skills.
- 13,754 parents, religious and community leaders reached through parenting education, integrated out reaches, community dialogue on GBV prevention and response, and behaviour change communication on gender and harmful social norms.
- 83 VSLA groups trained and supported VSLA kits for saving and borrowing, generated cumulative savings of Ushs 47,029,000, enabling adolescents and young people to have increased access to finances to support SMEs in their communities.

Humanitarian response and resilience

To deliver an efficient and long-lasting humanitarian response, BRAC's humanitarian approach emphasizes working with marginalized populations within communities and engaging local stakeholders, including the Office of the Prime Minister (OPM), relevant district-level government officials, and United Nations (UN) agencies. The goal is to strengthen the capacity of targeted populations in the Rhino, Imvepi, and Nakivale settlements.

Skills development project

The project targeted 300 vulnerable refugee mental health survivors by increasing access to market-relevant skills and sustainable livelihood opportunities in 3 refugee settlements: Imvepi and Rhino Camp with support from ILO under the 'PROSPECT programme. The goal of this project is to improve the prospects of vulnerable refugees through improved access to market-relevant skills, knowledge and livelihood opportunities.

Highlights achievement

- 300 participants were trained in enterprise selection so that they could choose market-relevant enterprises for their groups. The training was co-facilitated by the District Agricultural Officer of Madi Okollo district.
- 35 participants from the 53 groups have established new enterprises from their earnings and savings from the group business and VSLAs.
- 210 (female 172, male 38) from cohort 3 have been attached to 8 local artisans for workplace learning in the skills of tailoring, Art and craft, detergent, butchery and cosmetics, grinding mill and bakery.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (Continued)**Local Emergency Preparedness and Response Project (LEPR)**

In 2022, BRAC Uganda began the implementation of a two-year (October 2022–September 2024) project. The project's principal objective is to strengthen the capacity of local governments and stakeholders who effectively contribute to preparedness and response in local communities. The project works with multiple stakeholders, including local governments, community-based organizations, schools, and the private sector. The project targeted 660 direct program participants and 25,502 indirect program participants. The LEPR project has five pillars:

The project implementation was guided by the five pillars from which the activities were derived for implementation. The project's five pillars include:

- Assessment and Risk Analysis.
- Capacity Building and Localization.
- Emergency Preparedness and Response.
- Coordination and Information Management.
- Monitoring, Evaluation, and Learning.

Highlights of achievements

- BRAC continued to work with 120 school brigades from Kilembe Senior Secondary School, Royal Ranges School, and Karusandara Secondary School.
- 20 VSLA groups were formed in 2023; 100% of the groups have written constitutions and are supported to formally register with either the sub-county or municipality, respectively. After the registration, the groups now have increased eligibility to government economic empowerment programmes such as Operation Wealth Creation and the Parish Development model. The groups are also expected to become bankable.
- Among the achievements of the VSLA groups, members of the groups now point to an improvement in their self-esteem following their role in VSLA leadership. Two women have been elected to school boards and three others are considered opinion leaders. The group members also point out that the VSLA groups have brought the village together, promoting peaceful co-existence that provides for conflict resolution building, guidance, counselling, and mutual support.

The end-line evaluation for the project shows that:

- 63.2% of the participants are better prepared and ready to respond to any disaster within the community in case of occurrence. 60.4% of respondents have developed a contingency and or disaster preparedness and response plan. This is a good sign of the sustainability of a project within the community because of the knowledge wealth.
- The Community Saving and Loan Association's concept of saving and borrowing money in times of emergency to respond to disaster was a very good concept, and the project can scale up in other places. It was also evident that the group members, constituting 51.6%, were able to borrow and utilize the emergency funds to effectively respond to localized emergencies. 91.2% of the total respondents were able to borrow to respond to local emergencies. These emergencies included floods, wind, drought, and animals (monkeys and elephants) from the national park destroying crops.
- As part of the improvement plan, the emergency response project will develop strong institutional networks, collaborations, and partnerships with key stakeholders and partners within the implementation area. Sustainable networks or partnerships should be formalized to ensure the roles and responsibilities of each actor last beyond the stay of an individual within these institutions.
- Improving the equity, efficiency, and effectiveness of the health sector is a key component of Uganda's overarching policy goal of providing high-quality healthcare to all residents. This places a higher priority on preventive and promotional treatments which are typically offered by Primary Health Care (PHC). Uganda pledges to enhance PHC by bolstering community-level initiatives.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (Continued)

(o) Solvency

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

(p) Going concern

The Board of Directors has assessed the liquidity position of the Company in relation to its ability to continue as a going concern. Of the total current liabilities, Ush 1,017 million is payable to the related parties and Ush 797 million to BRAC IT Services Limited, which management has planned to defer until 2026. The current asset position is sufficient to settle the remaining current liabilities without disrupting the Company's regular operations.

(q) Employee's Welfare

Management/employee relationship

There were continuous good relations between employees and management for the year 2024. There were no unresolved complaints received by management from the employees during the year. Staff continued to get performance incentive schemes in 2024. Grievance handling guidelines were circulated to all employees to create awareness about employee rights.

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

Medical assistance

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

Retirement benefits

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

Gender Parity

In 2024, the Company had 541 staff (567 in 2023). The female staffs were 77% (76 % in 2023).

(r) Auditor

The auditor, KPMG, being eligible for reappointment, has expressed willingness to continue in office in accordance with the terms of Section 167 (2) of the Companies Act, Cap.106 Laws of Uganda.

(s) Approval of the financial statements

The financial statements were approved by the directors at a meeting held on 22 October 2025.

By order of the Board

Nazimuddin

SECRETARY

Date: 22 October 2025

BRAC UGANDA LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Company's directors are responsible for the preparation and fair presentation of the financial statements of Brac Uganda Limited set out on pages 15 to 49, which comprise the statement of financial position as at 31 December 2024 and the statements of comprehensive income, changes in reserves and cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in a manner required by the Companies Act, CAP 106 Laws of Uganda.

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

The directors have assessed the ability of the Company to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

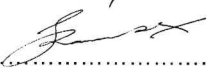
The independent auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the IFRS Accounting Standards and in a manner required by the Companies Act, CAP 106 Laws of Uganda.

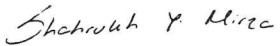
Approval of financial statements

The financial statements of Brac Uganda Limited, as identified in the first paragraph, were approved and authorised for issue by the Board of Directors on 22 October 2025.

Head of Finance: 

Country Director: 

Director: 

Director: 

Date: 22 October 2025



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Independent auditor's report

To the members of BRAC Uganda Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of BRAC Uganda Limited ("the Company") set out on pages 15 to 49, which comprise the statement of financial position as at 31 December 2024, and the statements of comprehensive income, changes in reserves and cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the accompanying 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 its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in a manner required by the Companies Act, CAP 106 Laws of Uganda.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including international independence standards) (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Uganda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code.

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

Other Matter

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

Other Information

The directors are responsible for the Other Information. The Other Information comprises the information included in the *BRAC Uganda Limited Annual Report and Financial Statements for the year ended 31 December 2024* 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 performed, we conclude that there is a material misstatement of this Other Information, then we are required to report that fact. We have nothing to report in this regard.



Independent auditor's report

To the members of BRAC Uganda Limited (Continued)

Report on the audit of the financial statements (Continued)

Responsibilities of Directors for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in a manner required by the Companies Act, CAP 106 Laws of Uganda, and for such internal control as directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it 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 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 ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

We communicate with directors among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Independent auditor's report

To the members of BRAC Uganda Limited (Continued)

Report on Other Legal Requirements

As required by the Companies Act, CAP 106 Laws of Uganda, we report to you, solely based on our audit of the financial statements, that:

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books; and
- iii) The statements of financial position and comprehensive income are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditors' report is CPA Stephen Ineget-P0401.

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

Date: 30 October 2025

CPA Stephen Ineget

BRAC UGANDA LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024	2023 Ushs '000	Supplementary information 2024 USD	2023 USD
Grant income	4	54,948,969	50,308,890	14,610,053	13,464,896
Other income	5	<u>1,376,407</u>	<u>976,184</u>	<u>365,965</u>	<u>261,270</u>
Total income		<u>56,325,376</u>	<u>51,285,074</u>	<u>14,976,018</u>	<u>13,726,166</u>
Staff costs and other benefits	7	(19,636,397)	(16,578,395)	(5,221,004)	(4,437,116)
Training, workshops and seminars	8	(10,853,031)	(11,340,582)	(2,885,648)	(3,035,244)
Occupancy expenses	9	(1,067,844)	(906,856)	(283,923)	(242,715)
Program supplies, travel and other general expenses	10	(31,568,224)	(23,295,032)	(8,393,486)	(6,234,786)
Depreciation	12&21c	<u>(1,212,882)</u>	<u>(1,039,833)</u>	<u>(322,486)</u>	<u>(278,306)</u>
Total expenses		<u>(64,338,378)</u>	<u>(53,160,698)</u>	<u>(17,106,547)</u>	<u>(14,228,167)</u>
Foreign exchange (loss)/gain	6	<u>114,008</u>	<u>(355,786)</u>	<u>30,313</u>	<u>(95,224)</u>
Deficit before tax		<u>(7,898,994)</u>	<u>(2,231,410)</u>	<u>(2,100,216)</u>	<u>(597,225)</u>
Taxation	11	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deficit for the year		<u>(7,898,994)</u>	<u>(2,231,410)</u>	<u>(2,100,216)</u>	<u>(597,225)</u>
Other comprehensive income					
Other comprehensive income		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income		<u>(7,898,994)</u>	<u>(2,231,410)</u>	<u>(2,100,216)</u>	<u>(597,225)</u>

The notes set out on pages 19 to 49 form an integral part of these financial statements.

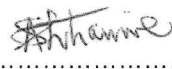
BRAC UGANDA LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

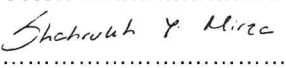
	Notes	Supplementary information			
		31 Dec 2024 Ushs '000	31 Dec 2023 Ushs '000	31 Dec 2024 USD	31 Dec 2023 USD
Assets					
Non-current assets					
Property and equipment	12	2,166,088	2,944,153	590,171	778,421
ROU asset	21a	-	243,552	-	64,394
Total non-current assets		<u>2,166,088</u>	<u>3,187,705</u>	<u>590,171</u>	<u>842,815</u>
Current assets					
Cash and bank	13	11,161,103	5,775,464	3,040,949	1,527,008
Inventory	14	321,007	457,302	87,461	120,909
Due from related parties	15 (b)	3,704,684	4,172,728	1,009,376	1,103,251
Other receivables	16	<u>1,990,212</u>	<u>5,637,684</u>	<u>542,252</u>	<u>1,490,579</u>
Total current assets		<u>17,177,006</u>	<u>16,043,178</u>	<u>4,680,038</u>	<u>4,241,747</u>
Total assets		<u>19,343,094</u>	<u>19,230,883</u>	<u>5,270,209</u>	<u>5,084,562</u>
Liabilities					
Current liabilities					
Lease liability	21b	-	150,158	-	39,701
Other payables	17	2,652,600	4,439,637	722,726	1,173,821
Due to related parties	18	1,016,822	1,789,285	277,043	473,079
Deferred Grants	19	<u>13,852,532</u>	<u>3,131,669</u>	<u>3,774,254</u>	<u>827,999</u>
Total liabilities		<u>17,521,954</u>	<u>9,510,749</u>	<u>4,774,023</u>	<u>2,514,600</u>
Reserves					
Retained surplus	Page 17	<u>1,821,140</u>	<u>9,720,134</u>	<u>496,186</u>	<u>2,569,962</u>
Total reserves		<u>1,821,140</u>	<u>9,720,134</u>	<u>496,186</u>	<u>2,569,962</u>
Total liabilities and reserves		<u>19,343,094</u>	<u>19,230,883</u>	<u>5,270,209</u>	<u>5,084,562</u>

The financial statements on pages 15 to 49, were approved and authorised for issue by the Board of Directors on 22 October 2025 and were signed on its behalf by:

Head of Finance: 

Country Director: 

Director: 

Director: 

Date: 22 October 2025

The notes set out on pages 19 to 49 form an integral part of these financial statements.

BRAC UGANDA LIMITED**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024****STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 DECEMBER 2024**

	Retained surplus	Supplementary information Retained surplus
	Ushs '000	USD
As at 1 January 2023	11,951,544	3,218,292
Deficit for the year	(2,231,410)	(597,225)
Currency translation	-	(51,105)
At 31 December 2023	<u>9,720,134</u>	<u>2,569,962</u>
As at 1 January 2024	9,720,134	2,569,962
Deficit for the year	(7,898,994)	(2,100,216)
Currency translation	-	26,440
At 31 December 2024	<u>1,821,140</u>	<u>496,186</u>

The notes set out on pages 19 to 49 form an integral part of these financial statements.

BRAC UGANDA LIMITED**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024****STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024	2023	Supplementary information	
		Ushs '000	Ushs '000	2024 USD	2023 USD
Net cash from/(used) in operating activities	20	5,391,648	(5,798,726)	1,515,177	(1,537,794)
Cash flow from investing activities					
Acquisition of fixed assets	12	(198,768)	(1,962,953)	(52,849)	(518,996)
Disposal of fixed assets	12	<u>263,264</u>	<u>239,427</u>	<u>69,998</u>	<u>63,303</u>
Net cash from investing activities		<u>64,496</u>	<u>(1,723,526)</u>	<u>17,149</u>	<u>(455,693)</u>
Cash flow from financing activities					
Lease payments	21(b)	(88,417)	(445,487)	(23,509)	(119,232)
Interest on liability	21(b)	<u>17,912</u>	<u>54,262</u>	<u>4,763</u>	<u>14,523</u>
Net cash used in financing activities		<u>(70,505)</u>	<u>(391,225)</u>	<u>(18,746)</u>	<u>(104,709)</u>
Net decrease in cash and cash equivalents		5,385,639	(7,913,477)	1,513,580	(2,098,196)
Currency translation		-	-	361	(60,931)
Cash and cash equivalents at 1 January		5,775,464	13,688,941	1,527,008	3,686,135
Cash and cash equivalents at 31 December	13	<u>11,161,103</u>	<u>5,775,464</u>	<u>3,040,949</u>	<u>1,527,008</u>

The notes set out on pages 19 to 49 form an integral part of these financial statements

BRAC UGANDA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. THE REPORTING ENTITY

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

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

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

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

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

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in a manner required by the Companies Act, CAP 106 Laws of Uganda.

The summary of material accounting policies are described at Note 3 to the financial statements.

(i) Basis of measurement

The financial statements are prepared under the historical cost convention.

(ii) Basis of preparation

The preparation of financial statements in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the reported period.

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

(iii) Functional and presentation currency

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

The financial statements include figures, which have been translated from Uganda Shillings (Shs '000') to United States Dollars (USD) at the year-end rate of USD 1: Ushs 3,670.27 (2023: Ushs 3,782.21) for balance sheet items and USD 1: Ushs 3,761.04 (2023: Ushs 3,736.3) for the income statement amounts. These figures are for memorandum purposes only and do not form part of the audited financial statements.

2. BASIS OF PREPARATION (Continued)**(iv) Use of estimates and judgment**

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

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

3. MATERIAL ACCOUNTING POLICIES**a. Property and equipment****(i) Recognition and measurement**

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

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

When part of the item of property, plant and equipment has different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

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

(ii) Subsequent cost

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 of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to other comprehensive income and shown as a revaluation reserve in equity net of tax. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against the revaluation reserve, all other decreases are charged to profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to profit or loss) and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings net of tax.

3. MATERIAL ACCOUNTING POLICIES (continued)**a. Property and equipment (continued)****(iii) Depreciation**

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

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

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

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

(iv) Disposal of property and equipment

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

b. Leases

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

As a lessee

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

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

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

3. MATERIAL ACCOUNTING POLICIES (continued)**b. Leases (continued)**

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

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

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

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

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

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

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

Short-term leases and leases of low-value assets

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

As a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component based on their relative stand-alone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

3. MATERIAL ACCOUNTING POLICIES (continued)**b. Leases (continued)**

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Company applies IFRS 15 to allocate the consideration in the contract.

The Company applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

Lease Modifications

A lessee shall account for a lease modification as a separate lease if both:

- (a) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (b) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification a lessee shall:

- (a) allocate the consideration in the modified contract;
- (b) determine the lease term of the modified lease; and
- (c) remeasure the lease liability by discounting the revised lease payments using a revised discount rate. The revised discount rate is determined as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the effective date of the modification.

For a lease modification that is not accounted for as a separate lease, the lessee shall account for the remeasurement of the lease liability by:

- (a) decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The lessee shall recognise in profit or loss any gain or loss relating to the partial or full termination of the lease.
- (b) making a corresponding adjustment to the right-of-use asset for all other lease modifications.

c. Foreign currency transactions

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

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

3. MATERIAL ACCOUNTING POLICIES (continued)**d. Financial instruments****i) Financial Assets****Initial recognition and measurement**

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

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

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

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

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income (FVOCI) debt investment; FVOCI – equity investment; or fair value through profit or loss (FVTPL).

Financial assets are classified on the basis of both:

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

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

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

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

This category includes: Bank deposits and other receivables.

Other receivables

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

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

De-recognition

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

- The rights to receive cash flows from the asset have expired;
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either;
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

3. MATERIAL ACCOUNTING POLICIES (continued)

d. Financial instruments (continued)

i) Financial Assets (continued)

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

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

Offsetting financial assets and liabilities

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

Fair value of financial assets and financial liabilities

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

ii) Financial Liabilities:

Initial recognition

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

Classification and subsequent measurement

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

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

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

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

De-recognition

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

3. MATERIAL ACCOUNTING POLICIES (continued)**e. Impairment****i) Financial Assets**

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

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

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

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

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

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

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

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

Measurement of Expected Credit Losses (ECLs)

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

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

3. MATERIAL ACCOUNTING POLICIES (continued)**e. Impairment (continued)****(ii) Non-financial assets**

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

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

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

f. Inventory

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

g. Other receivables

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

h. Cash and cash equivalents

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

i. Provisions and other liabilities

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

j. Revenue recognition

Revenue is recognized on an accrual basis.

Grants**(i) Donor Grants**

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

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

3. MATERIAL ACCOUNTING POLICIES (continued)**j. Revenue recognition (continued)****(i) Donor Grants (continued)**

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

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

(ii) Grant income

Grant income is recognised to the extent that the Company fulfils the conditions of the grant. This income is transferred from the deferred grant received from donors and recognized as income in the profit and loss.

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

(iii) Other income

Other income comprises of other project incomes from Health projects, interest from short term deposits, gains less losses related to trading assets and liabilities, and includes gains from disposal of Company assets.

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

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

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

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

- Step 1: Identify the contract(s) with a customer;
- Step 2: Identify the performance obligations in the contract;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price to the performance obligations in the contract;
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

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

3. MATERIAL ACCOUNTING POLICIES (continued)

k. Interest from bank and short-term deposits

Interest income on bank deposits is earned on an accruals basis at the agreed interest rate with the respective financial institution.

l. Employee benefits

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

m. Contingent liabilities

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

n. Related party transactions

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

o. Fundraising costs

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

p. New accounting standards, amendments and interpretation

a) New accounting standards, amendments and interpretations issued and are effective for the year ended 31 December 2024

The International Accounting Standards Board (IASB) issued new IFRSs and amendments to the existing standards which came into effect in the current year. Of these, the following new standards which are effective from 1 January 2024 led to changes in the Company's significant accounting policies. The Company did not early adopt any new or amended standards in 2024.

New amendments or interpretation effective for annual periods beginning on or after 1 January 2024 are summarized below;

New amendments or interpretation	Effective date
Non-current Liabilities with Covenants – Amendments to IAS 1 and classification of Liabilities as Current or Non-current Amendments to IAS 1	1 January 2024
Lease Liability in a sale and leaseback – Amendments to IFRS 16	1 January 2024
Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024

The new and amended standards did not have a significant impact on the Company's financial statements.

3. MATERIAL ACCOUNTING POLICIES (continued)**p. New accounting standards, amendments and interpretation (continued)****b) New and amended standards and interpretations in issue but not yet effective for the year ended 31 December 2024**

At the date of authorisation of the financial statements of BRAC Uganda Limited for the year ended 31 December 2024, the following standards and interpretations were in issue but not yet effective.

New amendments or interpretation	Effective for annual periods beginning on or after
Lack of Exchangeability – Amendments to IAS 21	1 January 2025
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability	1 January 2027

All standards and interpretations will be adopted at their effective date (except for those standards and interpretations that are not applicable to the entity).

q. Comparatives

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

4. GRANT INCOME

	2024 Ushs '000	2023 Ushs '000	2024 USD	2023 USD
Education	1,894,132	240,687	503,620	64,419
Health	2,658,236	7,087,924	706,782	1,897,043
Empowerment and livelihood of adolescents	2,148,170	4,711,454	571,164	1,260,995
Research and evaluation	2,640,472	3,381,195	702,059	904,958
Play lab	-	1,351,535	-	361,731
Emergency preparedness and response	572,306	787,680	152,167	210,818
Accelerating Impact for Young Women (AIM)	39,602,091	24,912,128	10,529,564	6,667,593
Early childhood and graduation program in refugee settlement in Uganda (Hilton)	<u>5,433,562</u>	<u>7,836,287</u>	<u>1,444,697</u>	<u>2,097,339</u>
	<u>54,948,969</u>	<u>50,308,890</u>	<u>14,610,053</u>	<u>13,464,896</u>

Grant income majorly relates to the funds received from the different donors for implementation of the different projects, the funds are transferred from grants received in advance to the profit and loss in line with the accounting policy.

5. OTHER INCOME

	2024 Ushs '000	2023 Ushs '000	2024 USD	2023 USD
Health program revolving fund income	602,557	651,249	160,210	174,303
Contribution from Stichting BRAC International	-	224,178	-	60,000
Donation income from Brac Bank Uganda Limited	617,350	41,368	164,144	11,072
Bank interest income	<u>156,500</u>	<u>59,389</u>	<u>41,611</u>	<u>15,895</u>
	<u>1,376,407</u>	<u>976,184</u>	<u>365,965</u>	<u>261,270</u>

Type of the product	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition under IFRS 15
Health Program revolving fund	Customers obtain control when the goods are delivered to and have been accepted at their premises. Invoices are generated at a point in time. Invoices are usually payable within 30 days.	Revenue is recognised when the health products are delivered and have been accepted by customers at their premises.

There are no contract assets or liabilities.

6. FOREIGN EXCHANGE GAIN/(LOSS)

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
Foreign exchange gain/(loss)	<u>114,008</u>	<u>(355,786)</u>	<u>30,313</u>	<u>(95,224)</u>
	<u>114,008</u>	<u>(355,786)</u>	<u>30,313</u>	<u>(95,224)</u>

Exchange gains or losses arise from the translation of foreign currency transactions and the revaluation of assets and liabilities denominated in foreign currencies. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated into Uganda Shillings using the exchange rate prevailing at the balance sheet date. The resulting exchange differences are recognized in the statement of profit or loss in the period in which they arise.

7. STAFF COSTS AND OTHER BENEFITS

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
Salaries	13,922,500	12,341,056	3,701,770	3,303,015
Bonus	1,249,185	1,256,921	332,138	336,408
10% employer NSSF contribution	1,732,317	1,520,920	460,595	407,066
5% Employee NSSF contribution	866,158	760,460	230,298	203,534
Wages	843,482	482,268	224,268	129,076
Gratuity expenses	45,430	45,543	12,079	12,189
Staff recruitment expenses	26,387	171,227	7,016	45,828
Medical Insurance	<u>950,938</u>	<u>-</u>	<u>252,840</u>	<u>-</u>
	<u>19,636,397</u>	<u>16,578,395</u>	<u>5,221,004</u>	<u>4,437,116</u>

8. TRAINING, WORKSHOPS AND SEMINARS

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
External member trainings	9,905,696	10,090,429	2,633,767	2,700,647
Staff training	<u>947,335</u>	<u>1,250,153</u>	<u>251,881</u>	<u>334,597</u>
	<u>10,853,031</u>	<u>11,340,582</u>	<u>2,885,648</u>	<u>3,035,244</u>

9. OCCUPANCY EXPENSES

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
Rental charges	475,690	450,753	126,479	120,642
Utilities	<u>592,154</u>	<u>456,103</u>	<u>157,444</u>	<u>122,073</u>
	<u>1,067,844</u>	<u>906,856</u>	<u>283,923</u>	<u>242,715</u>

10. PROGRAM SUPPLIES, TRAVEL AND OTHER GENERAL EXPENSES

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
Legal and other fees	-	28,121	-	7,526
Audit and tax fees	309,755	200,342	82,359	53,620
Maintenance and general expenses	1,636,745	2,246,698	435,184	601,317
Impairment loss	8,355,097	-	2,221,487	-
Printing, stationery and supplies	468,974	1,050,920	124,693	281,273
Telephone and Internet expenses	114,248	239,652	30,377	64,141
Program supplies	14,964,807	11,980,980	3,978,902	3,206,642
Interest on lease liability	17,912	54,262	4,763	14,523
Inventory write-off	189,733	179,572	50,447	48,062
Software maintenance cost	225,448	101,022	59,943	27,038
Head office logistics expenses	309,940	386,451	82,408	103,432
Travel and transportation	4,968,062	6,827,012	1,320,928	1,827,212
Fixed assets write off	7,503	-	1,995	-
	<u>31,568,224</u>	<u>23,295,032</u>	<u>8,393,486</u>	<u>6,234,786</u>

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

11. TAXATION

BRAC Uganda Limited is registered as a Non-Governmental Organisation with the National Bureau for Non-Governmental Organisations, which is involved in charitable activities and therefore falls within the definition of exempt Organisations for tax purposes as described in the Income Tax Act, Section 2 (bb)-interpretation.

Section 2(b)(ii) of the Income Tax Act states that for an Organisation to be tax exempt, it should have been issued with a written ruling by the Commissioner stating that it is an Exempt Organisation.

Uganda Revenue Authority issued an Exempt Organisation Ruling to BRAC Uganda Limited that covers Income Tax; Notice DT-1109, Notice Number 45837386 dated 14 July 2025 valid for the period 1 January 2024 to 31 December 2025. Consequently, no income tax provisions have been incorporated in the financial statements.

12. PROPERTY AND EQUIPMENT

	Furniture	Building	Equipment	Motor Vehicles	Total	Total
	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	USD
Cost						
At 1 January 2023	1,235,034	246,085	2,883,073	1,192,385	5,556,577	1,496,265
Additions	248,661	-	825,818	888,474	1,962,953	518,996
Disposals	(112,625)	-	(78,802)	(48,000)	(239,427)	(63,303)
Currency translation	-	-	-	-	-	(2,635)
As at 31 December	<u>1,371,070</u>	<u>246,085</u>	<u>3,630,089</u>	<u>2,032,859</u>	<u>7,280,103</u>	<u>1,949,323</u>
Additions	20,762	-	178,006	-	198,768	52,849
Disposals	(54,956)	-	(3,546)	(204,762)	(263,264)	(69,998)
Currency translation	-	-	-	-	-	33,787
At 31 December 2024	<u>1,336,876</u>	<u>246,085</u>	<u>3,804,549</u>	<u>1,828,097</u>	<u>7,215,607</u>	<u>1,965,961</u>
Depreciation						
At 1 January 2023	733,340	76,030	1,960,502	985,390	3,755,262	1,011,210
Charge for the year	80,298	12,304	488,296	235,435	816,333	224,496
Accumulated	(108,845)	-	(78,800)	(48,000)	(235,645)	(64,804)
Currency translation	-	-	-	-	-	-
At 31 December 2023	<u>704,793</u>	<u>88,334</u>	<u>2,369,998</u>	<u>1,172,825</u>	<u>4,335,950</u>	<u>1,170,902</u>
Charge for the year	152,720	24,806	537,264	254,540	969,330	257,730
Accumulated	(47,624)	-	(3,375)	(204,762)	(255,761)	(68,003)
Currency translation	-	-	-	-	-	15,161
At 31 December 2024	<u>809,889</u>	<u>113,140</u>	<u>2,903,887</u>	<u>1,222,603</u>	<u>5,049,519</u>	<u>1,375,790</u>
Net Book Value						
At 31 December 2024	<u>526,987</u>	<u>132,945</u>	<u>900,662</u>	<u>605,494</u>	<u>2,166,088</u>	<u>590,171</u>
At 31 December 2023	<u>666,277</u>	<u>157,751</u>	<u>1,260,091</u>	<u>860,034</u>	<u>2,944,153</u>	<u>778,421</u>

13. CASH AND BANK

	Note	2024	2023	2024	2023
		Ushs '000	Ushs '000	USD	USD
Cash at bank	13.a	<u>11,161,103</u>	<u>5,775,464</u>	<u>3,040,949</u>	<u>1,527,008</u>
		<u>11,161,103</u>	<u>5,775,464</u>	<u>3,040,949</u>	<u>1,527,008</u>

13. a) Cash at bank

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
Standard Chartered Bank	7,626,108	3,570,560	2,077,805	944,041
Bank of Africa	15,712	141,632	4,281	37,446
Centenary Bank	-	3,633	-	961
BRAC Uganda Bank Limited	2,165,239	568,418	589,940	150,287
Yo Mobile Wallet	171,371	871,859	46,692	230,516
Stanbic Bank	<u>1,182,673</u>	<u>619,362</u>	<u>322,231</u>	<u>163,757</u>
	<u>11,161,103</u>	<u>5,775,464</u>	<u>3,040,949</u>	<u>1,527,008</u>

	Lease liabilities	Deferred Grants	Total
	Ushs '000	Ushs '000	Ushs '000
Balance as at 1 January 2024	150,158	3,131,669	3,281,827
Payment of lease liabilities	(88,417)	-	(88,417)
Deferred Grants	-	10,720,863	10,720,863
Total changes from financing cash flows	<u>61,741</u>	<u>13,852,532</u>	<u>13,914,273</u>
Other changes			
Interest expense	17,912	-	17,912
Additions	-	-	-
Total other changes	<u>17,912</u>	<u>-</u>	<u>17,912</u>
Balance as at 31 December 2024	<u>79,653</u>	<u>13,852,532</u>	<u>13,932,185</u>

14. INVENTORY

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
Stock and consumables	<u>321,007</u>	<u>457,302</u>	<u>87,461</u>	<u>120,909</u>
	<u>321,007</u>	<u>457,302</u>	<u>87,461</u>	<u>120,909</u>

Inventories are goods held to be used for social development programmes. The inventories to be distributed are identified and purchased based on the objectives of the programmes. These include Health, Agricultural and Educational materials among others.

15. RELATED PARTY TRANSACTIONS

The company's parent and ultimate controlling party is Stichting BRAC International. The following transactions were carried out with related parties with whom the company shares common ownership.

a) Transactions with related parties

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
BRAC Bangladesh	95,197	71,917	25,938	19,015
Stitching BRAC International	254,525	493,874	69,348	130,578
BRAC Tanzania	4,074	-	1,110	-
BRAC Bank Uganda Limited	617,210	1,223,494	168,165	323,486
BRAC Social Business Enterprise	522,283	1,416,911	142,301	374,625
BRAC Kenya	54,239	-	14,778	-
	<u>1,547,528</u>	<u>3,206,196</u>	<u>421,640</u>	<u>847,704</u>

b) Due from related parties

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
BRAC Social Business Enterprise	3,650,445	4,172,728	994,598	1,103,251
BRAC Kenya	54,239	-	14,778	-
	<u>3,704,684</u>	<u>4,172,728</u>	<u>1,009,376</u>	<u>1,103,251</u>

These relate to amounts due from BRAC Social Business Enterprise (BSBE) and BRAC Kenya for the settlement of staff costs and operating expenditures. BSBE and BRAC Kenya are an affiliate of BRAC Uganda Limited. The fair value of the related party receivables approximates their carrying amounts. This amount will be settled during the ordinary course of business and bears no interest.

16. OTHER RECEIVABLES

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
Grants receivable (16.1)	718,658	4,808,558	195,805	1,271,361
Prepaid expenses	1,268,607	608,647	345,644	160,924
Advances	2,947	220,479	803	58,294
	<u>1,990,212</u>	<u>5,637,684</u>	<u>542,252</u>	<u>1,490,579</u>

16.1 Grants Receivable

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
Grants receivable	9,073,755	4,808,558	2,472,231	1,271,361
Less: Provision for Impairment	(8,355,097)	-	(2,276,426)	-
	<u>718,658</u>	<u>4,808,558</u>	<u>195,805</u>	<u>1,271,361</u>

16. OTHER RECEIVABLES (continued)

Other receivables here are presented net of impairment provisions as at 31 December 2024. Refer to note 16(b) and 16 (c) for disclosure of the impairment provisions.

Other receivables include amounts due from Donors, insurance providers and other pre-payments. No impairment has been recognised on insurance providers and other pre-payments because its immaterial.

b) Impairment provision

The impairment allowance on Grants receivables as at 31 December and the movement thereof during the year was as follows:

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
Balance at 1 January 2024	-	-	-	-
Additional provision during the year	8,355,097	-	2,221,487	-
Currency translation	-	-	54,939	-
Balance at 31 December 2024	<u>8,355,097</u>	<u>-</u>	<u>2,276,426</u>	<u>-</u>

The provision relates to amounts expected from donors whose recovery is in doubt.

The Company's exposure to currency and liquidity risks related other receivables is disclosed in note 26. The carrying amounts of the other receivables approximate the fair values.

c) Change in impairment

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
Net impairment loss on grant receivables	<u>8,355,097</u>	<u>-</u>	<u>2,276,426</u>	<u>-</u>
	<u>8,355,097</u>	<u>-</u>	<u>2,276,426</u>	<u>-</u>

17. OTHER PAYABLES

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
Accrued expenses	1,365,357	2,869,980	372,004	758,811
NSSF	406,086	417,166	110,642	110,297
VAT payable	42,538	158,112	11,590	41,804
Audit fees	103,215	151,742	28,122	40,120
Withholding tax	65,052	204,886	17,724	54,171
PAYE	467,565	486,859	127,393	128,723
Revolving fund	<u>202,787</u>	<u>150,892</u>	<u>55,251</u>	<u>39,895</u>
	<u>2,652,600</u>	<u>4,439,637</u>	<u>722,726</u>	<u>1,173,821</u>

The carrying amounts of other payables approximates their fair value.

18. DUE TO RELATED PARTIES

	2024	2023	2024	2023
	Ushs '000	Ushs '000	USD	USD
BRAC Bangladesh	167,115	71,917	45,532	19,015
Stichting BRAC International	239,349	493,874	65,213	130,578
BRAC Bank Uganda Limited	606,284	1,223,494	165,188	323,486
BRAC Tanzania	4,074	-	1,110	-
	<u>1,016,822</u>	<u>1,789,285</u>	<u>277,043</u>	<u>473,079</u>

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

19. DEFERRED GRANTS

		2024	2023	2024	2023
	Note	Ushs '000	Ushs '000	USD	USD
Deferred Grants received in advance	19.1	11,222,214	-	3,057,599	-
Deferred Grants - investment in fixed assets	19.2	2,630,318	3,131,669	716,655	827,999
		<u>13,852,532</u>	<u>3,131,669</u>	<u>3,774,254</u>	<u>827,999</u>

19.1 Deferred Grants received in advance

		2024	2023	2024	2023
	Note	Ushs '000	Ushs '000	USD	USD
Opening balance		-	2,085,877	-	551,497
Donations received in the year	19.1a	61,404,635	45,154,576	16,475,183	11,938,675
Transferred to donor		-	(228,743)	-	(60,479)
Investment in fixed assets		(198,768)	(1,977,729)	(52,849)	(522,863)
Utilised during the year		(54,248,851)	(45,033,981)	(14,423,903)	(11,906,830)
Adjustment with grants receivable		4,265,198	-	1,134,048	-
Currency translation		-	-	(74,880)	-
		<u>11,222,214</u>	<u>-</u>	<u>3,057,599</u>	<u>-</u>

The funds utilised during the year relate to project expenditures that have been incurred in conformity with the terms of the agreements out of the grants received in advance.

The adjustment with grants receivable relates to amounts reconciled between the deferred grants received in advance and grants receivable in order to accurately present project balances as at year end 31 December 2024.

19. DEFERRED GRANTS (continued)

19.1 a) Donations received during the year

	2024 Ushs '000	2023 Ushs '000	2024 USD	2023 USD
Living Goods (Health)	-	4,135,800	-	1,093,488
Vision Spring (Eye care)	1,164,554	1,386,968	305,259	366,708
Women win (Building Young Women's Leadership)	512,055	607,422	135,000	160,600
NORAD (ELLAY)	-	374,021	-	98,890
UNFPA (End Child Marriage)	2,027,909	2,637,026	539,189	697,218
BRAC UK (UPG)	-	219,131	-	57,937
BRAC UK (Global Innovation Fund)	-	172,689	-	45,658
Core project (ADP)	-	71,984	-	19,032
Master Card Foundation (Scholarship and TVET)	3,325,549	-	899,990	-
STOP TB REACH (TB)	-	85,615	-	22,636
LEGO Foundation (Play Lab)	637,551	549,806	172,778	145,366
Global Fund (Uganda Scale project)	601,054	998,998	159,811	264,131
UNCDF	74,524	226,080	20,000	59,775
BRAC USA (LEPR)	504,397	651,312	134,592	172,204
CEGA (IERC)	1,217,323	1,755,972	314,005	464,271
London School of Hygiene & Tropical Medicine (Research capacity and knowledge generation)		76,143		20,132
BRAC USA (ELA After school Research)	146,659	693,103	38,044	183,253
Health Right Initiative (Journey to Scale)		168,428		44,532
European Union (SPACE)		282,647		74,731
International Labour Organization (SDF)	1,752,353	903,109	469,457	238,778
UNICEF (ICOHS)	462,463	293,899	124,990	77,706
Hilton Foundation (Early Childhood and Graduation Programming)	5,457,372	4,623,805	1,475,168	1,222,514
Master Card Foundation (AIM)	<u>43,520,872</u>	<u>24,240,618</u>	<u>11,686,900</u>	<u>6,409,115</u>
	<u>61,404,635</u>	<u>45,154,576</u>	<u>16,475,183</u>	<u>11,938,675</u>

These relate to funds received from various donors for the implementation of project activities. The USD amounts have been translated using the spot rate and or average rate.

19.2 Donations – investment in fixed assets

	2024 Ushs '000	2023 Ushs '000	2024 USD	2023 USD
Opening balance	3,131,669	1,620,291	827,999	436,309
Transferred from Deferred Grants received in advance	198,768	1,977,729	52,849	522,863
Depreciation charged during the year	(700,119)	(466,351)	(186,151)	(123,301)
Currency translation	-	-	21,957	(7,872)
	<u>2,630,318</u>	<u>3,131,669</u>	<u>716,655</u>	<u>827,999</u>

These relate to fixed assets that are purchased for project implementation using the grants received in advance from the different donors for current projects.

BRAC UGANDA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

20. CASHFLOW FROM OPERATING EXPENSES

	2024 Ushs '000	2023 Ushs '000	2024 USD	2023 USD
Deficit for the year	(7,898,994)	(2,231,410)	(2,100,216)	(597,225)
Depreciation	1,212,882	1,039,833	322,486	278,306
Fixed assets write off	(255,761)	(235,645)	(68,003)	(63,069)
Unrealized exchange gain / loss	<u>(79,653)</u>	<u>-</u>	<u>(21,178)</u>	<u>-</u>
Cash flows before changes in working capital	<u>(7,021,526)</u>	<u>(1,427,222)</u>	<u>(1,866,911)</u>	<u>(381,988)</u>
Changes in working capital				
Decrease/(increase) in inventory	136,295	190,422	37,135	50,347
Decrease/(increase) due from related parties	468,044	(1,416,911)	127,523	(374,625)
Decrease/(increase) in other receivables	3,647,472	(4,657,178)	993,789	(1,231,337)
(Decrease)/increase in other payables	(1,787,037)	2,059,065	(486,895)	544,408
(Decrease)/increase in due to related parties	(772,463)	27,597	(210,465)	7,297
Increase/(decrease) in deferred grants	<u>10,720,863</u>	<u>(574,499)</u>	<u>2,921,001</u>	<u>(151,896)</u>
Net cash used in operating activities	<u>5,391,648</u>	<u>(5,798,726)</u>	<u>1,515,177</u>	<u>(1,537,794)</u>

21. ROU ASSET AND LEASE LIABILITIES

(a) Right-of-use assets

	Office Space Ushs '000	Office Space USD
At 1 January 2023	386,844	104,169
Additions	80,208	21,206
Depreciation charge	(223,500)	(59,819)
Currency translation	<u>-</u>	<u>(1,162)</u>
At 31 December 2023	<u>243,552</u>	<u>64,394</u>
At 1 January 2024	243,552	64,394
Additions	-	-
Depreciation charge	(243,552)	(64,756)
Currency translation	<u>-</u>	<u>362</u>
At 31 December 2024	<u>0</u>	<u>0</u>

21. ROU ASSET AND LEASE LIABILITIES (Continued)

(b) Lease liabilities

	Office Space Ushs '000	Office Space USD
At 1 January 2023	461,175	124,184
Interest expense	54,262	14,523
Payments	(445,487)	(119,232)
Additions	80,208	21,206
Currency translation	-	(980)
At 31 December 2023	<u>150,158</u>	<u>39,701</u>
At 1 January 2024	150,158	39,701
Interest expense	17,912	4,763
Payments	(88,417)	(23,509)
Additions	-	-
Foreign currency Gain	(79,653)	(21,178)
Currency translation	-	223
At 31 December 2024	<u>-</u>	<u>-</u>

Lease liabilities are payable as follows

	Principal	Interest	Present Value of minimum lease payments	Present Value of minimum lease payments
	Ushs '000	Ushs '000	Ushs '000	USD
31 December 2024				
Less than one year	-	-	-	-
More than one year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
31 December 2023				
	Shs'000	Shs'000	Shs'000	USD
Less than one year	7,133	375	7,508	1,985
More than one year	<u>134,091</u>	<u>8,559</u>	<u>142,650</u>	<u>37,716</u>
	<u>141,224</u>	<u>8,934</u>	<u>150,158</u>	<u>39,701</u>

21. ROU ASSET AND LEASE LIABILITIES (continued)**(c) Amounts recognized in profit or loss**

	2024	2023	2024	2023
	Ushs '000	Shs'000	USD	USD
Interest on lease liabilities	17,912	54,262	4,763	14,347
Depreciation charge for the year	243,552	223,500	64,756	59,819
Expense relating to short term leases	<u>475,690</u>	<u>301,396</u>	<u>126,478</u>	<u>79,688</u>
	<u>737,154</u>	<u>579,158</u>	<u>195,997</u>	<u>153,854</u>

(d) Amounts recognized in the statement of cashflows

	2024	2023	2024	2023
	Ushs '000	Shs'000	USD	USD
Lease interest paid	17,912	54,262	4,763	14,523
Lease principal payments	<u>88,417</u>	<u>445,487</u>	<u>23,509</u>	<u>119,232</u>
	<u>106,329</u>	<u>499,749</u>	<u>28,272</u>	<u>133,755</u>

The table below discloses the maturity profile of the Leases as at 31 December 2024 and 2023.

The maturity profile captures the undiscounted cashflows of the leases arrangements

	2024	2023	2024	2023
	Ushs '000	Shs'000	USD	USD
	1-12 months	Over 1 year	1-12 months	Over 1 year
2024	-	-	-	-
2023	347,820	22,200	91,962	5,870

22. SUBSEQUENT EVENTS

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

23. CURRENCY

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

24. CAPITAL COMMITMENTS

There were no capital commitments as at 31 December 2024 (2023: Nil).

25. USE OF ESTIMATES AND JUDGMENT

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

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

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

(i) Impairment

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

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

However, cash and cash equivalents held with reputable financial institutions are not subject to ECL measurement, based on the following considerations:

- **Counterparty credit risk is negligible:** Cash is held only with regulated, investment-grade commercial banks licensed by the Bank of Uganda, which are considered to have a low risk of default.
- **Short-term maturity:** Cash and cash equivalents are typically highly liquid and settled in the near term, making the probability of default over the relevant time horizon immaterial.
- **Regulatory oversight:** These banks are subject to strict supervision and prudential regulations, minimizing the likelihood of credit loss events.

(ii) Provisions and contingencies

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

26. FINANCIAL RISK MANAGEMENT**Introduction and overview**

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

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

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

Risk management framework

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

The Board has established the Group Audit and Risk Committee, Remuneration Committee, Investment Committee, Group Executive Committee and Subsidiary Companies Executive Committee which are responsible for developing and monitoring Group risk management policies in their respective areas. All Board committees have both executive and non-executive members, apart from the Group Executive Committee which comprises of executive directors and senior management and report regularly to the Board of Directors on their activities. The BRAC financial risk management policy seeks to identify, appraise and monitor the risks facing BRAC whilst taking specific measures to manage its interest rate, foreign exchange, liquidity and credit risks. BRAC does not engage in speculative transactions or take speculative positions, and when affected by adverse movements, BRAC has sought the assistance of donors.

i) Credit risk

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

Management of the risk

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

Exposure to credit risk

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

	2024	2023	2024	2023
	Shs '000	Shs '000	USD	USD
Cash at bank	11,161,103	5,775,464	3,040,949	1,527,008
Other receivables	<u>1,990,212</u>	<u>5,637,684</u>	<u>542,252</u>	<u>1,490,579</u>
	<u>13,151,315</u>	<u>11,413,148</u>	<u>3,583,201</u>	<u>3,017,587</u>

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

	2024	2023	2024	2023
	Shs '000	Shs '000	USD	USD
Less than 30 days	21,629	2,670,534	5,893	706,078
More than 30 days	<u>1,968,583</u>	<u>2,967,150</u>	<u>536,359</u>	<u>784,501</u>
	<u>1,990,212</u>	<u>5,637,684</u>	<u>542,252</u>	<u>1,490,579</u>

26. FINANCIAL RISK MANAGEMENT (continued)

ii) Liquidity risk

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

BRAC Uganda Limited manages its debt maturity profile, operating cash flows and the availability of funding so as to meet all refinancing, repayment and funding needs. As part of its overall liquidity management, BRAC Uganda Limited maintains sufficient levels of cash or fixed deposits to meet its working capital requirements. In addition, BRAC Uganda Limited maintains banking facilities of a reasonable level.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient resources to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

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

2024	Matured	Less than 30 days	Between 31- 60 days	Over 60 days	Total
	Ushs '000'	Ushs '000'	Ushs '000'	Ushs '000'	Ushs '000'
ASSETS					
Cash and bank	11,161,103	-	-	-	11,161,103
Due from related parties	-	54,239	-	3,650,445	3,704,684
Other receivables	-	1,722	-	718,658	720,380
LIABILITIES					
Other payables	-	1,143,432	92,576	1,416,592	2,652,600
Due to related parties	-	-	-	1,016,822	1,016,822
Deferred Grants	-	3,235,856	6,932,677	3,683,999	13,852,532
Liquidity gap	11,161,103	(4,323,327)	(7,025,253)	(1,748,310)	(1,935,787)

As part of our liquidity risk mitigation, management has negotiated with related parties to defer certain payments due. This deferral arrangement is intended to alleviate short-term liquidity pressures and is expected to improve the company's cash flow profile over the next 12 months.

26. FINANCIAL RISK MANAGEMENT (continued)

ii) Liquidity risk (continued)

2023	Matured	Less than 30 days	Between 31-60 days	Over 60 days	Total
	Ushs '000'	Ushs '000'	Ushs '000'	Ushs '000'	Ushs '000'
ASSETS					
Cash and bank	5,775,464	-	-	-	5,775,464
Due from related parties	-	-	-	4,172,728	4,172,728
Other receivables	-	1,841,408	564,990	2,402,160	4,808,558
LIABILITIES					
Other payables	-	3,568,165	871,472	-	4,439,637
Due to related parties	-	1,422,459	366,826	-	1,789,285
Deferred Grants	-	-	-	3,131,669	3,131,669
Lease Liability	-	-	-	370,003	370,003
Liquidity gap	5,775,464	(3,149,216)	(673,308)	3,073,216	5,026,156

iii) Market risk

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

Management of market risks

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

i. Interest rate risk

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

ii. Foreign exchange risk

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

Exposure to Foreign currency risk

The following significant exchange rates applied during the year:

	Closing rate		Average rate	
	2024	2023	2024	2023
	Ushs	Ushs	Ushs	Ushs
USD	3,670.27	3,782.21	3761.04	3,736.30

26. FINANCIAL RISK MANAGEMENT (Continued)

iii) Market risk (continued)

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

	2024	2024	2023	2023
Ushs equivalent	USD	Ushs'000	USD	Ushs'000
Cash and bank	237,011	869,896	1,461	5,527
Due to related parties	(111,855)	(410,538)	(149,593)	(565,791)
Due from related parties	14,778	54,239	-	-
	<u>139,934</u>	<u>513,597</u>	<u>(148,132)</u>	<u>(560,264)</u>

Sensitivity Analysis

A reasonably strengthening (weakening) of the US dollar against the Uganda Shilling at 31 December 2024 would have affected the measurement of the above financial instruments denominated in a foreign currency as shown below:

	2024		2023	
		+/-5%		+/-5%
Ushs equivalent	Ushs'000	Ushs'000	Ushs'000	Ushs'000
Bank Balances	869,896	43,495	5,527	276
Due to related parties	(410,538)	(20,527)	(565,791)	(28,290)
Due from related parties	54,239	2,712	-	-
	<u>513,597</u>	<u>25,680</u>	<u>(560,264)</u>	<u>(28,014)</u>

iv) Operational risk

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

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

- i. Requirements for appropriate segregation of duties, including the independent authorisation of transactions.
- ii. Requirements for the reconciliation and monitoring of transactions.
- iii. Compliance with regulatory and other legal requirements.
- iv. Documentation of controls and procedures.
- v. Requirements for the periodic assessment of operational risks faced and the adequacy of controls and procedures to address the risks identified.
- vi. Requirements for the reporting of operational losses and proposed remedial action.
- vii. Development of contingency plans.
- viii. Training and professional development.
- ix. Ethical and business standards.
- x. Close monitoring and management oversight.

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

27. CAPITAL RISK MANAGEMENT

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

The reserves of the company are made of the retained surplus. Retained surplus is maintained as a reserve for BRAC Uganda Limited and forms part of the company's capital structure. The retained surplus determines the extent of the company's capital base and is monitored by management through periodic review of management accounts and operational reviews. The references in Stichting BRAC International (BI) Accounting and Financial Manual, among other related policies are followed to monitor and manage the reserves at Country and BI level. The Board reviews and discusses the status of the retained surplus during the quarterly board meetings.

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

	2024 Ushs'000	2023 Ushs'000	2024 USD	2023 USD
Retained surplus	1,821,140	9,720,134	496,186	2,569,962
	<u>1,821,140</u>	<u>9,720,134</u>	<u>496,186</u>	<u>2,569,962</u>

28. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

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

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

Valuation models

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

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

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

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

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

31 December 2024	Level 1	Level 2	Level 3	Total fair value Ushs'000	Total carrying amount Ushs'000
Financial assets					
Cash and bank	-	11,161,103	-	11,161,103	11,161,103
Other receivables	-	1,990,212	-	1,990,212	1,990,212
Due from related parties	-	3,704,684	-	3,704,684	3,704,684
Financial liabilities					
Other payables	-	(2,652,600)	-	(2,652,600)	(2,652,600)
Due to related parties	-	(1,016,822)	-	(1,016,822)	(1,016,822)
31 December 2023	Level 1	Level 2	Level 3	Total fair value Ushs'000	Total carrying amount Ushs'000
Financial assets					
Cash and bank	-	5,775,464	-	5,775,464	5,775,464
Other receivables	-	5,637,684	-	5,637,684	5,637,684
Due from related parties	-	4,172,728	-	4,172,728	4,172,728
Financial liabilities					
Other payables	-	(4,439,637)	-	(4,439,637)	(4,439,637)
Due to related parties	-	(1,789,285)	-	(1,789,285)	(1,789,285)

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

29. CONTINGENT LIABILITIES

There are no known contingent liabilities as at 31 December 2024. (2023: Nil)

30. ULTIMATE CONTROLLING PARTY

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

31. EVENTS AFTER THE REPORTING PERIOD

There are no reportable events after the reporting period.

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED)

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

Projects	Donor	Operations
Health-revolving fund	Living Goods	This is a component of the Living Goods (project: integrated Community Case Management project) that deals with social business of the Community Health Workers (CHWs). This was managed by BRAC and there was a central warehouse where all products that were part of the health program basket were stored and monitored through a system (Health Information Management System (HMIS). Products were supplied to the CHWs at a subsidised cost. The revolving fund was self-sustaining i.e., Funds from the revolving fund were used to purchase health products for sale by the Community Health Promoters (CHPs) and funds returned to a pool for continuous supply of products.
Reading Glasses for Improved Livelihoods	Vision Spring	This project aims to increase access to screening and detection of presbyopia through offering affordable reading glasses for low-income earners and the under privileged in Uganda.
Adolescent Development Project	Core fund	These projects focus on the empowerment and livelihood of adolescents. The focus is girls between the ages 11-21 years, giving them life skills and building their capacity. The funding is from Uganda National Roads Authority, Enabel and World bank.
Building Young Women Leadership Through Sport Project	Women Win	This is an empowerment and livelihood of adolescent's project through sports. The project targets Adolescent Girls and Young Women (AGYW) aged between 10-24 years. The project implements both full Goal curriculum (participants admitted in the clubs) and indirect parents through Goal events. The project funding is from Women Win.
Research	Core fund	This has all the research and independent evaluation funds / projects. BRAC Uganda Limited has an independent research unit that carries out all the research and evaluation required by the projects and the organisation as a whole.
Play Lab	Lego	This is an education project (Early Child Development) targeting children between the ages of 3 and 5 years.
Local Emergency Preparedness and response	BRAC USA	This is a project focusing on emergency rescue. It focuses on areas where there is disaster, natural calamities. It focuses on risk assessment, risk mitigation in the areas of Kasese.
Empowerment and Livelihood for Adolescents Plus.	UNFPA	This is an "ELA Plus" project which targets the adolescent girls and boys aged 10-24 years empowering them with knowledge in sexual reproductive health and life skills, economic empowerment and linking them to financial services through the integrating the village saving and loans associations and Brac Uganda Bank limited.
Empowerment and Livelihood for Adolescents After School	BRAC USA	The Empowerment and Livelihoods for Adolescents in Schools (ELAS) model was developed specifically for schools in Uganda to test a viable cost-effective pathway to scale of the ELA model. The project has a research component and utilises teacher mentors who deliver sessions to the participants. It is currently being implemented in 20 districts targeting 6,000 in school participants from the lower secondary classes (senior one and two). It is funded by Bill and Melinda Gates Foundation (BMGF).
Skill Development Facility	The International Labour Organisation (ILO)	The project is targeting 474 vulnerable participants from refugees and host communities, majority of whom are youths in Imvepi, Nakivale and Rhino Camp refugee settlements with support from ILO under the 'Prospects' programme.

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED)

Projects	Donor	Operations
Accelerating Impact for Young Women in Africa (AIM)	Mastercard Foundation	The program will combine BRAC's approach of social empowerment and economic empowerment to provide targeted support to AGYW (Adolescent Girls and Young women) of different age groups that help them overcome the challenges they are facing at their particular stage of the life cycle.
		For Very Young Adolescents (VYA) aged 12 -14 years, the program's objective will be to keep those girls in school and support out-of-school girls to return to education, while providing basic life skills education, financial and digital literacy, and orientation on livelihoods and savings to prepare them for future opportunities.
		For Adolescent Girls (AG) aged 15 - 17 years, the program will encourage and support girls to stay in or return to school, along with life skills education and more extended training for small income-generating activities that can be done alongside education.
		For Young Women (YW) aged 18 to 24 years, the objective will be to get them on sustainable livelihood pathways through intensive livelihood and skills training along with life skills training, asset and input support where needed.
		For EA (Early Adult) the objective will be to get them on sustainable livelihood pathways through intensive livelihood and skills training along with life skills training, asset and input support where needed.
Scale-up of Self-Injection	BRAC USA	The Project goal is to accelerate the scale-up of self-injection (SI) for DMPA-SC and strengthen reporting of community-based data on self-injection practices in Buikwe district, Uganda. BRAC conducts a two-day training of trainers (ToT) session for 20 VHT supervisors (this may include facility family planning focal persons, HMIS focal persons, Health Assistants or Health Facility In-charges at HCII and HCIII facilities). This session will prepare supervisors to train VHTs on the newly developed data reporting tools and dashboard, and ongoing support supervision. Following the ToT session, MoH/District supervisors and BRAC will conduct DMPA-SC self-injection refresher training sessions for 1,066 VHTs across 35 training sites.
Supporting BRAC Community Health Program in Uganda	Living Goods	The project is designed to paying compensation and transport for health workers and their supervisors in support of their work of providing care for childhood diseases, pregnancy, immunization, and family planning. Further requirements of the grant include improving and maintaining close alignment with Living Goods on digital tools, field compensation, supervision methods and the GOU partnership.
Scholars Transition Entrepreneurship Fund – SEF MCF Project	Mastercard Foundation	Scholars' Transition Entrepreneurship Fund (STEP) aligns with Mastercard Foundation's Young Africa Works Strategy, its supportive strategies and frameworks including the access to finance framework and gender strategy. It also aligns with the strategy of BRAC International's, BRAC Uganda country strategy and our overall Youth empowerment strategy. BRAC proposes to run this action targeting 2 cohorts.
Early Childhood and Graduation Programming in Refugee Settlements	Hilton Foundation	BRAC Uganda, with funding from the Conrad N. Hilton Foundation, is implementing an integrated model of Humanitarian Play Labs (HPL) and the Ultra-Poor Graduation approach to support refugees and host communities in Imvepi and Rhino refugee settlements, as well as the host districts of Terego and Madi-Okollo. The project focuses on building sustainable Early Childhood Development and resilient livelihoods. Additionally, it provides technical assistance to 40 local community-based organizations (CBOs) and 393 non-BRAC caregivers in the Play-Based Learning model. The project began in April 2022 and is scheduled to end in September 2025 with an RCT being managed by an external consultant.

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) – CONTINUED

Statement of Comprehensive Income for the year ended 31 December 2024 (Amounts in Uganda Shillings)

	Health Project	Adolescent Development Project	Health Revolving Fund Project	Building Young Women's Leadership Through Sport Project (Women)	Play Lab Project (LEGO)	End Child Marriage (ELA Plus)
Grant income	-	100,955	-	420,871	790,011	1,727,298
Other Income	466	937,242	345,357	-	-	(2,134)
Total Income	466	1,038,197	345,357	420,871	790,011	1,725,164
Staff costs and other benefits	-	(423,526)	(202,460)	(89,099)	(262,533)	(570,532)
Training, Workshops & Seminars	-	(2,041)	(42,373)	(202,040)	(21,997)	(1,146,147)
Occupancy expenses	-	260,213	(11,091)	(296)	(1,796)	(26,564)
Program supplies	-	(285,325)	(116,622)	(47,844)	(159,821)	(283,972)
Travel and transportation	-	(78,410)	(39,280)	(37,033)	(87,549)	(11,362)
Audit fees and other fees	-	(175,900)	-	-	(19,036)	-
Printing, stationary and supplies	-	(94,555)	-	(1,426)	(2,017)	(1,205)
General expense	-	(1,446,826)	56,285	(4,591)	(129,283)	514,921
Head Office logistics expenses	-	2,127,567	-	(38,232)	(104,486)	(158,605)
Impairment loss	-	(1,521,533)	-	-	-	-
Depreciation	(4,570)	(507,637)	(556)	(310)	(1,493)	(43,831)
Total Expenses	(4,570)	(2,147,973)	(356,097)	(420,871)	(790,011)	(1,727,297)
Foreign exchange gain/(loss)	(16,240)	130,698	-	-	-	-
Deficit before tax	(20,344)	(979,078)	(10,740)	-	-	(2,133)
Taxation	-	-	-	-	-	-
Deficit for the year	(20,344)	(979,078)	(10,740)	-	-	(2,133)
Other Comprehensive income						
Other comprehensive income						
Total Comprehensive income	(20,344)	(979,078)	(10,740)	-	-	(2,133)

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) – CONTINUED

Statement of Comprehensive Income for the year ended 31 December 2024 (Amounts in Uganda Shillings '000) - continued

	Menstrual Hygiene Product Choice among Economic Livelihoods	Vision Spring	ELA Afterschool	MasterCard AIMP Project – UG NGO	Early Childhood and Graduation Programming in Refugee Settlements	SDF – ILO Project
Grant income	48,613	1,669,584	1,452,412	39,602,092	5,433,562	1,139,447
Other income	-	95,027	-	-	300	-
Total Income	48,613	1,764,611	1,452,412	39,602,092	5,433,862	1,139,447
Staff costs and other benefits	(30,945)	(1,024,374)	(216,754)	(13,428,299)	(2,450,223)	(311,487)
Training, Workshops & Seminars	-	(45,695)	(351,444)	(7,035,535)	(815,710)	(375,307)
Occupancy expenses	-	(714)	(4,439)	(1,212,462)	(19,600)	(3,385)
Program supplies	(13,249)	(43,841)	(546,902)	(11,943,102)	(776,121)	(76,909)
Travel and transportation	-	(419,663)	(161,171)	(3,319,378)	(611,782)	(80,752)
Audit fees and other fees	-	-	(11,094)	-	(50,934)	(33,821)
Printing, stationery and supplies	-	(1,129)	(11,340)	(328,398)	(18,887)	(1,313)
General expense	-	(153,204)	(146,397)	(446,757)	(295,214)	(115,715)
Head Office logistics expenses	(4,419)	(129,124)	-	(1,360,106)	(296,296)	(119,842)
Impairment loss	(200,139)	(1,358,268)	(1,164,496)	-	-	-
Depreciation	-	-	(2,872)	(528,055)	(98,795)	(20,916)
Total Expenses	(248,752)	(3,176,012)	(2,616,909)	(39,602,092)	(5,433,562)	(1,139,447)
Foreign exchange gain/(loss)	-	(3)	-	-	(300)	-
Deficit before tax	(200,139)	(1,411,404)	(1,164,497)	-	-	-
Taxation	-	-	-	-	-	-
Deficit for the year	(200,139)	(1,411,404)	(1,164,497)	-	-	-
Other Comprehensive income						
Other comprehensive income						
Total Comprehensive income	(200,139)	(1,411,404)	(1,164,497)	-	-	-

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) – CONTINUED

Statement of Comprehensive Income for the year ended 31 December 2024 (Amounts in Uganda Shillings '000) - continued

	Local Emergency Preparedness and Response Project	Scholars Transition Entrepreneurship Fund – SEF MCF Project	Supporting BRAC Community Health Program in Uganda	Scale-up of Self-Injection	Other projects	Net Total
Grant income	572,306	1,104,121	413,999	473,698	-	54,948,969
Other Income	-	149	-	-	-	1,376,407
Total Income	572,306	1,104,270	413,999	473,698	-	56,325,376
Staff costs and other benefits	(231,320)	(250,196)	(123,812)	(20,837)	-	(19,636,397)
Training, Workshops & Seminars	(82,154)	(115,917)	(222,767)	(393,904)	-	(10,853,031)
Occupancy expenses	(47,710)	-	-	-	-	(1,067,844)
Program supplies	(70,272)	(599,440)	(410)	(977)	-	(14,964,807)
Travel and transportation	(36,449)	(14,996)	(54,588)	(15,649)	-	(4,968,062)
Audit fees and other fees	-	(10,206)	(5,547)	(3,217)	-	(309,755)
Printing, stationary and supplies	(275)	(5,164)	(3,265)	-	-	(468,974)
General expense	(16,914)	(4,284)	(3,610)	-	-	(2,191,589)
Head Office logistics expenses	(84,732)	(102,552)	-	(39,113)	-	(309,940)
Impairment loss	(26,888)	-	-	(367)	(4,083,406)	(8,355,097)
Depreciation	(2,479)	(1,368)	-	-	-	(1,212,882)
Total Expenses	(599,193)	(1,104,123)	(413,999)	(474,064)	(4,083,406)	(64,338,378)
Foreign exchange gain/(loss)	-	(147)	-	-	-	114,008
Deficit before tax	(26,887)	-	-	(366)	(4,083,406)	(7,898,994)
Taxation	-	-	-	-	-	-
Deficit for the year	(26,887)	-	-	(366)	(4,083,406)	(7,898,994)
Other Comprehensive income						-
Other comprehensive income	-	-	-	-	-	-
Total Comprehensive income	(26,887)	-	-	(366)	(4,083,406)	(7,898,994)

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) – CONTINUED

Statement of Comprehensive Income for the year ended 31 December 2024 (Amounts in USD)

	Health Project	Adolescent Development Project	Health Revolving Fund Project	Building Young Women's Leadership Through Sport Project (Women)	Play Lab Project (LEGO)	End Child Marriage (ELA Plus)
Grant income	-	26,842	-	111,903	210,051	459,261
Other Income	124	249,197	91,825	-	-	(567)
Total Income	124	276,039	91,825	111,903	210,051	458,694
Staff costs and other benefits	-	(112,609)	(53,831)	(23,690)	(69,803)	(151,695)
Training, workshops and seminars	-	(543)	(11,266)	(53,719)	(5,849)	(304,742)
Occupancy expenses	-	69,186	(2,949)	(79)	(478)	(7,063)
Program supplies	-	(75,863)	(31,008)	(12,721)	(42,494)	(75,504)
Travel and transportation	-	(20,848)	(10,444)	(9,846)	(23,278)	(3,021)
Audit fees and other fees	-	(46,769)	-	-	(5,061)	-
Printing, stationary and supplies	-	(25,138)	-	(380)	(536)	(320)
General expense	-	(384,688)	14,965	(1,221)	(34,374)	136,909
Head Office logistics expenses	-	565,686	-	(10,165)	(27,781)	(42,171)
Impairment loss	-	(404,551)	-	-	-	-
Depreciation	(1,215)	(134,973)	(148)	(82)	(397)	(11,654)
Total Expenses	(1,215)	(571,110)	(94,681)	(111,903)	(210,051)	(459,261)
Foreign exchange gain/(loss)	(4,318)	34,751	-	-	-	-
Deficit before tax	(5,409)	(260,320)	(2,856)	-	-	(567)
Taxation	-	-	-	-	-	-
Deficit for the year	(5,409)	(260,320)	(2,856)	-	-	(567)
Other Comprehensive income						
Other comprehensive income						
Total Comprehensive income	(5,409)	(260,320)	(2,856)	-	-	(567)

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) – CONTINUED

Statement of Comprehensive Income for the year ended 31 December 2024 (Amounts in USD) - continued

	Menstrual Hygiene Product Choice among Economic Livelihoods	Vision Spring	ELA Afterschool	MasterCard AIMP Project – UG NGO	Early Childhood and Graduation Programming in Refugee Settlements	SDF – ILO Project
Grant income	12,925	443,916	386,173	10,529,564	1,444,697	302,961
Other Income	-	25,266	-	-	80	-
Total Income	12,925	469,182	386,173	10,529,564	1,444,777	302,961
Staff costs and other benefits	(8,228)	(272,365)	(57,631)	(3,570,370)	(651,475)	(82,819)
Training, workshops and seminars	-	(12,150)	(93,443)	(1,870,636)	(216,884)	(99,788)
Occupancy expenses	-	(190)	(1,180)	(322,374)	(5,211)	(900)
Program supplies	(3,523)	(11,657)	(145,413)	(3,175,480)	(206,358)	(20,449)
Travel and transportation	-	(111,582)	(42,853)	(882,570)	(162,663)	(21,471)
Audit fees and other fees	-	-	(2,950)	-	(13,543)	(8,992)
Printing, stationary and supplies	-	(300)	(3,015)	(87,317)	(5,022)	(350)
General expense	-	(40,734)	(38,925)	(118,786)	(78,493)	(30,767)
Head office logistics expenses	(1,175)	(34,332)	-	(361,630)	(78,780)	(31,864)
Impairment loss	(53,214)	(361,142)	(309,621)	-	-	-
Depreciation	-	-	(764)	(140,401)	(26,268)	(5,561)
Total Expenses	(66,140)	(844,452)	(695,795)	(10,529,564)	(1,444,697)	(302,961)
Foreign exchange gain/(loss)	-	(1)	-	-	(80)	-
Deficit before tax	(53,215)	(375,271)	(309,622)	-	-	-
Taxation	-	-	-	-	-	-
Deficit for the year	(53,215)	(375,271)	(309,622)	-	-	-
Other Comprehensive income						
Other comprehensive income	-	-	-	-	-	-
Total Comprehensive income	(53,215)	(375,271)	(309,622)	-	-	-

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) – CONTINUED

Statement of Comprehensive Income for the year ended 31 December 2024 (Amounts in USD) - continued

	Local Emergency Preparedness and Response Project	Scholars Transition Entrepreneurship Fund – SEF MCF Project	Supporting BRAC Community Health Program in Uganda	Scale-up of Self-Injection	Other projects	Net Total
Grant income	152,167	293,568	110,076	125,949	-	14,610,053
Other Income	-	40	-	-	-	365,965
Total Income	152,167	293,608	110,076	125,949	-	14,976,018
Staff costs and other benefits	(61,504)	(66,523)	(32,920)	(5,541)	-	(5,221,004)
Training, workshops and seminars	(21,843)	(30,820)	(59,230)	(104,735)	-	(2,885,648)
Occupancy expenses	(12,685)	-	-	-	-	(283,923)
Program supplies	(18,684)	(159,382)	(109)	(258)	-	(3,978,903)
Travel and transportation	(9,691)	(3,987)	(14,514)	(4,160)	-	(1,320,928)
Audit fees and other fees	-	(2,714)	(1,475)	(855)	-	(82,359)
Printing, stationery and supplies	(72)	(1,373)	(870)	-	-	(124,693)
General expense	(4,497)	(1,139)	(958)	-	-	(582,708)
Head office logistics expenses	(22,529)	(27,267)	-	(10,400)	-	(82,408)
Impairment loss	(7,149)	-	-	(98)	(1,085,712)	(2,221,487)
Depreciation	(659)	(364)	-	-	-	(322,486)
Total Expenses	(159,313)	(293,569)	(110,076)	(125,047)	(1,085,712)	(17,106,547)
Foreign exchange gain/(loss)	-	(39)	-	-	-	30,313
Deficit before tax	(7,146)	-	-	(98)	(1,085,712)	(2,100,216)
Taxation	-	-	-	-	-	-
Deficit for the year	(7,146)	-	-	(98)	(1,085,712)	(2,100,216)
Other Comprehensive income	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Total Comprehensive income	(7,146)	-	-	(98)	(1,085,712)	(2,100,216)

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) – CONTINUED

Statement of Financial Position as on 31 December 2024 (Amounts in Uganda Shillings '000)

	Health Project	Adolescent Development Project	Health Revolving Fund Project	Building Young Women's Leadership Through Sport Project (Women)	Play Lab Project (LEGO)	End Child Marriage (ELA Plus)
ASSETS						
Non-current assets						
Property and equipment	(22,405)	(324,163)	600	875	78,082	54,418
ROU asset	-	(202,512)	-	-	2,250	12,360
Total non-current assets	(22,405)	(526,675)	600	875	80,332	66,778
Current assets						
Cash and bank	-	1,875,639	131,530	(128,539)	41,395	122,971
Inventory	(131)	58	115,684	-	-	-
Related party receivables	1,148,282	(20,552,090)	1,072,960	136,706	532,514	(845,921)
Other receivables	(1,919)	123,553	(23,919)	9,218	20,348	76,942
Total current assets	1,146,232	(18,552,840)	1,296,255	17,385	594,257	(646,008)
Total assets	1,123,827	(19,079,515)	1,296,855	18,260	674,589	(579,230)
LIABILITIES AND CAPITAL FUND						
Liabilities						
Lease liability	(14,689)	(26,265,350)	668,572	309,008	578,203	(581,870)
Other payables	-	1,072,205	-	4,734	(14,697)	33,664
Related party payables	-	947,299	-	92,348	133,365	211,823
Deferred grants	-	-	-	-	-	-
Total liabilities	(14,689)	(24,245,846)	668,572	406,090	696,871	(336,383)
Reserves						
Retained earnings	1,138,516	5,166,331	628,283	(387,830)	(22,282)	(242,847)
Total reserves	1,138,516	5,166,331	628,283	(387,830)	(22,282)	(242,847)
Total liabilities and reserves	1,123,827	(19,079,515)	1,296,855	18,260	674,589	(579,230)

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) – CONTINUED

Statement of Financial Position as on 31 December 2024 (Amounts in Uganda Shillings '000) - continued

	Menstrual Hygiene Product Choice among Economic Livelihoods	Vision Spring	ELA Afterschool	MasterCard AIMP Project – UG NGO	Early Childhood and Graduation Programming in Refugee Settlements	SDF – ILO Project
ASSETS						
Non-current assets						
Property and equipment	-	-	30,312	1,548,527	296,479	47,822
ROU asset	-	-	-	-	-	-
Total Non-current assets	-	-	30,312	1,548,527	296,479	47,822
Current Assets						
Cash and Bank	(54,135)	30,937	24,379	4,359,258	1,959,626	46,278
Inventory	-	206,390	-	-	-	-
Related party receivables	(183,915)	(37,718)	(428,151)	12,248,685	4,159,646	648,789
Other receivables	3,800	30,831	(922)	128,891	41,485	4,693
Total current assets	(234,250)	230,440	(404,694)	16,736,834	6,160,757	699,760
Total assets	(234,250)	230,440	(374,382)	18,285,361	6,457,236	747,582
LIABILITIES AND CAPITAL FUND						
Liabilities						
Lease liability						
Other payables	39,430	1,455,527	1,660,455	13,464,212	3,538,779	433,829
Related party payables	877	9,561	-	110,163	(228,750)	7,308
Deferred grants	-	-	21,712	4,770,404	2,983,077	306,445
Total liabilities	40,307	1,465,088	1,682,167	18,344,779	6,293,106	747,582
Reserves						
Retained earnings	(274,557)	(1,234,648)	(2,056,549)	(59,418)	164,130	-
Total reserves	(274,557)	(1,234,648)	(2,056,549)	(59,418)	164,130	-
Total liabilities and reserves	(234,250)	230,440	(374,382)	18,285,361	6,457,236	747,582

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) – CONTINUED

Statement of Financial Position as on 31 December 2024 (Amounts in Uganda Shillings '000) - continued

	Local Emergency Preparedness and Response Project	Scholars Transition Entrepreneurship Fund – SEF MCF Project	Supporting BRAC Community Health Program in Uganda	Scale-up of Self-Injection	Other projects	Net Total
ASSETS						
Non-current assets						
Property and equipment	5,671	23,803	-	-	426,067	2,166,088
ROU asset	-	-	-	-	187,902	-
Total non-current assets	5,671	23,803	-	-	613,969	2,166,088
Current assets						
Cash and bank	20,425	2,419,192	106,428	79,844	125,875	11,161,103
Inventory	-	-	-	-	(994)	321,007
Related party receivables	7,435	(29,097)	(379,085)	(6,060)	6,211,704	3,704,684
Other receivables	26,806	(800)	-	12,993	1,538,212	1,990,212
Total current assets	54,666	2,389,295	(272,657)	86,777	7,874,797	17,177,006
Total assets	60,337	2,413,098	(272,657)	86,777	8,488,766	19,343,094
LIABILITIES AND CAPITAL FUND						
Liabilities						
Lease liability	81,554	191,262	141,342	86,721	6,865,615	2,652,600
Other payables	-	408	-	423	20,926	1,016,822
Related party payables	5,671	2,221,428	(413,999)	-	2,572,959	13,852,532
Deferred grants	87,225	2,413,098	(272,657)	87,144	9,459,500	17,521,954
Total liabilities						
Reserves						
Retained earnings	(26,888)	-	-	(367)	(970,734)	1,821,140
Total reserves	(26,888)	-	-	(367)	(970,734)	1,821,140
Total liabilities and reserves	60,337	2,413,098	(272,657)	86,777	8,488,766	19,343,094

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) – CONTINUED

Statement of Financial Position as on 31 December 2024 (Amounts in USD)

	Health Project	Adolescent Development Project	Health Revolving Fund Project	Building Young Women's Leadership Through Sport Project (Women)	Play Lab Project (LEGO)	End Child Marriage (ELA Plus)
ASSETS						
Non-current assets						
Property and equipment	(6,104)	(88,321)	163	238	21,274	14,827
ROU asset	-	(55,176)	-	-	613	3,368
Total Non-current assets	(6,104)	(143,497)	163	238	21,887	18,195
Current assets						
Cash and bank	-	511,036	35,837	(35,022)	11,278	33,505
Inventory	(36)	16	31,519	-	-	-
Related party receivables	312,860	(5,599,613)	292,338	37,247	145,089	(230,479)
Other receivables	(523)	33,663	(6,517)	2,512	5,544	20,964
Total current assets	312,301	(5,054,898)	353,177	4,737	161,911	(176,010)
Total assets	306,197	(5,198,395)	353,340	4,975	183,798	(157,815)
LIABILITIES AND CAPITAL FUND						
Liabilities						
Lease liability	(4,002)	(7,156,245)	182,159	84,192	157,537	(158,536)
Other payables	-	292,132	-	1,290	(4,004)	9,172
Related party payables	-	258,101	-	25,161	36,337	57,713
Deferred grants	(4,002)	(6,606,012)	182,159	110,643	189,870	(91,651)
Total liabilities	(4,002)	(13,528,024)	364,468	220,286	379,740	(82,202)
Reserves						
Retained earnings	310,199	1,407,617	171,181	(105,668)	(6,072)	(66,164)
Total reserves	310,199	1,407,617	171,181	(105,668)	(6,072)	(66,164)
Total liabilities and reserves	306,197	(5,198,395)	353,340	4,975	183,798	(157,815)

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) – CONTINUED

Statement of Financial Position as on 31 December 2024 (Amounts in USD) - continued

	Menstrual Hygiene Product Choice among Economic Livelihoods	Vision Spring	ELA Afterschool	MasterCard AIMP Project – UG NGO	Early Childhood and Graduation Programming in Refugee Settlements	SDF – ILO Project
ASSETS						
Non-current assets						
Property and equipment	-	-	8,259	421,911	80,779	13,030
ROU asset	-	-	-	-	-	-
Total Non-current assets	-	-	8,259	421,911	80,779	13,030
Current assets						
Cash and bank	(14,750)	8,429	6,642	1,187,721	533,919	12,609
Inventory	-	56,233	-	-	-	-
Related party receivables	(50,109)	(10,277)	(116,654)	3,337,271	1,133,335	176,769
Other receivables	1,035	8,400	(251)	35,118	11,303	1,279
Total current assets	(63,824)	62,785	(110,263)	4,560,110	1,678,557	190,657
Total assets	(63,824)	62,785	(102,004)	4,982,021	1,759,336	203,687
LIABILITIES AND CAPITAL FUND						
Liabilities						
Lease liability	10,743	396,572	452,407	3,668,453	964,174	118,202
Other payables	239	2,605	-	30,015	(62,325)	1,991
Related party payables	-	-	5,916	1,299,742	812,768	83,494
Deferred grants	-	-	-	-	-	-
Total liabilities	10,982	399,177	458,323	4,998,210	1,714,617	203,687
Reserves						
Retained earnings	(74,806)	(336,392)	(560,327)	(16,189)	44,719	-
Total reserves	(74,806)	(336,392)	(560,327)	(16,189)	44,719	-
Total liabilities and reserves	(63,824)	62,785	(102,004)	4,982,021	1,759,336	203,687

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) – CONTINUED

Statement of Financial Position as on 31 December 2024 (Amounts in USD) - continued

	Local Emergency Preparedness and Response Project	Scholars Transition Entrepreneurship Fund – SEF MCF Project	Supporting BRAC Community Health Program in Uganda	Scale-up of Self-Injection	Other projects	Net Total
ASSETS						
Non-current assets						
Property and equipment	1,545	6,485	-	-	116,085	590,171
ROU asset	-	-	-	-	51,195	-
Total Non-current assets	1,545	6,485	-	-	167,280	590,171
Current assets						
Cash and bank	5,565	659,132	28,997	21,754	34,297	3,040,949
Inventory	-	-	-	-	(271)	87,461
Related party receivables	2,026	(7,928)	(103,285)	(1,651)	1,692,437	1,009,376
Other receivables	7,304	(218)	-	3,540	419,099	542,252
Total current assets	14,895	650,986	(74,288)	23,643	2,145,562	4,680,038
Total assets	16,440	657,471	(74,288)	23,643	2,312,842	5,270,209
LIABILITIES AND CAPITAL FUND						
Liabilities						
Lease liability	22,221	52,111	38,510	23,628	1,870,600	722,726
Other payables	-	111	-	115	5,702	277,043
Related party payables	1,545	605,249	(112,798)	-	701,026	3,774,254
Deferred grants	23,766	657,471	(74,288)	23,743	2,577,328	4,774,023
Total liabilities						
Reserves						
Retained earnings	(7,326)	-	-	(100)	(264,486)	496,186
Total reserves	(7,326)	-	-	(100)	(264,486)	496,186
Total liabilities and reserves	16,440	657,471	(74,288)	23,643	2,312,842	5,270,209