STICHTING BRAC INTERNATIONAL, KENYA BRANCH

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

CONTENTS

ORGANISATION INFORMATION

BOARD OF DIRECTORS	: Mr. Shameran Abed	- Executive Director
	: Ms. Shahrukh Yasmin Mirza	- Member
FINANCE TEAM	: Rose Manguru	- Regional Head of Finance - Africa
	: Judy Wambui	- Senior Manager Finance
	: Brian Nyamweya	- Deputy Manager Finance
REGISTERED OFFICE	: Adlife Plaza	
	: P.O. Box 6219, 00100	
	: Nairobi	
PRINCIPAL PLACE OF BUSINESS	: FAWE House, Chania Avenue	
	: Off Wood Avenue, Kilimani	
	: Nairobi	
INDEPENDENT AUDITOR	: Odesk Financial Consultants	
	: Certified Public Accountants	
	: P.O. Box 1054,00200	
	: NAIROBI	
PRINCIPAL BANKER	: Standard Chartered Bank Kenya Limited	
	: NAIROBI	

REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the year ended 31 December 2025, which disclose the state of affair's of the organisation.

REGISTRATION

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

PRINCIPAL ACTIVITIES

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

RESULTS AND PERFORMANCE

The results for the year ended 31 December 2025 are set out in the statement of income and expenditure on page 7.

KEY PERFORMANCE INDICATORS	**2025 KES**	**2024 KES**	**2025 USD**	**2024 USD**
BRAC contribution	148,926,167	211638796	1,151,953	1,580,232
Other income	12,417,013	5505919	96,046	41,111
Grant Income	455,052,825	348488759	3,519,863	2,602,043
	616,396,005	565,633,474	4,767,862	4,223,386

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

Cash flow and foreign currency risk

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

Liquidity risk

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

DIRECTORS

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

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

STATEMENT AS TO DISCLOSURE TO THE ORGANISATION'S AUDITOR

With respect to each director at the time this report was approved:
(a) there is, so far as the person is aware, no relevant audit information of which the organisation's auditor is unaware; and
(b) the person has taken all the steps that the person ought to have taken as a director so as to be aware of any relevant audit information and to establish that the organisation's auditor is aware of that information.

INDEPENDENT AUDITOR

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

BY ORDER OF THE BOARD

Shahrukh Y. Mirza

Ms. Shahrukh Yasmin Mirza	**Mr. Shameran Abed**
Member	Executive Director
BRAC International	BRAC International

30 March **2026**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

It is the responsibility of the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the organisation as at the end of the financial year and of the result for that year. The directors are also required to ensure that the organisation maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the organisation. The management is also responsible for safeguarding the assets of the organisation.

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

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

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

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

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

Approved by the board of directors on 30 March 2026 signed on its behalf by:

Shahrukh Y. Mirza	
Ms. Shahrukh Yasmin Mirza	**Mr. Shameran Abed**
Member	Executive Director
BRAC International	BRAC International

ODESK FINANCIAL CONSULTANTS
REPORT OF THE INDEPENDENT AUDITOR
TO THE DIRECTORS OF STICHTING BRAC INTERNATIONAL, KENYA BRANCH

Opinion

We have audited the organisation financial statements of Stichting BRAC International, Kenya Branch set out on pages 8 to 20 which comprise the statement of financial position as at 31 December 2025, statement of income and expenditure, statement of changes in reserves and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the state of financial position of the organisation as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with IFRS for SMEs Accounting Standard and the requirements of the Kenyan Companies Act, 2015.

Basis for opinion

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

Other information

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

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

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

Responsibilities of management for the financial statements

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

Responsibilities of management for the financial statements (continued)

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Joshua Chesire Rotich , Practising Certificate No. P/2393

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For and on behalf of ODESK FINANCIAL CONSULTANTS
Certified Public Accountants
Nairobi, Kenya

____________________________2026

STATEMENT OF INCOME AND EXPENDITURE

	Note	Total Income 2025 KES	2025 USD	Total Income 2024 2024 KES	2024 USD
Income					
BRAC contributions	3.1	148,926,167	1,151,953	211,638,796	1,580,232
Other income	3.3	12,417,013	96,046	5,505,919	41,111
Grant Income	3.2	455,052,825	3,519,863	348,488,759	2,602,043
Total income		**616,396,005**	**4,767,862**	**565,633,474**	**4,223,386**
Less: expenditure					
General and administrative expenses	4	603,954,456	4,671,626	535,559,756	3,998,836
Depreciation on property and equipment	5	8,301,501	64,213	7,672,219	57,286
Finance costs	6	4,140,048	32,024	22,401,499	167,264
Total expenses		**616,396,005**	**4,767,862**	**565,633,474**	**4,223,386**
		-	-	-	--

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

Report of the independent auditor - pages 5 to 7.

STATEMENT OF FINANCIAL POSITION

	Notes	2025 KES	2024 KES	2025 USD	2024 USD
Assets					
Non-current assets					
Property and equipment	7	17,931,124	22,382,715	138,990	173,118
Current assets					
Other receivables	8	13,123,831	12,459,742	101,727	96,369
Related party receivables	8.1	5,729,335	26,715,977	44,410	206,633
Cash and cash equivalents	9	96,692,603	112,863,473	749,497	872,935
		115,545,769	152,039,192	895,634	1,175,937
Total assets		**133,476,893**	**174,421,907**	**1,034,624**	**1,349,054**
Reserves and non current liabilities					
BRAC & donor contribution investments	11.2	17,931,124	22,382,715	138,990	173,118
		17,931,124	22,382,715	138,990	173,118
Current liabilities					
BRAC contribution received in advance	11.1	49,084,659	38,246,708	380,472	295,817
Grants received in advance	11.1	37,051,159	90,980,267	287,196	703,681
Related party payables	10.1	843,626	8,357,937	6,539	64,644
Other payables	10	28,566,325	14,454,280	221,427	111,796
		115,545,769	152,039,192	895,634	1,175,937
Total reserves and liabilities		**133,476,893**	**174,421,907**	**1,034,624**	**1,349,054**

The financial statements on pages 8 to 20 were approved and authorised for issue by the board of management on____________________ 2026 and were signed on its behalf by:

Shahrukh Y. Mirza

Ms. Shahrukh Yasmin Mirza
Member
BRAC International

Mr. Shameran Abed
Executive Director
BRAC International

STATEMENT OF CHANGES IN RESERVES

Year ended 31 December 2024	**BRAC contribution investment in fixed assets KES**	**Total USD**
At start of year	28,207,141	180,281
BRAC contribution investment in fixed assets	2,547,448	19,021
Amortization of BRAC contribution investment in fixed assets	(7,672,219)	(57,286)
Disposals	(1,556,176)	(11,619)
Charge on disposal	856,522	6,395
Translation adjustment	-	36,325
At end of year	**22,382,715**	**173,118**
Year ended 31 December 2025		
At start of year	22,382,715	173,118
BRAC contribution investment in fixed assets	4,121,789	31,882
Amortization of BRAC contribution investment in fixed assets	(8,301,501)	(64,213)
Disposals	(2,624,517)	(20,301)
Charge on disposal	2,352,638	18,198
Translation adjustment	-	306
At end of year	**17,931,124**	**138,990**

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

Report of the independent auditor - pages 5 to 7.

STATEMENT OF CASH FLOWS

	Note	2025 KES	2024 KES	2025 USD	2024 USD
Cash flows from operating activities					
Surplus for the year		-	-	-	--
Adjustments for:					
Depreciation on property and equipments	7	8,301,501	7,672,219	64,213	57,286
Changes in working capital:					
- other receivables		20,322,553	(6,610,246)	157,196	(49,356)
- other payables		6,597,734	(24,902,480)	51,034	(185,938)
- restricted cash balances		57,951,142	18,655,578	447,661	(2,960)
Net cash flows (used in)/from operating activities		**93,172,930**	**(5,184,929)**	**720,104**	**(180,969)**
Cashflow (used in) investing activities					
Purchase of property and equipment	7	(4,121,789)	(2,547,448)	(31,882)	(19,021)
Sales proceeds from disposal of property and equipment		271,879	699,654	2,103	-
Net cash flows (used in) investing activities		**(3,849,910)**	**(1,847,794)**	**(29,779)**	**(13,797)**
Cashflow from financing activities					
(Decrease)/increase of BRAC contribution received in advance		(43,091,157)	(30,620,071)	(333,313)	(228,629)
(Decrease)/increase of BRAC contribution investment in fixed assets		(4,451,590)	(5,824,425)	(34,433)	(43,489)
Net cashflow (used in)/from financing activities		**(47,542,747)**	**(36,444,496)**	**(367,746)**	**(272,118)**
(Decrease)/increase in cash and cash equivalents		41,780,273	(43,477,218)	322,579	(466,884)
Movement in cash and cash equivalents					
At start of year		21,884,125	65,361,344	169,261	417,746
(Decrease)/increase in cash and cash equivalent		41,780,273	(43,477,218)	322,579	(466,884)
Translation adjustment		-	-	1,643	218,399
At end of year	9	**63,664,398**	**21,884,125**	**493,484**	**169,261**

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

Report of the independent auditor - pages 5 to 7.

1. **General information**

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

2. **Significant accounting policies**

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

a) **Basis of preparation**

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

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

b) **Going concern**

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

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

c) **Revenue including grants and donations received**

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

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

d) **Translation of foreign currencies**

Transactions in foreign currencies are translated to the respective functional currency of the entity at exchange rates at the dates of the transactions; Stichting BRAC International, Kenya branch used an exchange rate of USD 1: KES 129.01 (closing rate) and KES 129.28 (average rate) for the year 2025 for conversion to presenting currency. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency.

2. **Significant accounting policies (continued)**

e) **Property and equipment**

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

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

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

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

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

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

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

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

f) **Cash and cash equivalents**

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

g) **Other receivables**

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

h) **Taxation**

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

i) **Other payables**

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

2. **Significant accounting policies (continued)**

j) **Brac contribution received in advance**

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

k) **Brac contibution investment in fixed asset**

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

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

l) **Comparatives**

There were no changes in presentation in the current year.

NOTES

		2025 KES	2024 KES	2025 USD	2024 USD
3.1	**BRAC contributions**				
	BRAC contributions realised	142,522,159	205,217,800	1,102,418	2,042,928
	Amortisation of investment in fixed assets - SBI unit	6,404,008	5,721,342	49,535	48,470
	Amortisation charge on disposal	-	699,654	-	5,224
		148,926,167	**211,638,796**	**1,151,953**	**2,096,623**
3.2	**Grant Income**				
	Grant income (AIM +UPGI)	452,883,452	346,537,882	3,503,082	2,076,837
	Amortisation of investment in fixed assets - AIM +UPGI	2,169,372	1,950,877	16,780	8,816
		455,052,824	**348,488,759**	**3,519,863**	**2,085,652**
3.3	**Other Income**				
	Other Income - BRAC Global	5,461,927	5,471,085	42,248	40,851
	Other non operating Income	6,955,086	34,834	53,798	260
		12,417,013	**5,505,919**	**96,046**	**41,111**
	Total Income	**616,396,004**	**565,633,474**	**4,767,862**	**4,223,386**

4. **Expenses**

		2025 KES	2024 KES	2025 USD	2024 USD
4.1	**Salaries and benefits**				
	Salaries and wages	368,730,368	298,571,508	2,852,153	2,229,328
	Bonus	28,102,651	19,062,672	217,376	142,334
	NSSF - Employee	2,217,074	899,180	17,149	6,714
	NSSF - Employer	2,217,074	899,180	17,149	6,714
	Pension - Employee	13,982,146	10,472,570	108,153	78,195
	Pension - Employer	27,964,292	20,522,306	216,306	153,233
	Insurance and medical benefits	15,877,122	13,912,196	122,811	103,877
	Other staff costs	3,817,264	5,700,972	29,527	42,567
		462,907,992	**370,040,584**	**3,580,623**	**2,762,963**

The total salaries and benifits include KES 17,716,995 as directors renumeration (2024: KES 17,396,159)

		2025 KES	2024 KES	2025 USD	2024 USD
4.2	**General and administrative expenses**				
	Computer and internet expenses	2,352,075	1,529,559	18,193	11,421
	Printing and stationery	265,748	707,988	2,056	5,286
	Repairs and maintenance	530,444	1,588,852	4,103	11,863
	Office expenses	7,877,531	6,248,437	60,933	46,655
	Bank charges	1,449,657	1,063,740	11,213	7,943
	Security expenses	21,010	160,901	163	1,201
	Loss in disposal	271,879	-	2,103	-
		12,768,344	**11,930,913**	**98,764**	**89,084**
4.3	**Travelling and Transportation**				
	International travel	61,116,004	74,968,181	472,736	559,761
	Local travel	3,119,235	3,791,259	24,127	28,308
		64,235,239	**78,759,440**	**496,864**	**588,069**

NOTES (CONTINUED)

		2025 KES	2024 KES	2025 USD	2025 USD
4.4	**Audit,legal and professional fees**				
	Audit fees-current fee	623,628	836,481	4,824	6,246
	Legal and professional fees	8,855,852	9,935,486	68,501	74,185
		9,479,480	**10,771,967**	**73,324**	**80,430**
4.5	**Training Workshops and seminars**				
	Workshop and meeting expense	40,053,062	26,760,960	309,813	199,815
	Research costs	5,220,306	22,341,683	40,379	166,817
		45,273,368	**49,102,643**	**350,192**	**366,632**
4.6	**Occupancy Expenses**				
	Office rent	6,295,172	11,791,445	48,694	88,043
	Utilities	2,994,861	3,162,764	23,165	23,615
		9,290,033	**14,954,209**	**71,859**	**111,658**
		603,954,456	**535,559,756**	**4,671,626**	**3,998,836**

The average number of persons employed during the year were:	No. of employees 2025	2024
Management and administration	**47**	**44**

		2025 KES	2024 KES	2025 USD	2025 USD
5.	**Depreciation**				
	Depreciation on property and equipment	8,301,501	7,672,219	64,213	57,286

		2025 KES	2024 KES	2025 USD	2025 USD
6.	**Finance costs**				
	Exchange loss/(gain)	4,140,047	22,401,499	32,024	167,264

7. **Property and equipment**

	Leasehold improvements KES	Furniture & fittings KES	Motor vehicles KES	Equipment KES	Computers KES	Total KES	Total USD
Cost							
At start of year	9,668,903	6,976,364	7,300,000	1,553,226	12,051,233	37,549,726	290,426
Additions	-	347,729	-	484,880	3,289,180	4,121,789	31,882
Disposals	-	(162,010)	-	(226,557)	(2,235,950)	(2,624,517)	(20,301)
Translation adjustment	-	-	-	-	-	-	-
At end of year	**9,668,903**	**7,162,083**	**7,300,000**	**1,811,549**	**13,104,463**	**39,046,998**	**302,666**
Accumulated Depreciation							
At start of year	3,921,277	1,569,308	2,348,166	549,439	6,778,821	15,167,011	117,308
Charge for the year	1,933,781	687,231	1,459,998	347,361	3,873,130	8,301,501	64,213
Charge on disposal	-	(91,814)	-	(225,953)	(2,034,871)	(2,352,638)	(18,198)
Translation adjustment	-	-	-	-	-	-	-
At end of year	5,855,058	2,164,725	3,808,164	670,847	8,617,080	21,115,874	163,676
Net book value 2024	5,747,626	5,407,056	4,951,834	1,003,787	5,272,412	22,382,715	173,118
Net book value 2025	3,813,845	4,997,358	3,491,836	1,140,702	4,487,383	17,931,124	138,990

	2025 KES	2024 KES	2025 USD	2024 USD
8. **Other receivables**				
Deposits and advances	389,188	515,462	3,017	3,987
Prepayments	10,553,136	9,762,773	81,801	75,509
Other receivables	2,181,507	2,181,507	16,910	16,873
	13,123,831	**12,459,742**	**101,727**	**96,369**
8.1 **Related party receivables** (Note 11.3)				
Receivable from SBI	1,328,803	17,141,919	10,300	132,583
Receivable from BIHBV Kenya	1,345,515	9,574,058	10,430	74,050
Receivable from BRAC Maendeleo Tanzania	871,592	-	6,756	-
Receivable from BRAC Liberia	1,440,913	-	11,169	-
Receivable from BRAC Sierra Leone	742,512	-	5,755.46	-
	5,729,335	**26,715,977**	**44,410**	**206,633**
9. **Cash and cash equivalents**				
Cash at bank	96,668,492	112,815,699	749,310	872,565
Cash in hand	24,111	47,774	187	370
	96,692,603	**112,863,473**	**749,497**	**872,935**

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

	2025 KES	2024 KES	2025 USD	2024 USD
Cash and bank balances	96,692,603	112,863,473	749,497	872,935
Less: Donor grant bank balances (restricted cash balances)	(33,028,205)	(90,979,347)	(256,013)	(703,673)
	63,664,398	21,884,125	493,484	169,261

NOTES (CONTINUED)

10. **Current liabilities**	**2025 KES**	**2024 KES**	**2025 USD**	**2024 USD**
Other payables				
Provision for NSSF	415,351	43,586	3,220	337
Provision for PAYE	20,206,071	12,041,748	156,624	93,136
Provision for audit fees	545,200	754,000	4,226	5,832
NITA provision	2,550	-	20	-
Provision for Housing Levy	1,060,777	-	8,222	-
HELB Provision	28,223	-	219	-
Provision for staff salary & benefits	972,259	1,614,946	7,536	12,491
Payable to BRAC IT services Limited	218,479	-	1,694	-
Liabilities for expenses	5,117,415	-	39,667	-
	28,566,325	**14,454,280**	**221,427**	**111,796**

10.1 **Related party payables** **(Note 11.4)**				
Payable to BRAC Maendeleo Tanzania	-	249,276	-	1,928
Payable to BRAC Uganda	-	1,910,389	-	14,776
Payable to Bangladesh	843,626	1,190,399	6,539	9,207
Payable to BRAC USA	-	5,007,873	-	38,733
	843,626	**8,357,937**	**6,539**	**64,644**

11. **Related party transactions**

The following transactions were carried out with the related parties:

	2025 KES	**2024 KES**	**2025 USD**	**2024 USD**
BRAC & Donor Contribution received in advance (11.1, 11.	**86,135,818**	**129,226,976**	**667,668**	**999,497**
BRAC & Donor contribution investment in fixed assets (11	**17,931,124**	**22,382,715**	**138,990**	**173,118**
Contributions received during the year (11)	**562,184,651**	**546,196,990**	**4,357,683**	**4,078,260**

11.1 **BRAC contribution received in advance**					
At start of year		38,246,708	50,212,121	295,817	**320,922**
Contributions received during the year	(11.1b)	156,048,866	195,257,535	1,207,206	1,461,376
Transferred to BRAC contribution investment				-	-
in fixed assets		(2,709,141)	(2,005,148)	(20,999)	(14,972)
Foreign exchange gain		20,384	-	158	-
Transferred to income and expenditure		(142,522,158)	(205,217,800)	(1,104,737)	(1,532,289)
Translation adjustment		-	-	3,028	-
At end of year		**49,084,659**	**38,246,708**	**380,472**	**295,817**

11.1 **Grants received in advance**					
At start of year		90,980,267	109,634,925	703,681	**700,713**
Contributions received during the year	(11.1d)	400,673,858	345,468,369	3,098,811	2,605,727
Transferred to BRAC contribution investment in fixed assets		(1,412,648)	(542,300)	(10,927)	(4,049)
Foreign exchange gain/(loss)		(306,865)	(17,042,845)	(2,374)	(127,253)
Transferred to income and expenditure		(452,883,453)	(346,537,882)	(3,503,082)	(2,587,476)
Translation adjustment		-	-	1,088	116,019
At end of year		**37,051,159**	**90,980,267**	**287,196**	**703,681**

11. **Related party transactions (continued)**

		2025 KES	2024 KES	2025 USD	2024 USD
11.1b	**BRAC contributions received**				
0001	SBI - Stichting BRAC International	155,185,965	149,130,952	1,200,531	1,113,508
0003	PRL - Program Research and Learning	-	22,911,086	-	171,069
0004	UPG - Ultra Poor Graduation	-	10,152,883	-	75,808
0005	BUSA - BRAC USA	862,901	13,062,614	6,675	100,991
Translation adjustment		-	-	-	(3,457)
		156,048,866	195,257,535	1,207,206	1,457,919
11.1c	**'Other Income**				
009	Brac Global	5,461,927	5,471,085	42,248	40,851
11.1d	**Grant income received during the year**				
0006	AIM	297,370,595	272,649,744	2,299,753	2,062,016
0007	UPGI	103,303,263	72,818,625	799,057	543,711
Translation adjustment		-	-	-	(26,236)
		400,673,858	345,468,369	3,098,811	2,579,491
Total contributions received		**562,184,651**	**546,196,990**	**4,348,265**	**4,078,260**
Funds received duirng the year		556,722,724	540,725,905	4,306,286	4,037,410
Effects of foreign exchange		(286,481)	(17,042,845)	(2,216)	(127,253)
		556,436,243	**523,683,060**	**4,304,070**	**3,910,157**
11.2	**BRAC and donor contribution investment in fixed assets**	**17,931,124**	**22,382,715**	**138,990**	**173,118**
11.2 (a)	**BRAC contribution investment in fixed assets**				
	At start of year	16,713,179	21,129,028	129,267	135,043
	Transferred from BRAC contribution received in advance	2,709,141	2,005,148	20,955	14,972
	Amortization of BRAC contribution investment in fixed assets	(6,404,008)	(5,721,342)	(49,535)	(42,719)
	Amortization on disposal	-	(699,654)	-	(5,224)
	Translation adjustment	-	-	222	27,196
		13,018,312	**16,713,179**	**100,909**	**129,267**
11.2 (b)	**Donor fund investment in fixed assets**				
	At start of year	5,669,536	7,078,113	43,851	45,239
	Transferred from Grants received in advance	1,412,648	542,300	10,927	4,049
	Amortization of Donor fund investment in fixed assets	(2,169,372)	(1,950,877)	(16,780)	(14,567)
	Amortization on disposal	-	-	-	-
	Translation adjustment	-	-	84	9,129
		4,912,812	**5,669,536**	**38,081**	**43,851**

11.3	**Receivable from related party (note 8.1)**	**2025 KES**	**2024 KES**	**2025 USD**	**2024 USD**
	Receivable at the start of the year	26,715,981	6,813,896	207,085	50,877
	Receipts during the year	(26,715,981)	(6,813,896)	(207,085)	(50,877)
	Expenses paid during the year	5,729,335	26,715,981	44,410	199,479
	Total receivable	**5,729,335**	**26,715,981**	**44,410**	**199,479**

11.4	**Payable to related party related party (note 10.1)**	**2025 KES**	**2024 KES**	**2025 USD**	**2024 USD**
	Receivable at the start of the year	2,159,669	25,409,007	162,398	(144,951)
	Receipts during the year	-	(143,130,620)	-	(545,496)
	Expenses paid during the year	-	119,881,282	-	852,845
	Total receivable	**2,159,669**	**2,159,669**	**162,398**	**162,398**

12. **Taxation**

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

13. **Commitments**

Operating lease commitments - as a lessee

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

	2025 **KES**	2024 **KES**
Not later than 1 year	10,231,983	2,224,308
Later than 1 year and not later than 5 years	-	-
	10,231,983	2,224,308

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

14. **Registration**

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

15. **Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (Kenya Shillings). Major activities were measured in Kenya Shillings and translated in USD. Stichting BRAC International, Kenya branch uses an exchange rate of USD 1: KES 129.01 (closing rate) & KES 129.28 (avg. rate) for 2025 and of USD 1: KES 129.29 (closing rate) & KES 133.93 (avg. rate) for 2024

The exchange rates used are as follows:	**2025**	**2024**
Statement of financial position 1 USD	129.01	129.29
Statement of profit and loss (average rate) 1 USD	129.28	133.93