BRAC UGANDA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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CORPORATE INFORMATION

DIRECTORS

Mr. Shameran Abed*	- Chairperson
Ms. Ruth Okowa^	- Member (Resigned 5th Sep 2022)
Mr. Syed Abdul Muntakim*	- Member (Resigned 31st Aug 2022)
Mr Saif Md. Imran Siddique*	- Member (Appointed on 1st Sep 2022)

*Bangladesh
^Kenya

ADMINISTRATORS

Ms. Spera Atuhairwe - Country Director

PRINCIPAL PLACE OF BUSINESS:
Plot 880, Heritage Road Nsambya
P O Box 31817
Kampala Uganda

REGISTERED OFFICE:
Plot 880, Heritage Road Nsambya
P O Box 31817
Kampala, Uganda

COMPANY SECRETARY:
Khalifa Nazim Uddin
Head of Finance, BRAC Uganda Limited
Plot 880, Heritage Road
Nsambya, 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

Post Bank Uganda Limited
Post Bank House
Plot 416 Nkrumah Road
P O Box 7189
Kampala, Uganda

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

Centenary Bank
Mapeera House
Plots 44-46 Kampala Road
P O Box 1872
Kampala, Uganda

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022, 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

The Company's mission is 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 provides charitable and welfare activities on non-profit basis, engages in poverty eradication, promotes women empowerment in rural areas, and provides sanitation and clean water and provides basic education for school dropouts in rural areas in over 64 districts in Uganda.

(f) Results from operations

The results for the Company for the year ended 31 December 2022 are set out on page 18.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (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 2022 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 accounts 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 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:

- Agriculture Food security and Livelihood
- Education
- Health
- Empowerment and Livelihood for Adolescents (ELA)
- Research and Evaluation
- Training
- Emergency Response Program
- Accounts and Finance
- Internal Audit
- Monitoring

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)

(k) Management Structure – continued

- Information Technology (IT) and Management Information System (MIS)
- Human resources
- Communication and Public Relations
- Grant management and Fund raising
- Procurement, Logistics and Transportation

(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 2022

- 148 mentors (138 Females / 16 Males) continuously carried out club sessions 3 days in a week reaching out to 1,640 adolescents with an average attendance of 88% conducted from January to December 2022.
- 49 Male champions from 8 communities were provided orientation on the male involve strategy and their roles and responsibilities in championing the advocacy against Gender Based Violence (GBV) and Child marriages.
- 49 male action group dialogues were conducted from 15/05/2022 to 31/05/2022 reaching out to 719 males in the 8 districts of Swedish International Development Cooperation Agency (SIDA) fund.
- The high-profile donor of the 9th Government Of Uganda (GOU) / United Nations Population Fund (UNFPA) donor supported Programmes in West Nile includes the Joint Programme on Gender Based Violence (GBV) and Sexual Reproductive Health and Rights (SRHR) (Embassy of Sweden), the WAY Programme (Embassy of Denmark); the ANSWER Programme (Embassy of the Netherlands), Together for Sexual Reproductive Health and Rights (SRHR) Programme (funded through Swedish International Development Cooperation Agency (SIDA) regional office); and the European Union (EU) funded Spotlight Initiative Programme from 30th of September to 2nd October 2022.
- 154 mentors (138 Females / 16 Males) participated in the monthly mentors meeting which reviewed and shared progress, achievements and challenges.
- 82 clubs of 2045 adolescent girls were supported to undertake livelihood training for 12 months delivered by the local artisans from January to December 2022.
- 335 (131 Females & 224 Males) 7 People with Disabilities (PWD). In attendance were the District Community Development Officers (DCDOs), District Health Officers (DHOs), Chief Administrative Officers (CAOs), Gender officers, Probation officers, Sub county chiefs, Community Development Officers (CDOs), District Police Commander (DPC), District Internal Security Officer (DISO), Office of the Prime minister (OPM), Health in charges, Resident District Commissioners (RDCs), Child and Family Protection Unit (CFPU), Officer in charge (OC) in the 17 meetings were conducted from 22nd August to 16th September 2022 both at the district and subcounty level with a total attendance of the meetings were facilitated by Brac safeguarding focal persons and Gender Officers aimed at building the capacity of District and Sub county technical staff and political leaders on mainstreaming Prevention Of Sexual Exploitation & Abuse (PSEA) in their day to day activities, maintaining the core principles and whistleblowing.
- 36 female mentors of Pader, Gulu, Kotido and Kaberamaido participated in sessions on Sexual Reproductive Health and Rights (SRHR), Gender Based Violence (GBV), and family planning supported by health workers and Voluntary Health Teams (VHTs) from within the sub counties from 20th to 8th July 2022

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)

(n) Key achievements in 2022 – continued

- 50 adolescent girls and teenage mothers across all the Swedish International Development Cooperation Agency (SIDA) communities were equipped with knowledge and skills on Village Saving and Loan Association (VSLA) covering 5 modules including. Group formation and general assembly, Village Saving and Loan Association (VSLA) concepts, election of leaders, internal rules and regulations, introduction to written record keeping, meeting and conflict management.
- 37 Participants (18 Males / 19 Females) and 3 People With Disabilities (PWDs) (1 Male / 2 Females) participated in a review meeting conducted from 16th to 17th September 2022 at Imperial Royale Hotel in Kampala organised by United Nations Population Fund (UNFPA) and Ministry of Gender at Imperial Royale Hotel Kampala Ministry of Gender, Labour and Social Development (MGLSD), United Nations Population Fund (UNFPA), Ministry Of Education & Sports (MOES), Ministry Of Defence and Veteran Affairs (MODVA), Uganda Human Rights Commission (UHRC), Naguru Teenage Centre, Inter Religious Council Of Uganda (IRCU), International Rescue Committee (IRC), BRAC, Care International, ActionAid Uganda, Association for Cooperative Operations Research and Development (ACORD), Save the Children, Plan International
- 43 stakeholders participated in United Nations Population Fund (UNFPA) Implementing Partner (IP) coordination meeting held on 1st and 2nd September 2022. The meeting was attended by 30 Community structures from the different United Nations Population Fund (UNFPA) Implementing Partners (IPs), 8 partners' staff and 5 Sub County Leaders.
- 88 graduated clubs in the districts of Amuria, Kaabong, Napak, Kiryandongo, Moroto, Gulu, Pader, Kotido, Kaberamaido and Abim were provided financial support of 2,500,000 Uganda shillings each to boost their income generating activities in poultry rearing, piggery and Vegetable growing.
- 2,765 pupils (1,259 Females / 1,506 Males) participated in-school awareness on menstrual health, menstrual management and Gender Based Violence (GBV) was done in 48 schools across the districts of Kaabong (6), Kiryandongo (6), Yumbe (6), Amuria (6), Abim (6), Moroto (6), Napak (6), and Nakapiripiriti (6).
- 22 participants into 3 groups of 7 Participants each Upstream under Upstream Education Group (CEEM) group was supported to build the capacity of mentors in mental and psychosocial health and livelihood assessment through a trainer of trainers to build their own capacity and resilience towards mental and psychosocial health and the cascade it to others in their clubs.
- 18 Gender Based Violence (GBV) and child marriage survivors are beneficiaries of school re-entry programme. Kiryandongo and Gulu conducted monitoring of. 2 female adolescents in Tororo who are undertaking fashion and design training at Bake for Life College and they will be doing their Directorate of Industrial Training (DIT) in 3 months' time, 5 female adolescents in Kapchorwa will undertake their Directorate of Industrial Training (DIT) exams in fashion design on 12 November and later placed for industrial training.
- 45 Staff (30 Females / 15 Males) (2 Male staff under Empowerment and Livelihood for Adolescents (ELA) plus project in West Nile) attended the general regional staff Meeting in Arua at the Hunters Nest Hotel on 26th September 2022. This included staff under different projects like Empowerment and Livelihood for Adolescents (ELA+), Reading Glasses for Improved Livelihood (RGIL), Hilton, Accelerating Impact for Young Women in Africa (AIM), Early Chilhood Development (ECD), BRAC Bank and Country Management Team Focal Person for West Nile region among others from Terego, Yumbe, Koboko, Arua, Gulu and Moyo District.
- 85 Quarterly parents' meetings were conducted from 3rd to 15th March 2022 reaching out to 2,246 participants among which 1264 female, 982 male and 6 people with disabilities, in 15 districts of Kasese, Kyegegwa, Tororo, Kiryandongo, Terego, Kween, Kapchorwa, Bukwo, Amudat, Napak, Kaabong, Moroto, Abim, Amuria, Nakapiripirit.
- 2253 participants (769 Males / 1,484 Females, 16 People With Disabilities (PWDs) from 72 Empowerment and Livelihood For Adolescents (ELA+) clubs in 8 districts of operation under Swedish International Development Cooperation Agency (SIDA) funding were formed in

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)

(n) Key achievements in 2022 – continued

September 2022 and supported to conduct and launch and club opening from 25th/10/2022 to 14th/11/2022 for the districts of Kiryandongo (10), Yumbe (16), Amuria (10), Kaberamaido (10), Abim (8), Moroto (8), Nakapiripirit (10).

- 221 young people (89 Males, 132 Females), 6 of these being young fathers, 33 teenage mothers, 99 out of school, 122 in school and 3 Persons With Disabilities (PWDs).
- 150 Male participants were reached during separate Male Action Group dialogues in Yumbe and Terego District respectively and the purpose of this was sensitized and equippe them to challenge and question gender norms and values that promote male domination and female subordination.
- New Empowerment and Livelihood For Adolescents (ELA) clubs and Continuity: maintain existing 30 Empowerment and Livelihood For Adolescents (ELA) clubs maintained from January to December 2022 and 27 (20Females/7Males) adolescent clubs formed in November 2022 and integration of Adolescent Youth Sexual Reproductive Health & Rights (AYSRHR) into proven at scale Empowerment and livelihood for Adolescent (ELA) through financial literacy in the Global Program to Accelerate Action to End Child Marriage (GPECM) districts.
- Clubs maintained included Club in Kween-10, Kapchorwa-10 and Amudat with a total of 800 adolescent girls reached with Empowerment and Livelihood for Adolescents (ELA) interventions.
- 27 mentors (20 Females and 7 males) formed new adolescent clubs to promote access and utilization of integrated Sexual Reproductive Health and Rights (SRHR) services and information.
- 1,225 Females/250 Males adolescent girls, boys, young women and men reached with Empowerment and Livelihood for Adolescents (ELA) packages of rights from within the clubs.
- 58 Mentors facilitated with monthly mentor's transport and lunch to enable them to continue facilitating basic life skills sessions.
- 405 support committee members continued to be engaged with to provide support to club members.
- 30 local artisans, the local council, district technical and political leadership and sub county leaders.
- 30 clubs facilitated with Livelihood training materials purchased
- 750 adolescent girls undergoing club-based livelihood skilling (livelihood training).
- 27 new clubs were opened in Sebei region (10 in Bukwo, 8 in Kween and 7 in Kapchorwa and 2 in Amudat) reaching out to 750 Females / 50 Males adolescent girls, young women, boys and young men.
- 27 mentors (20 Females and 7 males) from 3 districts of Bukwo (10-8 Females / 2 Males), Kween (8-6 Females / 2 Males) and Kapchorwa (7-5 Females / 2 Males) mentors were trained as Adolescent Rights promoters (Mentors).
- 105 Empowerment and Livelihood for Adolescents (ELA) clubs (50 graduated clubs and 55 clubs being maintained) comprising of 25 to 30 adolescent girls per club.
- 38 Females / 10 Males adolescent new clubs established and supported adolescent girls, boys, young men and women access basic life skills, integrated packages of rights and financial literacy.
- Club allocation per district: - Amudat-18, Tororo-45, Kasese-41, Kyegegwa-25 and Terego-22.
- 3,825 adolescent girls reached with Empowerment and Livelihood for Adolescents (ELA) interventions during the period in review.
- 153 Mentors facilitated with monthly mentor's transport and lunch of 60,000/= per month to enable continued delivery of basic life skills sessions.
- 50 adolescent club members trained in Village Saving and Loan Association (VSLA) methodology and financial inclusion continued to be provided monitoring and support supervision.
- 1,059 support committee members continued to be engaged with to provide support to club members. 55 local artisans, the local council, district technical and political leadership and sub county leaders

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)

(n) Key achievements in 2022 – continued

- 55 local artisans, the local council, district technical and political leadership and sub county leaders.
- 55 clubs facilitated with livelihood training materials purchased
- 1,375 adolescent girls undergoing club-based livelihood skilling (livelihood training).
- 31 Empowerment and Livelihood for Adolescents (ELA) clubs comprising of 25 to 30 adolescent girls per club support to create awareness on disability inclusion
- Conduct integrated service delivery out reaches in Moroto to extend services close to the participants.
- 31 adolescent clubs supported with Village Saving and Loan Association (VSLA) assorted kits and trained Village Saving and Loan Association (VSLA) methodology and financial inclusion continued to be provided monitoring and support supervision.
- 3 radio talk shows conducted in disability inclusion in Gender Based Violence (GBV), Female Genital Mutilation (FGM) and Sexual Reproductive Health and Rights (SRHR) for the targeted districts.
- 10 clubs supported with Income Generating Activities (IGA) livelihood materials for improved income at household and individual level.
- Maintenance of existing Empowerment and Livelihood for Adolescents (ELA) clubs through integration of Adolescent Youth Sexual Reproductive Health & Rights (AYSRHR) into proven at scale Empowerment and livelihood for Adolescent (ELA) through financial literacy in the spotlight districts.
- Social empowerment; Adolescent Girls and Young Women (AGYW) have increased agency and voice.
- Economic empowerment; Adolescent Girls and Young Women (AGYW) are economically empowered to engage in dignified employment.
- Evidence based advocacy for creating an enabling environment for Adolescent Girls and Young Women (AGYW). Adolescent Girls and Young Women (AGYW) advocate for their rights and influence policy.
- Most of the key staff on-boarding was successfully done. Project Manager (PM)-1, Field Operations Manager (FOM)-1, Program Specialist (PS)-Social empowerment-73, Project Assistants (PA)-Livelihoods-17, Regional Managers (RMs)-4 has already joined. Technical Social Specialist (TSS)-16, Monitoring and Evaluation (M&E) officer-done.
- The Program Assistants and Branch Managers- Accelerating Impact for Young Women in Africa (AIM) continue to carry out community visits to build rapport with communities as well as identify potential club spaces, map key allies for the program and understand the community contexts so as to inform Household survey.
- Shadowing of Micro Finance (MF) communities was successfully done in the 19 branches of Accelerating Impact for Young Women in Africa (AIM) program. 90 Program Assistants and 19 Branch Managers- Accelerating Impact for Young Women in Africa (AIM) continue to carry out community visits to build rapport with communities as well as identify potential club spaces, map key allies for the program and understand the community contexts so as to inform household survey.
- The House Hold (HH) survey was conducted in 19 branches covered by Accelerating Impact for Young Women in Africa (AIM) in year 1 of program implementation. 28,256 households surveyed. 27,489 House Holds HHs are eligible. Nonpoor= 1,291, poor=4,051, very poor =7,993, ultra-poor=14154. 29,667 eligible participants for year one has been obtained. As a result of this exercise, Uganda is now able to select 29,667 participants for the program in year 1.
- Project staff (14 program assistants, 3 branch coordinators, 2 sector specialists, 1 area coordinator and 1 project coordinator) recruited and deployed.
- 10 focused group discussions undertaken (5 in Rhino camp and hosting community and 5 in Imvepi settlement and its hosting community), 20 household surveys, 8 market observations

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)

(n) Key achievements in 2022 – continued

and 10 key informant interviews to identify vulnerability indicators for the ultra-poor in the geographical area to support adapting the project to address their needs.

- 2,350 household surveys were undertaken to target ultra-poor households.
- 1,580 households were primarily selected by frontline staff as possible project participants.1,295 households (309 Host community and 986 Refugees of the 770 households) finally selected for project enrolment.
- 1 rapid market assessment undertaken to determine profitable assets relevant for the livelihood intervention options suitable for ultra-poor households and an asset transfer combination package developed.
- 21 UPG project staff trained on financial literacy (2 days), Village Saving and Loan Association (VSLA) Methodology (2 days), life skills (3 days), Training Of Trainers (TOT) and Safeguarding (2 days) and enterprise management and selection (6 days)
- The Project was able to pay fees and stipends for 145 Technical and Vocational Education and Training (TVET) scholars who were actively in school during the 2022 period.
- The project conducted a Technical and Vocational Education and Training (TVET) skills training for the world of work for 165 scholars on the Technical and Vocational Education and Training (TVET) program.
- In 2022, the program supported a total of 52 Secondary Scholars to apply in different universities by giving them recommendation letters. 24 scholars applied to Kwame Nkrumah University-Ghana, 19 applied to United States International University-Africa (USIU)-Kenya, 6 applied for the Loans Scheme - Uganda under Ministry of Education, 3 applied for the Madhivani Foundation scholarship scheme - Uganda. One (1) Scholar has confirmed to have been offered a scholarship with MasterCard Foundation (MCF) United States International University-Africa (USIU) Kenya
- The Project started working with Mastercard Foundation Alumni at BRAC Uganda (MFABU) in updating the database of the 5,445 alumni which will support in tracing transitioning of the scholars
- Technical and Vocational Education and Training (TVET) project had the best performing students in St Francis Schools Of Health Sciences (SFRASH) and Kagando partner institutions and they were awarded certificates of recognition.
- The program supported the alumni by paying one year's rent for the office space that houses the alumni network. The rent period covered is from July 2022 to July 2023.
- The project established collaborations with partners that include; United Nations Educational Scientific and Cultural Organization (UNESCO) Chair Lifelong Learning, Youth & Work, Uganda Allied Health Examinations Board (UAHEB), Uganda Nurses and Midwives Examinations Board (UNMEB), Case Hospital,
- Conducted interviews for key projects and positions throughout the year and on boarded 4 staff in Administration, Procurement & Logistics, 126 in Accelerating Impact for Young Women in Africa (AIM) Program,13 in BRAC Social Enterprise (BSE),1 in Empowerment and Livelihood For Adolescents (ELA), 8 in Empowerment and Livelihood For Adolescents (ELA)+, 10 in Emergency Response and Preparedness (ERP), 2 in Finance and Accounts, 1 in Fundraising, 2 in Grants Department, 22 in Health,31 in Hilton Project ,2 in Human Resource & training,1 in Information Technology Department, 1 in Internal Audit, 2 in Research & Evaluation and 2 in Safe Guarding.
- Trained and supported all staff on performance management system and 98% compliance recorded for Objective settling, Mid-year review and End-year review in alignment of the Annual Operating Performance Standards (AOPs) to the individual Internal Operating Performance standards (IOPs).
- Secured a better service provider for national staff (Insurance Company of East Africa (ICEA) General Insurance) with improved medical benefits covering COVID-19. Registered 12 accident claims for staff we also renewed the workman's compensation cover where

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)

(n) Key achievements in 2022 – continued

Compensated 9 accident claims through insurance and also registered a group life extension cover that will compensate staff when they have lost their loved ones (mother, father, spouse and one child), we also carried out sensitization about these policies to all staff and were able to know their entitlements.

- Held several town hall meetings and physical meetings with staff. Conducted several field visits to attend staff meetings and staff engagement events like BRAC day, Diversity Day, Women's day, Gender Based Violence (GBV) activism day among others.
- 282 staff contracts renewed before expiry including the ones ending by December 2022.
- All the 900 selected Voluntary Health Teams (VHTs) were equipped and trained and are reporting digitally.
- Training of trainer's approach has established local capacity to continue support change management and provision of first-line technical support in each of the districts (56 Training Of Trainers (TOTs) supported).
- Improved the targeted service delivery through the task reminders for Voluntary Health Teams (VHTs).
- Improved evidence-based decision & supervision making through the real time view of the dashboards
- Improved commodity tracking to shine a light on medicines and materials at the community level.
- 85% of Voluntary Health Teams (VHTs) have opened personal bank accounts with BRAC Uganda Bank Limited.
- 1,337,972 participants were reached through 3,980 Community Health Workers.
- Of these 1,225,665 were treated through the Integrated Community Case Management (ICCM) management approach.
- 112,307 new pregnancies were registered and monitored for routine pregnancy care at the facilities.
- Our total reach was over one million.
- Items worth UGX 1,118,922,439 were sold through 3,980 Community Health Workers.
- This raised total Community Health Workers (CHW) profits worth UGX 211,591,221 and an average profit of UGX 54,143 for each of the community health workers.

(o) Expectations for the year ending 31 December 2023

- Conduct 4 stakeholders quarterly engagement including joint monitoring, reflection meetings and donor mission for the districts of Kween, Kapchorwa and Bukwo.
- Conduct 4 quarterly parents meeting and mothers' forums at club level to share health talks in topics like positive parenting, gender, Sexual Reproductive Health and Rights (SRHR), communication and violence, gender, Sexual Reproductive Health and Rights (SRHR), Prevention of Sexual Exploitation & Abuse (PSEA), disability, communication and alcoholism.
- Conduct 4 mentors biannual training for 257 on communication skills, basic life skills, Sexual Reproductive Health and Rights (SRHR) and financial literacy.
- Facilitation of 257 local artisan to conduct club-based livelihood training for old clubs
- Facilitation of the 15 Community Development Officers (CDOs) to support groups in the development of constitution and registration
- Maintain existing 157 Empowerment and Livelihood for Adolescents (ELA) clubs through integration of Adolescent Youth Sexual Reproductive Health & Rights (AYSRHR) into the proven, at-scale Empowerment and Livelihood for Adolescents (ELA) through financial literacy, mentorship, adolescent health promoters, and girls' clubs.
- Facilitate the 40 Health workers to conduct school awareness about Gender Based Violence (GBV), Teenage Pregnancy, Violence Against Children (VAC) and Sexual Reproductive Health and Rights (SRHR) in 6 selected schools per district.
- Conduct supply of Economic empowerment, livelihood support, trainings and Training kits for spotlight communities

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)

(o) Expectations for the year ending 31 December 2023 – continued

- Conduct Facilitation of 157 mentor's delivery of club sessions, referrals and delivery at basic life skills, Sexual Reproductive Health and Rights (SRHR) sessions and Family Planning.
- Livelihood enterprise selection for 700 Ultra Poor Graduation (UPG) participant households
- Participant trainings: Enterprise management (for 3 days), financial literacy (2 days), Village Saving and Loan Association (VSLA) (2 days), life skills (2 days) and safeguarding (1 day)
- Construction of livestock house extensions
- Asset procurement and transfer
- Transfer consumption stipends for 6 months
- Health subsidy support to participant households
- Monitor livelihood progress and administer treatments.
- Home coaching
- Village Saving and Loan Association (VSLA) group formation and activities
- Village Poverty Reduction Committee (VPRC) The International Catholic Migration Commission (ICMC) re-aligned, and quarterly activities undertaken to support ultra-poor households to be socially integrated into their communities.
- Orientation training for Adolescent Boys and Young Men (ABYM) & Adolescent Girls and Young Women (AGYW) mentors on (safeguarding, Psychosocial support leadership)
- Provide stipends and scholastic material support to Adolescent Girls and Young Women (AGYW) to study
- Fees, stipend and research fees payments for the remaining 61 students in school
- The project intends to conduct a Technical and Vocational Education and Training (TVET) skills training for the world of work, refresher trainings and role model orientation.
- Support at least 100 secondary school scholars to apply in different universities by giving them recommendation letters.
- The Project will continue working with Mastercard Foundation Alumni at BRAC Uganda (MFABU) in updating the database of the 5,445 alumni which will support in tracing transitioning of the scholars
- Technical and Vocational Education and Training (TVET) Impact stories coverage.
- Technical and Vocational Education and Training (TVET) scholar's program graduation ceremony considering the program started with 272 scholars in 2019.
- Stakeholder Engagement on project learnings, lessons and challenges and way forward
- Establish and follow up of collaborations with Uganda Allied Health Examinations Board (UAHEB), Uganda Nurses and Midwives Examinations Board (UNMEB), United Nations Educational Scientific and Cultural Organization (UNESCO) Chair Lifelong Learning, Youth & WORK and other stake holders.
- The program intends to create a knowledge tool/product that can be shared with key stakeholders like Ministry Of Education & Sports (MOES), Directorate Of Industrial Training (DIT), Partner institutions and focal Commissioners Business Technical and Vocational Education and Training (BTVET).
- Scale up the Electronic Community Health Information System (eCHIS) with 1740 new Voluntary Health Teams (VHTs)
- Conduct refresher trainings for 400 Voluntary Health Teams (VHTs)
- Reactivate the financial inclusion component of the 400 Voluntary Health Teams (VHTs)
- Transition 100 Community Health Providers (CHPs) from Buikwe to the Electronic Community Health Information System (eCHIS) platform
- Conduct an endline evaluation for the 400 Voluntary Health Teams (VHTs) supported by the UNCDF grant.
- Develop and disseminate a sustainability plan for the Electronic Community Health Information System (eCHIS) users in all districts of implementation

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)

(o) Expectations for the year ending 31 December 2023 – continued

- Enroll 2,000 Community Health Workers (CHWs) on the Community Health Workers Registry (CHWR)
- Data quality checks and validation
- Maintaining gains in Key Performance Indictors (KPIs)
- Improving Community Health Workers (CHWs) stock levels through last mile delivery strategy.
- Implementing 2023 Work plan with a focus on both direct implementation and supporting District Health Teams (DHTs)-led Voluntary Health Teams (VHT) implementation
- Ensuring success of the last mile delivery strategy.
- Growing sales by 30% and Community Health Workers (CHWs) profit by 25%

(p) 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.

(q) Employee's Welfare

Management/employee relationship

There were continuous good relations between employees and management for the year 2022. There were no unresolved complaints received by management from the employees during the year. Staff continued to get performance incentive schemes in 2022. 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.

Training

Training and development of staff capacity is one of the key priorities of the Company. During the year, 165 staff trained on values; 2 Early Childhood Development (ECD) staff trained on Learning difficulties and disabilities for professionals working with children training; 21 Administration staff trained on Fire Marshalls training, 5 staff sponsored by BRAC for higher studies (Masters' degree and Post Graduate diplomas). Held transition trainings for 238 staff of Health program, Youth Business Innovation and Entrepreneurship Facility (Y4BE) Project & Ultra Poor Graduation (UPG) Program.

Implementation of automated payroll with the synchronization of data from Human Resources Management Information System (HRMIS) powered by Stichting BRAC International (SBI)cloud also started. Human Resource (HR) staff and Hub accountants received orientation to prepare for the on ground and physical trainings that are to take place in 2023 before going live.

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.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)

(r) Gender Parity

In 2022, the Company had 455 staff (409 in 2021). The female staffs were 67% (59 % in 2021).

(s) 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, 2012 Laws of Uganda.

(t) Approval of the financial statements

The financial statements were approved by the directors at a meeting held on....24 August.......2023.

By order of the Board

Nazim Uddin

SECRETARY

Date: 24 August **2023**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Company's directors are responsible for the preparation of financial statements that give a true and fair view of BRAC Uganda Limited comprising the statement of financial position as at 31 December 2022, and the statements of comprehensive income, changes in reserves and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards) and in the manner required by the Companies Act, 2012 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 made an assessment of the ability of the Company to continue as going concern and have no reason to believe that the business will not be a going concern for at least the next twelve months from the date of the financial statements.

Approval of the financial statements

The financial statements of BRAC Uganda Limited which appear on pages 18 to 57, were approved and authorised for issue by the Board of Directors on ....24 August.......... 2023.

Head of Finance: .... **Country Director:** ....

Director: .... **Director:** ....

Date: ....24 August.......... **2023**

KPMG
Certified Public Accountant of Uganda
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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 18 to 57, which comprise the statement of financial position as at 31 December 2022, and the statement of comprehensive income, statement of changes in reserves 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 give a true and fair view of the financial position of the Company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards) and in the manner required by the Companies Act, 2012 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) 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 2022* 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.

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 the financial statements that give a true and fair view in accordance with IFRS Standards and in the manner required by the Companies Act, 2012 Laws of Uganda, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 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 International Standards on Auditing, 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 the 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 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 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 the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent auditor's report

To the members of BRAC Uganda Limited

Report on the audit of the financial statements

Report on Other Legal and Regulatory Requirements

As required by the Companies Act, 2012 Laws of Uganda, we report to you, solely based on our audit of the financial statements, that:

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

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Asad Lukwago - P0365.

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

Date: 24 August 2023

....
CPA Asad Lukwago

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

				Supplementary Information	
	Notes	**2022**	**2021**	**2022**	**2021**
		Ushs '000	**Ushs '000**	**USD**	**USD**
Grant income	**4**	39,968,526	51,472,675	10,770,066	14,369,213
Other income	**5**	755,052	801,271	203,459	223,684
Total income		**40,723,578**	**52,273,946**	**10,973,525**	**14,592,897**
Staff costs and other benefits	**7**	(12,708,023)	(12,403,367)	(3,424,351)	(3,462,548)
Training, workshops & seminars	**8**	(6,550,418)	(8,102,411)	(1,765,100)	(2,261,885)
Occupancy expenses	**9**	(763,811)	(1,036,640)	(205,819)	(289,391)
Program supplies, travel and other general expenses	**10**	(21,070,662)	(40,085,366)	(5,677,779)	(11,190,309)
Depreciation	**12&21a**	(760,416)	(685,866)	(204,904)	(191,468)
Total expenses		**(41,853,330)**	**(62,313,650)**	**(11,277,953)**	**(17,395,601)**
Foreign exchange gain/(loss)	**6**	251,242	(8,338)	67,701	(2,327)
Deficit before tax		**(878,510)**	**(10,048,042)**	**(236,727)**	**(2,805,031)**
Taxation	**11**	-	-	-	-
Deficit for the year		**(878,510)**	**(10,048,042)**	**(236,727)**	**(2,805,031)**
Other Comprehensive income					
Other comprehensive income		-	-	-	-
Total Comprehensive income		**(878,510)**	**(10,048,042)**	**(236,727)**	**(2,805,031)**

The notes set out on pages 22 to 57 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

					Supplementary Information		
		31 Dec 2022	31 Dec 2021 Restated*	1 Jan 2021 Restated*	31 Dec 2022	31 Dec 2021 Restated*	1 Jan 2021 Restated*
	Notes	Ushs '000	Ushs '000	Ushs '000	USD	USD	USD
ASSETS							
Non-current assets							
Property and equipment	12	1,801,315	1,455,778	1,584,013	485,055	410,738	434,520
ROU asset	21a	386,844	610,344	752,650	104,169	172,204	206,464
Total Non-current assets		**2,188,159**	**2,066,122**	**2,336,663**	**589,224**	**582,942**	**640,984**
Current assets							
Cash and bank	13	13,688,941	10,233,706	26,362,160	3,686,135	2,887,370	7,231,564
Fixed deposit	13	-	5,346,135	-	-	1,508,375	-
Inventory	14	647,724	535,048	403,171	174,418	150,960	110,596
Due from related parties	15 (b)	2,755,817	1,567,120	1,227,189	742,082	442,152	336,638
Other receivables	16	980,506	791,755	1,017,632	264,029	223,389	279,153
Total current assets		**18,072,988**	**18,473,764**	**29,010,152**	**4,866,664**	**5,212,246**	**7,957,951**
Total assets		**20,261,147**	**20,539,886**	**31,346,815**	**5,455,888**	**5,795,188**	**8,598,935**
Current Liabilities							
Lease liability	21b	461,175	670,081	775,794	124,184	189,228	212,813
Other payables	17	2,380,572	3,165,507	3,820,583	641,037	893,126	1,048,047
Due to related parties	18	1,761,688	1,759,434	198,959	474,384	496,412	54,578
Deferred Grants*	19	3,706,168	2,114,210	3,673,383	997,991	596,510	1,007,668
Total liabilities*		**8,309,603**	**7,709,832**	**8,468,719**	**2,237,596**	**2,175,276**	**2,323,106**
Reserves							
Retained surplus		11,951,544	12,830,054	22,878,096	3,218,292	3,619,912	6,275,830
Total Reserves*		**11,951,544**	**12,830,054**	**22,878,096**	**3,218,292**	**3,619,912**	**6,275,830**
Total liabilities and reserves		**20,261,147**	**20,539,886**	**31,346,815**	**5,455,888**	**5,795,188**	**8,598,936**

*The Comparative information is restated on account of correction of errors. See Note 29.

The financial statements of BRAC Uganda Limited which appear on pages 18 to 57, were approved and authorised for issue by the Board of Directors on 24 August 2023 and were signed on its behalf by:

Head of Finance: ....

Country Director: ....

Director: ....

Director: ....

Date: 24 August **2023**

The notes set out on pages 22 to 57 form an integral part of these financial statements.

STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 DECEMBER 2022

	Deferred Grants	Retained Surplus	Total Reserves	Supplementary information Total Reserves
	Restated Ushs '000	Ushs '000	Restated Ushs '000	Restated USD
At 1 January 2020				
As previously stated 1 January 2020	**18,285,174**	**22,679,797**	**40,964,971**	**11,176,705**
Donations received during the year	38,615,254	-	38,615,254	10,414,296
Utilised during the year	(52,866,352)	-	(52,866,352)	(14,198,478)
Transfers to donor	(360,693)	-	(360,693)	(97,032)
Surplus for the year	-	198,299	198,299	53,258
Currency translation	-	-	-	(65,252)
At 31 December 2020	**3,673,383**	**22,878,096**	**26,551,479**	**7,283,497**
Re-classification adjustment	**(3,673,383)**	**-**	**(3,673,383)**	**(1,007,668)**
Restated 31 December 2020	**-**	**22,878,096**	**22,878,096**	**6,275,829**
For the year ended 31 December 2021				
Re-stated 1 January 2021	**-**	**22,878,096**	**22,878,096**	**6,275,829**
Deficit for the year	-	(10,048,042)	(10,048,042)	(2,805,031)
Currency translation	-	-	-	149,114
Restated at 31 December 2021	**-**	**12,830,054**	**12,830,054**	**3,619,912**
For the year ended 31 December 2022				
As at 1 January 2022	**-**	**12,830,054**	**12,830,054**	**3,619,912**
Deficit for the year	-	(878,510)	(878,510)	(236,727)
Currency translation	-	-	-	(164,893)
At 31 December 2022	**-**	**11,951,544**	**11,951,544**	**3,218,292**

The notes set out on pages 22 to 57 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 Ushs '000	2021 Restated* Ushs '000	Supplementary Information 2022 USD	2021 Restated* USD
Net cash used from Operating Activities*	**20**	**(788,174)**	**(10,257,898)**	**(268,380)**	**(2,866,296)**
Cash flow from Investing Activities					
Acquisition of fixed assets	**12**	(893,220)	(339,101)	(240,690)	(95,675)
Net cash used in Investing Activities		**(893,220)**	**(339,101)**	**(240,690)**	**(95,675)**
Cash flow from Financing Activities					
Lease payments		(292,783)	(290,340)	(78,894)	(81,052)
Interest on liability		83,277	105,020	22,440	29,318
Net cash generated from/(used) in Financing Activities*		**(209,506)**	**(185,320)**	**(56,454)**	**(51,734)**
Net decrease in cash and cash equivalents		(1,890,900)	(10,782,319)	(565,524)	(3,013,705)
Currency translation		-	-	(144,086)	177,886
Cash and cash equivalents at beginning of the year		15,579,841	26,362,160	4,395,745	7,231,564
Cash and cash equivalents at end of the year	**13**	**13,688,941**	**15,579,841**	**3,686,135**	**4,395,745**

*The Comparative information is restated on account of correction of errors. See Note 20 and 29

The notes set out on pages 22 to 57 form an integral part of these financial statements

1. THE REPORTING ENTITY

BRAC begun 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 Limited 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 and comply with IFRS Standards and in the manner required by the Companies Act, 2012 Laws of Uganda. The summary of significant 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 Standards as issued by the International Accounting Standards Board (IFRS 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 3,713.63 (2021: Ushs 3,544.43) for balance sheet items and USD 1: Ushs 3,711.076 (2021: Ushs 3,582.15) for the income statement balances. 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 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. SIGNIFICANT 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 their latest equipment is capitalized as part of that 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

(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,

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(iii) Depreciation(continued)

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. SIGNIFICANT 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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Leases (continued)

this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Foreign currency transactions (continued)

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.

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; FVOCI debt investment; FVOCI – equity investment; or 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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial instruments (continued)

i) Financial Assets (continued)

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.

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial instruments (continued)

i) Financial Liabilities (continued)

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.

e. Impairment

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.

Management has made an assessment that the implementation of IFRS 9 will not lead to significant changes and therefore the impact on the financial statements of the Company is considered immaterial.

3. SIGNIFICANT 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 trade receivable 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, BRAC Uganda 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. 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 accounts 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. SIGNIFICANT 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 BRAC Uganda Limited may receive 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 BRAC Uganda Limited 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 BRAC Uganda Limited 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 Agriculture, Training, Research and Health projects, interest from short term deposits, gains less losses related to trading assets and liabilities, and includes gains from disposal of BRAC Uganda Limited assets and all realised and unrealised foreign exchange differences.

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

k. Interest from bank and short-term deposits

Interest income on BRAC Uganda Limited's bank deposit 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 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 Organisations 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. Adoption of new and revised standards

(i) New standards, amendments and interpretations effective and adopted by the Company during the year

The following standards have been adopted by the Company for the first time for the financial year beginning on or after 1 January 2022: The adoption of these new standards has not resulted in material changes to the Company's accounting policies
New amendments or interpretation effective for annual periods beginning on or after 1 January 2022 are summarised below:

New amendments or interpretation	Effective date
Onerous Contracts - Costs of fulfilling a Contract (Amendments to IAS 37)	1 January 2022
Annual Improvements to IFRS Standards 2018–2020	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022
Reference to the Conceptual Framework (Amendments to IFRS 3)	1 January 2022

Onerous Contracts: Cost of Fulfilling a Contract (Amendments to IAS 37)

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets, issued by the International Accounting Standards Board, clarify that the 'costs of fulfilling a contract' when assessing whether a contract is onerous comprise both:

— the incremental costs – e.g. direct labour and materials; and
— an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.

The amendments apply for annual reporting periods beginning on or after 1 January 2022 to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of applying the amendments will be recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives will not be restated. Earlier application is permitted.

The adoption of these amendments did not have a significant impact on the financial statements of the Company.

Annual Improvements to IFRS Standards 2018-2022

▪ IFRS 1 First-time Adoption of International Financial Reporting Standards	The amendment permits a subsidiary (as a first-time adopter of IFRS that applies IFRS later than its parent) that applies IFRS 1.D16(a) to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.
▪ IFRS 9 Financial Instruments	The amendment clarifies that for the purpose of performing the "10 per cent test" for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.
▪ IFRS 16 Leases	The amendment removes the illustration of payments from the lessor relating to leasehold improvements. As currently drafted, this example is not clear as to why such payments are not a lease incentive.
▪ IAS 41 Agriculture	The amendment removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in IAS 41 with those in IFRS 13 Fair Value Measurement.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

The adoption of these amendments did not have a significant impact on the financial statements of the Company.

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)

The amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.
Proceeds from selling items before the related item of property, plant and equipment is available for use should be recognized in profit or loss, together with the costs of producing those items. IAS 2 Inventories should be applied in identifying and measuring these production costs.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

p. Adoption of new and revised standards (continued)

(i) New standards, amendments and interpretations effective and adopted by the Company during the year (continued)

Companies will therefore need to distinguish between:

- costs associated with producing and selling items before the item of property, plant and equipment is available for use; and
- costs associated with making the item of property, plant and equipment available for its intended use.

Making this allocation of costs may require significant estimation and judgement.

The amendments apply for annual reporting periods beginning on or after 1 January 2022, with earlier application permitted. The amendments apply retrospectively, but only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the Company first applies the amendments.
The adoption of these amendments did not have a significant impact on the financial statements of the Company.

Reference to the Conceptual Framework (Amendments to IFRS 3)

The amendment has:

- updated IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework;
- added to IFRS 3 a requirement that, for transactions and other events within the scope of IAS 37 or IFRIC 21, an acquirer applies IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination; and
- added to IFRS 3 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The amendment is effective for annual periods beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

The adoption of these amendments did not have a significant impact on the financial statements of the Company.

At the date of authorisation of the financial statements of BRAC Uganda Limited for the year ended 31 December 2022, the following Standards and Interpretations were in issue but not yet effective;

New standard or amendments	Effective for annual periods beginning on or after
Classification of Liabilities as current or non-current (Amendments to IAS 1)	1 January 2023
IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts	1 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28	Available for optional adoption/ effective date deferred indefinitely
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	1 January 2024
Non-current Liabilities with Covenants (Amendments to IAS 1)	1 January 2024

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

p. Adoption of new and revised standards (continued)

(i) New standards, amendments and interpretations effective and adopted by the Company during the year (continued)

All Standards and Interpretations will be adopted at their effective date (except for those Standards and Interpretations that are not applicable to the Company).
The applicable standards and amendments are discussed below;

Classification of liabilities as current or non-current (Amendments to IAS 1)

Under existing IAS 1 requirements, entities classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

There is limited guidance on how to determine whether a right has substance and the assessment may require management to exercise interpretive judgement.

The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged.

The amendments are to be applied retrospectively from the effective date.

The amendments are not expected to have a material impact on the Company

IFRS 17 Insurance Contracts (and its related amendments)

IFRS 17 supersedes IFRS 4 Insurance Contracts and aims to increase comparability and transparency about profitability. The new standard introduces a new comprehensive model ("general model") for the recognition and measurement of liabilities arising from insurance contracts. In addition, it includes a simplified approach and modifications to the general measurement model that can be applied in certain circumstances and to specific contracts, such as:

- Reinsurance contracts held;
- Direct participating contracts; and
- Investment contracts with discretionary participation features.

Under the new standard, investment components are excluded from insurance revenue and service expenses. Entities can also choose to present the effect of changes in discount rates and other financial risks in profit or loss or OCI.

The new standard includes various new disclosures and requires additional granularity in disclosures to assist users to assess the effects of insurance contracts on the entity's financial statements. The entity is in the process of determining the impact of IFRS 17 and will provide more detailed disclosure on the impact in future financial statements. The standard is effective for annual periods beginning on or after 1 January 2023. Early adoption is permitted only if the entity applied IFRS 9.

The amendments are not expected to have a material impact on the Company.

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

The amendments require the full gain to be recognised when assets transferred between an investor and its associate or joint venture meet the definition of a 'business' under IFRS 3

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

p. Adoption of new and revised standards (continued)

(i) New standards, amendments and interpretations effective and adopted by the Company during the year (continued)

Business Combinations. Where the assets transferred do not meet the definition of a business, a partial gain to the extent of unrelated investors' interests in the associate or joint venture is recognised. The definition of a business is key to determining the extent of the gain to be recognised.

The IASB has decided to defer the effective date for these amendments indefinitely. Adoption is still permitted.

When a parent loses control of a subsidiary in a transaction with an associate or joint venture (JV), there is a conflict between the existing guidance on consolidation and equity accounting.

Under the consolidation standard, the parent recognises the full gain on the loss of control. But under the standard on associates and JVs, the parent recognises the gain only to the extent of unrelated investors' interests in the associate or JV.

In either case, the loss is recognised in full if the underlying assets are impaired.

In response to this conflict and the resulting diversity in practice, on 11 September 2014 the IASB issued Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28).

The amendments are not expected to have a material impact on the Company.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

Amendments to IFRS 16 Leases impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered into since 2019.

The amendments confirm the following.

On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction.

After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains.

A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement.

Subsequent accounting for the lease liability.

The seller-lessee would reduce the lease liability as if the 'lease payments' estimated at the date of the transaction had been paid. It would recognise any difference between those lease payments and the amounts actually paid in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

p. Adoption of new and revised standards (continued)

(i) New standards, amendments and interpretations effective and adopted by the Company during the year (continued)

Non-current Liabilities with Covenants (Amendments to IAS 1)

Under the amendments to IAS 1 Presentation of Financial Statements the classification of certain liabilities as current or non-current may change (e.g., convertible debt). In addition, companies may need to provide new disclosures for liabilities subject to covenants. The amendments will apply from 1 January 2024. However, companies need to consider whether their upcoming annual financial statements will need to include disclosures under IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors of the possible future impacts.

ii) Early adoption of standards

The Company did not early adopt any new or amended standards in 2022

q. Comparatives

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

4. GRANT INCOME

	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
Education	1,426,196	11,333,632	384,308	3,163,919
Health	9,972,094	13,287,372	2,687,116	3,709,329
Empowerment and livelihood of adolescents	7,311,370	9,942,300	1,970,149	2,775,513
Research & evaluation	7,220,535	5,500,483	1,945,672	1,535,526
UPG	2,466,355	6,002,526	664,593	1,675,675
Play lab	2,158,449	3,165,205	581,624	883,605
Emergency preparedness and response	1,288,688	2,241,157	347,255	625,646
Accelerating Impact for Young Women win in Africa (AIM)	6,677,787	-	1,799,421	-
Early childhood and graduation programing in refugee settlement in Uganda (Hilton)	1,447,052	-	389,928	-
	39,968,526	**51,472,675**	**10,770,066**	**14,369,213**

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

5. OTHER INCOME

	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
Training program income	99,241	223,892	26,742	62,502
Research program income	195,873	159	52,780	44
Health program revolving fund income	266,130	399,421	71,712	111,503
Donation income from BUBL	146,185	-	39,392	-
Bank interest income	47,623	177,799	12,833	49,635
	755,052	**801,271**	**203,459**	**223,684**

Other project income relates to the income from the training program, research program, bank interest income, donations from Brac Uganda Bank Limited (BUBL) and health program revolving fund.

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.
Training income	Customers obtain control when the training services have been offered by BRAC Uganda Limited. Invoices are generated at a point in time. Invoices are usually payable within 30 days.	Revenue is recognised when an invoice is raised after the training.
Research income	Customers obtain control when the final research report has been delivered by BRAC Uganda Limited. Invoices are generated at a point in time. Invoices are usually payable within 30 days.	Revenue is recognised when an invoice is raised on submission of the final report to the donors.

There are no contract assets or liabilities.

6. FOREIGN EXCHANGE GAIN

	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
Foreign exchange gain/(loss)	251,242	(8,338)	67,701	(2,327)
	251,242	**(8,338)**	**67,701**	**(2,327)**

The exchange gains arise from translation of foreign currency transactions and revaluations of foreign currency denominated assets and liabilities to Uganda Shillings. Financial assets and liabilities denominated in foreign currencies at year end are translated to Uganda Shillings at the rate ruling at balance sheet date.

7. STAFF COSTS AND OTHER BENEFITS

	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
Salaries	9,522,024	9,879,456	2,565,840	2,757,968
Bonus	691,387	806,205	186,304	225,062
10% employer NSSF contribution	1,053,691	1,089,675	283,931	304,196
Wages	1,117,100	580,344	301,018	162,010
Gratuity expenses	63,286	47,687	17,053	13,312
Staff recruitment expenses	260,535	-	70,205	-
	12,708,023	**12,403,367**	**3,424,351**	**3,462,548**

8. TRAINING, WORKSHOPS AND SEMINARS

	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
External member trainings	6,186,620	8,089,064	1,667,069	2,258,159
Staff training	363,798	13,347	98,031	3,726
	6,550,418	**8,102,411**	**1,765,100**	**2,261,885**

9. OCCUPANCY EXPENSES

	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
Rental charges	548,219	972,090	147,725	271,371
Utilities	215,592	64,550	58,094	18,020
	763,811	**1,036,640**	**205,819**	**289,391**

10. PROGRAM SUPPLIES, TRAVEL AND OTHER GENERAL EXPENSES

	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
Legal and other fees	571,727	751,203	154,060	209,707
Audit and tax fees	333,189	339,495	89,782	94,774
Maintenance and general expenses	3,165,694	3,450,319	853,039	936,889
Grant receivables write-off	-	8,824,580	-	2,489,795
Printing, stationery and supplies	504,947	511,549	136,065	142,805
Telephone and Internet expenses	270,944	580,416	73,010	162,030
Program supplies	9,657,851	21,431,666	2,602,440	5,982,906
Interest on lease liability	84,078	105,020	22,656	29,318
Inventory write-off	10,767	25,008	2,901	6,981
Software maintenance cost	618,417	246,455	166,641	68,801
Head office logistics expenses	571,793	866,095	154,077	241,781
Travel and transportation	5,281,255	2,953,560	1,423,108	824,522
	21,070,662	**40,085,366**	**5,677,779**	**11,190,309**

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. Under section 2(b) (ii), 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 for the year 31 December 2022 and 2023 in a notice DT-1109 and notice number 29896157 dated 18 January 2023.

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 2021	**993,961**	**246,085**	**2,115,010**	**1,084,187**	**4,439,243**	**1,197,699**
Additions	40,760	-	281,556	16,785	339,101	95,675
Disposals	(19,490)	-	(2,184)	-	(21,674)	(6115)
Currency translation	-	-	-	-	-	34,682
As at 31 December 2021	**1,015,231**	**246,085**	**2,394,382**	**1,100,972**	**4,756,670**	**1,321,941**
Additions	251,451	-	532,269	109,500	893,220	240,690
Disposals	(31,648)	-	(43,578)	(18,087)	(93,313)	(25,144)
Currency translation	-		-	-	-	(41,222)
At 31 December 2022	**1,235,034**	**246,085**	**2,883,073**	**1,192,385**	**5,556,577**	**1,496,265**
Depreciation						
At 1 January 2021	**655,251**	**50,244**	**1,403,490**	**746,245**	**2,855,230**	**763,178**
Charge for the year	62,379	12,304	270,585	118,085	463,353	129,351
Accumulated depreciation on disposals	(15,507)	-	(2,184)	-	(17,691)	(4,991)
Currency translation	-	-	-	-	-	23,665
At 31 December 2021	**702,123**	**62,548**	**1,671,891**	**864,330**	**3,300,892**	**911,203**
Charge for the year	60,654	13,482	331,338	131,442	536,916	144,679
Accumulated depreciation on disposals	(29,437)	-	(42,727)	(10,382)	(82,546)	(22,243)
Currency translation	-	-	-	-	-	(22,429)
At 31 December 2022	**733,340**	**76,030**	**1,960,502**	**985,390**	**3,755,262**	**1,011,210**

	Furniture	Building	Equipment	Motor Vehicles	Total	Total
	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	USD
Net Book Value						
At 31 December 2022	**501,694**	**170,055**	**922,571**	**206,995**	**1,801,315**	**485,055**
At 31 December 2021	**313,108**	**183,537**	**722,491**	**236,642**	**1,455,778**	**410,738**

13. CASH AND BANK

	Note	2022	2021	2022	2021
		Ushs '000	Ushs '000	USD	USD
Cash in hand		5,740	4,793	1,546	1,352
Cash at bank	13.a	13,683,201	10,228,913	3,684,589	2,886,018
Fixed deposits		-	5,346,135	-	1,508,375
		13,688,941	15,579,841	3,686,135	4,395,745

13. a) Cash at bank

	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
Standard Chartered Bank	10,230,502	4,641,576	2,754,852	1,309,589
Bank of Africa	11,055	19,144	2,977	5,401
DFCU	-	-	-	-
Pride Microfinance Ltd	-	-	-	-
Equity Bank	-	-	-	-
Post Bank	2,417	3,997	651	1,128
Centenary Bank	58,859	26,776	15,849	7,555
BRAC Uganda Limited Bank Ltd	1,737,638	3,466,957	467,908	978,178
Yo Mobile Wallet	576,652	581,902	155,280	164,180
Stanbic Bank	1,066,078	1,488,561	287,072	419,987
	13,683,201	10,228,913	3,684,589	2,886,018

Reconciliation of movement in liabilities to cash flows arising from financing activities

	Lease liabilities	Deferred Grants	Total
	Ushs '000	Ushs '000	Ushs '000
Balance as at 1 January 2022	**670,681**	**2,114,210**	**2,784,891**
Payment of lease liabilities	(292,783)	-	(292,783)
Deferred Grants received in advance	-	1,591,959	1,591,959
Total changes from financing cash flows	**377,898**	**3,706,169**	**4,084,067**
Other changes			
Interest expense	84,078	-	84,078
Foreign exchange gain	(801)	-	(801)
Total other changes	**83,277**	**-**	**83,277**
Balance as at 31 December 2022	**461,175**	**3,706,169**	**4,167,344**

14. INVENTORY

	2022	2021	2022	2021
	Ushs '000	Ushs '000	USD	USD
Stock and consumables	647,724	535,048	174,418	150,960
	647,724	**535,048**	**174,418**	**150,960**

Stock and consumables include the amount of the stock of health materials, poultry and agriculture that were not yet sold as at 31 December 2021. These materials are normally sold at subsidized rates to low-income earners in communities.
The total expense of stock and consumables during the year is Ushs 0 (2021: Ushs 25,008,000)

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

	2022	2021	2022	2021
	Ushs '000	Ushs '000	USD	USD
BRAC Bangladesh	285,819	131,317	76,359	37,396
Stichting BRAC International	692,297	866,095	186,527	241,781
BRAC Bank Uganda Limited	122,950	1,625,390	18,447	458,593
	1,101,066	**2,622,802**	**281,333**	**737,770**

b) Due from related parties

	2022	2021	2022	2021
	Ushs '000	Ushs '000	USD	USD
BRAC Social Business Enterprise	2,755,817	1,567,120	742,082	442,152
	2,755,817	**1,567,120**	**742,082**	**442,152**

Due from related parties relates to amounts owing from BRAC Uganda Limited to BRAC Social Business Enterprise for the settlement of staff costs and operating expenditures. BRAC Social Business Enterprise is an affiliate Company of BRAC Uganda Limited. The fair value of these related party receivables approximates their carrying amounts. This amount will be settled during the ordinary course of business and bear no interest.

16. OTHER RECEIVABLES

	2022	2021	2022	2021
	Ushs '000	Ushs '000	USD	USD
Prepaid expenses	980,506	791,755	264,029	223,389
	980,506	**791,755**	**264,029**	**223,389**

17. OTHER PAYABLES

	2022	2021	2022	2021
	Ushs '000	Ushs '000	USD	USD
Accrued expenses	1,059,388	2,145,148	285,271	605,238

NSSF	236,791	250,274	63,763	70,613
VAT payable	125,075	151,454	33,680	42,732
Audit fees	133,100	86,353	35,840	8,888
Withholding tax	69,729	31,501	18,777	24,364
Revolving fund	260,246	-	70,079	-
PAYE	496,243	500,777	133,627	141,291
	2,380,572	**3,165,507**	**641,037**	**893,126**

The carrying amounts of other payables approximates their fair value.

18. DUE TO RELATED PARTIES

	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
BRAC Bangladesh	98,846	47,092	26,617	13,287
Stichting BRAC International	314,502	86,952	84,688	24,532
BRAC Bank Uganda Limited	1,348,340	1,625,390	363,079	458,593
	1,761,688	**1,759,434**	**474,384**	**496,412**

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

19. DEFERRED GRANTS

	Note	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
Deferred Grants received in advance	19.1	2,085,877	1,035,440	561,682	292,142
Deferred Grants - investment in fixed assets	19.2	1,620,291	1,078,770	436,309	304,368
		3,706,168	**2,114,210**	**997,991**	**596,510**

19.1 Deferred Grants received in advance

	Note	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
Opening balance		1,035,440	2,448,687	292,142	671,714
Donations received during the year	19.1a	42,814,429	41,714,895	11,452,491	11,706,456
Transferred to donor*		(1,017,291)	(1,206,036)	(275,455)	(338,611)
Investment in fixed assets		(893,220)	(339,101)	(240,689)	(95,675)
Asset disposals		-	21,674	-	6,115
Utilised during the year		(39,616,827)	(51,009,322)	(10,675,294)	(14,239,862)
Funds from health revolving fund		-	580,063	-	163,661
Grant receivables write-off		-	8,824,580	-	2,489,795
Currency translation (realised loss)		31,518		8,487	-

	Note	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
Unrealised Gain/loss (balancing)		(268,172)		-	-
Currency translation		-	-	-	(71,451)
		2,085,877	1,035,440	561,682	292,142

The funds utilized during the year relate to the expenditures that have been incurred in project implementation during the year. The expenditures are paid out from the pool of funds received in advance from the different donors supporting BRAC Uganda. Funds from health revolving fund relates to the funds raised from the sale of the reading glasses obtained from Vision Spring as an in-kind donation which is part of the vision spring grant.

19.1 a) Donations received during the year

	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
MasterCard Foundation (Scholarship and TVET)	-	5,786,678	-	1,631,889
BRAC USA (IERC)	-	-	-	-
Y-CHPs	-	-	-	-
Health System (UHSS)	-	198,080	-	55,178
Crown	248,371	172,371	70,182	46,719
Emergency Preparedness	-	-	-	-
IDRC CHW	-	-	-	-
Living Goods (Health)	6,228,579	6,607,414	1,665,790	1,858,529
Vision Spring (Eye care)	880,436	541,728	233,615	153,032
Women win	507,336	517,073	137,000	144,960
Oak foundation	-	-	-	-
Capacity Building (Market Survey)	238,391	-	64,087	-
Stockholm University (Research study)	-	-	-	-
Sanitation for Health (Tetra Tech)	545,235	1,279,224	151,302	358,345
NANNY	292,914	27,842	81,676	7,546
NORAD-ELLAY	676,419	573,403	174,864	161,337
Capacity Building	-	308,681	-	86,198
JSDF (Agriculture)	-	-	-	-
World Bank- (ADP)	-	-	-	-
Lego Foundation	-	-	-	-
ECM (ELA)	2,467,496	3,310,788	679,192	929,432
ELA –After School	1,452,595	1,198,325	376,681	337,577
ELMA	567,327	554,940	149,990	156,490
TUP (BRAC UK)	-	-	-	-
UPG -Medicor	-	-	-	-
UPG-UK AID	2,006,939	3,380,916	531,307	945,387
UPG -UK-Aid Covid	-	-	-	-

BRAC UGANDA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)

19.1 a) Donations received during the year - *continued*

	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
UPG-BLF	-	326,713	-	89,125
UPG-Cartier	854,288	2,565,233	223,689	710,830
GIF (BRAC UK)	540,189	779,680	144,980	219,965
ADP	391,887	491,393	107,846	134,232
LEGO-Covid	1,001,781	1,925,721	269,758	539,160
Mastercard-Covid	-	461,206	-	130,318
ADA-UNDP	-	1,089,274	-	306,451
Skills Development Project Enable	-	-	-	-
TB Reach	-	434,385	-	122,500
YIDAN	-	1,121,708	-	316,032
Gates Foundation	-	-	-	-
UNCDF Project	213,686	613,047	60,000	170,000
YBI & EFP (Y4B)	399,046	3,152,125	105,500	888,020
LSE (Tenancy)	-	-	-	-
Stockholm University (Tenancy)	-	-	-	-
SDF-KIRYANDONGO	-	29,886	-	8,153
IERC-SEARCH	-	-	-	-
UNRA -World bank	240,241	391,480	67,885	109,938
IERC	2,250,273	1,603,458	606,195	450,067
IERC-MNP	-	58,362	-	16,458
IERC-ELA	-	-	-	-
IERC- Recap	710,987	551,136	196,519	154,495
IERC - LBS	-	-	-	-
IERC- Applied Research (DigiDev)	684,302	637,488	179,572	179,572
IERC- VSLA	396,846	478,775	104,290	135,083
IERC- ELA After School	1,087,288	242,101	281,951	68,284
IERC-Research	-	-	-	-
IERC-Behavioural Activation	-	132,314	-	36,550
IERC-Cluster	-	-	-	-
IERC-Stanford	64,116	171,947	17,878	48,604
ADP-Ebola Response	200,937	-	54,108	-
Stockholm University	226,178	-	59,797	-
IERC- Meet your future	96,577	-	26,006	-
IERC-MM	52,823	-	14,832	-
Journey to Scale (SH+)	342,852	-	91,455	-
SPACE	402,520	-	104,057	-
ILO	115,165	-	29,864	-
Health-ICOHS	610,685	-	161,067	-
HILTON-ECGP	7,618,801	-	1,969,568	-
MasterCard-AIM	8,200,923	-	2,259,988	-
	42,814,429	**41,714,895**	**11,452,491**	**11,706,456**

The receipts relate to the grants received from the different donors for implementation of the different projects undertaken by BRAC Uganda Limited.

19.2 Donations – investment in fixed assets

	2022 Ushs '000	2021 Ushs '000	2022 USD	2021 USD
Opening balance	1,078,770	1,224,696	304,368	335,954
Transferred from Deferred Grants received in advance	893,220	339,101	240,525	95,675
Disposals in the year	-	(21,674)	-	(6,115)
Depreciation charged during the year	(351,699)	(463,353)	(94,705)	(129,351)
Currency translation	-	-	(13,879)	8,205
Closing balance	**1,620,291**	**1,078,770**	**436,309**	**304,368**

These donations relate to the fixed assets that are purchased for project implementation using the grants received from the different donors.

20. CASHFLOW FROM OPERATING EXPENSES

	2022 Ushs '000	2021 Restated* Ushs '000	2022 USD	2021 Restated* USD
Deficit of income over expenditure	**(878,510)**	**(10,048,042)**	**(236,727)**	**(2,805,031)**
Depreciation	760,416	685,867	204,904	191,468
Write-off fixed assets	10,767	3,982	2,901	1,112
Cash flows before changes in working capital	**(107,327)**	**(9,358,193)**	**(28,922)**	**(2,612,451)**
Changes in working capital				
Increase in inventory	(112,676)	(131,877)	(30,341)	(37,208)
Decrease in other receivables	(188,751)	225,877	(50,827)	63,730
Increase in related party receivables	(1,188,697)	(339,931)	(320,090)	(95,909)
Deferred Grants*	1,591,958	(1,559,173)	428,975	(439,910)
Decrease in other payables	(784,935)	(655,076)	(267,782)	(184,825)
Increase in related party payables	2,254	1,560,475	607	440,277
Net cash used from Operating Activities	**(788,174)**	**(10,257,898)**	**(268,380)**	**(2,866,296)**

*The Comparative information is restated on account of correction of errors. See Note 29

21. ROU ASSET AND LEASE LIABILITIES

(a) Right-of-use assets

	Office Space Ushs '000	Office Space USD
At 1 January 2021	**752,650**	**206,464**
Additional leases during the year	80,207	22,630
Depreciation charge for the year	(222,513)	(62,117)
Currency translation	-	5,227
At 31 December 2021	**610,344**	**172,204**
At 1 January 2022	**610,344**	**172,204**
Depreciation charge for the year	(223,500)	(60,225)
Currency translation	-	(7,810)
At 31 December 2022	**386,844**	**104,169**

(b) Lease liabilities

	Office Space Ushs '000	Office Space USD
At 1 January 2021	**775,794**	**212,813**
Interest expense	105,020	29,318
Lease payments	(290,340)	(81,052)
Lease additions	80,207	22,630
Currency translation	-	5,519
At 31 December 2021	**670,681**	**189,228**
At 1 January 2022	**670,681**	**189,228**
Add Interest expense	84,078	22,656
Less rent payments	(292,783)	(78,894)
FX Gain	(801)	(216)
Currency translation	-	(8,590)
At 31 December 2022	**461,175**	**124,184**

Lease liabilities are payable as follows;

31 December 2022	**Principal**	**Interest**	**Present Value of minimum lease payments**	**Present Value of minimum lease payments**
	Ushs '000	**Ushs '000**	**Ushs '000**	**USD**
Less than one year	21,906	1,153	23,059	6,209
More than one year	350,493	87,623	438,116	117,975
	372,399	**88,776**	**461,175**	**124,184**

31 December 2021	**Principal**	**Interest**	**Present Value of minimum lease payments**	**Present Value of minimum lease payments**
	Shs'000	**Shs'000**	**Shs'000**	**USD**
Less than one year	20,702	1,498	22,200	6,264
More than one year	585,979	62,502	648,481	182,964
	606,681	**64,000**	**670,681**	**189,228**

(c) Amounts recognized in profit or loss

	2022	**2021**	**2022**	**2021**
	Ushs '000	**Shs'000**	**USD**	**USD**
Interest on lease liabilities	84,078	105,020	22,656	29,318
Depreciation charge for the year	223,500	222,513	60,225	62,117
Expense relating to short term leases	184,228	972,090	49,643	271,371
Foreign exchange gain	-	-	-	-
	491,806	1,299,623	132,524	362,806

(d) Amounts recognized in the statement of cashflows

	2022	**2021**	**2022**	**2021**
	Ushs '000	**Shs'000**	**USD**	**USD**
Lease interest paid	84,078	105,020	22,656	29,318
Lease principal payments	208,705	185,320	56,238	51,734
	292,783	290,340	78,894	81,052

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 2022 (2021: 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 revenues 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 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 significant 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 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.

(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 of BRAC Bangladesh International, the parent Company, 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.
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 however, engage in speculative transactions or take speculative positions, and where 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 trade and other receivable balances and investment in cash and cash equivalents. 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;

	2022 Shs '000	2021 Shs '000	2022 USD	2021 USD
Cash and cash equivalents	13,688,941	10,233,706	3,686,135	2,887,370
Fixed deposit	-	5,346,135	-	1,508,375
Other receivables	980,506	791,755	264,029	223,389
	14,669,447	**16,371,596**	**3,950,164**	**4,619,134**

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

	2022 Shs '000	2021 Shs '000	2022 USD	2021 USD
Between 0 - 30 days	686,354	577,980	184,820	163,073
Between 31 - 60 days	294,152	213,775	79,209	60,316
	980,506	**791,755**	**264,029**	**223,389**

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

26. FINANCIAL RISK MANAGEMENT (Continued)

ii) Liquidity risk (Continued)

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.

2022	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	13,688,941	-	-	-	13,688,941
Due from related parties	-	-	-	2,755,817	2,755,817
Other receivables	-	686,354	294,152	-	980,506
	13,688,941	**686,354**	**294,152**	**2,755,817**	**17,425,264**
LIABILITIES AND RESERVES					
Other payables	-	1,190,285	737230	4,620,400	6,547,915
Due to related parties	-	1,057,013	704,675	-	1,761,688
	-	**2,247,298**	**1441,905**	**4,620,400**	**8,309,603**
Liquidity gap	**13,688,941**	**(1,560,944)**	**(1,147,753)**	**(1,864,583)**	**9,115,661**

2021	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	10,233,706	-	-	-	10,233,706
Fixed deposit	-	5,346,135	-	-	5,346,135
Due from related parties	-	-	-	1,567,120	1,567,120
Other receivables	-	577,980	213,775	-	791,755
	10,233,706	**5,924,115**	**213,775**	**1,567,120**	**17,938,716**
LIABILITIES AND RESERVES					
Other payables	-	1,841,370	1,342,665	2,766,363	5,950,398
Due to related parties	-	1,055,660	703,774	-	1,759,434
	-	**2,897,030**	**2,046,439**	**2,766,363**	**7,709,832**
Liquidity gap	**10,233,706**	**3,027,085**	**(1,832,664)**	**(1,199,243)**	**10,228,884**

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

26. FINANCIAL RISK MANAGEMENT (Continued)

iii) Market risk (Continued)

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 is no material overdraft or 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	
	2022	2021	2022	2021
	Ushs	Ushs	Ushs	Ushs
USD	3,713	3,544	3,711	3,582

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

	2022	2021
Ushs equivalent	Ushs'000	Ushs'000
Bank Balances	13,683,201	10,228,913
Due from related parties	2,755,817	1,567,120
Fixed deposit`	-	5,346,135
	16,439,018	17,142,168

Sensitivity Analysis

A reasonably strengthening (weakening) of the US dollar against the Uganda Shilling at 31 December 2022 would have affected the measurement of the above financial instruments denominated in a foreign currency as shown below:

	2022		2021	
		+/-5%		+/-5%
Ushs equivalent	Ushs'000	Ushs'000	Ushs'000	Ushs'000
Bank Balances	13,688,941	684,447	10,233,706	67,909
Due to related parties	2,755,817	137,791	1,759,434	24,821
	16,444,758	822,238	11,993,140	92,730

26. FINANCIAL RISK MANAGEMENT (Continued)

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 standards is supported by a programme of 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 entity are made of the retained surplus. Retained surplus is maintained as a reserve for BRAC Uganda Limited and forms part of the entity's capital structure. The retained surplus determines the extent of the entity's capital base and is monitored by management through periodic review of management accounts and operational reviews. The references in BI Accounting and Financial Manual, among other related policies are followed to monitor and manage this fund 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.

	2022 Ushs'000	2021 Ushs'000	2022 USD	2021 USD
Retained Surplus	11,951,544	12,830,054	3,218,292	3,619,912
	11,951,544	**12,830,054**	**3,218,292**	**3,619,912**

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.

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.

	Level 1	Level 2	Level 3	Total Fair value	Total Carrying Amount
31 December 2022					
Financial assets					
Cash and cash equivalents	-	13,688,941	-	13,688,941	13,688,941
Other receivables	-	980,506	-	980,506	980,506
Due from related parties	-	2,755,817	-	2,755,817	2,755,817
Financial liabilities					
Other payables	-	(6,547,915)	-	(6,547,915)	(6,547,915)
Due to related parties	-	(1,761,688)	-	(1,761,688)	(1,761,688)

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. Restatement of Deferred Grants

During the year ended 31 December 2022, the company discovered that the deferred grants were erroneously presented directly in equity instead of being presented as deferred liabilities in the financial statements since 2020. The error has been corrected by restating each of the affected financial statement line items in the prior period Financial Statements. The error did not impact the statement of comprehensive income for the periods presented. The following table below summarise the impacts on the financial statements.

i) Statement of Financial Position

01 January 2021	As previously reported	Adjustment	As Restated	Supplementary Information As previously reported	Adjustment	As Restated
	Ushs '000'	Ushs '000'	Ushs '000'	USD	USD	USD
Total assets	**31,346,815**	**-**	**31,346,815**	**8,598,936**	**-**	**8,598,936**
Deferred Grants liability	-	3,673,383	3,673,383	-	1,007,668	1,007,668
Other liabilities	4,795,336	-	4,795,336	1,315,438	-	1,315,438
Total Liabilities	**4,795,336**	**3,673,383**	**8,468,719**	**1,315,438**	**1,007,668**	**2,323,106**
Other reserves	22,878,096	-	22,878,096	6,275,830	-	6,275,830
Deferred Grants reserves	3,673,383	(3,673,383)	-	1,007,668	(1,007,668)	-
Total Reserves	**26,551,479**	**(3,673,383)**	**22,878,096**	**7,283,498**	**(1,007,668)**	**6,275,830**

31 December 2021	As previously reported	Adjustment	As Restated	Supplementary Information As previously reported	Adjustment	As Restated
	Ushs '000'	Ushs '000'	Ushs '000'	USD	USD	USD
Total assets	**20,539,886**	**-**	**20,539,886**	**5,795,188**	**-**	**5,795,188**
Deferred Grants liability	-	2,114,210	2,114,210	-	596,510	596,510
Other liabilities	5,595,622	-	5,595,622	1,578,766	-	1,578,766
Total Liabilities	**5,595,622**	**2,114,210**	**7,709,832**	**1,578,766**	**596,510**	**2,175,276**
Other reserves	12,830,054	-	12,830,054	3,619,912	-	3,619,912
Deferred Grants reserve	2,114,210	(2,114,210)	-	596,510	(596,510)	-
Total Reserves	**14,944,264**	**(2,114,210)**	**12,830,054**	**4,216,422**	**(596,510)**	**3,619,912**

ii) Cashflow from the Operating Expenses

31 December 2020	As previously reported	Adjustment	As Restated	Supplementary Information As previously reported	Adjustment	As Restated
	Ushs '000'	Ushs '000'	Ushs '000'	USD	USD	USD
Deferred Grants	-	(14,611,791)	(14,611,791)	-	(4,008,249)	(4,008,249)
Others	4,348,758	-	4,348,758	1,187,397		1,187,397
Net cash used in Operating Activities	**4,348,758**	**(14,611,791)**	**(10,263,033)**	**1,187,397**	**(4,008,249)**	**(2,820,852)**
Net Cash used in Investing activities	**(422,327)**	**-**	**(422,327)**	**(115,851)**	**-**	**(115,851)**
Increase/(Decrease) in Grants received in advance	(14,611,791)	14,611,791	-	(4,008,249)	4,008,249	-
Others	(253,760)	-	(253,760)	(68,153)	-	(68,153)
Net cash used in Financing Activities	**(14,865,551)**	**14,611,791**	**(253,760)**	**(4,076,402)**	**4,008,249**	**(68,153)**
Others	(10,939,120)	-	(10,939,120)	(2,945,555)	-	(2,945,555)
Cash and cash equivalents at the beginning of the year	**37,301,280**	**-**	**37,301,280**	**10,177,119**	**-**	**10,177,119**
Cash and cash equivalents at the end of the year	**26,362,160**	**-**	**26,362,160**	**7,231,564**	**-**	**7,231,564**

31 December 2021	As previously reported	Adjustment	As Restated	Supplementary Information As previously reported	Adjustment	As Restated
	Ushs '000'	Ushs '000'	Ushs '000'	USD	USD	USD
Deferred Grants	-	(1,559,173)	(1,559,173)	-	(439,910)	(439,910)
Others	(8,698,725)	-	(8,698,725)	(2,426,386)		(2,426,386)
Net cash used in Operating Activities	**(8,698,725)**	**(1,559,173)**	**(10,257,898)**	**(2,426,386)**	**(439,910)**	**(2,866,296)**
Net Cash used in Investing activities	**(339,101)**	**-**	**(339,101)**	**(95,675)**	**-**	**(95,675)**
Increase/(Decrease) in Grants received in advance	(1,559,173)	1,559,173	-	(439,910)	439,910	-
Others	(185,320)	-	(185,320)	(51,734)	-	(51,734)
Net cash used in Financing Activities	**(1,744,493)**	**1,559,173**	**(185,320)**	**(491,644)**	**439,910**	**(51,734)**
Others	(10,782,319)	-	(10,782,319)	(2,835,819)	-	(2,835,819)
Cash and cash equivalents at the beginning of the year	**26,362,160**	**-**	**26,362,160**	**10,177,119**	**-**	**10,177,119**
Cash and cash equivalents at the end of the year	**15,579,841**	**-**	**15,579,841**	**7,341,300**	**-**	**7,341,300**

30. CONTINGENT LIABILITIES

There are no known contingent liabilities as at 31 December 2022.

31. ULTIMATE CONTROLLING PARTY

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

32. 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	Operations
Health-revolving fund	This has three projects which include: primary health care, tuberculosis project and a revolving fund project. The first 2 projects ended but the revolving fund project is still active. The revolving fund project is self-sustaining i.e., Funds from the project are used to purchase health products for sale by the community health promoters (CHPs), who make refunds with a small margin after selling the health products.
Vision spring	This project aims to increase access to presbyopia screening and affordable glasses for low-income earners in Uganda.
Sanitation for health	This project aims to introduce a series of contemporary and integrated water, sanitation and hygiene intervention at community and household level.
Living goods	This is a health project that focuses on mainly children and mothers. Focuses mainly on maternal health and treatment of common diseases like malaria, diarrhoea, and pneumonia.
Scholarship	These are projects offering education by giving scholarships for secondary school education to bright students from poor families.
TVET	Technical Vocational and Education Training (TVET) support for 20% of the scholars and strengthen career education support services to the Scholars. Increase the transition into further education or employment to at least 95% from current 77%.
ADP	These projects focus on the empowerment and livelihood of adolescents. The focus is girls between the ages 11-21; giving them life skills and building their capacity. The funding is from Uganda National Roads Authority, Enable and World bank.
OAK Foundation	This is an empowerment and livelihood of adolescent's project through formation of clubs.
Women Win	This is an empowerment and livelihood of adolescent's project through sports.
Training	This is the training arm of BRAC Uganda Limited; where staff are trained in different aspects like BRAC values, leadership skills. The running projects pay a minimal sum for the staff to be trained and to help in sustainability.
Research	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	This is an education project (Early Child Development) targeting children between the ages of 3 and 5 years.
Emergency Preparedness and response	This is a project focusing on emergency rescue. It focuses on areas where there is disaster, natural calamities and refugee camps.
EELAY-NORAD	This project provides education and livelihood opportunities to out of school adolescent girls in Uganda. In addition, it also provides early learning opportunities for children aged 3 – 6 years in primary schools in Uganda.
YCHPs	This is a health project that focuses on mainly family planning.
Ultra-poor graduation program	This project targets the very poor in the community; especially the youths and women, by providing them with start-up capital, animal assets and offering them training.
ELA Plus	This is an "ELA Plus" project which targets the adolescent girls, giving them life skills and apprentice.

BRAC UGANDA LIMITED
PROJECT REPORTING UNAUDITED

Projects	Operations
Adolescent health promoter	This project focuses on reducing fertility rates, teenage pregnancy and the risk of maternal mobility, increase in use of contraceptives and income generation activities for girls.
ELA After School	The Empowerment and Livelihoods for Adolescents in Schools ELAS model was developed specifically for schools in Uganda. It was tested in 2021 in Mityana and Mubende districts and is now being expanded to additional schools and districts.
SDF-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.
Uganda Nation Roads Authority (UNRA)	BRAC was providing services for managing social risks associated with GBV and VAC and labour influx along Kyenjojo to Kabwoya road (100.4km)
ELMA	This is an education project (early child development) targeting children between the ages of 5 to 8 years children.
Yidan Prize	This is an education project (Early Child Development) targeting children between the ages of 3 to 6 years both in central uganda and refugee setting.
UNCDF Project	This project is focusing on digitizing community health systems through equipping four hundred village health teams in four districts with Mhealth technology capacity to carry out their day-to-day duties and also providing financial inclusion services to promote self-reliance and its running for three years
Uganda Health System Strengthening Activity (Palladium)	This project is being implemented in a consortium where BRAC is represented and the major focus is to enhance the community health systems in Uganda through supporting already existing structures and also building the capacity of health workers. Focus is also put to ensure functionality of the community health workers' registry in more than 60% of the districts in Uganda. It is running for a period of five years.
Tuberculosis Wave-7 project	This project is focused on increasing tuberculosis case detection and referral for treatment at health facilities in refugee hosting communities in four west-nile districts running from a period of 1 year March 2020 to March 2021.
Master Card COVID-19 (CRRP)	This project is focusing on COVID-19 recovery and resilience for both staff and beneficiaries of BRAC Uganda Limited programs through providing psychosocial support training, risk communication, and providing PPEs, as well as handing washing and IEC materials to communities, schools as well as District Health Offices. It is running for 8 months starting August 2020 until April 2021.
LEGO Covid	This project is ongoing till December 2022.
Finance for refugee	The project established 200 ELA space for over 3 years in the District of Kiryandongo and Arua Madi Okollo. Train and link 250 savings groups to the BRAC Bank; Train and set up 125 IGA Groups. The Project is targeting 4,500 women and adolescent girls in the refugee settlement. refugee village savings groups, bank opening and linkages to the BRAC Bank. The project will provide income generating activities to the VSAL groups.
GIF	The project was launched in January 2021 and is an 18-month project. It is targeting 6,000 community health workers (village health teams and community health promoters) in the 72 districts where BRAC Health is operating and 2 million beneficiaries to be reached through Integrated Voice Response Technology (IVR). The purpose of the project is to ensure continuity of community-based care during and after the COVID-19 global pandemic, contribute to prevention of COVID-19 by supporting CHWs to deliver COVID-19 related interventions alongside essential health care services and strengthening health systems through the use of technology.
iCoHs	The project was launched in January 2021 and is an 18-month project and is running under the living goods consortium which is composed of living goods as the lead partner

Projects	Operations
	and BRAC, Medic and DataKind. It is implemented in Lamwo and Ntungamo district reaching a total of 500 VHTs. The project is contributing to strengthening community health systems service delivery through the digitization of the VHTs and contributing to iCoHs objective 3 which focuses on the use of digital health technologies to sustainably address bottlenecks in service delivery of integrated services at community level including visualisation and use of community level data.
SPACE	Support counselling, case management, referrals, court procedures, court monitoring, bail procedures, plea bargaining, basic legal principles and terminologies, codes of conduct, respect for diversity, gender equality, safe spaces, social enterprise, entrepreneurship, transformational leadership and life skills, conflict triggers and reporting; plus coaching, attachment, exchange visits and peer-to-peer reflection.
ADA-UNDP	The ADA-UNDP project is implemented by BRAC Uganda Limited in five districts of Kaliro, Namutumba, Budaka, Butaleja and Kibuku. The project focuses on the kyoga water management zone in general, particularly the mpologoma catchment area. The project activities have been developed to respond to specific climate-related impacts and vulnerabilities of the mpologoma catchment as outlined in the mpologoma catchment management plan which include sustainable land management practices and reforestation; support climate resilient agricultural practices; and alternative livelihoods for communities living in these areas to reduce the pressures on the wetlands. In this context, this project will further restore wetlands and their eco-system services, based on wise-use principles and guidelines as outlined by the Ramsar convention on wetland and the Uganda catchment management planning guidelines.
YBI&EFP(Y4b)	The project will contribute to the UNDP strategic objectives which among others specifically seek to (i) To support youth and enterprises to pilot innovative ideas (solutions, technologies, business models), or new ways and markets of delivering products and services with a commercial aspect;(ii) To enable enterprises to transform successful innovative pilots into viable and sustainable commercial businesses through business mentorship and follow up; (iii) To stimulate faster recovery of SMEs from the impacts of COVID-19 by providing business recovery grants and enable them build sustainable enterprises that are resilient to similar disruption; and To establish a functional ecosystem platform and to connect young entrepreneurs to government, development partners, financial institutions and private sector actors and to catalyse business innovation. The project aims to support 7,500 youth directly in the next one year and over 50,000 youth over the next five years.
Accelerating Impact for Young Women in Africa (AIM)	The program will combine BRAC's approach of social empowerment and economic empowerment to provide targeted support to AGYW 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 to 14, the program's objective will be to keep 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 to 17, 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 35, the objective will be to get them on sustainable livelihood pathways through intensive livelihood and skills training along with life skills training, along with asset and input support where needed.
Early childhood and graduation programing in refugee settlement in Uganda (HILTON)	Early childhood and graduation programing in refugee settlement in Uganda. This project targets the very poor in the Community; especially the youths and women, by providing them with start-up capital and animal assets, and offering them training.

Statement of Comprehensive Income for the year ended 31 December 2022 (Amount in Uganda Shillings)

	ADP	Health - Revolving fund	Vision Spring	USAID Sanitation	Living Goods	UNCDF	GIF	ICOHs	TVET	Scholarship	Mastercard Covid
	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)
Income											
Grant Income	170,104	-	1,366,431	351,383	6,788,605	346,777	344,113	774,094	1,141,834	284,362	432,827
Other Income	191,198	55,202	155,575	-	16,641	-	-	2,722	303	553	31,189
Foreign exchange gains/ (losses)	282,761	-	-	-	-	-	-	-	-	-	-
Total Income	**644,063**	**55,202**	**1,522,006**	**351,383**	**6,805,246**	**346,777**	**344,113**	**776,816**	**1,142,137**	**284,915**	**464,016**
Expenses											
Manpower and compensation	(458,596)	(190,000)	(620,583)	(181,362)	(1,998,099)	(165,698)	(165,474)	(63,593)	(200,690)	(882)	-
Travelling and transportation	(231,279)	(208,424)	(496,768)	(67,840)	(1,155,599)	(49,441)	(1,105)	(105,801)	(62,024)	(7,113)	(23,481)
Training, workshops and seminars	(7,579)	-	(8,051)	-	(783,895)	-	-	-	(1,700)	-	-
Occupancy expenses	(15,733)	-	(772)	(13,300)	(187,810)	-	-	-	(16,362)	(1,857)	-
Printing and office stationery	18,545	(190)	(2,797)	(325)	(28,643)	(48)	-	-	(3,834)	-	(135)
Program supplies	(208,512)	(20,172)	(54,693)	(34,395)	(1,707,276)	(69,650)	(77,147)	(517,865)	(90,395)	(10,209)	(144,150)
Audit and other professional Fees	(136,510)	-	-	-	(59,402)	-	(76,680)	-	(43,973)	(231,946)	(37,000)
Other operating expenses	(528,286)	(84,774)	(58,546)	(35,766)	(551,417)	(38,295)	(21,349)	(36,193)	(721,215)	(6,329)	(228,061)
HO logistic expenses	744,335	-	(124,221)	(16,649)	(194,169)	(22,619)	-	(50,642)	-	-	-
Depreciation	(344,624)	(10,232)	-	(1,746)	(122,295)	(1,026)	(2,358)	-	(1,641)	(26,026)	-
Total expenses	**(1,168,239)**	**(513,792)**	**(1,366,431)**	**(351,383)**	**(6,788,605)**	**(346,777)**	**(344,113)**	**(774,094)**	**(1,141,834)**	**(284,362)**	**(432,827)**
Surplus/ reserve	**(524,176)**	**(458,590)**	**155,575**	**-**	**16,641**	**-**	**-**	**2,722**	**303**	**553**	**31,189**
Total comprehensive income	**(524,176)**	**(458,590)**	**155,575**	**-**	**16,641**	**-**	**-**	**2,722**	**303**	**553**	**31,189**

BRAC UGANDA LIMITED

PROJECT REPORTING (UNAUDITED) - CONTINUED

Statement of Comprehensive Income for the year ended 31 December 2022 (Amount in Uganda Shillings)

	Women Win	Training	Research	EELAY-NORAD	ELAMA	YADAN PRIZE	Play lab	UNRA	Ela After School	UPG	ELA Plus
	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)
Income											
Grant Income	507,205	-	7,220,342	664,634	693,177	712,682	87,957	550,446	841,774	2,466,355	2,811,288
Other Income	-	99,963	195,873	-	-	-	-	2,820	-	-	3,013
Foreign exchange gains/ (losses)	-	-	-	-	-	(31,519)	-	-	-	-	-
Total Income	**507,205**	**99,963**	**7,416,215**	**664,634**	**693,177**	**681,163**	**87,957**	**553,266**	**841,774**	**2,466,355**	**2,814,301**
Expenses											
Manpower and compensation	(160,174)	(53,616)	(1,011,508)	(228,493)	(107,706)	(247,460)	-	(149,262)	(284,319)	(486,849)	(511,048)
Travelling and transportation	(94,318)	(2,745)	(215,151)	(107,350)	(142,677)	(114,152)	(373)	(53,223)	(76,189)	(389,690)	(1,787)
Training, workshops and seminars	(143)	-	(2,601,000)	(1,146)	(4,379)	-	-	-	(97)	(1,002,147)	(1,084,581)
Occupancy expenses	(1,248)	-	(57,640)	(1,264)	(950)	(2,044)	-	-	(3,172)	(37,773)	(32,787)
Printing and office stationery	(4,594)	-	(25,159)	(3,628)	(14,805)	(14,184)	(5,332)	(2,135)	(1,213)	-	(2,903)
Program supplies	(172,843)	(65,048)	(2,285,442)	(435,410)	(322,126)	(251,032)	(81,305)	(247,862)	(364,727)	(387,119)	(823,795)
Audit and other professional Fees	-	-	(33,812)	(76,282)	-	(31,537)	-	(55,285)	(1,978)	(4,624)	(51,435)
Other operating expenses	(27,684)	(6,331)	(681,704)	191,550	(35,888)	(49,030)	(947)	(12,915)	(108,168)	(108,854)	(47,199)
HO logistic expenses	(46,100)	-	(479,377)	-	(62,853)	-	-	-	-	-	(218,421)
Depreciation	(101)	(2,576)	(74,543)	(2,611)	(1,793)	(3,243)	-	(29,764)	(1,911)	(49,299)	(37,332)
Total expenses	**(507,205)**	**(130,316)**	**(7,465,336)**	**(664,634)**	**(693,177)**	**(712,682)**	**(87,957)**	**(550,446)**	**(841,774)**	**(2,466,355)**	**(2,811,288)**
Surplus/ reserve	**-**	**(30,353)**	**(49,121)**	**-**	**-**	**(31,519)**	**-**	**2,820**	**-**	**-**	**3,013**
Total comprehensive income	**-**	**(30,353)**	**(49,121)**	**-**	**-**	**(31,519)**	**-**	**2,820**	**-**	**-**	**3,013**

BRAC UGANDA LIMITED
PROJECT REPORTING (UNAUDITED) - CONTINUED

Statement of Comprehensive Income for the year ended 31 December 2022 (Amount in Uganda Shillings)

	Lego Covid Ushs (000)	HILTON-ECGP Ushs (000)	AIM Ushs (000)	EPP Ushs (000)	FFR Ushs (000)	ILO Ushs (000)	SPACE Ushs (000)	Ebola Response Ushs (000)	ADA-UNDP Ushs (000)	YBI &EFP(Y4B) Ushs (000)	TOTAL Ushs (000)
Income											
Grant Income	1,243,491	1,447,052	6,677,787	17,156	523,395	250,057	999,153	65,252	25,451	163,342	**39,968,526**
Other Income	-	-	-	-	-	-	-	-	-	-	**755,052**
Foreign exchange gains/ (losses)	-	-	-	-	-	-	-	-	-	-	**251,242**
Total Income	**1,243,491**	**1,447,052**	**6,677,787**	**17,156**	**523,395**	**250,057**	**999,153**	**65,252**	**25,451**	**163,342**	**40,974,820**
Expenses											
Manpower and compensation	(467,651)	(529,663)	(3,882,094)	(4,471)	(115,640)	(116,110)	(229,006)	-	-	(77,976)	**(12,708,023)**
Travelling and transportation	(87,579)	(391,003)	(832,589)	(5,091)	(48,518)	(51,661)	(235,354)	(4,299)	(1,036)	(17,595)	**(5,281,255)**
Training, workshops and seminars	-	(105,149)	(950,101)	-	(170)	-	(280)	-	-	-	**(6,550,418)**
Occupancy expenses	(7,988)	(3,046)	(370,811)	-	-	(8,909)	(115)	-	-	(230)	**(763,811)**
Printing and office stationery	(28,558)	(31,717)	(225,572)	-	(800)	(300)	(125,883)	-	-	(737)	**(504,947)**
Program supplies	(458,293)	(108,345)	(161,824)	(2,509)	(340,653)	(23,442)	(130,659)	(60,953)	-	-	**(9,657,851)**
Audit and other professional Fees	(28,082)	(20,909)	-	-	(8,753)	(5,708)	(1,000)	-	-	-	**(904,916)**
Other operating expenses	(165,194)	(253,606)	(234,835)	(5,085)	(8,861)	(15,467)	(206,899)	-	(24,223)	(38,329)	**(4,149,900)**
HO logistic expenses	-	-	-	-	-	(26,592)	(65,044)	-	-	(9,441)	**(571,793)**
Depreciation	(146)	(3,614)	(17,527)	-	-	(1,868)	(4,913)	-	(194)	(19,033)	**(760,416)**
Total expenses	**(1,243,491)**	**(1,447,052)**	**(6,675,353)**	**(17,156)**	**(523,395)**	**(250,057)**	**(999,153)**	**(65,252)**	**(25,453)**	**(163,341)**	**(41,853,330)**
Surplus/ reserve	-	-	**2,434**	-	-	-	-	-	-2	1	**(878,510)**
Total comprehensive income	-	-	**2,434**	-	-	-	-	-	-2	1	**(878,510)**

Statement of Comprehensive Income for the year ended 31 December 2022 (Amount in United States Dollars)

	ADP	Health - Revolving fund	Vision Spring	USAID Sanitation	Living Goods	UNCDF	GIF	ICOHs	TVET	Scholarship	Mastercard Covid
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Income											
Grant Income	45,839	-	368,203	94,685	1,829,282	93,444	92,726	208,590	307,683	76,625	116,631
Other Income	51,520	14,875	41,922	-	4,484	-	-	734	82	149	8,404
Foreign exchange gains/ (losses)	76,194	-	-	-	-	-	-	-	-	-	-
Total Income	**173,553**	**14,875**	**410,125**	**94,685**	**1,833,766**	**93,444**	**92,726**	**209,324**	**307,765**	**76,774**	**125,035**
Expenses											
Manpower and compensation	(123,574)	(51,198)	(167,224)	(48,870)	(538,415)	(44,650)	(44,589)	(17,136)	(54,079)	(238)	-
Travelling and transportation	(62,321)	(56,163)	(133,861)	(18,280)	(311,392)	(13,322)	(298)	(28,509)	(16,713)	(1,917)	(6,327)
Training, workshops and seminars	(2,041)	-	(2,169)	-	(211,231)	-	-	-	(458)	-	-
Occupancy expenses	(4,239)	-	(208)	(3,584)	(50,608)	-	-	-	(4,409)	(500)	-
Printing and office stationery	4,997	(51)	(754)	(88)	(7,718)	(13)	-	-	(1,033)	-	(36)
Program supplies	(63,556)	(5,436)	(14,738)	(9,268)	(460,049)	(18,768)	(20,788)	(139,546)	(24,358)	(2,751)	(38,843)
Audit and other professional Fees	(37,142)	-	-	-	(16,007)	-	(20,662)	-	(11,849)	(62,143)	(9,970)
Other operating expenses	(133,718)	(22,843)	(15,776)	(9,639)	(148,587)	(10,320)	(5,754)	(9,753)	(194,342)	(2,063)	(61,455)
HO logistic expenses	200,570	-	(33,473)	(4,486)	(52,321)	(6,095)	-	(13,646)	-	-	-
Depreciation	(92,864)	(2,757)	-	(470)	(32,954)	(276)	(635)	-	(442)	(7,013)	-
Total Expenses	**(313,888)**	**(138,448)**	**(368,203)**	**(94,685)**	**(1,829,282)**	**(93,444)**	**(92,726)**	**(208,590)**	**(307,683)**	**(76,625)**	**(116,631)**
Surplus/ reserve	**(140,335)**	**(123,573)**	**41,922**	**-**	**4,484**	**-**	**-**	**734**	**82**	**149**	**8,404**
Total comprehensive income	**(140,335)**	**(123,573)**	**41,922**	**-**	**4,484**	**-**	**-**	**734**	**82**	**149**	**8,404**

Statement of Comprehensive Income for the year ended 31 December 2022 (Amount in United States Dollars continued)

	Women Win	Training	Research	EELAY-NORAD	ELAMA	YADAN PRIZE	Play lab	UNRA	Ela After School	UPG	ELA Plus
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Income											
Grant Income	136,673	-	1,945,619	179,095	186,786	192,042	23,701	148,325	226,827	664,593	757,540
Other Income	-	26,936	52,781	-	-	-	-	760	-	-	812
Foreign exchange gains/ (losses)	-	-	-	-	-	(8,493)	-	-	-	-	-
Total Income	**136,673**	**26,936**	**1,998,400**	**179,095**	**186,786**	**183,549**	**23,701**	**149,085**	**226,827**	**664,593**	**758,352**
Expenses											
Manpower and compensation	(43,161)	(14,448)	(272,565)	(61,570)	(29,023)	(66,681)	-	(40,221)	(76,614)	(131,188)	(137,709)
Travelling and transportation	(25,415)	(740)	(57,975)	(28,927)	(38,446)	(30,760)	(100)	(14,342)	(20,530)	(105,007)	(482)
Training, workshops and seminars	(39)	-	(700,875)	(309)	(1,180)	-	-	-	(26)	(270,042)	(292,255)
Occupancy expenses	(336)	-	(15,532)	(341)	(256)	(551)	-	-	(855)	(10,178)	(8,835)
Printing and office stationery	(1,238)	-	(6,779)	(978)	(3,989)	(3,822)	(1,437)	(575)	(327)	-	(782)
Program supplies	(46,575)	(17,527)	(609,105)	(117,327)	(86,801)	(67,644)	(21,909)	(66,415)	(98,281)	(104,315)	(221,983)
Audit and other professional Fees	-	-	(9,111)	(20,555)	-	(8,498)	-	(14,897)	(533)	(1,246)	(13,860)
Other operating expenses	(7,460)	(1,963)	(190,432)	51,615	(9,671)	(13,212)	(255)	(3,855)	(29,146)	(29,333)	(12,718)
HO logistic expenses	(12,422)	-	(129,175)	-	(16,937)	-	-	-	-	-	(58,856)
Depreciation	(27)	(694)	(20,087)	(703)	(483)	(874)	-	(8,020)	(515)	(13,284)	(10,060)
Total Expenses	**(136,673)**	**(35,372)**	**(2,011,636)**	**(179,095)**	**(186,786)**	**(192,042)**	**(23,701)**	**(148,325)**	**(226,827)**	**(664,593)**	**(757,540)**
Surplus/ reserve	-	**(8,436)**	**(13,236)**	-	-	**(8,493)**	-	**760**	-	-	**812**
Total comprehensive income	-	**(8,436)**	**(13,236)**	-	-	**(8,493)**	-	**760**	-	-	**812**

BRAC UGANDA LIMITED

PROJECT REPORTING (UNAUDITED) - CONTINUED

Statement of Comprehensive Income for the year ended 31 December 2022 (Amount in United States Dollars continued)

	Lego Covid	HILTON-ECGP	AIM	EPP	FFR	ILO	SPACE	Ebola Response	ADA-UNDP	YBI &EFP(Y4B)	TOTAL
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Income											
Grant Income	335,075	389,928	1,799,421	4,623	141,036	67,381	269,235	17,583	6,858	44,017	**10,770,066**
Other Income	-	-	-	-	-	-	-	-	-	-	**203,459**
Foreign exchange gains/ (losses)	-	-	-	-	-	-	-	-	-	-	**67,701**
Total Income	**335,075**	**389,928**	**1,799,421**	**4,623**	**141,036**	**67,381**	**269,235**	**17,583**	**6,858**	**44,017**	**11,041,226**
Expenses											
Manpower and compensation	(126,015)	(142,725)	(1,046,083)	(1,205)	(31,161)	(31,287)	(61,709)	-	-	(21,013)	**(3,424,351)**
Travelling and transportation	(23,600)	(105,361)	(224,352)	(1,372)	(13,074)	(13,923)	(63,419)	(1,158)	(279)	(4,743)	**(1,423,108)**
Training, workshops and seminars	-	(28,334)	(256,018)	-	(46)	-	(77)	-	-	-	**(1,765,100)**
Occupancy expenses	(2,153)	(821)	(99,920)	-	-	(2,401)	(31)	-	-	(61)	**(205,819)**
Printing and office stationery	(7,696)	(8,547)	(60,784)	-	(216)	(81)	(33,921)	-	-	(197)	**(136,065)**
Program supplies	(123,493)	(29,195)	(43,606)	(676)	(91,794)	(6,316)	(35,207)	(16,170)	-	-	**(2,602,440)**
Audit and other professional Fees	(7,567)	(5,637)	-	-	(2,358)	(1,538)	(269)	-	-	-	**(243,842)**
Other operating expenses	(44,511)	(68,337)	(63,935)	(1,370)	(2,387)	(4,423)	(55,752)	-	(6,527)	(10,325)	**(1,118,247)**
HO logistic expenses	-	-	-	-	-	(7,166)	(17,527)	-	-	(2,543)	**(154,077)**
Depreciation	(40)	(974)	(4,723)	-		(503)	(1,324)	-	(52)	(5,130)	**(204,904)**
Total Expenses	**(335,075)**	**(389,931)**	**(1,799,421)**	**(4,623)**	**(141,036)**	**(67,638)**	**(269,236)**	**(17,328)**	**(6,858)**	**(44,012)**	**(11,277,953)**
Surplus/ reserve	-	-	-	-	-	**-257**	**-1**	**255**	-	**5**	**(236,727)**
Total comprehensive income	-	-	-	-	-	-	-	-	-	-	**(236,727)**

Statement of Financial Position for the year ended 31 December 2022 (Amount in Uganda Shillings)

	ADP	Health - Revolving fund	Vision Spring	USAID Sanitation	Living Goods	UNCDF	GIF	ICOHs	TVET	Scholarship	Mastercard Covid
	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)
Assets											
Property and equipment	308,710	(6,504)		10,250	69,857	13,596	14,192	-	18,953	26,456	19,672
Inventory	59	390,936	270,092	(12,536)	(827)	-	-	-	-	-	-
Other receivables	250,880	3,940	(217,497)	(435,080)	365,676	5,218	(4,306)	-	(6,085)	147,629	269,126
Cash and cash equivalents	1,278,129	1,935,937	(57,901)	67,066	3,224,546	(41,534)	224,972	370,654	(87,863)	180,890	(425,173)
Right of use of assets	184,333	-	-	12,264	32,021	-	-	-	4,442	128,463	-
Related Party Receivable	1,162,995	866,395	(692,675)	902,489	(5,689,438)	(6,122)	195,551	(354,520)	(83,901)	118,061	2,090,401
Total assets	**3,185,106**	**3,190,704**	**(697,981)**	**544,453**	**(1,998,165)**	**(28,842)**	**430,409**	**16,134**	**(154,454)**	**601,499**	**1,954,026**
Liabilities and Reserves											
Liabilities											
Other current liabilities	(6,114,613)	858,699	135,768	349,173	(1,489,454)	400,064	468,203	64,942	58,418	1,179,463	1,745,473
Lease Liability ROU	461,175		-	-	-	-	-	-	-	-	-
Related Party Payables	358,517	-	9,561	604	(55,906)	4,678	-	11,973	-	-	-
Deferred Grants	(84,460)		(1,001,13)	148,709	(657,548)	(442,585)	(39,415)	(59,711)	(214,262)	82,822	512,310
Total Liabilities	**(5,379,381)**	**858,699**	**145,329**	**498,486**	**(2,202,908)**	**(37,843)**	**428,788**	**17,204**	**(155,844)**	**1,262,285**	**2,257,783**
Reserves											
Retained Surplus	8,564,487	2,332,005	157,825	45,967	204,743	9,001	1,621	(1,070)	1,390	(660,786)	(303,757)
Total Reserves	**8,564,487**	**2,332,005**	**157,825**	**45,967**	**204,743**	**9,001**	**1,621**	**(1,070)**	**1,390**	**(660,786)**	**(303,757)**
Total liabilities and Reserves	**3,185,106**	**3,190,704**	**(697,981)**	**544,453**	**(1,998,165)**	**(28,842)**	**430,409**	**16,134**	**(154,454)**	**601,499**	**1,954,026**

Statement of Financial Position for the year ended 31 December 2022 (Amount in Uganda Shillings continued)

	Women Win	Training	Research	EELAY-NORAD	ELAMA	YADAN PRIZE	Play lab	UNRA	Ela After School	UPG	ELA Plus
	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)
Assets											
Property and equipment	1,469	6,345	196,225	4,777	4,520	(214)	62,563	(19,304)	6,689	86,774	65,578
Inventory	-	-	-	-	-	-	-	-	-	-	-
Other receivables	8,249	470,909	(379,895)	22,344	13,840	10,033	3,975	10,162	4,961	79,305	(213,870)
Cash and cash equivalents	(103,053)	16,169	1,341,431	19,794	(223,218)	(58,697)	(208,260)	(49,417)	1,301,589	381,839	517,748
Right of use of assets	-	-	-	4,120	2,472	-	2,250	-	-	-	12,360
Related Party Receivable	(127,646)	1,648,511	1,028,717	(90,419)	557,436	148,111	402,986	(1,068,243)	(226,675)	(300,088)	(1,405,217)
Total assets	**(220,981)**	**2,141,934**	**2,186,478**	**(39,384)**	**355,050**	**99,233**	**263,514**	**(1,126,802)**	**1,086,564**	**247,830**	**(1,023,401)**
Liabilities and Reserves											
Liabilities											
Other current liabilities	137,325	61,076	1,784,731	285,687	474,612	259,465	355,728	(830,071)	1,367,796	(227,864)	(716,410)
Lease Liability ROU	-	-	-	-	-	-	-	-	-	-	-
Related Party Payables	4,734	-	(83,941)	-	6,178	-	(564)	-	-	-	21,185
Deferred Grants	28,187		(1,279,627)	(326,489)	(125,850)	(128,924)	(72,359)	(310,204)	610,821	474,470	(83,987)
Total Liabilities	**170,246**	**61,076**	**421,163**	**(40,802)**	**354,940**	**130,541**	**282,805**	**(1,140,275)**	**1,978,617**	**246,606**	**(779,212)**
Reserves											
Retained Surplus	(391,227)	2,080,858	1,765,315	1,418	110	(31,308)	(19,291)	13,473	(892,053)	1,224	(244,189)
Total Reserves	**(391,227)**	**2,080,858**	**1,765,315**	**1,418**	**110**	**(31,308)**	**(19,291)**	**13,473**	**(892,053)**	**1,224**	**(244,189)**
Total liabilities and Reserves	**(220,981)**	**2,141,934**	**2,186,478**	**(39,384)**	**355,050**	**99,233**	**263,514**	**(1,126,802)**	**1,086,564**	**247,830**	**(1,023,401)**

Statement of Financial Position for the year ended 31 December 2022 (Amount in Uganda Shillings continued)

	Lego Covid	HILTON-ECGP	AIM	EPP	FFR	ILO	SPACE	Ebola Response	ADA-UNDP	YBI &EFP(Y4B)	TOTAL
	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)	Ushs (000)
Assets											
Property and equipment	2,512	104,444	632,273	11,810	-	85,039	26,530	-	(193)	48,296	**1,801,315**
Inventory	-	-	-	-	-	-	-	-	-	-	**647,724**
Other receivables	45,587	167,917	359,324	(12,491)	(17,709)	8,201	996	-	5,525	13,642	**980,506**
Cash and cash equivalents	884,487	1,038,634	2,171,476	(46,685)	2,475	1,616	9,608	-	-	21,682	**13,688,941**
Right of use of assets	-	-	-	4,119	-	-	-	-	-	-	**386,844**
Related Party Receivable	1,128,547	5,056,032	(856,547)	176,259	(1,293,282)	(156,657)	(618,504)	(61,208)	209,038	95,430	**2,755,817**
Total assets	**2,061,133**	**6,367,027**	**2,306,526**	**133,012**	**(1,308,516)**	**(61,801)**	**(581,370)**	**(61,208)**	**214,370**	**179,050**	**20,261,147**
Liabilities and Reserves											
Liabilities											
Other current liabilities	1,533,798	195,278	789,180	142,941	(124,682)	65,415	(281,831)	4,044	842,150	53,254	**3,827,758**
Lease Liability ROU	-	-	-	-	-	-	-	-	-	-	**461,175**
Related Party Payables	-	-	-	-	-	7,676	29,140	-	(169)	836	**314,502**
Deferred Grants	526,760	6,171,749	1,523,136	(17,156)	(496,522)	(134,892)	(329,029)	(65,252)	(628,349)	124,960	**4,707,303**
Total Liabilities	**2,060,558**	**6,367,027**	**2,312,316**	**125,785**	**(621,204)**	**(61,801)**	**(581,720)**	**(61,208)**	**213,632**	**179,050**	**9,310,738**
Reserves											
Retained Surplus	575	-	(5,790)	7,227	(687,312)	-	350	-	738	-	**11,951,544**
Total reserves	575		(5,790)	7,227	(687,312)		350		738		**11,951,544**
Total liabilities and reserves	**2,061,133**	**6,367,027**	**2,306,526**	**133,012**	**(1,308,516)**	**(61,801)**	**(581,370)**	**(61,208)**	**214,370**	**179,050**	**20,261,147**

Statement of Financial Position for the year ended 31 December 2022 (Amount in United States Dollars)

	ADP	Health - Revolving fund	Vision Spring	USAID Sanitation	Living Goods	UNCDF	GIF	ICOHs	TVET	Scholarship	Mastercard Covid
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Assets											
Property and equipment	83,130	(1,751)	18,811	-	2,760	3,661	3,821	-	5,104	7,124	5,297
Inventory	16	105,271	(223)	72,730	(3,376)	-	-	-	-	-	-
Other receivables	67,560	1,061	98,468	(58,567)	(117,158)	1,405	(1,160)	-	(1,639)	39,753	72,470
Cash and cash equivalents	344,169	521,306	868,300	(15,591)	18,060	(11,184)	60,580	99,809	(23,660)	48,710	(114,490)
Right of use of assets	49,638	-	8,623	-	3,302	-	-	-	1,196	34,592	-
Related Party Receivable	313,169	233,301	(1,532,042)	(186,522)	243,021	(1,649)	52,658	(95,464)	(22,593)	31,791	562,900
Total assets	**857,682**	**859,188**	**(538,063)**	**(187,950)**	**146,609**	**(7,767)**	**115,899**	**4,345**	**(41,592)**	**161,970**	**526,177**
Liabilities and reserves											
Liabilities											
Other current liabilities	(1,646,534)	231,229	(401,078)	36,559	94,025	107,729	126,077	17,488	15,731	317,604	470,018
Lease Liability ROU	124,184	-	-	-	-	-	-	-	-	-	-
Related Party Payables	96,538	-	(15,054)	2,574	163	1,260	-	3,224	-	-	-
Deferred Grants	(22,743)	-	(177,063)	(269,584)	40,044	(119,178)	(10,614)	(16,079)	(57,696)	22,302	137,954
Total Liabilities	**(1,448,555)**	**231,229**	**(593,195)**	**(230,451)**	**134,232**	**(10,189)**	**115,463**	**4,633**	**(41,965)**	**339,906**	**607,972**
Reserves											
Retained surplus	2,306,237	627,959	55,132	42,501	12,377	2,422	436	(288)	373	(177,936)	(81,795)
Total reserves	**2,306,237**	**627,959**	**55,132**	**42,501**	**12,377**	**2,422**	**436**	**(288)**	**373**	**(177,936)**	**(81,795)**
Total liabilities and reserves	**857,682**	**859,188**	**(538,063)**	**(187,950)**	**146,609**	**(7,767)**	**115,899**	**4,345**	**(41,592)**	**161,970**	**526,177**

Statement of Financial Position for the year ended 31 December 2022 (Amount in United States Dollars)

	Women Win	Training	Research	EELAY-NORAD	ELAMA	YADAN PRIZE	Play lab	UNRA	Ela After School	UPG	ELA Plus
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Assets											
Property and equipment	396	1,709	52,839	1,286	1,217	(58)	16,847	(5,198)	1,801	23,366	17,659
Inventory	-	-	-	-	-	-	-	-	-	-	-
Other receivables	2,221	126,806	(102,297)	6,017	3,727	2,702	1,070	2,736	1,336	21,355	(57,591)
Cash and cash equivalents	(27,750)	4,354	361,218	5,330	(60,108)	(15,806)	(56,080)	(13,306)	350,490	102,822	139,418
Right of use of assets	-	-	-	1,109	666	-	606	-	-	-	3,328
Related Party Receivable	(34,372)	443,908	277,011	(24,348)	150,105	39,883	108,515	(287,655)	(61,039)	(80,807)	(378,394)
Total assets	**(59,505)**	**576,777**	**588,771**	**(10,606)**	**95,607**	**26,721**	**70,958**	**(303,423)**	**292,588**	**66,736**	**(275,580)**
Liabilities and Reserves											
Liabilities											
Other current liabilities	36,979	16,447	480,589	76,929	127,803	69,868	95,790	(223,520)	368,318	(61,359)	(192,914)
Lease Liability ROU	-	-	-	-	-	-	-	-	-	-	-
Related Party Payables	1,275	-	(22,603)	-	1,664	-	(152)	-	-	-	5,705
Deferred Grants	7,590	-	(344,576)	(87,916)	(33,889)	(34,716)	(19,485)	(83,531)	164,481	127,765	(22,616)
Total Liabilities	**45,844**	**16,447**	**113,410**	**(10,987)**	**95,578**	**35,152**	**76,153**	**(307,051)**	**532,799**	**66,406**	**(209,825)**
Reserves											
Retained surplus	(105,349)	560,330	475,361	381	29	(8,431)	(5,195)	3,628	(240,211)	330	(65,755)
Total Reserves	**(105,349)**	**560,330**	**475,361**	**381**	**29**	**(8,431)**	**(5,195)**	**3,628**	**(240,211)**	**330**	**(65,755)**
Total liabilities and Reserves	**(59,505)**	**576,777**	**588,771**	**(10,606)**	**95,607**	**26,721**	**70,958**	**(303,423)**	**292,588**	**66,736**	**(275,580)**

BRAC UGANDA LIMITED

PROJECT REPORTING (UNAUDITED) - CONTINUED

Statement of Financial Position for the year ended 31 December 2022 (Amount in United States Dollars)

	Lego Covid	HILTON-ECGP	AIM	EPP	FFR	ILO	SPACE	Ebola Response	ADA-UNDP	YBI &EFP(Y4B)	TOTAL
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Assets											
Property and equipment	676	28,125	170,257	3,180	-	22,899	7,144	-	(52)	13,005	**485,055**
Inventory	-	-	-	-	-	-	-	-	-	-	**174,418**
Other receivables	12,276	45,215	96,758	(3,364)	(4,769)	2,208	268	-	1,488	3,674	**264,029**
Cash and cash equivalents	238,174	279,682	584,732	(12,571)	667	435	2,587	-	-	5,838	**3,686,135**
Right of use of assets	-	-	-	1,109	-	-	-	-	-	-	**104,169**
Related Party Receivable	303,893	1,361,480	(230,649)	47,463	(348,253)	(42,184)	(166,549)	(16,482)	56,289	25,697	**742,082**
Total assets	**555,019**	**1,714,502**	**621,098**	**35,817**	**(352,355)**	**(16,642)**	**(156,550)**	**(16,482)**	**57,725**	**48,214**	**5,455,888**
Liabilities and reserves											
Liabilities											
Other current liabilities	413,019	52,584	212,509	38,491	(33,574)	17,615	(75,891)	1,089	226,773	14,340	**1,030,733**
Lease Liability ROU	-	-	-	-	-	-	-	-	-	-	**124,184**
Related Party Payables	-	-	-	-	-	2,067	7,847	-	(45)	225	**84,688**
Deferred Grants	141,845	1,661,918	410,148	(4,620)	(133,703)	(36,324)	(88,600)	(17,571)	(169,201)	33,649	**997,991**
Total Liabilities	**554,864**	**1,714,502**	**622,657**	**33,871**	**(167,277)**	**(16,642)**	**(156,644)**	**(16,482)**	**57,527**	**48,214**	**2,237,596**
Reserves											
Retained surplus	155	-	(1,559)	1,946	(185,078)	-	94	-	198	-	**3,218,292**
Total reserves	**155**	**-**	**(1,559)**	**1,946**	**(185,078)**	**-**	**94**	**-**	**198**	**-**	**3,218,292**
Total liabilities and reserves	**555,019**	**1,714,502**	**621,098**	**35,817**	**(352,355)**	**(16,642)**	**(156,550)**	**(16,482)**	**57,725**	**48,214**	**5,455,888**