

BRAC Myanmar
Report and Financial Statements
For the year ended 31 December 2021

BRAC Myanmar
Report and Financial Statements
For the year ended 31 December 2021

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BRAC Myanmar

Report and Financial Statements
For the year ended 31 December 2021

General information**Directors**

Mr. Shameran Abed	- Chair
Mr. Syed Abdul Muntakim	- Member
Mr. Sajedul Hasan	- Member

Administrator

Md. Sazaduzzaman	- Acting Country Representative
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Principal place of business

17. Pyi Thar Yar Housing,
Street 1, 15 Ward, Yangon
Yankin Township
Yangon
Myanmar

Auditors

ICOP Sein Win & Associates
Building (6),Room (323)
Kyaikkasan Housing
Marlarnwe Street,Tamwe (B) Ward
Tamwe Township,Yangon,Myanmar

Bankers**KBZ Bank**

No53,6 Storey Office BLD,
CoR of Merchant Rd and Bo Son Pat St,
Pabedan Tsp,Yangon
Myanmar

CB Bank

Ground Floor,Sakura Tower,
0101 Bogyoke Aung San St,
Yangon,
Myanmar

UAB Bank

BLd-41,R-(1/2),
Yankin Palm Village Housing, Yanshin Rd,
5 Ward,Yankin Township.
Yangon

BRAC Myanmar
Directors' report for the year ended 31 December 2021

The directors have pleasure in submitting their report and the audited financial statements of the organisation for the year ended 31 December 2021, which disclose the state of affairs of BRAC Myanmar.

a) Registration

BRAC Myanmar is a branch of Stichting BRAC International, a foundation registered under the laws of the Netherlands, with its registered office in The Hague.

BRAC Myanmar is registered as an International Non Government Organisation (INGO) under the Ministry of Union Government Office with its registration number (1/ Foreign/ 0170) and valid till 31st December 2024.

The objectives of the organisation is to utilise its global expertise of integrated development to improve the livelihood of poor and vulnerable households in Myanmar. Currently it is implementing climate resilient agriculture projects and livestock and fisheries projects with the help of development partners.

b) Vision

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

c) Mission

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

d) Our values

Innovation- the organisation 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 groundbreaking development initiatives.

Integrity- the organisation 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 organisation holds these to be the most essential elements of our work ethic.

Inclusiveness- the organisation is committed to engaging, supporting and recognizing 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 organisation 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 organisation provides assistance to improve the livelihood of poor people in Myanmar. It addresses the special needs of various target populations such as rural women, school going children, small holder aquaculture farmers by offering experienced local solutions to realise their potential.

f) Financial performance

The organisation's performance during the year ended 31 December 2021 is as follows:

- Grant income decreased by 17% from MMK 686 million in 2020 to MMK 573 million in 2021.
- 4 different projects (Disaster preparedness for resilience, Inland MYSAP ,SAIL ,emergency flood response, Inclusive Finance to PDC and PWD (LIFT-NGO)) were implemented.
- Operating expenses increased by 17% in line with grant income from MMK 686 million in 2020 to MMK 573 million in 2021.
- During the year, the organisation had no surplus of income over expenditure as all the projects are funded by donors.

g) Results from operation

The results for the organisation's operation for the year ended 31 December 2021 are set out on page 9.

h) Composition of Directors

The directors who served during the year and up to the date of this report are set out on page I.

i) Directors' benefits

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

j) Corporate governance

The directors are committed to the principles of good corporate governance and recognize the need to conduct the business in accordance with generally accepted best practice. 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 Organisation;
- 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.

The Board continued to carry out its role of formulating policies and strategies of the Organisation, reviewing the business plan, ensure that the accounting system is maintained in accordance with acceptable standards, the books of the Organisation are kept properly, and that accounts are checked by authorized auditors, as well as recruitment and development of key personnel.

k) Risk management

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

- The effectiveness and efficiency of operations;
- The safeguarding of the Organisation's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behaviours 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 Organisation's system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively.

l) Management structure

The organisation is under the supervision of the Board of Directors and the day to day management is entrusted to the Country Representative who is assisted by the heads of divisions, departments and units. The organization structure of the Organisation comprises of the following divisions:

- Programs
- Finance & Accounts;
- Administration
- Internal audit;
- Monitoring Unit;
- IT and MIS;
- Human resources;
- Communications.
- Public Relations

m) Related party transactions

Related party transactions are disclosed in *Note*

n) Future development plans

Agriculture:

The organisation is now planning to implement Agriculture value chain and social enterprise.

Building emergency preparedness for resilience:

BRAC Myanmar is implementing a project funded by Bill and Malinda Gates Foundation on disaster preparedness and resilience building in communities, schools and with local government. Now it is in process of developing early recovery program in flood affected communities in Bago Region.

o) Key achievement in 2021

The following are the organisation's key achievements for the year:

- Successfully closed the Building Emergency Preparedness for Resilience Project.
- Financial Literacy and Basic Livelihood orientation modules were delivered to 1,070 vulnerable women.
- Provided COVID-19 protective and preventive basic PPE equipment like (soap, hand sanitizer, and surgical masks) to our vulnerable 3,600 beneficiaries (2,900 (vulnerable women and PDC) and 700 PWDs).
- Trained 1660 (1234 farmers from F4L + 426 farmers from MYSAP) small scale farmers to use aquaculture techniques and provided quality input to those farmers for promoting nutrition sensitive aquaculture.

p) Solvency

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

q) Gender parity

In 2021, the organisation had a total full time staff of 26 (2020: 32). The female staff are 11 and male 15.

r) Employees' welfare

Management/employee relationship

There were continued good relation between employees and management for the year 2021. There were no unresolved complaints received by management from the employees during the year. New performance incentive schemes were introduced in 2016 which is helping to identify staffs who needs more care and capacity development.

The organisation 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 like gender, marital status, tribes, religion and disability which does not impair ability to discharge duties.

Training

Training and development of staff capacity is one of the key priorities of the organisation. This year all the Branch Accountants received hands-on training on their day to day responsibilities. All the program staffs from received training as prescheduled. The organisation will continue to train, re-train and develop its staff in order to improve service delivery and innovation.

Medical assistance

The organisation reimburses medical expenses incurred by employees for medical treatment.

Social security contribution

All eligible employees are required to contribute National Social Security Scheme managed by Social Security Board at the rate 5% of salary maximum of MMK 15,000. As a employer BRAC pays 3% of this social security contribution on behalf of the employees.

As a result of contribution to this security fund, employees get sickness benefits, maternity benefits and grant, paternity benefits and grant, medical benefits, funeral grant, and many more.

s) Auditors

The auditors, ICOP Sein Win and Associates were appointed during the year.

t) Approval of the financial statements

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

By order of the Board



Director



Director

Building (6), Room (323), Kyaikkasan Housing, Marlarnwe Street, Tamwe Gyi (B) Ward, Tamwe Township, Yangon,
Myanmar.Tel : 01-8400164, 01-8603760, 09-780981220, 09-770867554 Email : topswconltd@gmail.com

**Independent Auditor's Report
To the members of BRAC Myanmar**

Opinion

We have audited the financial statements of BRAC Myanmar ("BRAC" or also referred as "the Organisation"), which comprise the statement of financial position as at December 31, 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of BRAC Myanmar as at December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

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 ethical requirements that are relevant to our audit of the financial statements in Myanmar, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management of the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standard (IFRSs) and for such control as management determines 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, 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 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

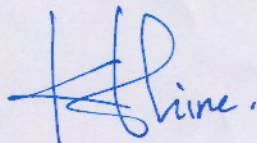
As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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 Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Organisation'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 Organisation 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Organisation to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Organisation audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Kay Khine Khine Linn
ICOP Sein Win and Associates
Certified Public Accountant

Daw Kay Khine Khine Linn
PPA-937
Certified Public Accountant

BRAC MYANMAR
STATEMENT OF INCOME AND EXPENDITURE
For the period ended 31 Dec 2021

	Notes	2021	2020	2021	2020
		Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
		Kyats	Kyats	USD	USD
INCOME					
Grant income	4	573,051,789	686,372,381	351,355	501,737
Amortization of deferred grant	5	9,659,547	3,677,083	5,923	2,688
Other income	6	-	-	-	-
Total income		582,711,336	690,049,464	357,278	504,425
EXPENDITURE					
Staff costs	7	323,280,730	309,973,895	198,213	226,590
Occupancy expenses	8	10,922,029	17,878,546	6,697	13,069
Training & development expense	9	17,849,350	45,252,871	10,944	33,080
Travel and transportation expenses	10	10,268,600	22,972,957	6,296	16,793
Printing and stationeries	11	667,552	3,444,607	409	2,518
Maintenance and general expenses	12	48,179,522	106,197,127	29,540	77,630
Audit fees	13	-	4,200,000	-	3,070
Programme expenses	14	109,318,570	131,921,538	67,027	96,434
Monitoring & evaluation	15	10,492,821	11,345,609	6,433	8,294
Depreciation & amortization	16	9,659,550	3,677,083	5,923	2,688
HO logistics expenses	17	42,072,612	33,185,230	25,796	24,258
Total Expenditure		582,711,336	690,049,464	357,278	504,425
Unrealized Exchange Gain/Loss					
Surplus/(Deficit)		-	-	-	-

The accompanying notes form an integral part of these financial statements.



Head of Finance
BRAC Myanmar



Country Representative
BRAC Myanmar



Director
BRAC Myanmar



Director
BRAC Myanmar

BRAC MYANMAR
STATEMENT OF FINANCIAL POSITION
As at 31 December 2021

	Notes	2021 December Kyats	2020 December Kyats	2021 December USD	2020 December USD
ASSETS					
Cash and cash equivalents	18	1,917,196	82,517,946	1,078	62,086
Other assets	19	280,437,336	223,292,901	157,726	168,003
Property & equipment	20	17,946,845	19,582,310	10,094	14,734
Total assets		300,301,378	325,393,158	168,898	244,822
LIABILITIES AND CAPITAL FUND					
Liabilities					
Grant received in advance	21	6,518,028	30,865,710	3,666	23,223
Deferred grant income	22	17,946,845	19,582,310	10,094	14,734
Other liabilities	23	275,836,505	274,945,138	155,139	206,866
Total liabilities		300,301,378	325,393,158	168,898	244,822
Capital fund					
Retained surplus	24	-	-	-	-
Total Liabilities and Capital fund		300,301,378	325,393,158	168,898	244,822

The accompanying notes form an integral part of these financial statements.



Head of Finance
BRAC Myanmar



Director
BRAC Myanmar



Country Representative
BRAC Myanmar



Director
BRAC Myanmar

BRAC MYANMAR
CASH FLOWS STATEMENT
For the period ended 31 Dec 2021

Notes	2021 Kyats	2020 Kyats	2021 USD	2020 USD
Cash flow from Operating Activities				
Net surplus/(deficit) for the year	-	-	-	-
Depreciation	9,659,550	3,677,083	5,923	2,688
Decrease/(increase) of other assets	(57,144,435)	(110,036,407)	(35,037)	(80,436)
Increase/(decrease) of other liabilities	891,367	(176,826,796)	547	(129,260)
Net cash flow from Operating Activities	(46,593,518)	(283,186,120)	(28,568)	(207,009)
Cash flow from Investing Activities				
Acquisition of fixed assets	(8,024,083)	(18,009,500)	(4,920)	(13,165)
Short term deposits	-	-	-	-
Net cash flow from Investing Activities	(8,024,083)	(18,009,500)	(4,920)	(13,165)
Cash flow from Financing Activities				
Change in Grant received in advance	(24,347,682)	(30,186,933)	(13,693.86)	(22,712)
Change in Donor fund investment in Fixed assets	(1,635,465)	14,332,417	(1,003)	10,477
Net cash provided by financing activities	(25,983,147)	(15,854,516)	(14,697)	(12,235)
Net (decrease)/increase in cash and cash equivalents	(80,600,748)	(317,050,136)	(48,184)	(232,409)
Cash and cash equivalents at beginning of the year	82,517,945	399,568,081	62,086	270,015
Translation adjustment	-	-	(12,823)	24,480
Cash and cash equivalents at end of the period	1,917,197	82,517,945	1,078	62,086

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BRAC Myanmar
Notes to the financial statements
For the year ended 31 December 2021

These notes form an integral part of the financial statements.

1. Reporting entity

BRAC Myanmar is a branch of Stichting BRAC International, a foundation registered under the laws of the Netherlands, with its registered office in The Hague.

BRAC Myanmar is registered as an International Non Government Organisation (INGO) under the Ministry of Union Government Office with its registration number (1/ Foreign/ 0170) and valid till 31st December 2024.

The objectives of the organisation is to utilise its global expertise of integrated development to improve the livelihood of poor and vulnerable households in Myanmar by offering local solutions. Currently it is implementing emergency preparedness for resilience project and Livestock and fisheries projects with the help of development partners.

2. Basis of preparation

a. Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The financial statements were issued by the Board of Directors on

b. Basis of measurement

The financial statements are prepared under the historical cost convention except for the financial instruments at fair value through profit and loss which are measured at fair value when required.

c. Functional and presentation currency

The financial statements are presented in Myanmar Kyats, which is the organisation's functional currency.

Memorandum figures

The memorandum column representing the results in United States Dollars (USD) are for presentation purposes only, and do not form part of the audited financial statements.

The exchange rates used to translate the MMK figures to USD memorandum were as follows:

- Assets and liabilities were translated at the closing rate at 31 December 2021 which of MMK 1,778.00 (2020:MMK 1,329.10);

- Income and expenses were translated using an average exchange rate for the period of

MMK 1,630.98 (2020: MMK 1,367.99);

2. Basis of preparation (continued)

d. Use of estimation and judgments

The preparation of organisation's financial statements in conformity with International Financial Reporting Standards (IFRS) 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. Actual results ultimately may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

3. Significant accounting policies

a. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the operation at the spot exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into the functional currency at the spot exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments which is recognised directly in equity.

b. Grants and other income

(i) Donor Grants

Grants and contributions from donor organisations or individuals constitute an important part of BRAC Myanmar's resources as some its operation/ projects are financed by grants and contributions provided by donors. Grants are assistance in the form of transfers of resources to the organisation, in return for past or future compliance with certain terms and conditions relating to the operating activities of the organisation. Grants or contributions from donor can be of 4 categories-

- i. Unrestricted
- ii. Restricted
- iii. Grants investment in Fixed asset
- iv. Contribution in kind

Grant is classified as temporarily restricted or unrestricted depending upon the existence of donor-imposed restrictions.

The organisation received grants from donors of different projects are all restricted grants. Restricted grants refer to grants that must be spent in the exact way the donor agreement describes.

(ii) Grants income

All restricted grants received are initially recorded as either deferred income at fair value and recorded as either liabilities or equity in the grant received in advance account as liabilities for the period in accordance with IAS 20.

Periodically, a portion of the grant is recognised as revenue, based on the expenses incurred for the period. This method follows the proposition that the organisation earns its revenue based on its activities or performance, as expressed in its expenses. The revenue is always equal to expenses; unspent portion of the grant remains as a liability.

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

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.

d. Income tax

During 2021, BRAC was exempt from income tax as a INGO. According to relevant legislation in Myanmar, the organisation pays other taxes such as taxes on professional fees and other expenses where applicable. BRAC also withholds tax on staff salaries and remits the amounts withheld to the Myanmar Revenue Authority. Personal income tax of staff are part of staff salaries and benefits; BRAC only facilitates the process to withhold and remit the required taxes to the government. BRAC has no other tax liability.

f. Property and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Costs comprises its purchase price and any cost directly attributable in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent to initial recognition, property and equipment are stated at cost less accumulated depreciation and impairment losses. The gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. Major improvements that increase the life of the asset are capitalized.

ii. Subsequent cost

The cost of replacing a component of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the organisation, and its cost can be measured reliably. The costs of the day-to-day servicing and maintenance of property and equipment are recognised in the statement of comprehensive income as incurred.

iii. Depreciation

All property and equipment are depreciated on a straight line basis to write off the costs of the assets over the expected useful lives. Depreciation is recognised as an expense in profit or loss of each component of an item of property and equipment unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the property and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

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

Furniture & Fixtures	10%
Computer/Laptop	33.33%
Equipment's	20%
Vehicles	20%

Management reviews 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 statement of comprehensive income.

h. Operating lease

BRAC is involved in operating leases as the lessee for rental property serving as office space. The total payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease, which is typically twelve (12) months.

i. Provisions

A provision is recognised if, as a result of a past event, BRAC Myanmar Microfinance organisation Limited has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

j. Related party transactions

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

BRAC MYANMAR
Notes to the financial statements
For the period ended 31 Dec 2021

	2021	2020	2021	2020
	Kyats	Kyats	USD	USD
4.00 Grant income				
BEPR	59,200,606	165,085,512	36,298	120,677
World Fish	41,747,004	129,410,486	25,596	94,599
Flood relief	-	61,052,642	-	44,629
LIFT(INGO)	104,271,362	76,389,039	63,932	55,840
World Fish(SAIL)	367,832,817	254,434,702	225,529	185,991
	573,051,789	686,372,381	351,355	501,737
5.00 Amortization of deferred grant				
Amortization of deferred grant-BEPR	2,149,061	1,256,140	1,318	918
Amortization of deferred grant-World Fish	2,159,709	941,580	1,324	688
Amortization of deferred grant-World Fish(S)	5,350,777	1,479,363	3,281	1,081
	9,659,547	3,677,083	5,923	2,688
6.00 Other income				
Foreign exchange gain/loss	-	-	-	-
Interest income from bank	-	-	-	-
Other income	-	-	-	-
	-	-	-	-
7.00 Staff costs				
Salary and benefits	320,993,762	308,566,991	196,811	225,562
Social security benefit expense	2,286,968	1,406,904	1,402	1,028
	323,280,730	309,973,895	198,213	226,590
8.00 Occupancy expenses				
Rent	10,873,479	17,156,371	6,667	12,541
Utilities	48,550	722,175	30	528
	10,922,029	17,878,546	6,697	13,069
9.00 Training & development expense				
Staff training	17,849,350	45,252,871	10,944	33,080
	17,849,350	45,252,871	10,944	33,080
10.00 Travel and transportation expenses				
Local travel	10,268,600	22,972,957	6,296	16,793
	10,268,600	22,972,957	6,296	16,793
11.00 Printing and stationeries				
Stationary expense	667,552	3,444,607	409	2,518
	667,552	3,444,607	409	2,518
12.00 Maintenance and general expenses				
Meeting expense	497,700	206,569	305	151
Software maintenance expense	26,995,540	33,445,784	16,552	24,449
General maintenance	5,762,278	53,143,956	3,533	38,848
Accommodation	-	726,830	-	531
Meal	74,450	191,050	46	140
Medical Expense	-	-	-	-
Telephone, mobile & internet bill	1,766,463	1,320,000	1,083	965
Bank charge	500,191	897,113	307	656
COVID 19 Cost	12,582,900	16,265,825	7,715	11,890
	48,179,522	106,197,127	29,540	77,630

	2021 Kyats	2020 Kyats	2021 USD	2020 USD
13.00 Audit fees				
Audit fees	-	4,200,000	-	3,070
	-	4,200,000	-	3,070
14.00 Program expenses				
Program supplies	105,873,120	126,702,988	64,914	92,620
Partnership expenses	-	-	-	-
Documentation expenses	-	-	-	-
Distribution of emergency material	1,023,300	-	627	-
Event and workshop expenses	2,422,150	5,218,550	1,485	3,815
Visibility & communication expenses	-	-	-	-
	109,318,570	131,921,538	67,027	96,434
15.00 Monitoring & Evaluation				
Policy & material development	-	-	-	-
Baseline survey	-	10,727,700	-	7,842
Professional & Consultancy Fees	10,492,821	617,909	6,433	452
	10,492,821	11,345,609	6,433	8,294
16.00 Depreciation & amortization				
Depreciation	9,659,550	3,677,083	5,923	2,688
Amortization	-	-	-	-
	9,659,550	3,677,083	5,923	2,688
17.00 HO Logistics fees				
Inland Mysap(World Fish)	2,731,112	8,509,761	1,675	6,221
Inclusive Finance to PDC and PWD (LIFT-NGO)	5,902,153	-	3,619	-
Small Scale Aquaculture investment for Livelihoods (SAIL)	33,439,347	24,675,469	20,503	18,038
	42,072,612	33,185,230	25,796	24,258
18.00 Cash and cash equivalents				
Cash in hand	-	-	-	-
Cash at Bank	1,917,196	82,517,946	1,078	62,086
	1,917,196	82,517,946	1,078	62,086
19.00 Other assets				
Advance to house owner	5,245,000	1,675,000	2,950	1,260
Receivable from donor (19.1)	275,192,336	221,617,901	154,776	166,743
Other receivables	-	-	-	-
	280,437,336	223,292,901	157,726	168,003
19.1 Receivable from donor				
Receivable from SBI	-	-	-	-
Receivable from World fish	8,891,667	49,082,395	5,001	36,929
Receivable from LIFT (INGO)	180,660,401	76,389,039	101,609	57,474
Receivable from World Fish (SAIL)	85,640,268	96,146,467	48,167	72,340
	275,192,336	221,617,901	154,776	166,743

20. Property & equipment

	Furniture & Fixtures	Computer	Equipment	Motor vehicles	Total	Total
	Kyats	Kyats	Kyats	Kyats	Kyats	USD
Cost (A):						
As at 1 January 2020	984,600	4,414,682	1,057,000	-	6,456,282	4,363
Additions	449,000	3,533,000	1,971,000	12,056,500	18,009,500	13,165
Translation adjustment	-	-	-	-	-	880
As at 31 December 2020	1,433,600	7,947,682	3,028,000	12,056,500	24,465,782	18,408
As at 1 January 2021	1,433,600	7,947,682	3,028,000	12,056,500	24,465,782	18,408
Additions	434,000	3,390,085	-	4,200,000	8,024,085	4,920
Translation adjustment	-	-	-	-	-	(5,054)
As at 31 December 2021	1,867,600	11,337,767	3,028,000	16,256,500	32,489,867	18,273
Accumulated Depreciation						
As at 1 January 2020	386,307	756,578	63,504	-	1,206,389	815
Charge for the year	582,683	1,409,091	840,836	844,474	3,677,083	2,688
Translation adjustment	-	-	-	-	-	171
As at 31 December 2020	968,990	2,165,669	904,340	844,474	4,883,472	3,674
As at 1 January 2021	968,990	2,165,669	904,340	844,474	4,883,472	3,674
Charge for the year	553,598	5,385,276	819,384	2,901,292	9,659,550	5,923
Translation adjustment	-	-	-	-	-	(1,417)
As at 31 December 2021	1,522,588	7,550,945	1,723,724	3,745,766	14,543,022	8,179
Written Down Value (A-B):						
As at 31 December 2020	464,610	5,782,013	2,123,660	11,212,026	19,582,310	14,734
As at 31 December 2021	345,012	3,786,822	1,304,276	12,510,734	17,946,845	10,094

	2021 Kyats	2020 Kyats	2021 USD	2020 USD
21.00 Grant received in advance				
Opening balance	30,865,710	61,052,643	23,223	41,257
Donations received during the year (21.1)	503,153,759	565,833,540	319,719	414,456
Transferred to statement of income and expenditure	(573,051,789)	(686,372,381)	(351,355)	(501,737)
Transferred to deferred income - investment in fixed assets	(8,024,085)	(18,009,500)	(4,920)	(13,165)
Adjustment with donor receivable	(221,617,901)	(113,256,494)	(124,644)	(85,213)
Receivable from Donor	275,192,336	221,617,901	154,776	166,743
Currency translation adjustment	-	-	(13,133)	882
Grant received in advance	6,518,028	30,865,710	3,666	23,223
21.1 Donations received during the year				
Stichting BRAC International-EPP	27,213,258	230,675,153	18,448	169,970
World Fish	74,083,587	155,368,659	53,265	111,474
World Fish(SAIL)	394,217,247	179,789,728	242,258	133,012
Restless	7,639,667	-	5,748	-
	503,153,759	565,833,540	319,719	414,456
22.00 Deferred grant income				
Opening balance	19,582,310	5,249,893	14,734	3,548
Transferred from grants received in advance	8,024,085	18,009,500	4,920	13,165
Amortization during the period	(9,659,547)	(3,677,083)	(5,923)	(2,688)
Currency translation adjustment			(3,637)	709
Deferred grant income	17,946,845	19,582,310	10,094	14,734
23.00 Other liabilities				
Payable to MF program	239,136,959	136,650,039	134,498	102,814
Payable to biTS	7,995,666	54,079,749	4,497	40,689
Payable to Stichting BRAC International	24,043,977	72,462,024	13,523	54,520
Provision for audit fee	-	3,762,909	-	2,831
Liabilities for expense	-	6,226,592	-	4,685
Withholding tax payable (employee)	1,360,621	1,245,024	765	937
Withholding tax payable (Others)	-	30,895	-	23
Provision for social security benefit	370,967	487,904	209	367
Provision for Leave salary	2,928,314	-	1,647	-
	275,836,505	274,945,136	155,139	206,866
24.00 Retained surplus				
Opening balance	-	-	-	-
Net surplus/(deficit) for the year	-	-	-	-
Currency translation adjustment	-	-	-	-
Retained surplus	-	-	-	-

25.00 Contingencies liabilities

Contingent Liabilities are not recognised but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated.

Contingent assets are not recognised in the financial statements as this may results in the recognition of income which may never be realised.

26.00 Subsequent events

There were no significant subsequent events occurring in periods after the report date that came to our attention with a material effect on the financial statements at 31 December 2021.

27.00 Authorisation of financial statement

The financial statements of the financial year ended 31 December 2021 were authorised for issue in accordance with a resolution of directors and authorise for issue on

BRAC MYANMAR
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 Dec 2021

[illegible]

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[illegible]

BRAC MYANMAR
NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2021

PARTICULARS	Emergency Preparedness Program	Agriculture, Livestock & Livelihood Program	Emergency Preparedness Program	Livelihood Program	Country office	Small Scale Aquaculture investment for Livelihoods (SAIL) [MM-0015]	Total
	Building Emergency Preparedness for Resilience	Inland Mysap(World Fish)	Flood Relief (BI & BUSA)	Inclusive Finance to PDC and PWD (LIFT-NGO)			
	MM-0005	MM-0006	MM-0009	MM-0013	MM-0008	MM-0015	
	MMK	MMK	MMK	MMK	MMK	MMK	MMK
Assets							
Cash and cash equivalents	1	-	-	-	-	1,917,196	1,917,196
Other assets	-	8,891,667	-	180,660,400	-	90,885,268	280,437,336
Property & equipment	-	-	-	-	-	17,946,845	17,946,845
Intangible assets	-	-	-	-	-	-	-
Total Assets	1	8,891,667	-	180,660,400	-	110,749,309	300,301,377
Liabilities and Capital Fund							
Grant received in advance	6,518,028	-	-	-	-	-	6,518,028
Deferred grant income	-	-	-	-	-	17,946,845	17,946,845
Other liabilities	(6,518,031)	8,891,667	-	180,660,400	-	92,802,464	275,836,501
Retained surplus- Capital Fund	-	-	-	-	-	-	-
Total Liabilities and Capital Fund	1	8,891,667	-	180,660,400	-	110,749,309	300,301,377

BRAC MYANMAR
NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2021

AS at 31 December 2021

PARTICULARS	Emergency Preparedness Program	Agriculture, Livestock & Livelihood Program	Emergency Preparedness Program	Livelihood Program	Country office	Small Scale Aquaculture investment for Livelihoods (SAIL) [MM-0015]	Total
	Building Emergency Preparedness for Resilience	Inland Mysap(World Fish)	Flood Relief (BI & BUSA)	Inclusive Finance to PDC and PWD (LIFT-NGO)		MM -015	
	MM -0005	MM -0006	MM-009	MM-0013	MM -008		
	USD	USD	USD	MMK	USD	USD	USD

Assets

Cash and cash equivalents	-	-	-	-	-	1,078	1,078
Other assets	-	5,001	-	101,609	-	51,117	157,726
Property & equipment	-	-	-	-	-	10,094	10,094
		5,001	-	101,609	-	62,289	168,898

Total Assets

Liabilities and Capital Fund

Grant received in advance	3,666	-	-	-	-	-	3,666
Deferred grant income	-	-	-	-	-	10,094	10,094
Other liabilities	(3,666)	5,001	-	101,609	-	52,195	155,139
Retained surplus- Capital Fund							
Total Liabilities and Capital Fund	-	5,001	-	101,609	-	62,289	168,898