

**BRAC SOUTH SUDAN
AUDIT REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2022.**

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LIST OF ABBREVIATIONS / ACRONYMS

CAD	: County Agriculture Department
EU	: European Union
EPRRR	: Education for Peace, Recovery, and Resilience Activity
FAO	: Food and Agriculture Organization of the United Nations
FHI	: Family Health International
HHS	: House Holds
IDP	: Internally Displaced People
M & E	: Monitoring and Evaluation
PDM	: Post Distribution Monitoring
PDO	: Project Development Objective
RRC	: Relief and Rehabilitation Commission
SMAF	: State ministry of Agriculture and Forestry
SRP	: Strategic Response Plan
SSP	: South Sudanese Pound
SSSN	: South Sudan Safety Network.
TPM	: Third Party Monitoring
UNOPS	: United Nations Office for Project Services
USAID	: United States Agency for International Development
USD	: United States Dollars

GENERAL INFORMATION

The following directors served in the office during the year:

- | | |
|-------------------------------|--------|
| 1. Mr. Shameran Abed | Chair |
| 2. Mr. Saif Md Imran Siddique | Member |

MANAGEMENT TEAM

- | | | |
|-----------------------------|--------------------------|-------------------------|
| 1. Ms Nansamba Aisha | Interim Country Director | (Appointed July 2022) |
| 2. Mr. Mooya Benard Kachiko | Country Director | (Resigned July 2022) |
| 3. Mr. Mandinde Godfrey S | Head of Finance | (Appointed August 2021) |

STAFF NUMBERS

	2022	2021
Number of staff employed per 31 December 2022	<u>50</u>	<u>51</u>

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

Country Office,
Plot 15, 22nd Street, Block No L-14,
Atlabara, Juba,
South Sudan.

BANKERS

Eco Bank South Sudan Limited,
Koita Complex, Ministries Road,
Juba, South Sudan.

INDEPENDENT AUDITOR

PKF Uganda,
Certified Public Accountants,
Plot 1B Kira Road,
P. O. Box 24544,
Kampala, Uganda.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The South Sudan NGO's Act 2003, requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the organisation as at the end of the financial year and of its financial performance for that year. It also requires the directors to ensure that the organisation keeps proper accounting records that are sufficient to show and explain the transactions of the organisation; that disclose, with reasonable accuracy, the financial position of the organisation and that enable them to prepare financial statements of the organisation that comply with the International Financial Reporting Standards and the requirements of the South (New) Sudan NGO's Act 2003. The directors are also responsible for safeguarding the assets of the organisation and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards and in the manner required by the South (New) Sudan NGO's Act 2003. They also accept responsibility for:

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

The directors are of the opinion that the financial statements give a true and fair view of the financial position of the organisation for the year ended 31 December 2022 and of the organization's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the South (New) Sudan NGO's Act 2003.

In preparing these financial statements the directors have assessed the organization's ability to continue as a going concern as set out in note 3 (a). Nothing has come to the attention of the directors to indicate that the organisation will not remain a going concern for at least the next twelve months from the date of this statement. The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of members on 31st March 2023 signed on its behalf by:



Saif Md Imran Siddique
BOARD MEMBER, FINANCE DIRECTOR
BRAC INTERNATIONAL



Aisha Nansamba
INTERIM COUNTRY DIRECTOR
BRAC SOUTH SUDAN

Godfrey Simbisai Mandinde
HEAD OF FINANCE
BRAC SOUTH SUDAN

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF BRAC SOUTH SUDAN**Opinion**

We have audited the accompanying financial statements of BRAC South Sudan set out on pages 9 to 25 which comprise of the Statement of Financial Position as at 31 December 2022, Statement of Income and Expenditure, Statement of Changes in Accumulated Funds/ reserves and Statement of Cash flows for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion the accompanying financial statements give a true and fair view of the financial position of BRAC South Sudan as at 31 December 2022 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS') and in a manner required by the South Sudan NGO Act 2003 and the local statutory regulations.

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 BRAC South Sudan in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in South Sudan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Directors Report and Directors' Responsibility statement 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.

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T: +256 312 305800, E: pkfkam@ug.pkfea.com, www.pkfea.com

Partners: Charles Oguttu*, Frederick Kibbedi *, Alpesh Vadher**, Piyush Shah**, Gurmit Santokh**, Sumesh D'Cruz**, Ketan Shah***, Shilpa Cheda***
(*Ugandan, ** Kenyan, *** British)

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for 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.

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

The directors are responsible for overseeing the company's financial reporting process

Auditor's Responsibilities for the Audit of the Financial Statements

Those charged with governance are responsible for overseeing BRAC South Sudan's financial reporting process.

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

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of BRAC South Sudan financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the organizational audit. We remain solely responsible for our audit opinion.

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

We also provide the direction with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Charles Oguttu (P0141).

CPA Charles Oguttu (P0141)

**Certified Public Accountants
Kampala.**

Date

31/3/2023

Ref: CO/B078/032/2023.



STATEMENT OF INCOME AND EXPENDITURE

	Notes	2022 USD	2021 USD
Income			
Grant income	4	3,593,947	2,815,250
Other income	4	159,218	2,992
Total Income		3,753,165	2,818,242
Operating Expenditure			
Staff costs and other benefits	5	1,322,928	1,032,285
Other general & administrative expenses	6	2,291,392	1,837,646
Depreciation		65,362	75,769
Total Operating Expenditure		3,679,682	2,945,700
(Deficit) for the year		73,483	(127,458)

The notes on pages 13 to 25 form an integral part of these financial statements.

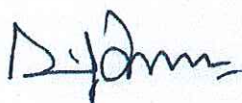
Report of the independent auditor - pages 6 to 8.

BRAC South Sudan
Annual Report and Audited Financial Statements
For the year ended 31 December 2022

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Notes	2022 USD	2021 USD
ASSETS			
Non-current assets			
Property and equipment	7	122,374	179,650
Current assets			
Receivables and Other Current Assets	8	48,146	-
Cash and Cash Equivalents	9	465,342	578,183
		513,488	578,183
TOTAL ASSETS		635,862	757,833
Fund Balances			
BRAC contribution	10	1,124,206	1,124,206
Accumulated Funds		(2,333,345)	(2,407,314)
Total funds		(1,209,139)	(1,283,108)
Current liabilities			
Other current liabilities	11	1,059,369	1,011,442
Borrowings	12	279,000	279,000
Donor grants	13	115,484	555,596
Related party payable	14	391,148	194,903
		1,845,001	2,040,941
Total liabilities		1,845,001	2,040,941
TOTAL FUNDS AND LIABILITIES		635,862	757,833

The notes set out on pages 13-25 form an integral part of these financial statements. The financial statements were approved by the Board of Directors on 31st March 2023 and were signed on its behalf by:



Saif Md Imran Siddique
BOARD MEMBER, FINANCE DIRECTOR
BRAC INTERNATIONAL



Aisha Nansamba
INTERIM COUNTRY DIRECTOR
BRAC SOUTH SUDAN

Godfrey Simbisai Mandinde
HEAD OF FINANCE

STATEMENT OF CHANGES IN ACCUMULATED FUNDS

	Accumulated Funds USD	BRAC Contribution USD	Total Funds USD
At 1 January 2022	(2,407,314)	1,124,206	(1,283,108)
Surplus for the year	73,483	-	73,483
Adjustment on prior year reserves	485	-	485
As at 31 December 2022	(2,333,345)	1,124,206	(1,209,139)
At 1 January 2021	(2,279,856)	1,124,206	(1,155,650)
(Deficit) for the year	(127,458)	-	(127,458)
As at 31 December 2021	(2,407,314)	1,124,206	(1,283,108)

STATEMENT OF CASHFLOWS

	Notes	2022 USD	2021 USD
Cash flows from operating activities			
(Deficit) for the year		73,483	(127,458)
Adjustments for:			
Depreciation		65,362	75,769
		<u>138,845</u>	<u>(51,689)</u>
Changes in working capital			
Decrease/(increase) receivables and other current assets		(48,146)	-
Adjustment on prior year reserves		485	-
Increase in donor grants		(440,112)	432,722
Increase in other liabilities		47,927	10,137
Increase in related party payable		196,245	178,472
Cash flow from operating activities	8	<u>(243,601)</u>	<u>621,331</u>
Cash flow from investing activities			
Acquisition of fixed assets	7	<u>(8,085)</u>	<u>(149,900)</u>
Net cash flow from investing activities		<u>(8,085)</u>	<u>(149,900)</u>
Cash flow from financing activities			
Loans received during the year		-	59,000
Net cash flow from financing activities		<u>-</u>	<u>59,000</u>
Net decrease in cash and cash equivalents		(112,841)	478,742
Cash and cash equivalents at beginning of the year		578,182	99,440
Cash and cash equivalents at end of the year	9	<u><u>465,342</u></u>	<u><u>578,182</u></u>

3. NOTES TO THE FINANCIAL STATEMENT

REPORTING ENTITY

BRAC South Sudan, an international private development organization was incorporated on 8th November 2006 under the Non-Governmental Organizations Act, 2003 and registered under the Ministry of Internal Affairs, of the Republic of South Sudan with a view to participating in the development activities by adapting an environmental friendly sustainable development approach through high-impact education, health, agriculture and employment and income generation activities for the poor especially for the women and children. It's the South Sudan Operation of the International NGO BRAC.

BRAC is the largest non-governmental development organisation in the world, measured by the number of employees and number of people it has helped. BRAC was ranked the number one NGO in the world for the three-consecutive years in 2018 by the Geneva based NGO Advisor, an independent organisation committed to highlighting innovation, impact and governance in the non-profit sector. BRAC retained the top spot as part of the 2018 top 500 NGOs World rankings.

SIGNIFICANT ACCOUNTING POLICIES

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

Presentation of Financial Statements

The financial statements have been prepared in accordance with International Financial Reporting Standards, (IFRS) and the requirements of the NGO Act, 2003 of South Sudan and local statutory regulations. The financial statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments at fair value. They are presented in United State Dollars (USD)

a) Going Concern

The financial performance of the organization is set out in the Statement of Income and Expenditure. The financial position of the organization is set out in the Statement of Financial Position. Based on the financial performance and position of the organization and its risk management policies, the Directors are of the opinion that the organization is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

b) Income recognition

Income is measured at the fair value of the consideration received or receivables.

The organization recognizes income when the amount of income can be reliably measured, it is probable that future economic benefits will flow to the organization and when specific criteria have been met for each of the organization's activities as described below. The organization bases its estimates on historical results, taking into consideration the type of donor, the type of translation and specifics of each arrangement.

Income is recognized as follows:

All donor grants received are initially recognized as deferred income at fair value and recorded as liabilities.

Donor grants are recognized if there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. When the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Other income

Other income comprises gains less losses related to trading assets and liabilities, and includes gains from disposal of BRAC assets and all realized foreign exchange differences and grant income.

Deferred income

Grant income is deferred where it has been received to fund specific future expenditure.

c) Property, plant and equipment

All property and equipment are initially recorded at cost and therefore stated at historical cost less depreciation. Historical cost comprises expenditure initially incurred to bring the asset to its location and

condition ready for its intended use. All property and equipment that relate to projects are written off as project expenditure on acquisition.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the organization and the cost can be reliably measured. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the Statement of Income and Expenditure during the financial period in which they are incurred.

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

Asset Type	Rate
Motor vehicles	20.0%
Furniture and fittings	10.0%
Equipment and Machinery	20.0%
Computer and Peripherals	33.3%

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

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Gains and losses on disposal of property and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating surplus/(deficit)

Useful lives and residual values of property and Equipment, intangible assets and right of use of assets

Management reviews the useful lives of the items of property and equipment, intangible assets and right of use of assets on a regular basis. During the financial year, the directors determined no significant changes in the useful lives and residual values.

d) Intangible assets

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives of five years.

e) Translation of foreign currencies

Transactions in foreign currencies during the year are converted into (Country) (functional currency) at rates ruling at the transaction dates.

Assets and liabilities at the statement of financial position date which are expressed in foreign currencies are translated into (Country) (functional currency) at rates ruling at that date. The resulting differences from conversion and translation are dealt with in profit or loss in the year in which they arise.

f) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks, and the financial statements with maturities of less than 91 days, net bank overdrafts, money market lines and restricted cash balances.

Restricted cash balances are those balances that the organization cannot use for working capital purposes as they have been as a lien to secure borrowings.

In the statement of financial position, bank overdrafts are included within borrowings under current liabilities.

g) Grants receivables

Grants receivable comprises refundable expenditure on programs approved by donors.

h) Payables

Accruals and other payables are obligations on the basis of normal credit terms and do not bear interest. Payables denominated in a foreign currency are translated into the functional currency using the exchange rate at the reporting date. The resulting difference from conversion and translations are dealt with in profit or loss in the year in which they arise.

i) Current tax

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

Employee benefit obligations

j) Pension obligations

The organization and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act.

The Organization's contributions to the defined contribution scheme are charged to statement of income and expenditure in the year which they relate.

k) Gratuity Pay

The gratuity pay is mandated by law in South Sudan for all employers. Sec 81 of the Labour Act 2017 (Annex 1) states that "an employee who completes a period of not less than one year of continuous service shall be entitled to gratuity pay".

l) Accrued leave

The estimated monetary liability for employee's accrued annual entitlement at the reporting date is recognized as an expense accrual.

m) Impairment of assets

At each reporting date, property and equipment and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected assets (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in statement of income and expenditure.

Similarly, at each reporting date, assets are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognized immediately in statement of income and expenditure.

n) Financial Instruments

Classification

The organization classifies financial assets and financial liabilities into the following categories:
Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through profit or loss, which shall not be classified out of the fair value through profit or loss category.

Financial Instruments

Initial recognition and measurement

Financial instruments are recognized initially when the organization becomes a party to the contractual provisions of the instruments.

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Disclosure of New Standards adopted by BRAC South Sudan & BRAC International

At the date of approval of these financial statements, certain new accounting standards, amendments and interpretations to existing standards have been published and have been adopted by organization and at group level.

Information on new standards, amendments and interpretations that are expected to be relevant to the organization's financial statements is provided below.

o) Amendments to IFRS 16 Covid-19 related rent concessions

The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from Covid-19 related concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment applies to annual reporting periods on or after 1 June 2020. Earlier application is permitted. This amendment had no impact on the financial statements of BRAC South Sudan.

Financial Risk management

The organization has exposure to the following risk from its use of financial instruments:

- Liquidity risk
- Market risk

Risk management framework

The board of directors has overall responsibility for the establishment and oversight of the organization's risk management framework. The organization's management are responsible for developing and monitoring the organization's risk management policies. Management reports regularly to the board of directors on its activities.

The organization's risk management policies are established to identify and analyze the risks faced by the organization, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the organization's activities. The organization, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Liquidity risk

Liquidity risk is the risk that the organization will not be able to meet its financial obligations as and when they fall due. BRAC South Sudan had 3 projects under implementation in 2022, wherein USD 3,753,165 was received during the year.

Management of liquidity risk

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

Exposure to liquidity risk

The organization uses cash flow forecast, which assists it in monitoring cash flow requirements and optimising its cash return on its operations. Typically, the organization ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the organization's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. To manage and control market risks the company's transactions are carried out as indicated below;

p) Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2022 USD	2021 USD
4 INCOME		
Grant incomes from donors	3,593,947	2,815,250
	3,593,947	2,815,250
OTHER INCOME		
Net Foreign Exchange Gain	(6,196)	(2,426)
Other Income	414	5,418
Contribution from BRAC	165,000	-
	159,218	2,992
TOTAL INCOME	3,753,165	2,818,242
5 STAFF COST AND OTHER BENEFITS		
Salary & Benefits	1,103,708	981,367
Bonus	75,028	
Social Insurance Provision	141,248	51,484
Self-Insurance Provision	2,944	(566)
	1,322,928	1,032,285
6 OTHER GENERAL & ADMINISTRATIVE EXPENSES		
Training, workshops and seminars	494,462	77,363
Occupancy expenses	180,960	195,588
Travel and transportation	581,177	599,901
Maintenance and general expenses	228,055	434,939
Printing and office stationery	61,006	42,422
Generator fuel & Maintenance	26,978	44,425
Audit Fees	10,960	13,849
Program supplies	418,657	213,671
HO logistics and management expenses	225,208	166,347
Internet	56,403	37,751
Telephone and Fax	7,526	11,390
	2,291,392	1,837,646

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2022 USD	2021 USD
Depreciation	65,362	75,769
	65,362	75,769

BRAC South Sudan
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For the year ended 31 December 2022

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. PROPERTY AND EQUIPMENT

	Furniture USD	Equipment USD	Computers USD	M/Vehicle USD	Motorcycle USD	Total USD
Cost						
At 1 January 2022	49,536	115,243	81,093	148,062	73,427	467,361
Additions	2,090	3,890	2,105	-	-	8,085
At 31 December 2022	51,626	119,133	83,198	148,062	73,427	475,446
Depreciation						
At 1 January 2022	36,920	89,540	40,833	100,332	20,084	287,710
Charge for the year	5,114	3,738	27,212	22,385	6,914	65,362
As at 31 December 2022	42,034	93,278	68,045	122,717	26,998	353,072
Net book value:						
As at 31 December 2022	9,592	25,855	15,153	25,345	46,429	122,374
At 31 December 2021	12,615	25,703	40,260	47,730	53,342	179,650

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2022 USD	2021 USD
8 Receivables and Other Current Assets		
Receivables	48,146	-
	<u>48,146</u>	<u>-</u>
9 Cash & Cash Equivalents		
Cash	2,225	19,757
Cash at Bank (Operating)	582	13,811
Cash at Bank (USD)	2,480,697	2,562,777
Provision for Impairment Loss	(2,018,162)	(2,018,162)
	<u>465,342</u>	<u>578,183</u>
Bank Balance details		
BRAC SSD - GAC USD	150,782	347,617
BRAC SSD - GAC SSP	385	13,339
Eco Bank Ltd - SSP A/c	197	472
Eco Bank Ltd - NSSF A/c	128,281	30,868
Ecobank CORISE - USD	88,076	-
Ecobank TPM USD/SSP	25,293	-
Eco Bank Ltd - USD A/c	70,118	166,130
	<u>463,132</u>	<u>558,426</u>
<p>The amounts reflected as cash consists of all the cash held at hand and in the bank (operating) and includes all the cash denominated in the South Sudan currency. The amounts reflected as as Cash at Bank USD and the impaired loss is cash held on the USD bank account including including the impaired amounts of USD 2,018,162 that were held back by Nile Commercial Bank Ltd.</p>		
10 BRAC CONTRIBUTION		
<p>This fund relates to the initial contribution towards the establishment of BRAC South Sudan and was used for starting up the microfinance programme.</p>		
BRAC Contribution	<u>1,124,206</u>	<u>1,124,206</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2022 USD	2021 USD
11 OTHER CURRENT LIABILITIES		
(A) Outstanding Liabilities		
Balance as at 01 January 2022	304,731	271,601
Net Movements for the year	(239,135)	33,130
Balance as at 31 December 2022	65,596	304,731
(B) Payable to Bangladesh		
Balance as at 01 January 2022	544,823	544,823
Net Movements for the year	448	-
Balance as at 31 December 2022	545,271	544,823
(C) Social Insurance Provision		
Balance as at 01 January 2022	47,727	99,211
Net Movements for the year	148,488	(51,484)
Balance as at 31 December 2022	196,215	47,727
(D) Gratuity Payable		
Balance as at 01 January 2022	-	-
Net Movements for the year	149,915	-
Balance as at 31 December 2022	149,915	-
(E) Other Liabilities		
Provision for Medical Benefit	35,710	35,965
Self-Insurance Provision	17,274	14,330
Withholding Tax Payable	8,843	2,138
Bonus Provision	35,593	17,494
Tax Payable (Employer)	(17,540)	(5,283)
Accrued Salary	-	2,897
Revolving Fund	10,389	3,846
Audit Fees Payable	6,570	6,615
Payable to Bits	5,533	-
Balance as at 31 December 2022	102,372	114,161
	<u>1,059,369</u>	<u>1,011,442</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2022 USD	2021 USD
12 BORROWINGS		
Loan from Stitching BRAC International		
At 1 January 2022	279,000	220,000
Loan acquired	-	59,000
Balance as at 31 December 2022	<u>279,000</u>	<u>279,000</u>
The amounts borrowed from BRAC International were unsecured, interest free and with no repayment date.		
13 DONOR GRANTS RECEIVED IN ADVANCE		
At 1 January 2022	555,596	122,874
Donor Funds Received	2,977,119	3,223,555
Transfers to Income and Expenditure Statement	(3,758,947)	(2,808,636)
BRAC Contribution	341,716	17,803
	<u>115,484</u>	<u>555,596</u>
14 RELATED PARTY PAYABLES		
Payable to Stitching BRAC International		
At 1 January 2022	194,903	16,431
Net Movements for the year	196,245	178,472
Balance as at 31 December 2022	<u>391,148</u>	<u>194,903</u>

The amounts arose from the management fees charged by Stitching BRAC International for against all projects executed during the year. These included GAC and UNOPS SSSN

BRAC South Sudan
Annual Report and Audited Financial Statements
For the year ended 31 December 2022

SEGMENTAL REPORTING

Appendix 1

Statement of Financial Position as at 31 December 2022

	GAC USD	FHI USD	EU USD	UNOPS - SSSN USD	UNOPS - ECRP USD	Control USD	Total USD
ASSETS							
Receivables and Other Current Assets	(75,511)	-	21,948	(128,443)	(146,824)	376,976	48,146
Cash and Bank	152,535	-	88,536	1,289	24,151	198,831	465,342
Property and Equipment	78,271	-	42,167	-	-	1,935	122,373
TOTAL ASSETS	155,295	-	152,651	(127,154)	(122,673)	577,742	635,861
CURRENT LIABILITIES							
Other Current Liabilities	19,220	22,299	(34,279)	(144,155)	(88,330)	1,284,614	1,059,369
Borrowings	-	-	-	-	-	279,000	279,000
Donor Grants	(180,097)	(22,299)	134,999	10,349	(35,399)	207,931	115,484
Related Party Payables	314,193	-	51,931	6,652	1,056	17,316	391,148
TOTAL CURRENT LIABILITIES	153,316	-	152,651	(127,154)	(122,673)	1,788,861	1,845,001
CAPITAL FUND							
BRAC Contribution	-	-	-	-	-	1,124,206	1,124,206
Accumulated Funds	1,979	-	-	-	-	(2,335,325)	(2,333,346)
TOTAL CAPITAL FUND	1,979	-	-	-	-	(1,211,119)	(1,209,140)
TOTAL LIABILITIES AND CAPITAL FUND	155,295	-	152,651	(127,154)	(122,673)	577,742	635,861

SEGMENTAL REPORTING

Appendix 2

Statement of Comprehensive Income for the year ending 31 December 2022.

	GAC	EU	UNOPS - SSSN	UNOPS - ECRP	Control	Total 2022 USD
	USD	USD	USD	USD	USD	USD
Income						
Grant Income	2,652,291	557,189	159,381	225,086	-	3,593,947
Contribution from BRAC	-	-	-	-	165,000	165,000
Foreign Exchange Gains	(5,510)	3	-	-	(689)	(6,196)
Other Income	-	-	-	-	414	414
Total Income	2,646,781	557,192	159,381	225,086	164,725	3,753,165
Operating Expenditure						
Staff Costs and other Benefits	853,618	214,993	23,057	65,099	166,161	1,322,928
Other General and Administrative Costs	1,593,964	296,109	128,737	149,268	(101,895)	2,066,183
HO Logistics and Management Expense	171,125	35,777	7,587	10,719	-	225,208
Depreciation	28,074	10,313	-	-	26,976	65,363
Total Operating Expenditure	2,646,781	557,192	159,381	225,086	91,242	3,679,682
Surplus for the year	-	-	-	-	73,483	73,483
Total Comprehensive Surplus	-	-	-	-	73,483	73,483