

# GIRLS FRIENDLY SOCIETY IN ENGLAND AND WALES

England & Wales · Charity number 1054310

## Details

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**Other names** GFS PLATFORM, GIRLS FRIENDLY SOCIETY

**Status** Registered

**Legal form** Charitable company

**Company number** [03172713](#)

**Registered** 1996-04-03

**Register** [View on the Charity Commission register](#)

## Contact

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**Website** [www.girlsfriendlysociety.org.uk](http://www.girlsfriendlysociety.org.uk)

## Activities

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**Objects:** TO ADVANCE EDUCATION AND ANY OTHER CHARITABLE PURPOSE FOR THE BENEFIT OF WOMEN AND GIRLS. THE CHARITY WORKS WITH WOMEN AND GIRLS OF ALL RELIGIOUS FAITHS AND OF NONE.

**Activities:** Girls as young as six are telling us they are not able to be themselves. So we support girls build their confidence up by offering a safe place where they can learn to be themselves and proud of who they are. We aim to achieve this through early intervention and work with girls in the most deprived areas of England and Wales, where we know girls futures are disadvantaged.

## Classification

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- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Recreation, Other Charitable Purposes
- **Who:** Children/young People

## Geography

- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-09-30	£443,425	£1,230,933	-	-
2024-09-30	£350,392	£1,076,657	-	-
2023-09-30	£312,831	£1,055,816	-	-
2022-09-30	£228,588	£951,805	-	-
2021-09-30	£274,050	£760,655	-	-
2020-09-30	£518,457	£737,396	£9,296,023	15

## Trustees

Name	Role	Appointed
<b>Michelle Corrigan</b>	Chair	2025-07-05
Alexia Lovell		2024-11-19
Emma Hardy		2026-03-28
Hannah Fisher-Jones		2026-03-28
Julia Cove Smith		2024-11-19
Justine Howard		2025-09-27
Kay Cavender		2026-03-28
Lorna Bloom		2026-03-28
Margaux Young		2020-08-30
Molly Wedderburn		2024-11-19
Olivia Lewis		2022-04-02
Sabrina de Souza		2026-03-28
Shari Donnenfeld		2024-11-19

## Linked charities

- THE ENDOWMENT FUND OF THE GIRLS FRIENDLY SOCIETY (1054310-1)

**GIRLS FRIENDLY SOCIETY IN ENGLAND AND WALES**

England & Wales - Charity number 1054310

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# Accounts

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# Annual Report and Financial Statements

2024-2025



Girls Friendly Society  
in England and Wales

Year ended 30 September 2025

Charity registration number 1054310  
Company registration number 03172713



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**FOR GIRLS  
FOR FRIENDSHIP  
FOR SOCIETY**

The Trustees of Girls Friendly Society in England and Wales (GFS) present the Trustees' Report and Financial Statements for the year ended 30 September 2025. The financial statements have been prepared in accordance with Part VI of the Charities Act 2011 and constitutes a directors' report for the purposes of company legislation. The financial statements have been prepared in accordance with the accounting policies set out on pages 38 to 41 of the attached financial statements and comply with the charitable company's memorandum and articles of association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102).

# CHAIR'S WELCOME



Michelle Corrigan  
Chair

**This year, GFS celebrated 150 years of supporting girls to feel confident, valued, and free to be themselves. Few organisations can claim such a legacy, and as I reflect on my first months as Chair, I am honoured to lead GFS at a time when we are both celebrating that history and boldly reshaping ourselves for the next 150 years.**

The world girls are growing up in today is complex and often unforgiving. Social media pressures, academic expectations, and the rising cost of living all take their toll. Too many girls tell us they simply can't be themselves. This is precisely why GFS's work matters more than ever. In our groups and communities, we create spaces where girls build confidence, form genuine friendships, and discover their voice.

This has been a year of decisive transformation. We have modernised our structures, strengthened our governance, and sharpened our strategy to ensure we are future-proof and ready for growth. More

importantly, this groundwork is already bearing fruit. We are expanding our groups across the country and growing our schools workshop programme to reach more girls in areas of disadvantage, turning careful planning into tangible impact.

I have been inspired by the commitment and creativity of everyone who makes this possible: our staff, volunteers, trustees, partners, and supporters. Together, we are building a stronger, more visible GFS that helps even more girls thrive.

To everyone who has played a part in this journey, thank you. Your belief in the power of girls to shape their own futures keeps GFS moving forward. As we celebrate our 150th year, we look back with pride and ahead with clear purpose: to ensure the next generation of girls grows up knowing their voice matters and their potential is limitless.

With deep gratitude,

A handwritten signature in black ink, appearing to read 'Michelle'.

Michelle

# OUR VISION



Our vision is of a world where girls and young women are free to be themselves and feel proud of who they are.





## OUR MISSION

Our mission is to support and inspire girls and young women. We will create spaces where they feel safe and valued, so that they can build strong foundations that will prepare them for life's challenges.



## OUR VALUES

In everything we do, GFS will be:

- ✔ Girl-focused
- ✔ Brave
- ✔ Feminist
- ✔ Ambitious
- ✔ Inclusive
- ✔ Fun



# GFS AT A GLANCE



1,518

girls supported



29

groups



84

new volunteers



49 events and trips

made up of

10 day trips

2 regional fundays

13 group parties

5 residential trips

19 specialist facilitators



260

active volunteers





# GFS GROUPS



In 2025 across the UK, progress on women's and girls' rights has slowed significantly. Worryingly, 1 in 4 people now believe gender equality harms men, around half believe gender equality has "gone far enough" and 20% of people in the UK think we should return

to traditional gender roles (Plan International UK, 2025). This shift not only undermines advocacy for girls but also normalises harmful gender norms that mean girls can't be themselves and hold them back.



**Girls are growing up in a society that undervalues them and exposes them to risks at an alarming rate:**



**85%**

**of girls aged 11–21 report experiencing sexism in daily life.**

(Girlguiding)

**81%**

**have experienced threatening or upsetting online behaviour.**

(Equally Safe at School)

These experiences damage girls' confidence, mental health, and sense of identity—especially during formative years. Without early intervention, these harms can shape their future opportunities, relationships, and wellbeing.

**44%**

**say that pressure related to their appearance holds them back.**

(Plan International UK)

**64%**

**of girls/young women aged 13–21 experienced sexual harassment at school or college in the past year.**

(Girlguiding)

“

**We should have just as much as rights as boys. We shouldn't be told we can't do things because they might hurt us or they're not suitable. We should have the same rights and be able to do whatever boys do.**

(Amerah, 10)

”

With youth services dramatically reduced across the UK over the past decade, many girls, especially those from low-income or marginalised communities, now lack access to safe, affordable, girl-centred spaces where they can build confidence, form healthy relationships, and explore their identity free from judgment.

GFS groups fill this gap. They create inclusive environments where girls build friendships, learn new skills, and develop the self-belief needed to navigate the world around them.

**This year, we reached over 1,500 girls through 30 weekly community groups and 19 school workshops, delivering impact across four key outcomes: wellbeing, relationships, opportunities, and confidence.**



## Wellbeing

Activities delivered at GFS groups encourage girls to reflect on how they're feeling and support them to develop tools to help take care of their mental health and wellbeing. By creating safe spaces, girls feel valued and listened to which helps them feel more comfortable to express themselves.

**74% of parents say GFS provides support for their child's overall mental health or wellbeing. For parents of girls in Years 7-9, this rises to 89%.**

“

**She wants to do more things outdoors and comes to me with her question, feelings and opinions** (GFS Parent, Cramlington)

**Girls need GFS Because it is a safe place for girls if they are struggling or finding it hard in daily life.** (GFS Girl, Pitlington)

”

## Opportunities

GFS group sessions give girls the chance to experience something new by connecting them with opportunities and role models. Girls are supported to widen their horizons, test their limits, build bravery and make memories that will help them take up opportunities in the future.

**87% of parents who have attended GFS groups for over 6 months say their child has been given access to experiences they would not have otherwise.**

“

**The group gives her new experiences and good advice** (GFS Parent, Hackney)

**You keep trying even though it is hard, GFS has helped me when things have been really hard. The grownups encourage me and help me to be brave.** (GFS Girl, Dunvant)

”

## Confidence

By supporting girls to give things a go, share opinions, solve problems or take on responsibility, GFS groups support girls to build confidence and a greater awareness of their individual qualities, skills and abilities.

**82% of parents say GFS groups have given their child more confidence to speak up or express themselves. For parents of girls with additional needs, this rises to 100%.**

“

**She has greatly improved in her confidence and she is learning so much!** (GFS Parent, Smethwick)

**By engaging in real-world advocacy, they have gained the confidence to challenge unfair rules, initiate change, and believe that their voices can make a difference** (GFS Group Coordinator, Dylan Thomas School)

”

## Relationships

Through teamwork, communication, problem-solving and sharing experiences, girls at GFS groups develop tools to make, navigate and sustain friendships, whilst forming supportive and positive bonds with their peers.

**72% of parents say GFS groups give their child skills to manage challenges in peer relationships. For parents of girls in Primary school, this rises to 78%.**

“

**She has improved self-esteem and thoughtfulness about interactions with others** (GFS Parent, Mile End)

**GFS has shown us that we don't have to listen to the mean things people say about us. We don't have to change who we are to fit in.** (GFS Girl, Manchester)

”



# TIELLA CASE STUDY



Tiella is nine and has been coming to GFS South Manchester for about five years. She first joined to make friends, after her mum heard about GFS. Now, Tiella sees how GFS helps girls with different issues.



## One challenge she notices is bullying:

'Bullying is usually talking about people's appearances or people calling you names. It can happen at school, and it can come from both boys and girls. I was bullied once, it was just annoying at first but it got worse and worse before it got better. It's happened to friends too and when I see that I just don't want to get involved with the drama. Girls need somewhere like GFS because sometimes when you get bullied you can feel left alone.'

## For Tiella, friendship is key:

'Some girls don't get to play with other girls so they need a place where they can make friends and play with other children. When I joined, I wanted to make new friends. I've been coming for a long time now so I like coming to see my GFS friends, some of them have been the same the whole time. The way people treat each other here is respectful and kind.' She also values the adults: 'The leader and volunteers are really nice. I think they would help you in the future and I know I could come to them with problems if I wanted to.'

## Activities are another highlight:

'At GFS, we have fun, like more fun than school and we get to do loads of activities. We do art and I've got better at drawing since coming to GFS. We were trying new foods last week and we found a biltong, it's like a type of meat with salt and pepper. It was alright...it was a little bit disgusting but I wanted to try it.' Her most memorable experience? 'Going on an activities weekend. We got to have our own beds and we did loads of activities like climbing, making our own dens and ziplining. And we got to go on a big swing which was really fun. I wasn't nervous, I just got on with it!'

## She likes having a say:

'Next week we're going to have a pyjama party which is something we asked for. That's a good bit about GFS...because if we were doing something no one liked then what's the point in being there?!'

**When asked what life would be like without GFS, she said:**

**'I think that without GFS, I would have had to find a different girls' group!'**

## Tiella even spoke at GFS's 150th anniversary at the House of Commons:

'It felt good because I've never represented something before. It wasn't too scary because I was practicing on the train on the way down and afterwards, maybe five or ten people complimented me on my speech. They said hope you do well and that they liked my speech. I got to meet girls from other GFS groups too. I felt like a great person going to the House of Commons with my friend and felt proud of myself! I think it's helped me be more confident to speak up and say what I think.'



# GFS SCHOOL WORKSHOPS



Built around three desired outcomes, this year we have delivered 19 full and half day workshops in ten schools supporting 323 girls.

Through these sessions girls;

1

Build different ways of thinking – with 93% of them being able to identify a stereotype after the session



2

Are supported in positive self-image – with 95% of the girls being able to identify something they are good at by the end of the session



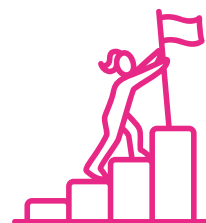
3

Reflect on behaviour in relationships – with 95% of girls understanding how their feelings can affect how they treat others



94%

of teachers said the session helped address challenges and issues the girls face





**S CINDERELLA**

CINDERELLA HAD ENOUGH OF BEING TOLD TO STAY HOME AND DO ALL THE CLEANING IN THE HOUSE AND STAY AWAY FROM COMMUNICATING WITH OTHERS WHILE HER EVIL STEPSISTERS GO AND HAVE FUN. CINDERELLA FINALLY STEPPED UP AND STOOD UP FOR HERSELF AND GAVE HERSELF & ALL THE FREEDOM.

**Girls Friendly Society**

**FEMINISM** Gender stereotypes  
 Feminism is when they focus on equality and...  
 Gender stereotyping is when they expect our genders to do different behaviours like girls can only wear pink.

## Friendships:

The sessions allowed girls to reflect on friendships, understanding how their own emotions can influence their perspectives and behaviour and exploring what healthy friendships look like.

“

The girls were able to share what is important to them in a friendship and what makes them healthy

(Year 6 teacher, London)

“

## Confidence-building:

The sessions supported girls to identify positive qualities about themselves and others, and how to treat each other with more kindness.

“

They talked about what they like about themselves and others

(Year 5 teacher, London)

“

## Teamwork:

The sessions provided opportunity for girls to work together, practising teamwork, respect and positive social skills.

“

The girls have worked very well with each other through the sessions showing kindness and good friendship

(Year 4 teacher, London)

“



**100%**

rated girl engagement

Excellent (51%) or Very Good (49%)

**94%**

rated the session delivery Excellent

# 150TH ANNIVERSARY



CELEBRATING  
**150** YEARS

The 150th anniversary has been a unique opportunity to celebrate GFS's legacy while strengthening its future. We delivered a range of activities across the organisation and beyond to make the most of this milestone.

Our objectives for the anniversary were:



**Amplify girls' voices and their needs today**



**Establish GFS as a recognised expert**

in understanding and meeting the needs of girls and young women.



**Build our brand** and raise our profile within local communities, the girls' rights and youth sectors and with key funders especially corporate partners.



**Significantly grow and engage our supporter base**

including new partnerships and re-engaging girls and volunteers we had lost touch with.

Each objective was supported by a programme of activities, coordinated by a dedicated Project Manager and a cross-organisational steering group. The group was chaired by our English President and included representative volunteers, Ambassadors, committee members, trustees and Townsend Network members. They met regularly throughout the year to guide and advise the celebrations.





# AMPLIFY GIRLS' VOICES AND THEIR NEEDS TODAY

## Girls Speak Report

**We began our 150th year by launching new research through our Girls Speak: Navigating the Conflicts of Girlhood in 2025 report. This landmark piece is the result of two years of conversations with 112 girls from GFS groups, capturing their experiences and perspectives in their own words.**

To mark the launch, we hosted a special event at the House of Commons, generously supported by MP Caroline Nokes. The event brought together 70 guests, including sector leaders, funders, and advocates for girls' rights. At its heart were the voices of eight girls representing four GFS groups, who delivered powerful speeches about the issues they care most about and how GFS supports them. Their words set the tone for our anniversary year, reminding

everyone that girls deserve to be heard and that GFS remains essential because things are still not fair for girls.

The event concluded with a youth-led panel discussion featuring representatives from Girlguiding, Youth Sport Trust, Plan UK, and Irise International. The panel was chaired by Alexia, one of our inspiring Young Trustees, and explored how organisations can work together to create a better future for girls.



## Girls Speak report: what we learned

# Girls can do anything...can't they?

**Girls today are told they can do anything, but the reality is far more complex. Our research uncovered the contradictions of modern girlhood, where feminist ideals clash with persistent gender stereotypes and unachievable expectations. Through conversations with girls as young as six, we saw how gender bias continues to shape their lives, often before they have the language to describe its impact.**

The report highlights how ideas about what subjects girls should study or which sports they can play limit opportunities and



skills development. Academic pressures and the challenge of fitting in with peers drain energy and can lead to isolation and poor mental health. Girls also face the expectation to manage their own emotions – and those of others – while navigating constant scrutiny of their appearance. These combined pressures create a landscape where perfection feels impossible.

By listening to girls and allowing them to lead the conversation, we captured these experiences in their own voices and supported their stories with wider research. The findings show the urgent need for early intervention to ensure girls are not just told they can fulfil their potential, but are truly able to make it a reality.



### Topics explored in the report include:

- Gender stereotypes
- Emotional maturity and expectations
- Friendships and fitting in
- Academic pressures and expectations
- Gendered experiences at school
- Sport and physical activity
- Periods and school toilets
- Appearance and judgement



# BUILD OUR BRAND



We hosted a series of 14 Summer Parties across GFS groups, each co-designed by the girls themselves. GFS Layton held an afternoon tea for former GFS members. Some groups opted for black-tie, awards-night style celebrations, while others preferred smaller gatherings during their usual session times.

Groups invited local councillors, community leaders, former GFS girls, families, and members of the wider community. These events created brilliant opportunities for connection and reconnection—both with each other and with GFS.

We collaborated with GirlBE on a special 150th Anniversary empowering subscription box which was sent to 3,000 girls. The box contained vision boards, power up playlists, power poses and lots more. As a result we saw a spike in engagement with our friendship bracelet campaign and newsletter sign ups.

“

**It was so emotional to come back and see how the group has grown – I joined GFS in the 70s, and it still has the same warmth and spirit.**

(former GFS girl)

”







# SIGNIFICANTLY GROW AND ENGAGE OUR SUPPORTER BASE

Inspired by an attempt in the 1990s to knit the world's longest scarf, and because friendship has always been at the heart of what GFS does, we embarked on an attempt to make the world's longest friendship bracelet.

Supporters were invited to make their own bracelet by requesting a pack for an optional donation or using their own materials and returning it to us. Our groups and corporate partners also held bracelet making sessions.



At the time of writing we are yet to have an official measurement, but we estimate we have over 1000 metres of bracelet that will be joined together. We will be hosting a measuring event in 2026 as a final moment in our celebrations.

**The intention behind the friendship bracelet campaign was to**



**Bring people together across the UK in a shared, creative activity**



**Celebrate and promote the importance of friendship for girls' mental health and wellbeing**



**Raise funds to support GFS programmes that empower girls**

# GFS THEN AND NOW



## Building friendships

GFS has always been a place where girls can find friendship. Groups provide opportunities for girls to connect with new friends and develop social skills. The relationships made at GFS are a source of support which can last a lifetime.

• **Julie, GFS Girl 1980s:** I'm still friends with girls now I went to GFS with and keep in touch with them. We had really lovely friendships, really good friends. My sister and me had a whole gang that were really tight, we kept in touch for a long time. Because we were there for so long, it was like an extended family really.

## Accessing opportunities

GFS connects girls with unique activities that help them discover what they're capable of. Trying new things and overcoming challenges supports girls to develop self-belief and raises aspirations. By operating in areas where there are fewer opportunities for girls, these experiences can be memorable and life-changing.

• **GFS Parent, 2023:** My eldest daughter had the opportunity to meet our local MP. It took a bit of convincing to sign her up for going as she was very nervous about going to meet and chat with an adult she did not know, however, she came back, completely fascinated, and has shown a real interest in politics since then. All thanks to GFS.

## Developing confidence

GFS helps girls grow in confidence by supporting them to recognise their personal skills and qualities. With encouragement from friends and trusted adults, girls find they can be brave, discover new talents and explore their potential. By celebrating the things that make them special, GFS helps girls feel capable and courageous.

• **Gillian, GFS Girl 1960s:** GFS helped with confidence. I wasn't outstanding at school but I suppose I felt a sense of achievement when I got certificates for my embroidery. It spread into other things; I submitted my crafts in the local country show and I got first prize! So it encouraged me in other things as well.

## Supporting wellbeing

GFS creates safe spaces where girls feel comfortable and accepted just as they are. Through having fun with friends and taking time out from daily pressures, girls enjoy a sense of freedom and belonging. At GFS, girls' mental health is supported because they don't have to try to fit in; they can just be themselves.

- **Tiella, GFS Girl 2025:** It's a place where we have been able to make real friends, who don't judge us and who like us for who we are. Here, everyone is kind and welcoming. GFS has shown us that we don't have to listen to the mean things people say about us. We don't have to change who we are to fit in.

## Being there for girls

Over the last 150 years, GFS has adapted to meet the needs of girls at the time. Whether providing affordable and accessible services, tackling gender inequity through creating opportunities for girls or supporting girls who have struggled to find a group where they feel welcome, GFS fills the gaps so that all girls can thrive.

- **Heather, GFS Girl 1960s:** I think GFS was trying to do something for girls that wasn't there. You didn't have to buy uniform, it was quite a poor area but this was something that didn't cost you anything. In those days there was a big difference between what Scouts (boys) and Guides (girls) did, even at school girls lessons were geared up to domestic science etc. But at GFS it was different, it felt no different to what the boys would do.





# GIRLS' RIGHTS COLLECTIVE

Originally established by Plan International UK, GFS assumed stewardship of the Girls' Rights Collective (GRC) in January 2025. The GRC is a membership network dedicated to advancing girls' rights in the UK.

The Collective brings together sector professionals, organisations, and stakeholders committed to creating lasting change for girls and young women. Members include youth workers, educators, policy experts, NGOs, researchers, and community-based organisations.

## Our vision for the GRC is to become:

- **A movement** of individuals and organisations actively driving change for girls in the UK.
- **A learning hub** for sharing knowledge, insights, best practice, and resources to support professional development.
- **A connector** that unites organisations and individuals, and advocates for collaboration, not competition, to achieve meaningful change together.

Leading the GRC strengthens the GFS mission by increasing our visibility, reputation and influence across the sector. It amplifies the voices and experience of girls, and creates opportunities for collective impact through partnership working.

# PROGRESS THIS YEAR



GFS delivered three online GRC events:

## March

GRC Connect: Meet, Share & Shape the Future

## May

Exploring Primary Prevention of Gender-Based Violence with Plan International UK

## August

Writing the Wrongs: Shifting the Narrative Around Sexual Violence with Rape Crisis South London

We achieved

**164** sign-ups across these events.

GRC membership increased

from 248 to 334 in 12 months.

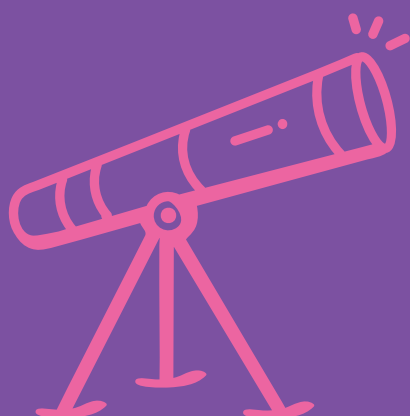
**34%**

Launched a dedicated LinkedIn page to enhance engagement.



## Looking ahead

This year we will review the GRC's vision and objectives, introduce new ways of working and connecting, and significantly grow membership. Our goal is to strengthen collaboration and ensure the GRC becomes a leading voice for girls' rights in the UK.



Projects and events: Engaging with girls beyond schools and community groups

# PERIOD PEERS WITH PLAN UK



Period Peers launched in January 2025 in partnership with Plan International UK. A project driven by girls, for girls, was created to build period-positive environments where girls lead conversations about menstrual health, challenge stigma, and support one another.

Through a combination of peer-led workshops, creative engagement activities, and wider community outreach, the project has created safe spaces for open dialogue and learning around periods, well-being, and gender equality.

# 188

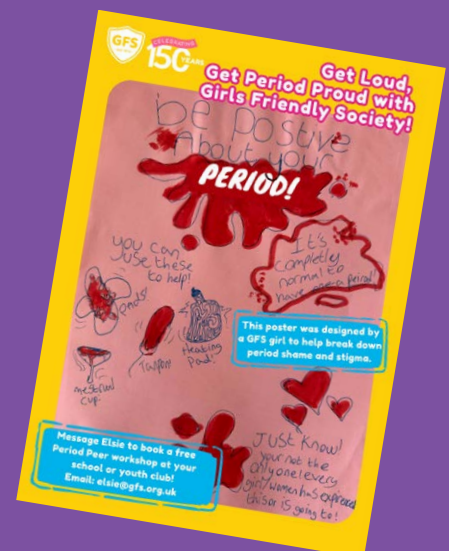
girls engaged in peer-led sessions building confidence and knowledge around periods and menstrual health

# 10

girls trained as Period Peers to deliver fun and friendly period-based activities

# 2760

wider audience engaged through pop-up events and girl-designed materials, such as our 'Get Loud, Get Period Proud' poster'





### GFS South Manchester case study:

One of the girls from South Manchester took on the responsibility of planning the upcoming period peer session. As the oldest in the group, this was a new opportunity for her to step up and take charge of designing something for the others. She came up with fantastic ideas for how we could approach the topic of periods in a way that felt youth-led and approachable, ensuring it didn't feel intimidating for those who might find the subject overwhelming. She put in a lot of effort, drafting the session plan, creating a Q&A book for the girls to anonymously submit questions, and really taking ownership of the entire process. I'm excited to see how she delivers the session, it's a great example of leadership and personal growth!



GFS Leytonstone zine 'My Period My Voice'

### GFS Dylan Thomas case study:

The Period Peers programme has had a significant and lasting impact on the girls' overall wellbeing. Through open and supportive conversations about menstruation, body changes, and challenges faced in school environments, the girls were given space to talk honestly, reduce embarrassment, and feel seen and heard. Many reported feelings more confident, reassured, and less anxious about periods, especially in public or school settings.

The period peer leaders have now delivered five sessions and have shown notable growth in confidence and leadership. They are now comfortable speaking in front of the group and guiding activities. Through this process, they have developed valuable skills such as public speaking, peer mentoring, and group facilitation. They have also expressed that they have enjoyed the experience and found it rewarding.

A particularly positive outcome from one session was the suggestion by some girls to set up a regular support group in school — a safe space where students can go for period-related advice, guidance, and access to products. This shows how the session has helped to empower the girls to take initiative and support one another beyond the structured sessions.

(Group Coordinator, GFS Dylan Thomas)

# FESTIVAL OF THE GIRL

## LONDON, OCTOBER 2024

- We engaged around 273 girls (plus parents and carers) at our GFS stand, writing "Girls Can" messages of support
- We also asked girls about their experiences of school toilets
- 89% of girls described negative experiences surrounding school toilets which further demonstrated the need to support girls through the Period Peers project
- We delivered "The Ups and Downs of Friendship" workshop to 20 girls





# MAGPIES FESTIVAL

## YORK, AUGUST 2025

- Around 50 girls visited our stand and took part in activities.
- Approximately 150 people of all genders and ages engaged with the stand—either joining activities or learning more about GFS.
- 15 children attended the “Being Your Own Best Friend” workshop.
- Around 245 friendship bracelets were made during the event.
- A girl-designed poster, “Get Loud, Get Period Proud,” was displayed in the toilets and seen by 1,500 attendees. This also influenced the festival to provide free period products at the Info Tent.
- 14 GFS girls from our North East groups enjoyed a backstage tour, a St John’s Ambulance talk, a Bushcraft and Forest School workshop, and even went on stage to promote GFS and announce The Magpies.



# GFS VOLUNTEERS



Our groups are powered by volunteers; without them we simply couldn't deliver what we do to for girls. Our sessions deliver clear outcomes for the girls, but also have a positive impact on the volunteers themselves.

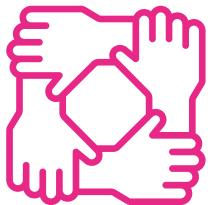




We welcomed

**84**

new volunteers  
this year



In total,

**260**

volunteers actively  
contributed to  
GFS groups and  
governance.

We achieved a fantastic

**92%**

retention rate,  
reflecting the  
commitment  
and passion of  
our volunteer  
community.

# CELEBRATING OUR DEDICATED VOLUNTEERS THIS 150TH YEAR



## Room to Reward

This year, two of our incredible volunteers were honoured with **Room to Reward** awards—a unique initiative that recognises “Hidden Heroes”: inspirational volunteers who give their time to make a difference to those who need it most.

Mar from GFS South Manchester attended the Magpie’s Festival and also delivered an engaging, research-inspired session for girls. Using her PhD work, she created a fairytale-themed storybook to help children understand complex ideas in a fun and accessible way.

Nicole from GFS Chester-le-Street first joined GFS through a partnership with Durham University and has continued volunteering beyond her studies. She delivers sessions for girls and goes the extra mile by supporting other volunteers with transport and holistic guidance, ensuring everyone can attend weekly sessions.

## Volunteer Research Project

As part of our 150th year celebrations and UCL’s Community Research Initiative, Ellie Brown, an MSc Social Policy postgraduate student conducted a unique qualitative study titled “What Role Does ‘The Girls Friendly Society’ Play in the Lives of Women and Girls? Exploring Volunteers’ Motivations and the Impact of GFS.” This research provided valuable insights into volunteer motivations, the benefits of volunteering, and the reciprocal relationship between volunteers and the girls – strengthening our understanding of their impact and experiences of girlhood across GFS.

## Barbara Brook BME

In the 2025 New Year Honours list, long-standing GFS volunteer Barbara Brook was awarded the British Empire Medal by King Charles. Barbara has been part of GFS since the 1940s, dedicating decades of service to girls and young women, as well as to the wider community in Layton, Blackpool. This prestigious recognition is a testament to Barbara’s extraordinary commitment and the profound impact of volunteering on individuals and communities.



## National Training

We delivered more than twice as many sessions as last year, with topics shaped by volunteers. Highlights included tackling relational aggression with Girls on Board and addressing bullying with the Anti-Bullying Alliance.

Our **“Commanding the Room”** training saw a 38% increase in attendance and powerful takeaways. Volunteers shared they will “use more empathetic approaches” and focus on “laying clear boundaries when addressing disruptive behaviours.”

## Celebrating Long Service

During our 150th anniversary year, we were privileged to recognise one of GFS’ most longstanding volunteers. Sharon, from GFS Atherstone, marked an extraordinary milestone of 50 years of dedicated service. Her half-century of commitment was celebrated by her local group and the central team through heartfelt speeches, flowers, and commemorative trophies at their 150th anniversary events. Sharon’s remarkable milestone highlights the power of volunteering and the lasting impact it has in sustaining GFS across generations.

## Words from our volunteers

**‘I feel like I got out so much from it too, in terms of learning from the sessions and having that space, I think the girls aren’t the only ones experiencing benefits from it, I am too’**

Lila, 23, Group Volunteer

**‘There is so much value in local volunteering, doing something that feels close to home is so rewarding’**

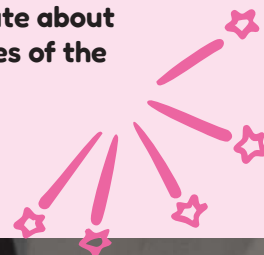
Juliette, 24, Social Media and Group Volunteer

**‘Before I wouldn’t be taking charge at work, but now I just go for it because I feel way more confident in my voice...I think that’s one of the reasons why I joined GFS was to get out my comfort zone’**

Lila, 23, Group Volunteer

**‘I volunteer because I feel valued, because I am so passionate about the mission and the values of the organisation’**

Abbie, 22, Young Trustee



Sharon,  
from GFS  
Atherstone

# IZZY

## VOLUNTEER CASE STUDY



### From founding GFS Mile End to running GFS's first ever spot in the TCS London Marathon

For the first time ever, GFS has secured a place in the world-famous TCS London Marathon. A place in this race brings a chance to fundraise while increasing brand recognition in 2026. As such, the runner selected by the organisation in 2025 needed to be a champion of GFS's work and ethos.

We found the perfect GFS marathon-champion in Izzy Johnson. As a marketing professional and freelance writer, Izzy knows the importance of brand, but because she's a volunteer at GFS Mile End, she also knows the real-life magic in giving girls the power of their own voice.

Izzy said: "A lot of organisations talk about empowering girls, but GFS actually creates the space to do it. It's never about fixing girls or telling them who to be. It's about listening to them, backing them, and building an environment where they can grow into whoever they want. It's a warm, community-led charity with history and heart, and it feels quietly powerful in the way it does things. There's no one-size-fits-all 'GFS girl'. The point is that every girl belongs here, exactly as she is."

Izzy first started volunteering with GFS during the COVID-19 Pandemic, when groups met remotely. She helped create online content for virtual GFS sessions, but as lockdown restrictions lifted, she became one of the

founding volunteers at the GFS Mile End group, in East London.

Izzy said: "Like many people during the pandemic, I started reflecting on how I was spending my time. I wanted to invest more of my energy in something that actually mattered to me. When I started researching girls' charities, GFS stood out straight away – the work felt tangible, grassroots, and genuinely about empowering girls. It wasn't just talk; you could see the direct impact in local communities."

When Izzy first joined GFS, she didn't expect it to shape her life so deeply. But now, Saturday mornings at her local GFS group are the highlight of her week, and she describes volunteering with GFS as the best decision she's ever made.

Izzy said: "It's helped me learn new skills, meet incredible people, and feel part of something bigger than myself. I've become a better listener, a better communicator, and I think a better person overall. I just wish more people knew about it - because giving your time to something you truly believe in is one of the most rewarding choices you can make."

So, when Izzy lines up for the London Marathon this spring, fundraising £2,000 for GFS, she says she won't just be chasing a finish time. She'll be running for the girls she sees every week at her



local GFS group. The ones who barrel through the door on a Saturday morning with private jokes, big ideas, and hugs for their friends.

Izzy said: “For me, GFS is about showing up – for girls, for your community, for each other. It’s warm and quietly powerful. It builds confidence through laughter, creativity, and the kind of support that sticks. It’s reminded me that impact doesn’t have to be loud or performative to be lasting. Sometimes the smallest gestures – listening, encouraging, helping a girl believe in herself – are the ones that stay with you and with them.”

The race takes place in April 2026. As Izzy continues her journey toward the marathon, she continues to provide girls at her local GFS group

a weekly role model that shows them they can be brave, achieve their hopes and dreams, and get back up again when they have a setback too.

Her message for the girls she runs for is simple – and fierce:

**“The world might try to shrink you or make you second-guess yourself. You’re allowed to be bold, messy, curious and unapologetically ambitious, and kind while you do it.”**

# THE YEAR AHEAD



**In this milestone year, we have taken time to reflect on everything GFS has achieved over the past 150 years, while also looking ahead to the charity's future.**

Over the past year, GFS leadership has developed and begun implementing a Transformation Project. This work is driven by a deep belief that GFS can have an even greater impact on girls across England and Wales. At a time when progress on women's and girls' rights is stalling – and in some cases reversing – we know our work is needed more than ever. We want every girl to feel safe, supported, and free to be herself. To help achieve this, we have set bold and ambitious targets to bring our current strategy to the next level.

**2026**

**Over the next 5–10 years, we aim to:**

- Grow to 60 GFS groups and reach 10,000 girls and young people across a range of interventions.
- Achieve long-term financial sustainability, no longer relying on our endowments and reserves.
- Renew our identity, with stronger evidence and communication of the difference we make.
- Maintain an excellent standard of governance.

**2025**

**2024**

Building  
STOPPABLE  
futures

## Our focus for the next 12 months



The year ahead will be a foundational one. Following a central team restructure in 2025, we will focus on establishing a team capable of delivering our ambitious vision. This includes a period of recruitment and consultation, as well as renewed attention to our organisational culture and operational efficiency—ensuring we maximise our impact for girls.

### Key priorities will include:

- Developing robust income generation strategies.
- Reviewing and refreshing our brand and identity.
- Embedding a positive organisational culture and strengthening internal ways of working.
- Ensuring we are “fit for the future” as we embark on our growth strategy.

Having completed a Governance Review against the Charity Governance Code in 2025, we will begin implementing an action plan that includes reviewing our governance structure, strengthening risk management, and ensuring Trustees are fully supported to fulfil their roles.

## Strengthening and growing our services

We will begin scoping how best to expand our services efficiently, exploring both our group delivery model and piloting new, innovative ways to support girls to thrive. This will include opening new groups in Liverpool, Manchester, and London.

We will also reinvigorate the Girls’ Rights Collective, strengthening our role within the girls’ sector by connecting, convening, and sharing learning—helping individuals and organisations work more effectively for the benefit of girls and young women.

This will be an exciting and transitional year for GFS—one that lays the foundation for a sustainable, impactful future.

# FUNDERS AND SUPPORTERS



**Your belief in the GFS vision and mission powers everything we do. Thanks to you, we've been able to reach more girls across England and Wales this year. Every gift, large or small, makes a difference. Thank you.**



- Action Together
- Anton Jurgens Charitable Trust
- Anwyl Homes
- Barbour Foundation
- Benefact Trust
- Big Top PR
- Blackwood Engineering Trust
- Blyth Town Council
- Cardiff Council
- Cash for Kids
- Catherine Cookson Charitable Trust
- CB and HH Taylor 1984 Trust
- Citibank
- Collinsons
- Community Foundation for Lancashire and Merseyside
- DMF Ellis Charitable Trust
- Duchy of Lancaster Benevolent Fund
- Enstar (EU) Limited
- Eveson Trust
- Fifth Season
- Football for Change
- Gower Society
- Gowling WLG (UK) Charitable Trust
- Greggs Foundation
- Grimmitt Trust
- Gwendoline and Margaret Davies Charity
- Hadrian Trust
- Haswell Moor Wind Farm Community Benefit Fund
- Hemby Trust
- JCDecaux
- Lillie Johnson Charitable Trust
- Liverpool City Council
- Liverpool One Foundation
- Manor House Development Trust
- Marsh Charitable Trust
- ME Woolfe Charitable Trust
- Millennium Stadium Charitable Trust
- National Lottery Community Fund
- Normanby Charitable Trust
- npower business solutions
- Onions & Davies
- Pace
- Pilkington Charities Fund
- Point North
- R W Mann Trust
- Rightmove
- Shepherd Street Trust
- Sir John Priestman Charity Trust
- St Hilda's Trust
- Torus Foundation
- Vale of Glamorgan Council
- Welsh Water (Dwr Cymru)
- William Leech Charity
- Women's Fund Liverpool
- Xero



CELEBRATING  
**150**  
 YEARS

# FINANCIAL REVIEW

## Results for the year

The statement of financial activities on page 51 shows net expenditure for the year before investment losses of £787,508 (2024 - £726,265) being a deficit on unrestricted funds of £435,506 (2024 - £284,348), a deficit on designated funds of £248,524 (2024 - £324,278), a deficit on restricted funds of £71,277 (2024 - £117,639) and a deficit on endowment funds of £32,201 (2024 - £nil). Total income for the year was £443,425 (2024 - £350,392) with income from investments and interest receivable comprising 37% (2024 - 47%) of the total and amounting to £164,697 (2024 - £164,719). Although the income yield from investments is welcome, it is not adequate to sustain our activities and needs to be supplemented by substantial other sources of income in the future to ensure the financial security which will safeguard the charity's services for the long term.

Expenditure in the year totalled £1,230,933 (2024 - £1,076,657) with expenditure on charitable activities amounting to £1,079,579 (2024 - £881,619). The charity's largest expense item continues to be staff costs reflecting the importance of people to the successful achievement of the organisation's aims - both paid staff and volunteers. Trustees continue to strive to achieve the charity's aims within the framework of providing a high-quality service to the girls and young women who require the charity's support. The final net movement in funds for the year, after net investment gains of £92,905 (2024 - gains of £595,861) amounted to a loss of £694,603 (2024 - loss of £130,404).

### Financial position

#### Free reserves and reserves policy

GFS' reserves policy is to maintain free reserves, net of the pension fund deficit, of around 3 months' expenditure, £358,346 - £437,360. Free reserves are maintained to mitigate risks associated with fluctuating costs and to ensure there is a baseline to cover spend in the coming

months. Free reserves, along with designated funds would also be used in the unlikely event of wind up. In September 2025 we had £224,234 in free reserves (2024 - £327,118) this is equivalent to 1.9 months expenditure (2024 - 2.9 months). The charity also has restricted reserves that are limited in where they can be spent, and endowments that generate income that can be spent. Trustees have structured the reserves to protect the services and allow the charity to continue to fundraise. The additional fundraising income is being built on top of the strong financial foundation the endowment provides, to allow the charity to innovate and to meet the growing demand for our services. The charity carries a pension deficit of £22,231 (2024 - £4,854).

### Other Funds

In addition to the endowment funds, on 30 September 2025, GFS had restricted funds which totalled £1,897,746 (2024 - £1,987,532) most of which are restricted to being spent in certain geographic areas and, in particular, specific dioceses. Full details of the funds are given in notes 17 to 19 to the attached financial statements. The charity has designated funds which on 30 September 2025 totalled £1,243,689 (2024 - £1,801,538). These funds are designated for the growth of the fundraising department, to support the organisation during COVID, and to deliver our strategy to work with more girls and young women. They form the basis of an ongoing piece of work to bolster our services in the coming years, as described in more detail throughout this report.

The pension deficit fund of £22,231 matches the liability on the balance sheet in respect to the defined benefit pension scheme which the charity contributes to on behalf of certain of its employees. Details of the scheme and the deficit funding determined by an actuary are given in note 24 to the attached financial statements.

## Investment Policy

The charity has a portfolio of investments which had a market value as of 30 September 2025 of £6,577,874 (2024 – £6,937,039) comprising listed investments of £6,037,102 (2024 – £6,624,488), and cash of £540,772 (2024 – £312,551). The investment portfolio represents in part the charity's endowment funds, the capital of which cannot be spent. We consider our investments to be a long-term solution. Markets remain volatile. We anticipate our investment portfolio will continue to provide us with an income, but it is necessary for us to supplement this with fundraised income to cover the breadth of our activities. GFS uses independent investment managers (CCLA and Rathbones) to safeguard our invested funds. These investment managers meet with Trustees once per quarter to review the portfolios, the yield, and the requirements of the charity. The investment objectives are to achieve the highest possible yield from the portfolio and long-term capital growth whilst maintaining the underlying risk at acceptable levels. In September 2023, Trustees decided to split the money in Rathbones into two portfolios, at different risk levels. The lower risk level means we can withdraw money as needed with minimal risk to the value of the overall portfolio. Our investments are managed on a Total Return basis.

## Fundraising Statement

GFS is committed to responsible fundraising practices, which are legal, honest and respectful. We follow the Fundraising Code of Practice. We are registered with the Fundraising Regulator. We do not carry out door-to-door, street or telephone fundraising. We take our responsibility towards our donors very seriously and aim to provide a positive experience. We believe that no one should feel pressured into giving. We take steps to ensure that vulnerable people are protected. We will not contact anyone unless they have requested or consented to receiving fundraising communications. Donors can opt out of receiving fundraising or any other communications at any time. We will never sell,

swap or share donor data. We aim for all those donating to GFS to have a positive experience. In 2024-25 we received no complaints. However, if we receive them, we are committed to investigating complaints and resolving them swiftly. If anyone is dissatisfied with their experience, please contact us. Feedback enables us to improve our fundraising service.

## Public Benefit

Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and activities for the year, and the organisational plans for future periods.



# GOVERNANCE AND STRUCTURE

Girls Friendly Society in England and Wales (GFS) is a company limited by guarantee and is registered under the Charities Act (2011). The Board of Trustees comprises up to fifteen Trustees, recruited in accordance with the organisation's by-laws through an open and transparent process designed to ensure the Board collectively holds the skills and experience required for effective governance. Each Trustee serves on one of the organisation's skills-based governance committees:

- People & Operations
- Fundraising & Growth
- Finance & Investments
- Quality & Impact

These committees, together with the Board, form the wider governance structure of the charity. Members of the committees are recruited through the same transparent process to address skills gaps and ensure strong organisational oversight.

All Trustees receive a comprehensive induction pack and ongoing training. Key themes within the induction include conflict of interest, safeguarding, and equity, diversity and inclusion (EDI). Trustees are also encouraged to undertake additional training relevant to their role. Every Trustee is linked to a member of the Leadership Team to support strong communication between the Board and staff.

No Trustee received remuneration for their services, nor held any beneficial interest in any contract with the charity during the reporting period.

The Trustees are also Directors of GFS for purposes of company law.

## Responsibilities of the Board of Trustees

The Trustees are responsible for setting the strategic direction of the charity, agreeing policies, and monitoring progress against objectives, which they do quarterly. The Board delegate responsibility to the CEO for day-to-day management of the charity. They prepare the Trustees' Annual Report and the financial statements in accordance with applicable law and UK Generally Accepted Accounting Practice (UK GAAP).

Company law requires the Trustees to prepare financial statements for each financial year that provide a true and fair view of:

- the state of affairs of the charitable company and the group
- the incoming resources and their application, including income and expenditure. In preparing the financial statements, the Trustees must:
- select suitable accounting policies and apply them consistently
- follow the methods and principles of the Charities SORP
- make reasonable and prudent judgements and estimates
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained
- prepare the accounts on a going-concern basis unless it is inappropriate to presume that the charity will continue operating

The Trustees are responsible for maintaining adequate accounting records that disclose with reasonable accuracy the financial position of the charity and ensure compliance with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and taking reasonable steps to prevent and detect fraud and other irregularities.

So far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all necessary steps to make themselves aware of any relevant audit information and to ensure the auditor is aware of that information.

The Trustees are responsible for the integrity of the financial and corporate information published on the charity's website. Legislation relating to the preparation and dissemination of financial statements may differ between jurisdictions.

Members of the company guarantee to contribute up to £1 each to the assets of the charity in the event of winding up. At year-end, nine members held such guarantees (2024: 18). Trustees are members of the charity with voting rights but hold no beneficial interest.

## Risk Management

The Trustees regularly assess the major risks facing the charity. Each governance committee considers risks within its remit, and the Board undertakes a full review of the Risk Register on a quarterly basis. Through regular monitoring and the implementation of appropriate controls, the Trustees seek to mitigate these risks effectively.

The principal risks and uncertainties identified during the year were as follows:

### 1. Operating the charity at a deficit

Mitigation includes:

- following a Board-approved fundraising and financial strategy supported by a long-term financial plan
- frequent monitoring of income and expenditure to ensure sustainability
- revising plans where necessary to protect long-term financial health

### 2. Ability to develop and deliver a successful fundraising strategy

Mitigation includes:

- regular review of the fundraising strategy in response to internal and external factors
- consistent monitoring of fundraising performance, including return on investment
- allocating appropriate resources to support fundraising activities

### 3. Inability to recruit and retain volunteer workforce

- Mitigation includes:
- Developing a Volunteer strategy
- Volunteer engagement and reward opportunities
- Ensuring an appealing volunteering opportunity
- Team capacity increased to support volunteering at GFS

## Leadership and Staffing

The Leadership Team (LT) is appointed to oversee the core operational areas of the organisation and is supported by the Board's committees. The LT provides joint reports at each Board meeting and plays a central role in strategic implementation. The Chief Executive attends all committee and Board meetings to ensure consistency of governance.

The LT meets weekly to review priorities and holds additional strategy-specific meetings as required. The full staff team meets virtually each week for training, organisational updates, and collective planning. After each Board meeting, a Trustee provides a summary of decisions to the staff team.

GFS operates a fair and safe recruitment process. All roles—paid or voluntary—are assessed for Disclosure and Barring Service (DBS) eligibility, and checks are renewed on a three-year cycle. Recruitment is informed by the Equity and Diversity Policy, and all roles are widely advertised to encourage diverse applicant

pools. Shortlisting is conducted using anonymised applications, and candidates are provided with interview questions or themes in advance to support an equitable process.

GFS is committed to staff development and maintains a strategic objective to invest in its people. The charity's remuneration policy aims to offer fair pay to attract and retain qualified staff. The charity does not operate performance-related pay, commissions, or bonus schemes. Salaries are benchmarked externally every two years, and in alternate years the Board awards a cost-of-living increase.

The Trustees, together with the Chief Executive and Leadership Team, are considered the key management personnel responsible for directing and controlling the charity. No Trustee received remuneration for this role.

## Legal and Administrative Information

This Trustees' Annual Report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime under FRS 102 and Part 15 of the Companies Act 2006.

The financial statements were approved by the Trustees of Girls Friendly Society in England and Wales - Company Registration Number 3172713 (England and Wales) and signed on its behalf on the 28 March 2026 by:

Signature 

Date **28 March 2026**

Michelle Corrigan,  
Chair of the Board of Trustees



# Independent auditor's report to the members of Girls Friendly Society in England and Wales

## Opinion

We have audited the financial statements of Girls Friendly Society in England and Wales (the 'charitable company') for the year ended 30 September 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 30 September 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Girls Friendly Society in England and Wales' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

## Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the finance and investment committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through

management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Fleur Holden (Senior statutory auditor)**



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Date: 21 April 2026

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**for and on behalf of Sayer Vincent LLP,  
Statutory Auditor  
110 Golden Lane, LONDON, EC1Y 0TG**

A photograph of two young women looking at a smartphone together. The woman on the left has her hair in many small braids with gold-colored beads. She is wearing a purple shirt and an orange lanyard with the word 'VISITOR' printed on it. The woman on the right has long, straight brown hair and is wearing a dark top. They are both smiling and looking intently at the phone. In the background, there is a blurred green object, possibly a hat or a bag. A teal circular graphic is overlaid on the bottom left of the image, containing the text 'Statement of financial activities'.

**Statement  
of financial  
activities**

# Statement of financial activities

(incorporating an income and expenditure account)

## Year to 30 September 2025

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total funds 2025 £	Total funds 2024 £
<b>Income</b>							
Donations and legacies	1	85,176	—	—	—	<b>85,176</b>	94,139
Charitable activities	1	—	—	187,824	—	<b>187,824</b>	84,982
Investment income and interest receivable	2	126,428	—	38,269	—	<b>164,697</b>	164,719
Miscellaneous income		5,728	—	—	—	<b>5,728</b>	6,552
<b>Total income</b>		<b>217,332</b>	<b>—</b>	<b>226,093</b>	<b>—</b>	<b>443,425</b>	350,392
<b>Expenditure</b>							
Raising funds	3	—	119,153	—	32,201	<b>151,354</b>	195,038
Charitable activities: Community and school based programmes	4	652,838	129,371	297,370	—	<b>1,079,579</b>	881,619
<b>Total expenditure</b>		<b>652,838</b>	<b>248,524</b>	<b>297,370</b>	<b>32,201</b>	<b>1,230,933</b>	1,076,657
<b>Net (expenditure) income before investment gains</b>	7	<b>(435,506)</b>	<b>(248,524)</b>	<b>(71,277)</b>	<b>(32,201)</b>	<b>(787,508)</b>	(726,265)
Net gains on investments		496	40,675	(18,509)	70,243	<b>92,905</b>	595,861
<b>Net (expenditure)/ income</b>		<b>(435,010)</b>	<b>(207,849)</b>	<b>(89,786)</b>	<b>38,042</b>	<b>(694,603)</b>	(130,404)
<b>Statement of recognised gains and losses</b>							
Actuarial (losses) on defined benefit pension scheme		(27,381)	—	—	—	<b>(27,381)</b>	(650)
<b>Net movement in funds for the year before transfers</b>		<b>(462,391)</b>	<b>(207,849)</b>	<b>(89,786)</b>	<b>38,042</b>	<b>(721,984)</b>	(131,054)
Transfers between funds	20	350,000	(350,000)	—	—	—	—
<b>Net (expenditure) / income and net movement in funds for the year</b>		<b>(112,391)</b>	<b>(557,849)</b>	<b>(89,786)</b>	<b>38,042</b>	<b>(721,984)</b>	(131,054)
<b>Reconciliation of funds</b>							
Total funds brought forward at 01/10/24		350,622	1,801,538	1,987,532	3,111,145	<b>7,250,837</b>	7,381,891
Total funds carried forward at 30/09/25		238,231	1,243,689	1,897,746	3,149,187	<b>6,528,853</b>	7,250,837

# Comparative Statement of Financial Activities

(incorporating an income and expenditure account)

## Year to 30 September 2024

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total funds 2024 £
<b>Income</b>						
Donations and legacies	1	94,139	—	—	—	<b>94,139</b>
Charitable activities		—	—	84,982	—	<b>84,982</b>
Investment income and interest receivable	2	105,396	—	59,323	—	<b>164,719</b>
Miscellaneous income		6,552	—	—	—	<b>6,552</b>
<b>Total income</b>		<b>206,087</b>	<b>—</b>	<b>144,305</b>	<b>—</b>	<b>350,392</b>
<b>Expenditure</b>						
Raising funds	3	34,870	160,168	—	—	<b>195,038</b>
Charitable activities: Community and school based programmes	4	455,565	164,110	261,944	—	<b>881,619</b>
<b>Total expenditure</b>		<b>490,435</b>	<b>324,278</b>	<b>261,944</b>	<b>—</b>	<b>1,076,657</b>
<b>Net (expenditure) income before investment gains</b>	7	<b>(284,348)</b>	<b>(324,278)</b>	<b>(117,639)</b>	<b>—</b>	<b>(726,265)</b>
Net gains on investments		—	177,576	195,140	223,145	<b>595,861</b>
<b>Net (expenditure)/ income</b>		<b>(284,348)</b>	<b>(146,702)</b>	<b>77,501</b>	<b>223,145</b>	<b>(130,404)</b>
<b>Statement of recognised gains and losses</b>						
Actuarial (losses) on defined benefit pension scheme		(650)	—	—	—	<b>(650)</b>
<b>Net movement in funds for the year before transfers</b>		<b>(284,998)</b>	<b>(146,702)</b>	<b>77,501</b>	<b>223,145</b>	<b>(131,054)</b>
Transfers between funds	20	350,000	(350,000)	—	—	<b>—</b>
<b>Net income and net movement in funds for the year</b>		<b>65,002</b>	<b>(496,702)</b>	<b>77,501</b>	<b>223,145</b>	<b>(131,054)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 01/10/23		285,620	2,298,240	1,910,031	2,888,000	<b>7,381,891</b>
Total funds carried forward at 30/09/24		350,622	1,801,538	1,987,532	3,111,145	<b>7,250,837</b>

Prior year restatement represents a reclassification between donations and charitable income, which has not changed the value of any income recognised.

# Balance Sheet

As at year to 30 September 2025

	Notes	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	11	13,995	23,504
Investments	12	6,037,102	6,624,488
		<b>6,051,097</b>	6,647,992
<b>Current assets</b>			
Debtors	13	26,375	30,377
Short term deposits		540,772	567,708
Cash at bank and in hand		42,578	76,769
		<b>609,725</b>	674,854
<b>Liabilities</b>			
Creditors: amounts falling due within one year	14	(109,738)	(67,155)
<b>Net current assets</b>		<b>499,987</b>	607,699
<b>Total assets less current liabilities</b>		<b>6,551,084</b>	7,255,691
Provisions for liabilities and charges	15	(22,231)	(4,854)
<b>Total net assets</b>		<b>6,528,853</b>	7,250,837
<b>Funds and reserves</b>			
Restricted funds	17, 18, 19	1,897,746	1,987,532
Unrestricted funds			
. Tangible fixed assets fund		13,995	23,504
. Designated funds	20	1,243,689	1,801,538
. General funds		246,467	331,972
. Pension reserve	24	(22,231)	(4,854)
Permanent endowment funds		—	—
Endowment funds	16	3,149,187	3,111,145
<b>Total funds</b>		<b>6,528,853</b>	7,250,837

The financial statements were approved by the Trustees of Girls Friendly Society in England and Wales - Company Registration Number 3172713 (England and Wales) and signed on its behalf on the 28 March 2026 by :

Signature 

Date **28 March 2026**

Margaux Young,  
Treasurer

# Statement of cash flows

## Year to 30 September 2025

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

	Notes	2025 £	2024 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	<b>(902,637)</b>	(890,317)
<b>Cash flows from investing activities:</b>			
Investment income received		<b>143,663</b>	163,406
Interest received		<b>21,033</b>	1,331
Purchase of tangible fixed assets		<b>(2,365)</b>	(12,817)
Proceeds from the disposal of investments		<b>1,417,638</b>	998,890
Purchase of investments		<b>(737,353)</b>	(524,829)
Net cash provided by investing activities		<b>842,616</b>	625,981
<b>Change in cash and cash equivalents in the year</b>		<b>(60,021)</b>	(264,336)
Cash and cash equivalents at 1 October 2024	B	<b>644,477</b>	908,813
Cash and cash equivalents at 30 September 2025	B	<b>584,456</b>	644,477

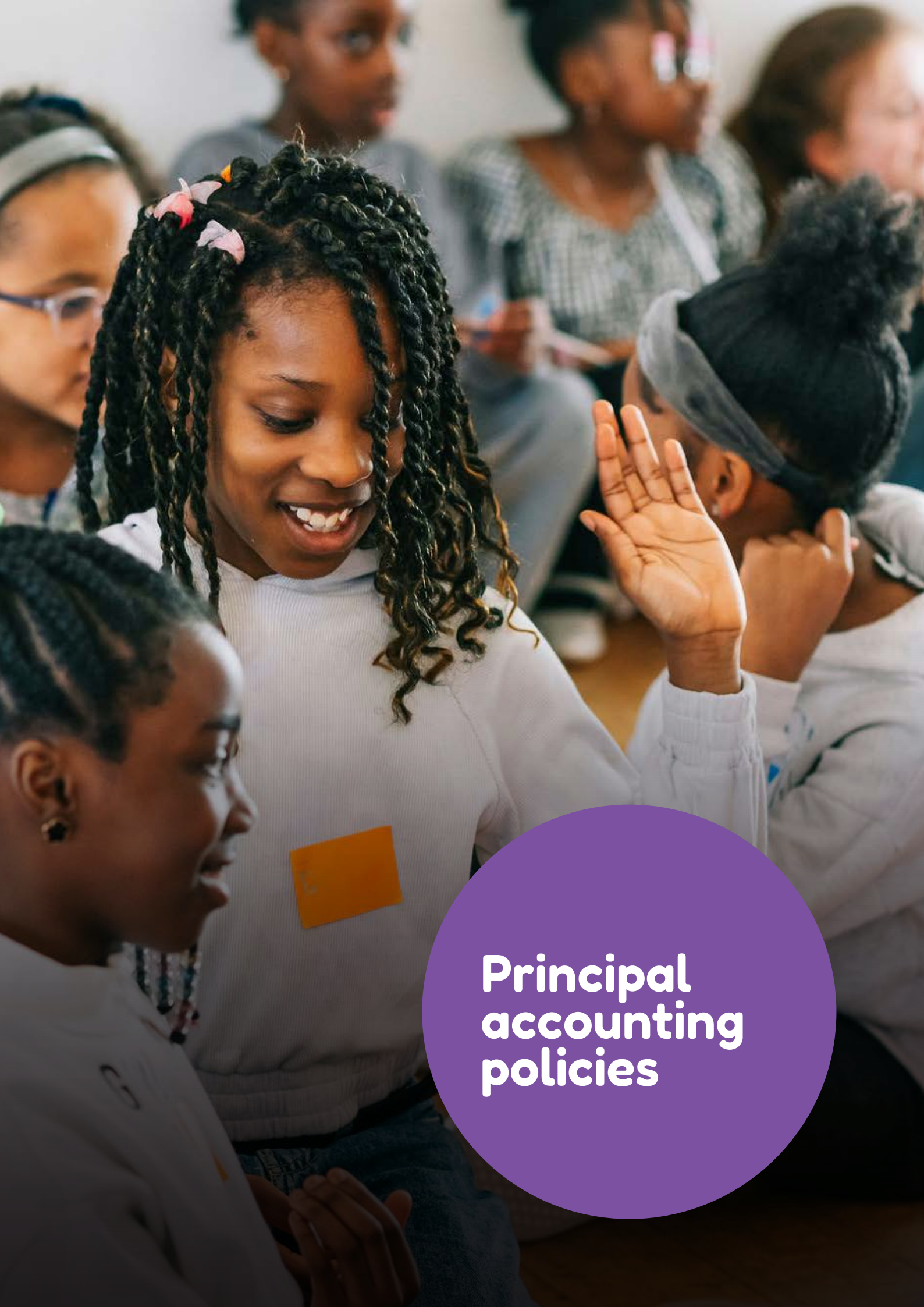
## Notes to the statement of cash flows for the year to 30 September 2025

### A - Reconciliation of net movement in funds to net cash used in operating activities

	Notes	2025 £	2024 £
Net movement in funds (as per the statement of financial activities)		<b>(721,984)</b>	(131,054)
Adjustments for:			
Depreciation charge		<b>11,875</b>	11,166
Gains on investments		<b>(92,406)</b>	(595,861)
Investment income		<b>(143,663)</b>	(163,388)
Interest receivable		<b>(21,033)</b>	(1,331)
Increase / (decrease) in debtors		<b>4,614</b>	(3,851)
Decrease in creditors		<b>42,583</b>	8,006
Decrease / (increase) in pension provision		<b>17,377</b>	(14,004)
<b>Net cash used in operating activities</b>		<b>(902,637)</b>	<b>(890,317)</b>

### B - Analysis of cash and cash equivalents

	Notes	2025 £	2024 £
Cash at bank and in hand		<b>42,578</b>	76,769
Short term deposits (less than three months)		<b>540,772</b>	567,708
<b>Total cash and cash equivalents</b>		<b>583,350</b>	644,477



**Principal  
accounting  
policies**

# Principal accounting policies

## Year to 30 September 2025

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### Statutory information

Girls Friendly Society in England and Wales is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address, and principal place of business, is 66 Paul Street, London, EC2A 4NA.

### Basis of preparation

These financial statements have been prepared for the year to 30 September 2025 with comparative information provided in respect to the year to 30 September 2024.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

### Critical accounting estimates and areas of judgement

Preparation of the financial statements

requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- the underlying assumptions used by the actuary in determining the deficit on the defined benefit pension scheme;
- the allocation of expenditure across charitable activities; and
- the estimation of future income and expenditure flows for the purpose of assessing going concern (see below).

### Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. In making their assessment, the trustees have considered the impact of pandemics and fluctuating markets on the charity.

The trustees will continue to keep both income and expenditure under review but do not anticipate that the impact on the charity's finances will be material or impact on the charity's going concern.

### Income recognition

Income is recognised in the period in which the

charity has entitlement to receipt, the amount can be measured reliably and it is probable that the funds will be received.

Income comprises donations, legacies, investment income, interest receivable, income from charitable activities and miscellaneous income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from charitable activities comprises grants from government and other agencies. Such income is recognised when the charity has entitlement to the funds under agreements or other the contractual arrangements for the payment of each grant.

## Gifts in Kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SoFA as incoming resources when receivable.

## Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- a. Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising and an allocation of support costs.
- b. Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities as described in the trustees' report i.e. providing opportunities for girls and young women

to develop their self confidence, wellbeing and resilience to enable them to fulfil their potential. Such costs include:

- Staff costs and associated expenses
- Day to day running expense of schemes and projects
- Special projects and equipment
  
- Maintenance and building costs for the schemes and projects.

This expenditure includes both costs that can be allocated directly to such activities and those indirect costs necessary to support them.

All expenditure is stated inclusive of irrecoverable VAT.

## Allocation of costs

Support costs are those costs that enable charitable activities to be carried out. These costs include expenses relating to personnel development, financial procedures, provision of office services and equipment, and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned to expenditure headings based on the headcount relating to each activity.

## Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

Other tangible fixed assets:

All other tangible fixed assets are stated at cost. Depreciation is calculated at the following annual rates in order to write off the cost of each asset over its estimated useful life:

- Computer equipment - 33% on cost
- Office equipment - 20% on cost
- Other equipment and furniture - 10% on cost
- Fittings in leased property - Over the period of the lease

## Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

## Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

## Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits.

## Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount

the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

## Fund structure

The general funds comprise free reserves, the tangible fixed assets fund and the pension deficit fund. The free reserves are those net assets which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

The pension deficit fund represents the liability in respect to the defined benefit pension scheme to which the charity contributes on behalf of certain of its employees.

The designated funds comprise monies set aside by the trustees for specific purposes.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

The permanent endowment funds comprise monies which must be held indefinitely as capital. The income therefrom can be used for general purposes and is credited directly to general funds.

## Pension contributions

The growth plan pension scheme is a multi-employer scheme providing benefits for some 1,300 non-associated employers. It is therefore not possible to identify the underlying share of the charity's assets and liabilities within the scheme. However, as a member of the scheme, the charity has a legal obligation to make pension deficit reduction payments when required by the scheme's actuary. The full cost of these repayments, discounted to present values, is recognised in the year a pension deficit reduction plan is agreed.

In July 2014, all eligible members of staff were required to enrol in the charity's workplace pension scheme, under auto-enrolment. Staff members were entitled to opt out of this scheme. The percentage contribution of salary into the scheme is a minimum rate of 2.5%. The charity pays employer's contributions at a rate of 7.5%.

## Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

A close-up photograph of hands with dark brown nail polish tying a purple and yellow ribbon. The hands are positioned in the lower right and center of the frame, with the ribbon forming a loop. The background is a soft, out-of-focus grey. A bright pink circle is overlaid in the upper left corner, containing the text 'Notes to the Financial Statements' in white.

**Notes to the  
Financial  
Statements**

# Notes to the Financial Statements

## Year to 30 September 2025

### 1 Income from: Donations and legacies

	General funds £	Restricted funds £	Total funds 2025 £
Donations and similar income	81,651	187,824	<b>269,475</b>
Legacies	3,525	—	<b>3,525</b>
Charitable activities	—	187,824	<b>187,824</b>
<b>2025 Total</b>	<b>85,176</b>	<b>187,824</b>	<b>273,000</b>
	General funds £	Restricted funds £	Total funds 2024 £
Donations and similar income	90,452	84,982	175,434
Legacies	3,687	—	3,687
Charitable activities	—	84,982	84,982
<b>2024 Total</b>	<b>94,139</b>	<b>84,982</b>	<b>179,121</b>

### 2 Income from: Investment income and interest receivable

	General funds £	Restricted funds £	Total funds 2025 £
Investment income (see below)	105,395	38,269	<b>143,664</b>
Interest receivable	21,033	—	<b>21,033</b>
<b>2025 Total</b>	<b>126,428</b>	<b>38,269</b>	<b>164,697</b>
	General funds £	Restricted funds £	Total funds 2024 £
Investment income (see below)	104,065	59,323	163,388
Interest receivable	1,331	—	1,331
<b>2024 Total</b>	<b>105,396</b>	<b>59,323</b>	<b>164,719</b>

Investment income was received from the following sources:

	Total funds 2025 £	Total funds 2024 £
UK equities	<b>79,030</b>	44,516
Overseas equities	<b>13,134</b>	7,699
UK fixed interest based common investment funds	<b>48,930</b>	107,446
Alternatives	<b>2,570</b>	3,727
	<b>143,664</b>	163,388

### 3 Expenditure on: Raising funds

	General funds £	Restricted funds £	Endowment funds £	Designated funds £	Total funds 2025 £
Investment manager's fees	—	—	32,201	—	<b>32,201</b>
Staff costs	—	—	—	94,013	<b>94,013</b>
Other direct fundraising costs	—	—	—	25,140	<b>25,140</b>
<b>2025 Total</b>	-	-	<b>32,201</b>	<b>119,153</b>	<b>151,354</b>
	General funds £	Restricted funds £	Endowment funds £	Designated funds £	Total funds 2024 £
<i>Investment manager's fees</i>	34,870	—	—	—	34,870
<i>Staff costs</i>	—	—	—	148,458	148,458
<i>Other direct fundraising costs</i>	—	—	—	11,710	11,710
<b>2024 Total</b>	<b>34,870</b>	<b>—</b>	<b>0</b>	<b>160,168</b>	<b>195,038</b>

### 4 Expenditure on: Charitable activities – community and school based programmes

	General funds £	Restricted funds £	Designated funds £	Total funds 2025 £
Staff costs and recruitment	614,185	205,054	—	<b>819,239</b>
Staff travel, training and subsistence	6,345	3,375	—	<b>9,720</b>
Direct volunteer costs	103	20,803	—	<b>20,906</b>
Direct project costs	49,636	28,433	—	<b>78,069</b>
Premises	1,461	487	—	<b>1,948</b>
Office, administration and miscellaneous	53,897	20,348	—	<b>74,245</b>
Marketing and communications	17,000	5,670	—	<b>22,670</b>
Governance costs (note 6)	39,586	13,196	—	<b>52,782</b>
<b>2025 Total</b>	<b>782,213</b>	<b>297,366</b>	<b>—</b>	<b>1,079,579</b>
	General funds £	Restricted funds £	Designated funds £	Total funds 2024 £
<i>Staff costs and recruitment</i>	332,237	204,202	155,305	691,744
<i>Staff travel, training and subsistence</i>	8,338	4,300	3,730	16,368
<i>Direct volunteer costs</i>	5,810	2,310	—	8,120
<i>Direct project costs</i>	50,179	29,251	—	79,430
<i>Premises</i>	(2,543)	(848)	—	(3,391)
<i>Office, administration and miscellaneous</i>	36,155	13,082	5,075	54,312
<i>Marketing and communications</i>	9,439	3,150	—	12,589
<i>Governance costs (note 6)</i>	15,950	6,497	—	22,447
<b>2024 Total</b>	<b>455,565</b>	<b>261,944</b>	<b>164,110</b>	<b>881,619</b>

## 5 Support costs

Support costs are those costs which enable the charitable work of GFS. They include indirect overheads and many of the head office costs which facilitate the branches and projects.

Support costs included within raising funds and community and school based programmes are as follows:

	General funds £	Restricted funds £	Designated funds £	Total funds 2025 £
Staff costs and related costs	131,433	44,246	—	<b>175,679</b>
Travel, training and subsistence	5,400	1,800	—	<b>7,200</b>
Premises	234	239	482	<b>955</b>
Office administration and miscellaneous	34,408	11,470	—	<b>45,878</b>
Governance costs (note 6)	19,397	6,466	—	<b>25,863</b>
<b>2025 Total</b>	<b>190,872</b>	<b>64,221</b>	<b>482</b>	<b>255,575</b>
	General funds £	Restricted funds £	Designated funds £	Total funds 2024 £
Staff costs and related costs	155,578	64,462	39,170	259,210
Travel, training and subsistence	12,068	4,023	—	16,091
Premises	(1,246)	(415)	—	(1,661)
Office administration and miscellaneous	41,062	15,379	5,075	61,516
Governance costs (note 6)	15,950	6,497	—	22,447
<b>2024 Total</b>	<b>223,412</b>	<b>89,946</b>	<b>44,245</b>	<b>357,603</b>

Supports costs are allocated across the expenditure headings in notes 3 and 4 as follows:

	Raising funds (note 3) £	Charitable activities (note 4) £	Total 2025 £	Basis of apportionment
Staff costs and related costs	119,153	56,526	<b>175,679</b>	Headcount
Other support costs:				
Travel, training and subsistence		7,200	<b>7,200</b>	
Premises		955	<b>955</b>	
Office administration and miscellaneous		45,878	<b>45,878</b>	
Governance costs		15,259	<b>15,259</b>	
<b>2025 Total</b>	<b>119,153</b>	<b>125,818</b>	<b>244,971</b>	
	Raising funds (note 3) £	Charitable activities (note 4) £	Total 2024 £	Basis of apportionment
Staff costs and related costs	160,168	99,042	259,210	Headcount
Other support costs:				
Travel, training and subsistence	—	16,091	16,091	
Premises	—	(1,661)	(1,661)	
Office administration and miscellaneous	—	61,516	61,516	
Governance costs	—	13,244	13,244	
<b>2025 Total</b>	<b>160,168</b>	<b>188,232</b>	<b>348,400</b>	

## 6 Governance costs

	General funds £	Restricted funds £	Designated funds £	Total funds 2025 £
Legal and professional fees	38,810	12,937		<b>51,747</b>
Committee expenses	776	259	—	<b>1,035</b>
<b>2025 Total</b>	<b>39,586</b>	<b>13,196</b>	<b>—</b>	<b>52,782</b>
	General funds £	Restricted funds £	Designated funds £	Total funds 2024 £
Legal and professional fees	15,839	6,460		22,299
Committee expenses	111	37	—	148
<b>2024 Total</b>	<b>15,950</b>	<b>6,497</b>	<b>—</b>	<b>22,447</b>

## 7 Net expenditure before net investment losses

Net expenditure before net investment losses is stated after charging:

	2025 £	2024 £
Staff costs (note 8)	<b>889,284</b>	835,512
Auditor's remuneration:		
Audit – current year's fee*	<b>21,294</b>	20,315
Depreciation	<b>11,874</b>	11,166

Audit fees are shown including VAT. Excluding VAT costs are £17,745 (2024 - £16,900)

## 8 Staff costs

Staff costs during the year were as follows:	2025 £	2024 £
Wages and salaries	<b>744,996</b>	710,361
Social security costs	<b>77,119</b>	61,387
Pension costs	<b>49,792</b>	77,768
Pension scheme adjustment	<b>17,377</b>	(14,004)
<b>Total</b>	<b>889,284</b>	835,512

Staff costs (including wages and staff travel, training and subsistence) by function were as follows:

	Direct costs £	Support costs £	Total 2025 £
Charitable activities	712,905	116,054	<b>828,959</b>
Cost of raising funds	—	94,013	<b>94,013</b>
<b>2025 Total</b>	<b>712,905</b>	<b>210,067</b>	<b>922,972</b>

	Direct costs £	Support costs £	Total 2024 £
Charitable activities	616,810	99,042	715,852
Cost of raising funds	—	148,458	148,458
2024 Total	616,810	247,500	864,310

The number of employees who earned £60,000 per annum or more (including taxable benefits) during the year was as follows:

	2025 £	2024 £
£60,000 - £70,000	—	1
£70,000 - £80,000	—	—
£80,000 - £90,000	—	—
£90,000 - £100,000	1	—

The average number of full-time equivalent employees in 2025 was 19 (2024 – 18).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the Trustees, Chief Executive and the Leadership Team. The total remuneration (including taxable benefits and employer's pension contributions) of key management personnel for the year was £367,223 (2024 – £378,863).

## 9 Trustees' expenses and related party transactions

During the year 1 Trustee (2024 – 2) was reimbursed a total of £225.23 (2024 – £26.35) for travel and subsistence.

No Trustee received any remuneration in respect to their services as a Trustee during the year (2024 – nil). During the year, the charity received donations from Trustees totalling £248.98 (2024 - £117.03).

## 10 Taxation

Girls Friendly Society in England and Wales is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

The charity is only able to reclaim VAT on very limited expenditure.

## 11 Tangible fixed assets

	Furniture and equipment £	Total £
<b>Cost</b>		
At 1 October 2024	70,674	<b>70,674</b>
Additions	2,365	<b>2,365</b>
At 30 September 2025	73,039	<b>73,039</b>
<b>Depreciation</b>		
At 1 October 2024	47,170	<b>47,170</b>
Charge for year	11,874	<b>11,874</b>
At 30 September 2025	59,044	<b>59,044</b>
<b>Net book values</b>		
At 30 September 2025	13,995	<b>13,995</b>
At 30 September 2024	23,504	<b>23,504</b>

## 12 Investments

	2025 £	2024 £
<b>Listed investments</b>		
Market value at 1 October 2024	<b>6,624,488</b>	6,502,688
Additions at cost	<b>737,848</b>	524,829
Disposals at book value (proceeds: £1,417,638 realised loss £22,059)	<b>(1,439,697)</b>	(936,649)
Net unrealised investment gains	<b>114,463</b>	533,620
Market value at 30 September 2025	<b>6,037,102</b>	6,624,488
<b>Cash held by investment managers</b>	—	—
	<b>6,037,102</b>	6,624,488

During 2025, GFS Trustees maintained a balanced investment objective going forwards, appraised on a total return basis. Returns generated from a balanced approach are a combination of income and the potential for capital growth, with the intention to protect against inflation over the time horizon and unusual exceptions in market downturns, whilst providing an income for the charity in line with the portfolio aim.

In September 2023, Trustees downgraded the risk grade of part of the investment portfolio to get the best return on investment. This change means all cash with investment managers is accessible within 90 days.

Listed investments held at 30 September 2025 comprised the following:

	2025 £	2024 £
UK fixed interest based common investment funds	<b>1,500,374</b>	1,648,013
UK equity based common investment funds	<b>2,369,933</b>	3,841,122
Overseas equity based common investment funds	<b>1,526,767</b>	780,651
Other	<b>640,029</b>	354,702
	<b>6,037,102</b>	6,624,488

### 13 Debtors

	2025 £	2024 £
Prepayments	9,061	5,586
Investment income receivable	10,852	21,991
Other debtors	6,462	2,800
	<b>26,375</b>	<b>30,377</b>

### 14 Creditors

	2025 £	2024 £
Expense creditors	11,471	3,904
Other taxes and social security costs	35,821	24,352
Other creditors	1,944	2,532
Accruals	60,502	36,367
	<b>109,738</b>	<b>67,155</b>

### 15 Provisions for liabilities

	2025 £	2024 £
<b>Provision for pension scheme deficit reduction payments (note 24)</b>		
Payable within one year	9,355	4,854
Payable within one to two years	9,355	—
Payable within two to five years	3,521	—
	<b>22,231</b>	<b>4,854</b>

## 16 Endowment funds

The capital funds of the charity include permanently endowed monies, which must be retained indefinitely:

	At 01-Oct 2024 £	Expenditure £	Transfers £	Investment gains/ (losses) £	At 30 September 2025 £
Endowment fund	2,274,542	(32,201)	—	51,354	<b>2,293,695</b>
Francis Street fund	836,603	—	—	18,889	<b>855,492</b>
	3,111,145			70,243	<b>3,149,187</b>

	At 01-Oct 2023 £	Expenditure £	Transfers £	Investment gains/ (losses) £	At 30 September 2024 £
<i>Endowment fund</i>	2,111,402	—	—	163,140	2,274,542
<i>Francis Street fund</i>	776,598	—	—	60,005	836,603
	2,888,000	—	—	223,145	3,111,145

The two endowment funds are as follows:

### Endowment fund

The endowment fund was established under a Charity Commission Scheme dated 31 July 2002. The Scheme replaces former trusts, a Scheme of the Commissioners dated 15 November 1972 and declaration of trusts dated 5 September 1974 and 21 November 1976. It states that income and capital shall be used:

- the trustees must first apply the income to meet the proper costs of administering the charity and of managing its assets and thereafter the remaining income must be applied in furthering the objects of the charity; and
- for the object of the charity, the trustees may also apply expendable endowment and permanent endowment but only on such terms for the replacement of the amount spent as approved by the Commissioners.

### Francis Street Fund

The Francis Street Fund was established during the year ended 30 September 2004 when the Francis Street hostel, which was managed by the charity, was sold by the freeholder. Under the terms of the disposal, the net proceeds were donated to the charity to be held as a permanent endowment.

## 17 Restricted funds – summary

	At 01-Oct 2024 £	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2025 £
Society funds – restricted grants	83,974	187,824	(30,998)	—	<b>240,800</b>
Trust funds (note 18)	205,566	10,061	(28,765)	(12,637)	<b>174,225</b>
Diocesan funds (note 19)	1,697,992	28,207	(237,602)	(5,876)	<b>1,482,721</b>
	1,987,532	226,092	(297,365)	(18,513)	<b>1,897,746</b>

	At 01-Oct 2023 £	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2024 £
Society funds – restricted grants	48,445	84,982	(49,453)	—	83,974
Trust funds (note 18)	193,083	8,782	(22,039)	25,740	205,566
Diocesan funds (note 19)	1,668,503	50,541	(190,452)	169,400	1,697,992
	1,910,031	144,305	(261,944)	195,140	1,987,532

## 18 Restricted funds – Trust funds

The income funds of the charity include restricted trust funds comprising the following unexpended balances of donations, grants and other income held on trusts to be applied for specific purposes:

	At 01-Oct 2024 £	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2025 £
Packe Holiday & Housing Trust	156,250	6,937	(21,864)	(10,042)	<b>131,281</b>
Greenlands, Peel, Isle of Man	41,788	2,654	(5,847)	(2,101)	<b>36,494</b>
Almoners Trust	7,528	468	(1,053)	(493)	<b>6,450</b>
<b>Total</b>	205,566	10,059	(28,764)	(12,636)	<b>174,225</b>

	At 01-Oct 2023 £	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2024 £
Packe Holiday & Housing Trust	147,430	5,796	(17,431)	20,455	156,250
Greenlands, Peel, Isle of Man	38,872	2,559	(3,924)	4,281	41,788
Almoners Trust	6,781	427	(684)	1,004	7,528
<b>Total</b>	193,083	8,782	(22,039)	25,740	205,566

The use of the trust funds held at 30 September 2025 is restricted to the following:

- **Packe Holiday & Housing Trust**

The provision of housing and holidays for the needy.

- **Greenlands, Peel, Isle of Man**

The furtherance of the charity's objectives in the Isle of Man.

- **Almoners Trust**

The provision of support for elderly members.

## 19 Restricted funds - Diocesan funds

The income funds of the charity include restricted Diocesan funds comprising the following unexpended balances of donations, grants and other income held on trusts for use by GFS within the specific dioceses:

	At 01-Oct 2024 £	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2025 £
Dioceses with branch activities:					
. Birmingham	135,486	9,521	(19,717)	(16,125)	<b>109,165</b>
. Carlisle	104,695	7,357	(14,303)	(12,460)	<b>85,289</b>
. Liverpool	209,098	1,338	(32,988)	4,721	<b>182,169</b>
. Other	180,173	3,339	(24,614)	(5,656)	<b>153,242</b>
Dioceses without branch activities:					
. Other Diocesan funds	8,923	165	(1,219)	(280)	<b>7,589</b>
. Branch support funds	1,059,617	6,488	(144,760)	23,924	<b>945,269</b>
<b>Total</b>	<b>1,697,992</b>	<b>28,208</b>	<b>(237,601)</b>	<b>(5,876)</b>	<b>1,482,723</b>

	At 01-Oct 2023 £	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2024 £
<i>Dioceses with branch activities:</i>					
<i>. Birmingham</i>	<i>107,923</i>	<i>7,998</i>	<i>(13,437)</i>	<i>33,002</i>	<i>135,486</i>
<i>. Carlisle</i>	<i>82,482</i>	<i>6,113</i>	<i>(9,122)</i>	<i>25,222</i>	<i>104,695</i>
<i>. Liverpool</i>	<i>214,962</i>	<i>5,728</i>	<i>(28,198)</i>	<i>16,606</i>	<i>209,098</i>
<i>. Other</i>	<i>186,484</i>	<i>2,792</i>	<i>(20,623)</i>	<i>11,520</i>	<i>180,173</i>
<i>Dioceses without branch activities:</i>					
<i>. Other Diocesan funds</i>	<i>9,236</i>	<i>138</i>	<i>(1,021)</i>	<i>570</i>	<i>8,923</i>
<i>. Branch support funds</i>	<i>1,067,416</i>	<i>27,772</i>	<i>(118,046)</i>	<i>82,475</i>	<i>1,059,617</i>
<i>Total</i>	<i>1,668,503</i>	<i>50,541</i>	<i>(190,447)</i>	<i>169,395</i>	<i>1,697,992</i>

## 20 Designated funds

	At 01-Oct 2024 £	Investment gains/ (losses) £	Designated/ (released) £	At 30 September 2025 £
Total – Transitional investment fund	1,801,538	40,675	(598,524)	<b>1,243,689</b>

	At 01-Oct 2023 £	Investment gains/ (losses) £	Designated/ (released) £	At 30 September 2024 £
Total – Transitional investment fund	2,298,240	177,576	(674,278)	1,801,538

The designated fund is for future investment in the fundraising strategy and implementation of the charity's five-year strategic plan. £350,000 is included within designated/released. This is to get us back within our reserves policy as we head into our new strategic term.

## 21 Analysis of net assets between funds

	General funds			Designated funds £	Restricted funds £	Endowment funds £	Total £
	Free reserves £	Pension deficit fund £	Tangible fixed asset fund £				

Fund balances at 30 September 2025 are represented by:

Tangible fixed assets			13,995				<b>13,995</b>
Investments				1,243,689	1,644,227	3,149,187	<b>6,037,103</b>
Net current assets (liabilities)	246,467				253,519		<b>499,986</b>
Pension provision		(22,231)					<b>(22,231)</b>
	246,467	(22,231)	13,995	1,243,689	1,897,746	3,149,187	<b>6,528,853</b>

	General funds						
	Free reserves £	Pension deficit fund £	Tangible fixed asset fund £	Designated funds £	Restricted funds £	Endowment funds £	Total £

Fund balances at 30 September 2024 are represented by:

Tangible fixed assets			23,504				23,504
Investments				1,801,538	2,024,356	3,111,145	6,937,039
Net current assets (liabilities)	279,756				15,392		295,148
Pension provision		(4,854)					(4,854)
	279,756	(4,854)	23,504	1,801,538	2,039,748	3,111,145	7,250,837

## 22 Financial commitments

At 30 September 2025 the charity had no future minimum commitments under non-cancellable operating leases on land and buildings (2024 – nil)

## 22 Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

## 24 Pension costs and provisions

The charity participates in a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

## Deficit contributions

From 1 April 2025 to 31 January 2028:	£2,100,000 per annum (payable monthly)
---------------------------------------	--

Unless a concession has been agreed with the Trustee, the term to 31 January 2028 applies.

The scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

## Deficit contributions

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum (payable monthly and increasing by 3% each on 1 April)
From 1 April 2019 to 30 September 2025:	£11,243,000 per annum (payable monthly and increasing by 3% each on 1 April)
From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% each on 1 April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1 April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

## Present value of provision

	2025 £'000	2024 £'000	2023 £'000	2022 £'000	2021 £'000
Present value of provision	22	5	19	32	175

## Reconciliation of opening and closing provisions

	2025 £'000	2024 £'000
Provision at 1 October	5	19
Unwinding of the discount factor		1
Deficit contribution paid	(10)	(15)
Re-measurements - impact of any change in assumptions	-	-
Remeasurements - amendments to the contribution schedule	27	-
Provision at 30 September	22	5

## Income and expenditure impact

	2025 £'000	2024 £'000
Interest expense	-	1
Re-measurements – impact of any change in assumptions	-	-
Remeasurements - amendments to the contribution schedule	27	-
Costs recognised in statement of financial activities	27	1

## Assumptions

	2025 %	2024 £%	2023 %	2022 %	2021 %	2020 %
Rate of discount	4.33	5.24	5.88	6	0.72	0.58

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

## Trustees

Michelle Corrigan – Chair of the Board of Trustees (appointed July 2025)

Alexia Lovell

Julie Cove Smith

Margaux Young (stepped up as Co-Chair December 2024, stepped down July 2025)

Molly Wedderburn

Olivia Lewis

Oluwaremilekun Turton

Shari Donnenfield

Acushla Young (resigned March 2025)

Chandni Radia (stepped up as Co-Chair December 2024, stepped down July 2025, resigned December 2025)

Konstantina Lavithi (resigned February 2026)

Tasila Banda (resigned March 2025)

## Chief Executive and Leadership Team

Heather Smith – CEO

Aimée Maguet – Head of Fundraising and Communications (appointed August 2025)

Jemma Moonie-Dalton – Head of Delivery (appointed October 2025)

Olivia Johnson – Head of Development and Impact (appointed October 2025)

Nic Shoults – Head of Finance and Support Services

Beverley Huie – Head of People (resigned October 2025)

Charlotte Hunt – Head of Operations North (resigned October 2025)

Jemma Moonie-Dalton – Head of Operations North (resigned October 2025)

## Registered office

GFS, 66 Paul Street, London EC2A 4NA

Company registration number in England and Wales

03172713

Charity registration number in England and Wales

1054310

## Auditor

Sayer Vincent LLP, 110 Golden Lane, London, EC1Y 0TG

## Investment managers

Rathbones Investment Management 30 Gresham Street, London EC2V 7QP

CCLA One Angel Lane London EC4R 3AB

## Principal bankers

Barclays Bank plc, 1 Churchill Place, London E14 5HP



 [gfs.org.uk](https://gfs.org.uk)

 [girlsfriendlysociety.org.uk](https://www.facebook.com/girlsfriendlysociety.org.uk)

 [girlsfriendlysociety](https://www.instagram.com/girlsfriendlysociety)

 [girls-friendly-society-in-england-and-wales](https://www.linkedin.com/company/girls-friendly-society-in-england-and-wales)

**GIRLS FRIENDLY SOCIETY IN ENGLAND AND WALES**

England & Wales - Charity number 1054310

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# Accounts

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FOR GIRLS  
FOR FRIENDSHIP  
FOR SOCIETY

Sept 2024

# Annual Report

## & Financial Statement

Girls Friendly Society in England and Wales  
Charity registration number - 1054301  
Company number - 03172713





CONFIDENCE.  
GROWTH.  
FRIENDSHIP.

GIRLS FRIENDLY SOCIETY  
Empower. Inspire. Encourage.



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# CEO's welcome

A warm welcome to the Girls Friendly Society (GFS) Annual Report for 2023-2024.

GFS strive to reach the most disadvantaged, younger girls and support them to build strong foundations that will enable them to navigate life's challenges. GFS will be celebrating 150 years in 2025. Whilst the focus of our work has changed over the years, the need for us to support girls remains starkly apparent. Through our Girls Voice work this year, we heard that girls feel they cannot be themselves, they feel unsafe, unheard and disproportionately affected by the challenges of social media, gender stereotyping, peer pressure, bullying and loneliness. We have worked hard this year to listen to GFS girls and we have talked with them openly about the challenges they face, and the changes they would like to see in the world. Listening to girls and amplifying their voices remains a key aspect of our work. We have positively impacted over a thousand girls this year and they tell us how GFS has enabled them to be themselves, develop confidence and speak up when it matters.

GFS has a team of over 300 volunteers without whom we couldn't achieve this impact. I am proud that we have high retention rates and attract volunteers from demographics that typically engage less. Amongst these are our new GFS Ambassadors, a group of inspirational women who help build the GFS brand and income generation.


This year has seen us come to the end of our strategic plan. In this report we review our work across three pillars: **culture; growth and sustainability.**

**Culture** - staff satisfaction levels increased to 95%, driven by enhanced staff benefits and family friendly policies and a focus on mental health and staff wellbeing.

**Growth** - we doubled the number of girls we support, growing attendance at weekly groups and the development of our work in schools.


**Sustainability** - we developed a clear and robust plan for continued sustainability. As a 'spend down' charity we continue to fundraise innovatively, to continue our work when our funds have been spent.






**“I try new things  
at GFS, which makes me  
more confident to try  
things at home”**

**GIRL,  
GFS Smethwick**

I am a  
Girl  
and I am  
AMAZING!  




I would like to thank the Trustees, Committee members, Presidents, Staff and Volunteers, and supporters. GFS relies on all of you to be able to deliver the essential support for girls around England and Wales.

# GFS at a glance



**1,455 girls supported**



**17,280 attendances**



**32 groups**



**39 events & trips**



**300+ active volunteers**



**78 new volunteers**



- ✓ **Staff satisfaction increased to 95%**
- ✓ **Our new termly, girl led newsletter popular with groups**
- ✓ **Kings College students supported GFS 150th History Project**
- ✓ **Girls Voices took centre stage in our impact reporting**
- ✓ **New groups opened in Cramlington and Shrewsbury**
- ✓ **GFS Ambassadors project launched**



**“GFS feels like heaven, better than school. There’s lots of activities, fun instead of work.”**  
**GIRL,**  
**GFS Smethwick**



- ✓ **GFS London groups celebrated Global Make Some Noise Day at Capital Radio**
- ✓ **GFS President shortlisted Charity Champion of the Year-North East Charity Awards**
- ✓ **GFS South Wales groups visited Techniqest Science Discovery Centre, Cardiff for International Day of Women and Girls in Science**
- ✓ **Enstar Group supported GFS girls at Saracens Rugby Club**
- ✓ **Our new schools project delivered in Swansea and Manchester**
- ✓ **National Training Programme for volunteers covered Equity, Diversity and Trans-inclusion**

# Our vision

A world where girls and young women are free to be themselves and feel proud of who they are.

# Our mission

To support and inspire girls and young women. We will create spaces where they feel safe and valued, so that they can build strong foundations that will prepare them for life's challenges.



# Our values

**girl-  
focused**

**brave**

**ambitious**

**feminist**

**inclusive**

**fun**

# Introduction

The Trustees of Girls Friendly Society in England and Wales (GFS) present the Trustees' Report and Financial Statements for the year ended 30<sup>th</sup> September 2024. The financial statements have been prepared in accordance with Part VI of the Charities Act 2011 and constitutes a directors' report for the purposes of company legislation. The financial statements have been prepared in accordance with the accounting policies set out on pages 38 to 41 of the attached financial statements and comply with the charitable company's memorandum and articles of association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102).

**Our vision** – is of a world where girls and young women are free to be themselves and feel proud of who they are. We support girls by running groups and workshops where they can have fun, make friends and develop life skills needed to handle the pressures and challenges that so many girls and women still face.

**Girls  
as young as six  
tell us they can't be  
themselves.  
This holds them  
back.**



• **It affects their relationships:** it can be harder to connect with others and make real friends, leading to isolation and loneliness.

• **It harms their wellbeing:** trying to fit in or worrying about who they are and how they look can lead to - or be the result of - anxiety and poor mental health.

• **It damages their confidence:** feeling unable to express themselves can lead to girls missing out on opportunities and believing that their voices don't matter.

• **It limits their lives and opportunities:** girls are more vulnerable to gender stereotypes, social pressures and damaging attitudes which leave them at risk of exclusion, discrimination and harm.

Because of this, girls are not reaching their potential and that perpetuates gender inequality. GFS provides safe spaces where girls are accepted for who they are, enabling them to practise and develop key skills and build relationships.

**77%** of caregivers send their child to GFS to access a safe space or support network outside school.

We help them feel happier, more confident and more resilient, so they can handle the challenges they may face in their lives.

This report shares how we have developed the organisation to have a strong **culture**, sound plans for **sustainability** and how we have achieved **growth** to support more girls.



# 1. Culture



**Focus** - Provide high quality support for volunteers and groups, ensure GFS is girl shaped, and create a positive working environment.

## ► Support for Volunteers & Groups

**Diverse and inspirational volunteers** - We greatly improved the diversity of the 301 2023/24 volunteers, ensuring we have a range of positive role-models. **32%** of our volunteers come from an ethnic minority background (national average is **18%**) and countering the national trend, **42%** of GFS volunteers are aged under 30.

**Improved recruitment and retention** - GFS saw a **50%** increase in volunteer numbers and a turnover of **14%**, compared to **34%** in the previous year. Attributed to better recruitment practices, frequent training opportunities, reward schemes and dedicated support.

**Trips and Residentials** - The girls have participated in more residentials and trips this year. Including, Magpies Festival in York, "Fantastically Great Women Who Changed the World" theatre show in London; Little Voices Singing for Confidence in Manchester; Netball and Rugby at Saracens Stone X stadium in London; and STEM sessions on International Day of Women and Girls in Science at Techniquet, Cardiff.

"I am new to GFS and felt welcomed by everyone. I am really enjoying meeting and building relationships with the girls, and my fellow volunteers."

**LOUISE,  
VOLUNTEER,  
GFS Bearwood**

**External Facilitators** - Groups have welcomed a broad range of practitioners to introduce new subjects and activities. Examples include: physics students from Durham University leading at GFS Chester-Le-Street; a boxing coach at GFS Heywood and Frankie's Pottery at GFS Aigburth.

"Our volunteer taught the girls a brief lesson on how to play the violin. A week later a pupil told me that "having a go" has now given her the confidence to join the school violin group."

**JANET,  
GROUP COORDINATOR,  
GFS Port Talbot**

## ► Girl Shaped

**Girls In** - A range of initiatives, designed to improve our listening to girls. Ensuring we are a girl-shaped organisation, built around girls' needs and creating opportunities for their voices to be heard.

- Group Coordinators responded to girls' requests, making groups enjoyable and inclusive: **87%** feel more positive since joining GFS.

"The girls wanted more energetic activities, so we placed greater emphasis on the pace of sessions and included team games. Girls have been more engaged, mixing across ages and spent less time on their phones."

**LINDSEY,  
GROUP COORDINATOR,  
GFS Chester-Le-Street**

- Secondary age girls co-created programme to support younger girls: **70%** felt listened to and **65%** felt they were part of making a positive change for other girls
- 40 girls shared their views and experiences in focus groups: their voices shaped our 2025 As Told By Girls report.

By consulting and including girls, we create safe and happy environments where girls feel valued. **78%** of girls say they have got better at speaking up and we have seen higher retention rates (**87%** up from **75%**) and regular attendance.

**Girl's Newsletter** - Our new girl led newsletter provided a platform for GFS girls to express themselves and connect with each other, fostering a sense of community across the wider charity. **82%** said it made them feel part of a bigger group and **75%** said they had the chance to share views and ideas.

## ► Create a Positive Work Environment

**Equality, Diversity and Inclusion Taskforce** - To oversee our commitment to being an inclusive organisation GFS set up an EDI taskforce made up of staff and volunteers.

**2024 Staff Survey** found **95%** are proud of what GFS has achieved and feel valued in their role. **90%** agree they have a good work life balance.

**The Mental Health and Wellbeing** - GFS launched a new internal group to promote an open and inclusive mental health and wellbeing culture, improve access to support, equip managers with the skills and share practical solutions. GFS signed up to the Mental Health at Work Commitment and provided training for staff. We now have six, trained Mental Health Champions.

**National Training Programme** - GFS delivered training for its volunteers and the staff team engaged in a Day of Learning on trans inclusion and gender diversity.





# Case study



**“Volunteering with GFS has been a major part of my life. The roles I have undertaken have all added another layer to my development as a person and the belief that the work of GFS with girls and young women is as vitally important now as it was in 1875 when GFS began.”**

**PAM, VOLUNTEER,  
GFS Eldon**

For 50 years, Pam Hutchison has supported girls and young women in Eldon to believe in themselves, whilst offering support and encouragement to all GFS staff and volunteers.

Pam first visited GFS Eldon, where she lives, in 1973 to support the group and became Group Leader. Girls in Eldon have few options for after-school activities and face challenges outside of group. Pam provides girls with confidence, resilience and empathetic emotional support and has worked hard to ensure GFS Eldon provides the safe space girls need to be themselves.

Pam embodies the values of GFS and builds connections between volunteers, girls and staff, in a unique way, which is highly valued by all.

She always provides a warm welcome to all newcomers, which is why we always encourage our new Group Coordinators to visit GFS Eldon, where they get to meet Pam and see how she runs this long-standing group. “Meeting together like this helps the girls to realise they are part of something bigger than their own group. Friendships between groups can build up over time.”



**PAM**

was nominated  
for the Charity  
Champion of  
the Year Award  
by the  
Northeast  
Charity  
Awards.

**“IT IS AMAZING BEING A PART  
OF THE LIVES OF SO MANY GIRLS –  
PROVIDING THEM WITH  
A SAFE SPACE, WATCHING  
THEM GROW IN CONFIDENCE  
AND GIVING THEM  
A FIRM FOUNDATION  
ON WHICH TO BUILD  
THEIR LIVES.”**

**PAM HUTCHISON**  
GFS Eldon Group Leader  
and GFS England President

## 2. Growth



**Focus** - new groups in areas of real need, to develop teams based in the communities we serve, ensure we are having a positive impact

### ► New groups in areas of real need

**Growing our impact** - We nearly doubled our girl numbers, with **731** in 2023 to **1265** in 2024. We achieved this growth through opening new groups in Cramlington, Shrewsbury and Heywood (Greater Manchester), and Grangetown (Cardiff), growing numbers at current groups and newly working in Dylan Thomas Primary School, Swansea and St Paul's Primary School, Bury.

**Regional Development** - Focusing in four key regional areas: North East, North West, London and South Wales. We have developed two new full-time roles in London and Greater Manchester, to develop schools work and build stronger connectivity with regional infrastructure and like-minded organisations.

**Building local partnerships** - for example in the Greater Manchester Area; the local Police and Crime Support Officer attended the Heywood Group launch and has supported with funding opportunities, Guinness Housing Association promoted GFS to tenants and the local Child and Adolescent Mental Health Services and have sent referrals.

### ► Positive impact

**Girls can't be themselves and this holds them back** - the pressures and expectations on girls affect their relationships, wellbeing, confidence and access to opportunities, perpetuating gender inequality.



We are proud of the impact we have in girls' lives as we help meet these needs.

• **Wellbeing** - girls are worried about being judged and fitting in, and find it hard to talk about how they're feeling. BUT GFS helps girls feel happier, express themselves and cope with challenges

**73%** of girls say GFS helps them look after their mental health.

**83%** of girls feel they have got better at trying again when things go wrong.

• **Relationships** - girls find it hard to manage friendship challenges. BUT GFS Programme in 2024 gave girls the tools to navigate their relationships better. Over 12 sessions, girls practiced recognising different perspectives, managing conflict and social skills. By the summer term, we saw an increase from **45%** to **75%** of girls saying they can cope with difficult situations in their friendship group.

**85%** feel happier with their friendships

**69%** feel GFS helps them cope when things go wrong.

• **Confidence** - girls often struggle to speak up and express their opinions. BUT GFS encourages girls to share their ideas and experiences, building their confidence as they practice key communication skills. We show girls that they deserve to be heard.

**77%** of girls say that GFS gives them more confidence to be themselves.

**83%** say they have got better at believing they can achieve their goals.

• **Opportunities** - girls are still told they can't do things because of their gender. From the age of 5, over half of GFS girls have been told they can't do something because they're a girl, rising to **70%** of girls aged 12+. BUT GFS provides a safe space for girls to try new things, building courage and self-belief.

**89%** of girls say they have got better at trying new things.

"My daughter says she can be herself at group and doesn't feel judged"

PARENT/CARER,  
GFS Blyth

"She has sensory autism and struggles to maintain friendships. GFS is a safe space for her to learn to socialise appropriately."

PARENT/CARER,  
GFS Smethwick

### Reflections from Parents and Carers

- The 2024 parents survey found that:

• **60%** of parents noticed improvements in their child's overall happiness.

• **62%** have seen their child become more willing to try new things, rising to **77%** of parents of children with additional needs.

• **71%** of parents say the work GFS does is helping empower the next generation of women.

"I feel that I can talk about how I feel more freely and that I can express my feelings more"

GIRL,  
GFS School Workshop,  
Liverpool



**Girl's Newsletter** - Our new, termly girl led newsletter promotes girl voices and celebrates group achievements and activities. The aim is to connect GFS girls with each other, so they see the charity's national presence and establish two-way communication more directly. **70%** of girls liked it, **82%** said it helped them learn more about what is happening at GFS, **82%** said it made them feel part of a bigger group of girls and **75%** said they had the chance to share views and ideas.

**Girls Rights Collective (GRC)** - GFS has taken over the running of the GRC from Plan International UK. This will provide GFS with a great opportunity to grow its reach and influence in the women and girls sector, whilst remaining at the heart of the promotion of girl's rights.

**New Strategy for 2024 / 2027** - GFS has developed a new and bold strategic plan for the next period 2024 / 2027. This has three pillars: **Impact, Brand and Sustainability.**

## SARAH-JANE

is 9 and has been with GFS Leytonstone since 2023.

## KEMI

is 15 and joined GFS in 2019, when she was 9.



**“GFS MEANS A LOT TO US BECAUSE OVER THE YEARS WE’VE LEARNT HOW TO MAKE FRIENDS AND HOW TO ACHIEVE OUR GOALS.”**

# Case study



**Kemi** has grown up with GFS from a young girl to a young woman. Over the years, the group has become a very special place to Kemi. The fun and supportive environment are exactly what keep her coming back year after year. Before joining GFS, Kemi felt bored a lot of the time. So, when GFS Leytonstone first opened and she heard other kids at school talking about it, her mum encouraged her to go. She says the thing that makes GFS stand out, compared to other after school clubs, is the fact that GFS includes everyone by offering all sorts of different activities, rather than focusing on just one thing. Kemi really enjoys having access to those different kinds of activities. She loves sessions that allow her to be creative, like when girls made their own pottery with their own designs. And she also enjoyed visiting Saracens Stadium and getting to try Netball and Rugby with professional sportswomen – with the huge bonus of getting to meet girls from other GFS groups, of course!

**“The good thing about meeting people from different GFS groups is that we get to make new friends and socialise with different people we’ve never met before.”**

**KEMI, GIRL,  
GFS Leytonstone**

**Sarah-Jane** has a confident and outgoing personality, and when she’s at GFS she tries things she didn’t think she could do before. Sarah-Jane used to think she wouldn’t be able to get up in front of a group and give a speech because of her stage fright, but now she’s going to share her voice at our 150th Anniversary event at the House of Commons!

**“The group has made me think about things that women are behind on. I’m gonna try to change it when I’m older.”**

**SARAH-JANE, GIRL,  
GFS Leytonstone**

Friendship is important to Sarah-Jane and she thrives in the supporting environment of GFS, where volunteers and her fellow GFS girls make her feel special by encouraging her to join in activities. Though they’re different ages, Kemi and Sarah-Jane have built a fantastic supportive friendship. And just like Kemi, Sarah-Jane loves that GFS offers different kinds of activities to do. She learns about important things, like women’s rights. As she learns, Sarah-Jane becomes inspired to make the difference she wishes to see in the world.

**“Now that I’ve been to GFS, I know that I can be who I want to be.”**

**SARAH-JANE, GIRL,  
GFS Leytonstone**

Beauty standards

Academic expectations

Gender stereotypes

Sexual harassment

Public safety

Mental health

Social media

**Why we exist**

Girls can't be themselves - and this holds them back.

Period poverty

Peer pressure

1. Girls can handle life's challenges

2. Girls have higher aspirations

3. Girls grow up to be empowered women

4. Girls are not held back by their gender

**Our impact**

More confidence

Positive relationships

Happy with who they are

## **Our vision**

**Our vision is a world where girls are free to be themselves and feel proud of who they are.**

## **Our activities**

**We create safe spaces for girls**

**We support girls to develop key skills**

**We listen to girls**

**We go where girls need us most**

**Relationships**

**New experiences**

**Supported wellbeing**

## **Our outcomes**

# 3. Sustainability



**Focus** - Ensure our spending is focused on the front line to enable access to all girls, develop a supporter base through increasing brand recognition, diversify our income and build a sustainable fundraising strategy.

## ► Focus on Frontline Spending

**Fee waivers scheme** - Cost should not be a barrier to girl's attendance. Any parent can self-refer their child to attend sessions free of charge through our fee waiver scheme. This also apply to our trips. **60%** of parents say the low fees/fee waivers make GFS affordable for their family.

## ► Developing our supporter base

**Magpies Festival** partnership was new for 2024, an example of where we have been innovative to reach new audiences who might align with our organisation and pilot new individual giving approaches. The Magpies Festival was held in York for its third year. The young, female management team champion gender equality in the music industry, giving clear value alignment to GFS. GFS girls attended the festival and card readers were used to take donations across the weekend.

**Growing the GFS Brand** seen as underpinning the development of effective fundraising and supporter engagement has been a focus. GFS has seen a **38%** increase in website views over the past 12 months, and a small increase in total social media followers.

**Girls Can Campaign** ran throughout the year, and it became the centrepiece of our International Day of the Girl activities. A good integrated campaign which had linked program activities for GFS girls, opportunities for corporate volunteers, individual and corporate giving and digital activations. The campaign performed especially well online with overall engagement across our social media channels of 86,000 impressions, and nearly 200 new LinkedIn followers.



## ► Sustainable fundraising and supporter journey

**GFS Ambassadors** - A group of influential women who have supported GFS through driving up engagement on social media (+68% on LinkedIn). They facilitate exclusive charity partnerships for GFS with Wonderful Women events, which provide networking for women in business, whilst supporting fundraising and brand awareness. The ambassadors have grown GFS's awareness with the corporate sector as well as brokering introductions with a number of corporate partners.

**Fundraising strategy** - Focused on a growth across income streams as part of our efforts to become sustainable in the long term. We have increased our trust and foundation income by 25%, built our corporate relationships and delivered fundraising campaigns linked to International Women's Day and International Day of the Girl. We have seen real success with corporate volunteering engagement, enabling volunteering opportunities for five of our corporate partners over the last 12 months, which has resulted in girls receiving hundreds of welcome packs and messages of support on our ribbon bunting, as well as expert input into our programme design.

**"Enstar is passionate about making a difference through community involvement, charitable giving and volunteering. We promote staff engagement in our support of local charities and causes. Enstar is delighted to support GFS as part of our commitment to equality for women and girls."**

**STEPHEN HOGAN,**  
**Enstar**

**"We all have value to share regardless of what stage we are at, and we all benefit from help, even though we often can't or won't ask".**

**ELLIE RICH-POOLE,**  
**GFS Ambassador**

**Growing GFS Partnerships** - GFS has benefitted from some fantastic funder partnerships. Global Make Some Noise selected GFS as one of 41 charities to support with a two year grant - which was doubled live on air, whilst Enstar Group supported GFS with a significant donation for a second year and enabled opportunities for our GFS London groups with Saracen's Rugby Club.



# Case study

**Elicia** has been a Group Coordinator (GC) since September 2021, working as the GC of GFS South Manchester and GFS Heywood since each group launched.

**"GFS is a place where girls are valued, heard and equal. There is something so empowering about having a women team fighting for justice for the younger generation. We are making a real change and not just talking about it."**

**ELICIA,  
GROUP COORDINATOR,  
GFS South Manchester  
and GFS Heywood**

Having grown up in the neighbourhood where GFS South Manchester is now located, Elicia is fully aware of the barriers the girls in her community may face. She knows what it is like to not have enough support and wanted a place where girls are not held back by the area they are in.

Elicia fell in love with the idea of a role that's all about creating a place where girls can be themselves and try new things. One of the ways GFS does that, is by opening new opportunities, such as our partnership with The Magpies Festival, which invited our Manchester girls to attend. In May 2024 we opened a new group in Greater Manchester – GFS Heywood. Elicia pushed hard for this location, because she could see the need girls in this community had for GFS. As GC, Elicia has a front-row seat to all the positive changes GFS makes in the lives of girls. She saw many girls who were initially shy and struggled to make friends. But after spending some time at GFS, they came out their shell, gaining confidence and learning to speak for themselves. It's not just the girls who benefit from GFS – it's the adults too. Elicia has taken the time to befriend her volunteers. "It's hard to make friends as an adult, but now I have a social life with people who share similar values and morals." She has also learnt a huge variety of skills, and as she teaches girls to be confident in themselves, she has found taking on those same learnings.

**"There is crime and a lack of safety in this community. I wanted to be here, so the girls know there is a place they can go to, with a trusted adult who will show up for them."**

**"I have really built my confidence – talking to people I don't know, learning how to speak and put my vision across."**

**ELICIA,  
GROUP COORDINATOR,  
GFS South Manchester  
and GFS Heywood**



# The Year Ahead 2024/25

GFS has an exciting year ahead as we will be celebrating 150 years of girls voices, brave actions and strong foundations:

**'Girls speak: navigating the conflicts of girlhood in 2025' Report** - Without understanding the needs and experiences of girls, we cannot hope to support them meaningfully at this formative stage. We spoke to girls as young as six to understand what is happening in their lives today and what we need to be doing so they can truly feel free to be themselves and go on to have unstoppable futures. It is essential that we continue to champion change and drive progress at a system level so that the girls of tomorrow can be themselves without confusing messages, constraining gender stereotypes, pressures and norms pushing them into a conflicted state of being. For GFS, sharing these findings and platforming younger girls' voices is our contribution to this change, we hope its readers play their part in supporting girls to feel free to be themselves.

**150th Anniversary - Unstoppable Tour** - On the 1st of January 2025, GFS will be 150 years old. We will celebrate, engage and reflect on this milestone through a number of community activities and events around the country, our GFS Unstoppable Tour. We want to reach out to everyone who has been involved with, or impacted by, GFS.

**Girls Rights Collective** - A network of organisations and individuals who are working in the girls rights space. It aims to connect, convene and celebrate the work that is going on across the UK to advance gender equality. Conceived by Plan International UK, GFS will be taking over the running of this network on the same day we celebrate our 150th anniversary. We have planned exciting events and discussions to support this community and advance gender equality, making the world a fair place for all girls to thrive.

**Developing our Work in Schools** - After a successful pilot in 2024, GFS will be rolling out school based interventions in London and Manchester, offering afterschool clubs and one off workshops to deliver GFS programmes to a broader audience. We are aiming to reach over 1,000 girls through our schools programme in 2025.

We hope you will continue to support and follow us as we build unstoppable futures for girls and young women.



**GFS FOR GIRLS FOR PROGRESS FOR SOCIETY**

Sign up to volunteer at a GFS group near you:



SCAN ME!

“ The girls are the highlight for me; chatting with them, watching them grow in confidence and making new friends. ”

“ I was able to grow my own confidence. ”

“ GFS would have been such a positive experience for me when I was younger. ”

*you are a star*



[info@girlsandboysvol.org.uk](http://info@girlsandboysvol.org.uk) | @





# Financial review

## ► Results for the year

The statement of financial activities on page 34 shows net expenditure for the year before investment losses of £726,265 (2023 - £742,985) being a deficit on unrestricted funds of £284,348 (2023 - £334,877), a deficit on designated funds of £324,278 (2023 - £288,959) and a deficit on restricted funds of £117,639 (2023 - £119,149). Total income for the year was £350,392 (2023 - £312,831) with income from investments and interest receivable comprising 47% (2023 - 48%) of the total and amounting to £164,719 (2023 - £150,988). Although the income yield from investments is welcome, it is not adequate to sustain our activities and needs to be supplemented by substantial other sources of income in the future to ensure the financial security which will safeguard the charity's services for the long term.

Expenditure in the year totalled £1,076,657 (2023 - £1,055,816) with expenditure on charitable activities to £881,619 (2023 - £889,010). The charity's largest expense item continues to be staff costs reflecting the importance of people to the successful achievement of the organisation's aims - both paid staff and volunteers. Trustees continue to strive to achieve the charity's aims within the framework of providing a high-quality service to the girls and young women who require the charity's support. The final net movement in funds for the year, after net investment gains of £595,861 (2023 - gains of £151,121) amounted to a loss of £130,404 (2023 - loss of £591,864).

## ► Financial position

### Free reserves & reserves policy

GFS' reserves policy is to maintain free reserves, net of the pension fund deficit, of around 3 months' expenditure, £327,749 - £345,944. Free reserves are maintained to mitigate risks associated with fluctuating costs and to ensure

there is a baseline to cover spend in the coming months. Free reserves, along with designated funds, would also be used in the unlikely event of wind up. In September 2024 we had £327,118 in free reserves (2023 - £282,625) this is equivalent to 2.9 months expenditure (2023 - 2.6 months). The charity also has restricted reserves that are limited in where they can be spent, and endowments that generate income that can be spent. Trustees have structured the reserves to protect the services and allow the charity to continue to fundraise. The additional fundraising income is being built on top of the strong financial foundation the endowment provides, to allow the charity to innovate and to meet the growing demand for our services. The charity carries a pension deficit of £4,854 (2023 - £18,858).

## ► Other Funds

In addition to the endowment funds, on 30 September 2024, GFS had restricted funds which totalled £1,987,532 (2023 - £1,910,031) most of which are restricted to being spent in certain geographic areas and, in particular, specific dioceses. Full details of the funds are given in notes 17 to 19 to the attached financial statements.



The charity has designated funds which on 30 September 2024 totalled £1,801,538 (2023 – £2,298,240). These funds are designated for the growth of the fundraising department, to support the organisation during COVID, and to deliver our strategy to work with more girls and young women. They form the basis of an ongoing piece of work to bolster our services in the coming years, as described in more detail throughout this report.

The pension deficit fund of £4,854 matches the liability on the balance sheet in respect to the defined benefit pension scheme which the charity contributes to on behalf of certain of its employees. Details of the scheme and the deficit funding determined by an actuary are given in note 24 to the attached financial statements.

### ► Investment Policy

The charity has a portfolio of investments which had a market value as of 30 September 2024 of £6,937,039 (2023 – £7,052,233) comprising listed investments of £6,624,488 (2023 – £6,502,688), and cash awaiting investment of £312,551 (2023 – £549,545). The investment portfolio represents in part the charity's endowment funds, the capital of which cannot be spent. We consider our investments to be a long-term solution. Markets are starting to bounce back after the volatility of the last few years. We anticipate our investment portfolio will continue to provide us with an income, but it is necessary for us to supplement this with fundraised income to cover the breadth of our activities. GFS uses independent investment managers (CCLA and Rathbones) to safeguard our invested funds. These investment managers meet with Trustees once per quarter to review the portfolios, the yield, and the requirements of the charity. The investment objectives are to achieve the highest possible yield from the portfolio and long-term capital growth whilst

maintaining the underlying risk at acceptable levels. In September 2023, Trustees decided to split the money in Rathbones into two portfolios, at different risk levels. The lower risk level means we can withdraw money as needed with minimal risk to the value of the overall portfolio. Our investments are managed on a Total Return basis.

### ► Fundraising Statement

GFS is committed to responsible fundraising practices, which are legal, honest and respectful. We follow the Fundraising Code of Practice. We are registered with the Fundraising Regulator. We do not carry out door-to-door, street or telephone fundraising. We take our responsibility towards our donors very seriously and aim to provide a positive experience. We believe that no one should feel pressured into giving. We take steps to ensure that vulnerable people are protected. We will not contact anyone unless they have requested or consented to receiving fundraising communications. Donors can opt out of receiving fundraising or any other communications at any time. We will never sell, swap or share donor data. We aim for all those donating to GFS to have a positive experience. In 2023-24 we received no complaints. However, if we receive them, we are committed to investigating complaints and resolving them swiftly. If anyone is dissatisfied with their experience, please contact us. Feedback enables us to improve our fundraising service.

### ► Public Benefit

Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and activities for the year, and the organisational plans for future periods.

# Governance arrangements

## ► Constitution & Committees

Girls Friendly Society in England and Wales is a company limited by guarantee and is registered under the Charities Act (2011). The Board of Trustees consists of up to fifteen Trustees, recruited in accordance with the Bye Laws following an open and transparent recruitment exercise designed to address skills and experience gaps emerging on the Board. As well as sitting on the Board every Trustee sits on one of the supporting skill-based committees – People & Operations, Fundraising & Growth, Finance & Investments and Quality & Impact. This wider governance team is recruited in the same open recruitment process to fill gaps and in line with safer recruitment. Each new Trustee receives an induction pack and ongoing training. Trustees are encouraged to attend training. Trustees also have a member of the Leadership Team as a link to ensure good staff-board communication. Key pillars of their induction training are Conflict of Interest, safeguarding, EDI. No Trustee received remuneration for services as a Trustee during the period or any beneficial interest in any contract with the charity during the period. Overall responsibility for the charity remains with the Trustees who set and monitor the strategic direction of the charity and agree policy. The Board delegate responsibility to the CEO. The Board reviews organisational progress against the strategy on a quarterly basis and self-assesses its practice and progress against the Charity Governance Code. Each year, the Board reviews remuneration of the staff team. Increases are made against benchmarked salaries or inflation in alternate years.

## ► Trustees' Responsibilities

The trustees (who are also directors of GFS for the purposes of company law) are responsible for preparing the

trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the trustees are required to:

- ✓ **Select suitable accounting policies and then apply them consistently**
- ✓ **Observe the methods and principles in the Charities SORP**
- ✓ **Make judgements and estimates that are reasonable and prudent**
- ✓ **State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements**
- ✓ **Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation**

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- ✔ **There is no relevant audit information of which the charitable company's auditor is unaware**
- ✔ **The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information**

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at year end date was 18 (2023 - 14). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

## ► Risk

The Trustees regularly assess the the major risks to which the charity is exposed, each of the Finance and Investment, People and Operations, Quality and Impact, Fundraising and Growth committees, and the Board review the charity's Risk Register quarterly. The Trustees believe that by monitoring these and developing controls they will have established effective systems to mitigate them or

reduce their impact. They discuss risks at every committee and Board meeting, although risks may be raised by the Chief Executive to the Board at any time. The Board uses a Risk Rating matrix to help it focus on the principal risks and execute mitigating plans of action. A summary of the top three principal risks and uncertainties identified along with their mitigations are as follows:

### ? **Investment strategy not working for us**

The Investment policy is in place and regularly reviewed, there is quarterly engagement between the Finance and Investment Committee and the investment managers, and action taken following reviews such as splitting the portfolio across risk categories in 2024.

### ? **Ability to develop and deliver successful fundraising strategy**

Current fundraising strategy is regularly reviewed to respond to internal and external factors, the Board and Committees regularly review fundraising performance including return on investment and continue to allocate appropriate funds to enable its success.

### ? **Continuing to run charity on a deficit**

We have a fundraising and financial strategy approved by Board which work alongside a 10 year plan, periodically reviewed, to enable sustainability. Income and expenditure are carefully monitored to ensure we are operating in line with these.

## ► Leadership & Management

The Leadership Team (LT) is recruited to lead on each area of specialism the organisation needs and is supported by governance committees. LT also feed into every Board via a joint report as well as attending at least one board meeting a year. The Chief Executive (CEO) attends all committee meetings and board meetings to provide consistency. We operate as a virtual team, and each LT member has a responsibility to lead their team with purpose to fulfil the strategy and achieve organisational objectives. LT has an annual plan and objectives that they develop alongside KPI's for the year. LT meet at least weekly to discuss key priorities and have task specific meetings throughout the week. The entire staff team meets virtually once a week to attend training, discuss team goals or receive organisational updates. After every Board meeting, a Trustee reports to the staff team on decisions made. The charity has a remuneration policy which is designed to offer fair pay to attract and retain qualified staff to lead, manage and deliver the charity's aims. The charity does not have a performance pay approach and neither does it award commission or a bonus scheme. Instead, every two years, GFS reviews its salaries with an external benchmarking sector expert. Results are shared with the Board and feed into the budget. Every other year the Board awards an increase for all staff – this is a % award and based on cost of living and sector practice.

The trustees consider that they, together with the CEO and LT, comprise the key management of the charity in charge of directing, controlling, running and operating the charity on a day-to-day basis. None of the trustees receives any remuneration in connection with their role as key management personnel.

## ► Recruitment

GFS is committed to delivering fair and safer recruitment and has a policy in place to ensure this happens. Every paid and unpaid role is assessed to determine if it is eligible for a DBS check and if so at what level. The guidance suggests that these are refreshed every three years and our database flags when this is necessary for each member of the team. All recruitment and selection across GFS is also guided by the GFS Equity and Diversity Policy. Every post is widely advertised with a genuine focus on ensuring we include considerations for equity, diversity and inclusion. This is at advert stage, within the job description and the interview process. For all paid roles, shortlists are developed using anonymous applications and questions developed to test the key competencies of the role. Candidates are given the questions in advance to support a good interview process and give everyone the best opportunity. GFS needs to respond to the ever-changing challenges of the day faced by girls and young women. There is a need to ensure the entire team is supported to address that need and there is a very real commitment to training and development. It is one of the GFS strategic objectives to invest in the people so that this remains a learning organisation. The above report has been prepared in accordance with the special provisions relating to small companies within FRS 102 and part 15 of the Companies Act.

**The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.**

**The trustees' annual report has been approved by the trustees on date and signed on their behalf by:**

**Name** ..... *Margaux Young*

**Title** ..... Treasurer and Interim Co-Chair



# Independent auditor's report to the members of Girls Friendly Society in England and Wales

## ► Opinion

We have audited the financial statements of Girls Friendly Society in England and Wales (the 'charitable company') for the year ended 30 September 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 **The Financial Reporting Standard applicable in the UK and Republic of Ireland** (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 30 September 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the

## ► Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## ► Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Girls Friendly Society in England and Wales ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## ► Other information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon.

The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

## ► Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

## ► Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the

course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## ► Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is set out below.

**Capability of the audit in detecting irregularities** - In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the finance and investment committee,

which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## ► Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Fleur Holden**  
**(Senior Statutory Auditor)**

**Signature** *Sayer Vincent LLP* .....

**Date** 11 April 2025 .....

**for and on behalf of**  
**Sayer Vincent LLP,**  
**Statutory Auditor**

**110 Golden Lane, LONDON,**  
**EC1Y 0TG**

# Statement of Financial Activities

(incorporating an income and expenditure account)

Year to 30 September 2024

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2024 £	Total Funds 2023 £
<b>Income</b>							
Donations & legacies	1	94,139	—	84,982	—	<b>179,121</b>	134,097
Investment income & interest receivable	2	105,396	—	59,323	—	<b>164,719</b>	150,988
Miscellaneous income		6,552	—	—	—	<b>6,552</b>	27,746
<b>Total income</b>		<b>206,087</b>	<b>—</b>	<b>144,305</b>	<b>—</b>	<b>350,392</b>	<b>312,831</b>
<b>Expenditure</b>							
Raising funds	3	34,870	160,168	—	—	<b>195,038</b>	166,806
Charitable activities: Community & school based programmes	4	455,565	164,110	261,944	—	<b>881,619</b>	889,010
<b>Total expenditure</b>		<b>490,435</b>	<b>324,278</b>	<b>261,944</b>	<b>—</b>	<b>1,076,657</b>	<b>1,055,816</b>
<b>Net (expenditure) income before investment gains</b>	7	<b>(284,348)</b>	<b>(324,278)</b>	<b>(117,639)</b>	<b>—</b>	<b>(726,265)</b>	<b>(742,985)</b>
Net gains on investments		—	177,576	195,140	223,145	<b>595,861</b>	151,121
<b>Net (expenditure)/income</b>		<b>(284,348)</b>	<b>(146,702)</b>	<b>77,501</b>	<b>223,145</b>	<b>(130,404)</b>	<b>(591,864)</b>
<b>Statement of recognised gains &amp; losses</b>							
Actuarial (losses) on defined benefit pension scheme		(650)	—	—	—	<b>(650)</b>	<b>(1,343)</b>
<b>Net movement in funds for the year before transfers</b>		<b>(284,998)</b>	<b>(146,702)</b>	<b>77,501</b>	<b>223,145</b>	<b>(131,054)</b>	<b>(593,207)</b>
Transfers between funds	20	350,000	(350,000)	—	—	—	—
<b>Net income &amp; net movement in funds for the year</b>		<b>65,002</b>	<b>(496,702)</b>	<b>77,501</b>	<b>223,145</b>	<b>(131,054)</b>	<b>(593,207)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward at 01/10/23		285,620	2,298,240	1,910,031	2,888,000	<b>7,381,891</b>	<b>7,975,098</b>
Total funds carried forward at 30/09/24		350,622	1,801,538	1,987,532	3,111,145	<b>7,250,837</b>	<b>7,381,891</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

# Comparative Statement of Financial Activities

(incorporating an income and expenditure account)

Year to 30 September 2023

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £
<b>Income</b>						
Donations & legacies	1	41,778	—	92,319	—	134,097
Investment income & interest receivable	2	93,809	—	57,179	—	150,988
Miscellaneous income		27,746	—	—	—	27,746
<b>Total income</b>		163,333	—	149,498	—	312,831
<b>Expenditure</b>						
Raising funds	3	30,242	136,564	—	—	166,806
Charitable activities: Community & school based programmes	4	467,968	152,395	268,647	—	889,010
<b>Total expenditure</b>		498,210	288,959	268,647	—	1,055,816
<b>Net (expenditure) income before investment gains</b>	7	(334,877)	(288,959)	(119,149)	—	(742,985)
Net gains on investments		—	56,422	38,863	55,836	151,121
<b>Net (expenditure)/ income</b>		(334,877)	(232,537)	(80,286)	55,836	(591,864)
<b>Statement of recognised gains &amp; losses</b>						
Actuarial (losses) on defined benefit pension scheme		(1,343)	—	—	—	(1,343)
<b>Net movement in funds for the year before transfers</b>		(336,220)	(232,537)	(80,286)	55,836	(593,207)
Transfers between funds	20	331,121	(331,121)	—	—	—
<b>Net income &amp; net movement in funds for the year</b>		(5,099)	(563,658)	(80,286)	55,836	(593,207)
<b>Reconciliation of funds</b>						
Total funds brought forward at 01/10/22		290,719	2,861,898	1,990,317	2,832,164	7,975,098
Total funds carried forward at 30/09/23		285,620	2,298,240	1,910,031	2,888,000	7,381,891

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

# Balance Sheet

Year to 30 September 2024

	Notes	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	11	23,504	21,853
Investments	12	6,624,488	7,052,233
		<b>6,647,992</b>	<b>7,074,086</b>
<b>Current assets</b>			
Debtors	13	30,377	26,526
Short term deposits		567,708	145,233
Cash at bank & in hand		76,769	214,053
		<b>674,854</b>	<b>385,812</b>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	14	(67,155)	(59,149)
<b>Net current assets</b>		<b>607,699</b>	<b>326,663</b>
<b>Total assets less current liabilities</b>	15	<b>7,255,691</b>	<b>7,400,749</b>
Provisions for liabilities & charges		(4,854)	(18,858)
<b>Total net assets</b>		<b>7,250,837</b>	<b>7,381,891</b>
<b>Funds and reserves</b>			
Restricted funds	17, 18, 19	1,987,532	1,910,031
Unrestricted funds			
. Tangible fixed assets fund		23,504	21,853
. Designated funds	20	1,801,538	2,298,240
. General funds		331,972	282,625
. Pension reserve	24	(4,854)	(18,858)
Permanent endowment funds		—	—
Endowment funds	16	3,111,145	2,888,000
<b>Total funds</b>		<b>7,250,837</b>	<b>7,381,891</b>

The financial statements were approved by the Trustees of Girls Friendly Society in England and Wales - Company Registration Number 3172713 (England and Wales) and signed on its behalf by Margaux Young:

Signature *Margaux Young* .....

Date 29th March 2025 .....

# Statement of cash flows

Year to 30 September 2024

	Notes	2024 £	2023 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	(890,317)	(997,239)
<b>Cash flows from investing activities:</b>			
Investment income received		163,406	211,561
Interest received		1,331	654
Purchase of tangible fixed assets		(12,817)	(2,000)
Proceeds from the disposal of investments		998,890	4,538,653
Purchase of investments		(524,829)	(3,333,714)
<b>Net cash provided by investing activities</b>		<b>625,981</b>	<b>1,415,154</b>
Change in cash & cash equivalents in the year		(264,336)	417,915
Cash & cash equivalents at 1 October 2023	B	908,813	490,898
Cash & cash equivalents at 30 September 2024	B	644,477	908,813

**Notes to the statement of cash flows for the year to 30 September 2024.**

## A - Reconciliation of net movement in funds to net cash used in operating activities

Net movement in funds (as per the statement of financial activities)		(131,054)	(593,207)
<b>Adjustments for:</b>			
Depreciation charge		11,166	9,916
Losses (gains) on investments		(595,861)	(151,121)
Investment income		(163,388)	(150,334)
Interest receivable		(1,331)	(654)
Decrease (increase) in debtors		(3,851)	1,250
(Decrease) increase in creditors		8,006	(99,900)
(Decrease) in pension provision		(14,004)	(13,189)
<b>Net cash used in operating activities</b>		<b>(890,317)</b>	<b>(997,239)</b>

## B - Analysis of cash and cash equivalents

Cash at bank and in hand		76,769	214,035
Short term deposits (less than three months)		567,708	145,233
Cash held by investment managers		—	549,545
<b>Total cash and cash equivalents</b>		<b>644,477</b>	<b>908,813</b>

# Principal Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

## ► Basis of preparation

These financial statements have been prepared for the year to 30 September 2024 with comparative information provided in respect to the year to 30 September 2023. The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity constitutes a public benefit entity as defined by FRS 102. The financial statements are presented in sterling and are rounded to the nearest pound.

## ► Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation

charge;

- the underlying assumptions used by the actuary in determining the deficit on the defined benefit pension scheme;
- the allocation of expenditure across charitable activities; and
- the estimation of future income and expenditure flows for the purpose of assessing going concern (see below).

## ► Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts. The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. In making their assessment, the trustees have considered the impact of pandemics and fluctuating markets on the charity.

The trustees will continue to keep both income and expenditure under review but do not anticipate that the impact on the charity's finances will be material or impact on the charity's going concern.

## ► Income recognition

Income is recognised in the period in which the charity has entitlement to receipt, the amount can be measured reliably and it is probable that the funds will be received.

Income comprises donations, legacies, investment income, interest receivable, income from charitable activities and miscellaneous income. Donations are recognised when the charity has confirmation of both the amount and

settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period. In accordance with the Charities SORP FRS 102 volunteer time is not recognised. Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from charitable activities comprises grants from government and other agencies. Such income is recognised when the charity has entitlement to the funds under agreements or other the contractual arrangements for the payment of each grant.

### ► Gifts in Kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SoFA as incoming resources when receivable.

### ► Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- a. Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising and an allocation of support costs.
- b. Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities as described in the trustees' report i.e. providing opportunities for girls and young women to develop their self-confidence,

wellbeing and resilience to enable them to fulfil their potential. Such costs include:

- Staff costs and associated expenses
- Day to day running expense of schemes and projects
- Special projects and equipment
- Maintenance and building costs for the schemes and projects.

This expenditure includes both costs that can be allocated directly to such activities and those indirect costs necessary to support them.

All expenditure is stated inclusive of irrecoverable VAT.

### ► Allocation of costs

Support costs are those costs that enable charitable activities to be carried out. These costs include expenses relating to personnel development, financial procedures, provision of office services and equipment, and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned to expenditure headings based on the headcount relating to each activity.

### ► Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

- Other tangible fixed assets
- All other tangible fixed assets are stated at cost

Depreciation is calculated at the following annual rates in order to write off the cost of each asset over its estimated useful life:

- Computer equipment - 33% on cost
- Office equipment - 20% on cost

- Other equipment and furniture - 10% on cost
- Fittings in leased property - Over the period of the lease

### ► Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

### ► Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

### ► Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits.

## ► Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

## ► Fund structure

The general funds comprise free reserves, the tangible fixed assets fund and the pension deficit fund. The free reserves are those net assets which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees. The pension deficit fund represents the liability in respect to the defined benefit pension scheme to which the charity contributes on behalf of certain of its employees. The designated funds comprise monies set aside by the trustees for specific purposes. The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions. The permanent endowment funds comprise monies which must be held indefinitely as capital. The income therefrom can be used for general purposes and is credited directly to general funds.

## ► Pension contributions

The growth plan pension scheme is a multi-employer scheme providing benefits for some 1,300 non-associated employers. It is not possible to identify the underlying share of the charity's assets and liabilities within the scheme. However, as a member of the scheme, the charity has a legal obligation to make pension deficit reduction payments when required by the scheme's actuary. The full cost of these repayments, discounted to present values, is recognised in the year a pension deficit reduction plan is agreed. In July 2014, all eligible members of staff were required to enrol in the charity's workplace pension scheme, under auto-enrolment. Staff members were entitled to opt out of this scheme. The percentage contribution of salary into the scheme is a minimum rate of 2.5%. The charity pays employer's contributions at a rate of 7.5%.

## ► Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

**Financial assets** – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

**Cash at bank** – is classified as a basic financial instrument and is measured at face value.

**Financial liabilities** – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

# Notes to the Financial Statement

## 1 Income from: Donations and legacies

	General Funds £	Restricted Funds £	Total Funds 2024 £
Donations & similar income	90,452	84,982	175,434
Legacies	3,687	—	3,687
<b>2024 Total funds</b>	94,139	84,982	179,121
	General Funds £	Restricted Funds £	Total Funds 2023 £
<i>Donations &amp; similar income</i>	38,020	92,319	130,339
<i>Legacies</i>	3,758	—	3,758
<i>2023 Total funds</i>	41,778	92,319	134,097

## 2 Income from: Investment income and interest receivable

	General Funds £	Restricted Funds £	Total Funds 2024 £
Investment income (see below)	104,065	59,323	163,388
Interest receivable	1,331	—	1,331
<b>2024 Total funds</b>	105,396	59,323	164,719
	General Funds £	Restricted Funds £	Total Funds 2023 £
<i>Investment income (see below)</i>	93,155	57,179	150,334
<i>Interest receivable</i>	654	—	654
<i>2023 Total funds</i>	93,809	57,179	150,988

Investment income was received from the following sources:

	Total Funds 2024 £	Total Funds 2023 £
UK equities	44,516	56,255
Overseas equities	7,699	19,711
UK fixed interest based common investment funds	107,446	72,231
Alternatives	3,727	2,137
	<b>163,388</b>	150,334

### 3 Expenditure on: Raising Funds

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2024 £
Investment manager's fees	34,870	—	—	<b>34,870</b>
Staff costs	—	—	148,458	<b>148,458</b>
Other direct fundraising costs	—	—	11,710	<b>11,710</b>
<b>2024 Total funds</b>	34,870	—	160,168	<b>195,038</b>
	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2023 £
<i>Investment manager's fees</i>	30,242	—	—	30,242
<i>Staff costs</i>	—	—	133,468	133,468
<i>Other direct fundraising costs</i>	—	—	3,096	3,096
<i>2023 Total funds</i>	30,242	—	136,564	166,806

### 4 Expenditure on: Charitable activities – community and school based programmes

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2024 £
Staff costs & recruitment	332,237	204,202	155,305	<b>691,744</b>
Staff travel, training & subsistence	8,338	4,300	3,730	<b>16,368</b>
Direct volunteer costs	5,810	2,310	—	<b>8,120</b>
Direct project costs	50,179	29,251	—	<b>79,430</b>
Premises	(2,543)	(848)	—	<b>(3,391)</b>
Office, administration and miscellaneous	36,155	13,082	5,075	<b>54,312</b>
Marketing & communications	9,439	3,150	—	<b>12,589</b>
Governance costs (note 6)	15,950	6,497	—	<b>22,447</b>
<b>2024 Total funds</b>	455,565	261,944	164,110	<b>881,619</b>
	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2023 £
<i>Staff costs &amp; recruitment</i>	332,563	193,805	138,506	664,874
<i>Staff travel, training &amp; subsistence</i>	15,937	6,846	2,500	25,283
<i>Direct volunteer costs</i>	7,259	3,009	—	10,268
<i>Direct project costs</i>	25,024	29,173	—	54,197
<i>Premises</i>	24,197	8,633	—	32,830
<i>Office, administration and miscellaneous</i>	34,609	16,867	11,389	62,865
<i>Marketing &amp; communications</i>	7,666	2,656	—	10,322
<i>Governance costs (note 6)</i>	20,713	7,658	—	28,371
<i>2023 Total funds</i>	467,968	268,647	152,395	889,010

## 5 Support costs

Support costs are those costs which enable the charitable work of GFS. They include indirect overheads and many of the head office costs which facilitate the branches and projects. Support costs included within raising funds and community and school based programmes are as follows:

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2024 £
Staff costs & related costs	155,578	64,462	39,170	<b>259,210</b>
Staff travel, training & subsistence	12,068	4,023	—	<b>16,091</b>
Premises	(1,246)	(415)	—	<b>(1,661)</b>
Office, admin & miscellaneous	41,062	15,379	5,075	<b>61,516</b>
Governance costs (note 6)	15,950	6,497	—	<b>22,447</b>
<b>2024 Total funds</b>	<b>223,412</b>	<b>89,946</b>	<b>44,245</b>	<b>357,603</b>
	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2023 £
Staff costs & related costs	149,676	50,558	25,366	225,600
Staff travel, training & subsistence	18,437	6,146	—	24,583
Premises	12,065	4,022	—	16,087
Office, admin & miscellaneous	35,749	15,712	11,389	62,850
Governance costs (note 6)	20,716	7,655	—	28,371
<b>2023 Total funds</b>	<b>236,643</b>	<b>84,093</b>	<b>36,755</b>	<b>357,491</b>

Supports costs are allocated across the expenditure headings in notes 3 and 4 as follows:

	Raising Funds (note 3) £	Charitable activities (note 4) £	Total Funds 2024 £	Basis of apportionment
Staff costs & related costs	160,168	99,042	<b>259,210</b>	<b>Headcount</b>
Travel, training & subsistence	—	16,091	<b>16,091</b>	
Premises	—	(1,661)	<b>(1,661)</b>	
Office, admin & miscellaneous	—	61,516	<b>61,516</b>	
Governance costs	—	13,244	<b>13,244</b>	
<b>2024 Total</b>	<b>160,168</b>	<b>188,232</b>	<b>348,400</b>	
	Raising Funds (note 3) £	Charitable activities (note 4) £	Total Funds 2023 £	Basis of apportionment
Staff costs & related costs	136,564	89,036	225,600	<i>Headcount</i>
Travel, training & subsistence	—	24,583	24,583	
Premises	—	16,087	16,087	
Office, admin & miscellaneous	—	62,850	62,850	
Governance costs	—	28,371	28,371	
<b>2023 Total</b>	<b>136,564</b>	<b>220,927</b>	<b>357,491</b>	

## 6 Governance costs

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2024 £
Legal and professional fees	15,839	6,460	—	22,299
Committee expenses	111	37	—	148
<b>2024 Total funds</b>	15,950	6,497	—	<b>22,447</b>
	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2023 £
Legal and professional fees	20,361	7,537	—	27,898
Committee expenses	352	121	—	473
<b>2023 Total funds</b>	20,713	7,658	—	<b>28,371</b>

## 7 Net expenditure before net investment losses

Net expenditure before net investment losses is stated after charging:

	2024 £	2023 £
Staff costs (note 8)	835,512	766,773
Auditor's remuneration:		
Audit – current year's fee*	20,315	23,240
Depreciation	11,166	9,916
Operating lease rentals	—	33,777

\* Audit fees are shown including VAT. Excluding VAT costs are £16,900 (2023 - £19,360)

## 8 Staff costs

	2024 £	2023 £
Wages and salaries	710,361	646,742
Social security costs	61,387	60,911
Pension costs	77,768	72,309
Pension scheme adjustment	(14,004)	(13,189)
<b>Total</b>	<b>835,512</b>	<b>766,773</b>

Staff costs (including wages and staff travel, training and subsistence) by function were as follows:

	Direct costs £	Support costs £	Total 2024 £
Charitable activities	616,810	99,042	715,852
Cost of raising funds	—	148,458	148,458
<b>2024 Total funds</b>	616,810	247,500	<b>864,310</b>
	Direct costs £	Support costs £	Total 2023 £
Charitable activities	601,121	89,036	690,157
Cost of raising funds	—	133,468	133,468
<b>2023 Total funds</b>	601,121	222,504	<b>823,625</b>

The number of employees who earned £60,000 per annum or more (including taxable benefits) during the year was as follows:

	2024	2023
£60,000 - £70,000	1	—
£70,000 - £80,000	—	—
£80,000 - £90,000	—	1

The average number of full-time equivalent employees in 2024 was 18 (2023 – 18).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the Trustees, Chief Executive and the Leadership Team. The total remuneration (including taxable benefits and employer's pension contributions) of key management personnel for the year was £378,863 (2023 – £324,835).

## 9 Trustees' expenses and related party transactions

During the year 2 trustees (2023 – 2) were reimbursed a total of £26 (2023 – £290) for travel and subsistence.

No Trustee received any remuneration in respect to their services as a Trustee during the year (2023 – nil). During the year, the charity received donations from Trustees totalling £117 (2023 - £80).

## 10 Taxation

Girls Friendly Society in England and Wales is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

## 11 Tangible fixed assets

	Furniture and equipment £	Total £
<b>Cost</b>		
At 1 October 2023	57,857	57,857
Additions	12,817	12,817
At 30 September 2024	70,674	70,674
<b>Depreciation</b>		
At 1 October 2023	36,004	36,004
Charge for year	11,166	11,166
At 30 September 2024	47,170	47,170
<b>Net book values</b>		
At 30 September 2024	23,504	23,504
At 30 September 2023	21,853	21,853

## 12 Investments

	2024 £	2023 £
<b>Listed investments:</b>		
Market value at 1 October 2023	6,502,688	7,556,506
Additions at cost	524,829	3,333,714
Disposals at book value (proceeds: £998,890 realised gains £62,241)	(936,649)	(4,455,355)
Net unrealised investment gains	533,620	66,823
Market value at 30 September 2024	6,624,488	6,502,688
<b>Cash held by investment managers</b>	—	549,545
	6,624,488	7,052,233

During 2024, GFS Trustees maintained a balanced investment objective going forwards, with the majority of returns reinvested. Returns generated from a balanced approach are a combination of income and the potential for capital growth, with the intention to protect against inflation over the time horizon and unusual exceptions in market downturns, whilst providing an income for the charity in line with the portfolio aim. In September 2023, Trustees downgraded the risk grade of part of the investment portfolio to get the best return on investment. This change means all cash with investment managers is accessible within 90 days. Listed investments held at 30 September 2024 comprised the following:

	2024 £	2023 £
UK fixed interest based common investment funds	1,648,013	1,487,499
UK equity based common investment funds	3,841,122	1,164,032
Overseas equity based common investment funds	780,651	3,486,300
Other	354,702	364,857
	<b>6,624,488</b>	<b>6,502,688</b>

### 13 Debtors

	2024 £	2023 £
Prepayments	5,586	6,491
Investment income receivable	21,991	20,035
Other debtors	2,800	—
	<b>30,377</b>	<b>26,526</b>

### 14 Creditors

	2024 £	2023 £
Expense creditors	3,904	1,785
Other taxes and social security costs	24,352	22,090
Other creditors	2,532	2,693
Accruals	36,367	32,581
	<b>67,155</b>	<b>59,149</b>

### 15 Provisions for liabilities

	2024 £	2023 £
Provision for pension scheme deficit reduction payments (note 24)		
Payable within one year	4,854	14,654
Payable within one to two years	—	4,204
	<b>4,854</b>	<b>18,858</b>

## 16 Endowment funds

The capital funds of the charity include permanently endowed monies, which must be retained indefinitely:

	At 1 October 2023 £	Transfers £	Investment gains/(losses) £	At 30 September 2024 £
Endowment fund	2,111,402	—	163,140	2,274,542
Francis Street fund	776,598	—	60,005	836,603
	2,888,000	—	223,145	3,111,145

	At 1 October 2022 £	Transfers £	Investment gains/(losses) £	At 30 September 2023 £
Endowment fund	2,070,581	—	40,821	2,111,402
Francis Street fund	761,583	—	15,015	776,598
	2,832,164	—	55,836	2,888,000

The two endowment funds are as follows:

### Endowment fund

The endowment fund was established under a Charity Commission Scheme dated 31 July 2002. The Scheme replaces former trusts, a Scheme of the Commissioners dated 15 November 1972 and declaration of trusts dated 5 September 1974 and 21 November 1976. It states that income and capital shall be used:

- the trustees must first apply the income to meet the proper costs of administering the charity and of managing its assets and thereafter the remaining income must be applied in furthering the objects of the charity; and
- for the object of the charity, the trustees may also apply expendable endowment and permanent endowment but only on such terms for the replacement of the amount spent as approved by the Commissioners.

### Francis Street Fund

The Francis Street Fund was established during the year ended 30 September 2004 when the Francis Street hostel, which was managed by the charity, was sold by the freeholder. Under the terms of the disposal, the net proceeds were donated to the charity to be held as a permanent endowment.

## 17 Restricted funds – summary

	At 1 October 2023 £	Income £	Expenditure £	Investment gains/(losses) £	At 30 September 2024 £
Society funds – restricted grants	48,445	84,982	(49,453)	—	83,974
Trust funds (note 18)	193,083	8,782	(22,039)	25,740	205,566
Diocesan funds (note 19)	1,668,503	50,541	(190,452)	169,400	1,697,992
	1,910,031	144,305	(261,944)	195,140	1,987,532

	At 1 October 2022 £	Income £	Expenditure £	Investment gains/(losses) £	At 30 September 2023 £
<i>Society funds – restricted grants</i>	5,309	92,319	(49,183)	—	48,445
<i>Trust funds (note 18)</i>	203,583	8,863	(22,508)	3,145	193,083
<i>Diocesan funds (note 19)</i>	1,781,425	48,316	(196,956)	35,718	1,668,503
	1,990,317	149,498	(268,647)	38,863	1,910,031

## 18 Restricted funds – Trust funds

The income funds of the charity include restricted trust funds comprising the following unexpended balances of donations, grants and other income held on trusts to be applied for specific purposes:

	At 1 October 2023 £	Income £	Expenditure £	Investment gains/(losses) £	At 30 September 2024 £
Packe Holiday & Housing Trust	147,430	5,796	(17,431)	20,455	156,250
Greenlands, Peel, Isle of Man	38,872	2,559	(3,924)	4,281	41,788
Almoners Trust	6,781	427	(684)	1,004	7,528
<b>Total</b>	193,083	8,782	(22,039)	25,740	205,566

	At 1 October 2022 £	Income £	Expenditure £	Investment gains/(losses) £	At 30 September 2023 £
<i>Packe Holiday &amp; Housing Trust</i>	155,982	6,194	(17,245)	2,499	147,430
<i>Greenlands, Peel, Isle of Man</i>	40,572	2,263	(4,486)	523	38,872
<i>Almoners Trust</i>	7,029	406	(777)	123	6,781
<i>Total</i>	203,583	8,863	(22,508)	3,145	193,083

The use of the trust funds held at 30 September 2024 is restricted to the following:

- **Packe Holiday & Housing Trust**  
The provision of housing and holidays for the needy.
- **Greenlands, Peel, Isle of Man**  
The furtherance of the charity's objectives in the Isle of Man.
- **Almoners Trust**  
The provision of support for elderly members.

## 19 Restricted funds - Diocesan funds

The income funds of the charity include restricted Diocesan funds comprising the following unexpended balances of donations, grants and other income held on trusts for use by GFS within the specific dioceses:

	At 1 October 2023 £	Income £	Expenditure £	Investment gains/(losses) £	At 30 September 2024 £
Dioceses with branch activities:					
Birmingham	107,923	7,998	(13,437)	33,002	<b>135,486</b>
Carlisle	82,482	6,113	(9,122)	25,222	<b>104,695</b>
Liverpool	214,962	5,728	(28,198)	16,606	<b>209,098</b>
Other	186,484	2,792	(20,623)	11,520	<b>180,173</b>
Dioceses without branch activities:					
Other Diocesan funds	9,236	138	(1,021)	570	<b>8,923</b>
Branch support funds	1,067,416	27,772	(118,046)	82,475	<b>1,059,617</b>
<b>Total</b>	<b>1,668,503</b>	<b>50,541</b>	<b>(190,447)</b>	<b>169,395</b>	<b>1,697,992</b>

	At 1 October 2022 £	Income £	Expenditure £	Investment gains/(losses) £	At 30 September 2023 £
Dioceses with branch activities:					
Birmingham	111,615	9,569	(17,384)	4,123	107,923
Carlisle	80,926	6,938	(8,372)	2,990	82,482
Liverpool	236,772	4,853	(31,331)	4,668	214,962
Other	202,787	3,266	(20,977)	1,408	186,484
Dioceses without branch activities:					
Other Diocesan funds	10,044	162	(1,040)	70	9,236
Branch support funds	1,139,281	23,528	(117,854)	22,461	1,067,416
<b>Total</b>	<b>1,781,425</b>	<b>48,316</b>	<b>(196,958)</b>	<b>35,720</b>	<b>1,668,503</b>

## 20 Designated funds

	At 1 October 2023 £	Investment gains/(losses) £	Designated/(released) £	At 30 September 2024 £
<b>Total – Transitional investment fund</b>	<b>2,298,240</b>	<b>177,576</b>	<b>(674,278)</b>	<b>1,801,538</b>
	At 1 October 2022 £	Investment gains/(losses) £	Designated/(released) £	At 30 September 2023 £
<b>Total – Transitional investment fund</b>	<b>2,861,898</b>	<b>56,422</b>	<b>(620,080)</b>	<b>2,298,240</b>

The designated fund is for future investment in the fundraising strategy and implementation of the charity's five-year strategic plan. £350,000 is included within designated/released. This is to get us back within our reserves policy as we head into our new strategic term.

## 21 Analysis of net assets between funds

	General funds						
	Free reserves £	Pension deficit fund £	Tangible fixed asset fund £	Designated funds £	Restricted funds £	Endowment funds £	Total £
Fund balances at 30 September 2024 are represented by:							
Tangible fixed assets	—	—	23,504	—	—	—	<b>23,504</b>
Investments	—	—	—	1,801,538	2,024,356	3,111,145	<b>6,937,039</b>
Net current assets	279,756	—	—	—	15,392	—	<b>295,148</b>
Pension provision	—	(4,854)	—	—	—	—	<b>(4,854)</b>
	279,756	(4,854)	23,504	1,801,538	2,039,748	3,111,145	<b>7,250,837</b>

	General funds						
	Free reserves £	Pension deficit fund £	Tangible fixed asset fund £	Designated funds £	Restricted funds £	Endowment funds £	Total £
Fund balances at 30 September 2023 are represented by:							
Tangible fixed assets	—	—	21,853	—	—	—	21,853
Investments	—	—	—	2,298,240	1,865,993	2,888,000	7,052,233
Net current assets	282,625	—	—	—	44,038	—	326,663
Pension provision	—	(18,858)	—	—	—	—	(18,858)
	282,625	(18,858)	21,853	2,298,240	1,910,031	2,888,000	7,381,891

## 22 Financial commitments

At 30 September 2024 the charity had no future minimum commitments under non-cancellable operating leases on land and buildings (2023 – nil).

## 23 Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

## 24 Pension costs and provisions

The charity participates in a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions	
From 1 April 2022 to 31 January 2025:	£3,312,000 per annum (payable monthly)

Unless a concession has been agreed with the Trustee, the term to 31 January 2025 applies. The scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions	
From 1 April 2019 to 30 September 2025:	£11,243,000 per annum (payable monthly and increasing by 3% each on 1 April)
From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% each on 1 April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1 April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities. Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

#### Present values of provision

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Present value of provision	5	19	32	175	226

#### Reconciliation of opening and closing provisions

	2024 £'000	2023 £'000
Provision at 1 October	19	32
Unwinding of the discount factor	1	1
Deficit contribution paid	(15)	(14)
Re-measurements – impact of any change in assumptions	—	—
Re-measurements - amendments to the contribution schedule	—	—
Provision at 30 September	5	19

## Income and expenditure impact

	2024 £'000	2023 £'000
Interest expense	1	1
Re-measurements – impact of any change in assumptions	—	—
Remeasurements - amendments to the contribution schedule	—	—
Costs recognised in statement of financial activities	1	1

## Assumptions

	2024 %	2023 %	2022 %	2021 %	2020 %
Rate of discount	5.24	5.88	6.00	0.72	0.58

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

### Post balance sheet event:

Since the year end, the charity has seen the value of its investment portfolio fall by approximately £882000 (12%) as of 11 April 2025 primarily as a result of the impact of the changes to US import tariffs in early April 2025 on the markets. The board are aware of this event which has impacted the charity between the board's formal approval of the report and financial statements and the audit report being signed. No other changes or additional comments have been added to this document since board sign off.





GRAND KING IRA


## Trustees

A Dhanoa (Chair - Resigned Mar 2024)  
R Sebestyen (Chair - Appointed Mar - Resigned Dec 2024)  
M Young (Treasurer, Appointed Interim Co-Chair - Dec 2024)  
P Sangera (Vice Chair - Resigned Dec 2024)  
C Radia (Appointed Interim Co-Chair - Dec 2024)  
T Banda  
J Cove-Smith (Appointed - Nov 2024)  
S Donnenfeld (Appointed - Nov 2024)  
T Lavithi (Appointed - Nov 2024)  
O Lewis  
A Lovell (Appointed - Nov 2024)  
F Payne (Resigned - Nov 2024)  
S Rose Smith (Resigned - Jul 2024)  
B Thomas (Resigned - Jul 2024)  
O Turton  
M Wedderburn (Appointed - Nov 2024)  
G Whitfield (Resigned - Nov 2024)  
A Young (Resigned - Feb 2025)

## Chief Executive & Leadership Team

L Sercombe (Chief Executive - Resigned Aug 2024)  
H Smith (Chief Executive - Appointed Aug 2024)  
D Hannam (Head of Fundraising & Communications - Resigned Dec 2024)  
B Huie (Head of People)  
C Hunt (Head of Operations North)  
J Dalton (Head of Operations South)  
N Shoults (Head of Finance & Support Services)

## Registered office

 GFS, 3rd Floor,  
86-90 Paul Street,  
London, EC2A 4NE


## Company registration n. in England and Wales

03172713

## Charity registration n. in England and Wales

1054310


## Auditor

 Sayer Vincent LLP  
110 Golden Lane  
London EC1Y 0TG

## Investment Managers

 Rathbone Investment Management -  
8 Finsbury Circus, Finsbury,  
London, EC2M 7AZ  
CCLA - 1 Angel Lane,  
London, EC4R 3AB

## Principal Bankers

 Barclays Bank plc,  
1 Churchill Place,  
London, E14 5HP



[www.gfs.org.uk](http://www.gfs.org.uk)

GFS England & Wales



girlsfriendsociety



girls-friendly-society  
-in-england-and-wales



FOR GIRLS  
FOR FRIENDSHIP  
FOR SOCIETY

**GIRLS FRIENDLY SOCIETY IN ENGLAND AND WALES**

England & Wales - Charity number 1054310

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# Accounts

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**FOR GIRLS  
FOR FRIENDSHIP  
FOR SOCIETY**

# Annual Impact Report and Financial Statements Girls Friendly Society in England and Wales (GFS)

**30 September 2023**



Company Limited by Guarantee Registration Number 3172713 (England & Wales) | Charity Registration Number 1054310

 GFS, 3rd Floor, 86-90 Paul Street, London EC2A 4NE  020 7837 9669  [info@girlsfriendsociety.org.uk](mailto:info@girlsfriendsociety.org.uk)  [gfs.org.uk](http://gfs.org.uk)

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# CHAIR'S WELCOME

Girls Friendly Society (GFS) has been in existence for almost 150 years and has changed during the decades to meet the needs of the time. Our founder, Mary Townsend, worked with a cohort of young women who were isolated and considered vulnerable because of the lives they led; in "service" for the first time in towns and cities, a long way from home. We would love to say that her work is done and GFS is no longer needed but research tells us that this isn't the case. More importantly, the girls we work with tell us GFS is needed more than ever.

**Girls as young as 6 tell us they can't be themselves. This holds them back.**

Girls tell us that they are under pressure from the world around them and for each girl that is something different and may include one or more challenges. It could be feeling unsafe, social media, peer pressure, bullying and loneliness. Many are starting to talk about the impact of the cost-of-living crisis, and we know that so many struggle with exam pressure, period poverty and lack of support ... and more.

GFS exists to address this fundamental problem and has made the commitment to work in the places and with the girls who need our support the most. They tell us how GFS has enabled them to be themselves, develop confidence, speak up when it matters and so much more:

**“I try new things at GFS, which makes me more confident to try things at home.”**

**“I feel comfortable here and feel like I can show off my anxiety whereas I have to cover it up at school.”**

**“Embracing my sexuality, helped us know it's okay and we can express ourselves.”**



This year has seen us review our strategy and how we have been working. We have looked carefully at the impact we are having for the girls we support as well as consider what we need to do next. We have had a year of consolidation. We have developed a sound



approach to listening to the girls to better understand our role, and how that impacts on plans for the future. Listening to girls and amplifying their voices has become an important part of what we do.

We know that girls at GFS are happier than the national average but less happy in school. We believe in being brave and girl focused. So, in 2024, we need to go to where girls need us most. This means finding a way to grow our impact by working with girls in school, in those areas already evidenced to be difficult if you are a girl.

The charity has put together an Environment Taskforce, responding to the need to consider the environment and how we as an organisation can respond to our responsibilities. It is in its first year but already we have implemented internal and external training as well as looked at individual and organisational responses. Alongside this, the EDI Taskforce has prioritised equity, diversity and inclusion by dedicating time to addressing all areas of the charity so that we can offer an inclusive experience for every girl at GFS but also staff, volunteers and supporters. We know we have more to do and are delivering a plan to be the best we can.

At the same time, we are looking at our back-office functions and all we do to offer GFS a sustainable future for as long as the organisation is needed. Part of this is considering our financial position with more intent. For some time now, the charity has been an unofficial 'spend down' charity and we would like to acknowledge this to enable us to achieve the GFS vision and mission. The Board has begun by initiating a review of this so that it further improves our reach and impact.

In the meantime, we would like to thank you for your support and welcome you to get in touch to find out about our plans. There is nothing we like more than talking GFS!

*Amundeeep Dhanoa*

**Amundeeep Dhanoa**  
Chair of Trustees

# GFS 2022-23 AT A GLANCE

We supported



**731** girls

around the UK



This equates to



**17,280**

attendances

We supported



**30** groups

to deliver GFS

activities including



**29** regional

events & trips

We recruited



**114** new

volunteers,

with more than

**200** active

throughout

the year

- ★ GFS Northeast groups hold regional funday
- ★ GFS groups in Wales celebrate volunteers' week
- ★ GFS launches its first work in schools
- ★ National training programme for volunteers supports girls around mental health and ADHD
- ★ Leadership Team collaborate with Surrey University to support development of toolkit

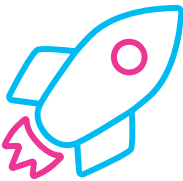
- ★ GFS Day of Learning on Inclusion
- ★ Enstar and ChildrenSalon become corporate supporters
- ★ Big Give women and girls campaign raises vital income
- ★ GFS Hackney Seniors launches
- ★ GFS Pittington celebrates 20 years
- ★ Celebration of our most long-term GFS volunteers
- ★ GFS runners in the London Landmarks half marathon

The Trustees of Girls Friendly Society in England and Wales (GFS) present the Trustees' Report and Financial Statements for the year ended 30 September 2023. This report has been prepared in accordance with Part VI of the Charities Act 2011 and constitutes a directors' report for the purposes of company legislation. The financial statements have been prepared in accordance with the accounting policies

set out on pages 34 to 37 of the attached financial statements and comply with the charitable company's memorandum and articles of association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

# STRATEGIC AND IMPACT REPORT

## GFS vision, mission and values



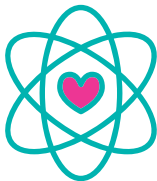
### Our vision

Our vision is of a world where girls and young women are free to be themselves and feel proud of who they are.



### Our mission

Our mission is to support and inspire girls and young women. We will create spaces where they feel safe and valued, so that they can build strong foundations that will prepare them for life's challenges.



### Our values

In everything we do, GFS will be:

- ✔ **Girl-focused**
- ✔ **Brave**
- ✔ **Feminist**
- ✔ **Ambitious**
- ✔ **Inclusive**
- ✔ **Fun**

## Why we exist

### Girls are under pressure

The world constantly tells girls who they should be. At school, girls experience pressure to fit in with peers, manage friendships and meet academic expectations. Online, they navigate social media, cyber-bullying, influencer culture and beauty standards. And in the wider world, gender stereotypes, sexism and discrimination still shape their experiences.

Navigating these pressures, expectations and attitudes, especially during their vulnerable teenage years, leaves girls feeling unable to be themselves.

This manifests itself in ways that can affect both their health and happiness. It impacts their **relationships**, making it harder to connect with others.

It harms their **wellbeing**; trying to fit in or worrying about who they are and how they look can lead to – or be the result of – anxiety and poor mental health.

It damages their **confidence**, as feeling unable to express themselves can lead to girls missing out and believing their voices don't matter.

Ultimately, it limits their lives, as girls become less likely to engage with **opportunities** and more vulnerable to damaging social pressures, leaving them at risk of exclusion and harm.

Girls as young as six told us they feel unable to be themselves. These pressures on girls and the impact it has on their sense of self means girls are being held back. It prevents girls from reaching their potential - and therefore perpetuates gender inequality.

**68%**

of girls aged 11-18 in the UK think that gender stereotypes are holding women and girls back (Plan UK, 2021)

**62%**

of girls aged 7-18 have been told they can't do something because they are a girl (GFS, 2023)



Girls were nearly twice as likely as boys to be unhappy with their mental health (Children's Commissioner, 2021)



**69%**

of girls aged 7-18 have not done something as a result of worrying about what others would think (GFS, 2023)

### Girls lack safe spaces

GFS provides vital safe spaces where girls can experience a welcome break from these pressures and expectations. Parents and carers tell us about the need for local provision in their area, where other services for girls are either not available or not suitable to meet their child's needs.

GFS provides a unique service where girls are able to participate in a welcoming group environment without the pressure of competition or performance, which other after-school services are often structured around. Through our groups and the women role models who form our staff and volunteer delivery teams, we foster inclusive settings where girls are supported and accepted for who they are; as individuals. This can be particularly important for girls who may have struggled in other groups and clubs, which can often be the case for those with additional needs.

For girls, these safe spaces are invaluable. Over half of the girls told us that feeling safe and welcome is one of the most important things about their group. We know that when girls feel accepted, they can start to thrive.

At GFS they feel more relaxed and able to be themselves, more likely to build positive relationships and try new things. Their group acts as a constant source of support during challenging times:

**69%** of GFS parents and carers say that there is nothing similar for girls in their area (GFS, 2023)

**87%** of GFS parents and carers say that their child is able to be herself at group because GFS treats girls as individuals. (GFS, 2023)

“ I feel safe with my friends here, can be relaxed and be yourself. ”

“ My daughter was subjected to inappropriate language and behaviour in school ...she didn't want to attend after-school activities because she was scared, so attending GFS helped bring back her confidence and she knew she was safe in GFS. ”

“ We are fairly certain she has ADHD. Other groups she has tried have been overwhelming and noisy, and she hasn't felt safe. GFS is the opposite of those things - it is calm, personal, quiet and she feels very safe and supported. ”


“ It's really important she is able to express herself freely which does not always happen when she is around boys. ”




## Girls need our help from a young age

Girls' happiness has been declining since 2009 and is now at an all-time low. The steepest decline of girls who say they are very happy has been amongst those aged 7-10. (Girl Guiding, 2023)

As girls enter their teenage years, their confidence and self-esteem can start to drop in a way that isn't commonly seen for boys, leaving them more vulnerable to harm and less likely to engage in the things they enjoy or that benefit them.

 **51% of secondary school aged girls told us they don't feel like they can be themselves at school, compared to 26% of girls aged 7-11. (GFS, 2023)**

 **42% of girls aged 7-11 worry about what people think of them. This rises to 79% of secondary school aged girls. (GFS, 2023)**

That's why our early intervention approach focuses on working with girls from a young age. Around 80% of our active girls are between 5 and 11 years of age because we know that it's vital to equip girls with the tools they need to tackle life's challenges sooner rather than later.

Our programme focuses on supporting girls to develop key skills that can help them deal with the things they find difficult. This could be the confidence to speak up and share their ideas, the resilience to cope with disappointments and setbacks or the awareness to manage conflicts and changes in friendships.

Each school term, the core sessions focus on an area of need identified through our research with girls. By revisiting these skills over time, our programme follows the "shallow, deep, profound" approach, based on the first three stages of Bloom's Taxonomy of Learning.



### SHALLOW

"I know what it is"  
We introduce a concept; what it looks like, when it might be experienced.



### DEEP

"I understand it"  
Developing understanding of the concept; how it might be experienced, what it feels like.



### PROFOUND

"I can apply it to my own life"  
Understanding what is being experienced; why and how to internalise the related skill.

This approach was tested effectively with Group Coordinator led groups in the summer term of 2022, and then rolled out to all groups in the autumn term of 2023. It ensures girls are receiving a good level of expert, research-based sessions, as well as each group having their own identity.

All girls have different needs, backgrounds and abilities, so we recognise that girls will take what they need from their time with GFS. With a focus on fun and play, girls may not always notice that they are learning at the time, but activities are structured to:

- 1 Raise girls' knowledge and awareness of a skill or issue (shallow impact).
- 2 Support them to feel more positive and empowered about that issue (deep impact).
- 3 Through longer-term engagement, influence their behaviour and experiences beyond their group (profound impact).

Many girls have told us about the ways in which GFS has had a positive impact in their lives. This includes improved confidence, social and communication skills, better relationships with others and an increased ability to express themselves, as common features:

**“ I can trust people more, I tell people more stuff than before and I'm more open with people outside GFS too. ”**  
.....

**“ GFS has helped me with being positive and standing up for myself against bullies and mean people. ”**  
.....

**“ At GFS, people are there for you and you learn that accepting help is okay. People who know you really well know what you need even when you won't admit it, and that has helped me accept help and made things better. ”**  
.....

**“ Outside GFS there is loads of judgement and people rain on your ideas and make it a dark day, but it is brighter inside here where you can be yourself, be comfortable and shine. ”**

In allowing girls to engage at their own pace, we recognise that the outcomes of their experiences can vary. For many, simply spending time in the group environment with other girls and women can have the most powerful impact.



## Strategic Plan - Overview

The GFS Strategic Plan (A Clear View Ahead) was written for the years 2019-2024. We are therefore about to start the final year of the strategic plan. During this time, we aimed to achieve:

### Culture

- 💡 **An impressive culture of alignment and empowerment** - Levels of communication and effective cross team working has developed across all our people; volunteers, staff and Board. We have seen retention levels improve and mutual respect increase.
- 💡 **All groups supporting the plan for compliance** - All groups are now far more consistent and operate in the same way with a real commitment to compliance and quality. At the same time, they embrace their differences by responding to local need.
- 💡 **Annual engagement plan for girls, volunteers and staff** - The People and Programme teams have been instrumental in designing this and making it happen – so that we listen, learn and act to support our work and so that girls' voices are fundamental to our DNA.
- 💡 **A reputation for being a happy place to volunteer and work** - We are delighted to report that 100% of staff reported in the staff survey that GFS is a happy place to work and 86% volunteers tell us GFS is a good place to volunteer with 100% proud to be part of the work we do.
- 💡 **Outstanding pride in the volunteers and staff team in what we do** - Improvements in consistency have come, from training and support for everyone, to the development of our core programme. As a result, the whole team not only talks with pride about what we do but also wants us to do more because there is the sense that we do what we do well – particularly with younger girls.

### Growth

- 💡 **A structure of support for our volunteers and groups** - This has improved each year as we listened to what volunteers and groups were telling us, from details about their roles and why they volunteered, to training needs. For example, they told us that they wanted to come and volunteer – they didn't want to do admin, data collection, organising – so we introduced Group Coordinators to enable the volunteers to volunteer and to achieve consistency.
- 💡 **Widespread recognition of GFS' vision and mission** - We have seen KPIs around our reach increase every year and now see supporters and other organisations in the sector engage with us. This is vital to build on so that we can grow our impact. Our research work will help us gain a raised profile at a national and local level.
- 💡 **Significant growth in and of groups** - The number of girls we work with has grown in the last four years by approximately 150%. We have more to do in this area and our work in the coming years will enable us to see further growth.

### Sustainability

- 💡 **A robust and diverse funding base and financial sustainability** - We continue to develop our successful fundraising pipeline alongside our ambitious fundraising plan despite the considerable difficulties we have faced through Covid and the cost-of-living crisis. Regardless of this we have seen a year-on-year increase in our income. Whilst we have not yet achieved our projected year end targets, we have a robust, long-term plan which will enable us to grow our supporter numbers across all income streams.
- 💡 **A leaner and rationalised central office** - The charity's back-office functions are vital to support our operational delivery, improve efficiency and reduce cost. We have reviewed all contracts to ensure best value as well as rationalised the use of software to reduce cost and improve our working practices. An important part of this work was the decision to close our London office, so that all central staff now work from home and we no longer need to rent an office space.

**💡 An appropriate level of unrestricted reserves** – There has been much work on how best we can ensure the charity is financially sustainable in the long-term. This sits alongside an important conversation about the charity's reserves and we have a long-term plan by which to reach a break even position in the near future. There are a number of hurdles to overcome on this journey but we are determined to ensure the charity's historic reserves are effectively incorporated into the charity's long-term sustainability plans and, of course, its broad and increased impact on girls and young women.

### Future Plans - Overview

We know that girls as young as 6 tell us they can't be themselves. We know that girls who face additional prejudice or disadvantage have even more hurdles in their lives. We need to be working with this young age group before confidence is irreparably damaged so that they can be proud women of tomorrow.

The need for a preventative service is juxtaposed alongside the fact that there has been a significant decline in youth services. Research suggests a decline of more than 70% spend per head on youth services over the past ten years. This translates to more than half the youth services in London closing in that time.

### 2022-23

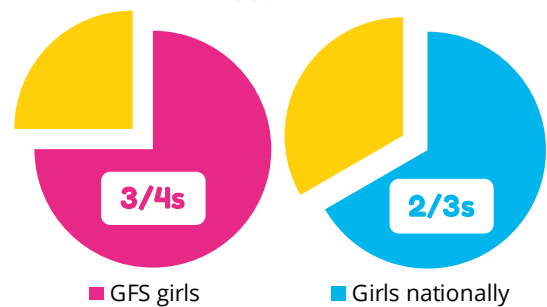
It was an important year of consolidation for GFS to ensure that the initiatives that we had developed became ingrained in our approach to all we did. It was the "Year of Inclusion" where we built on our work together around EDI (equity, diversity and inclusion). We launched an inclusion policy and took training to the volunteers and staff to support the whole team to be more inclusive in their approach and better equipped to include anyone with a support need; girls, volunteers and staff.

We also took time to reflect on what the girls were telling us they needed next. We found that girls are doing better than the national average in terms of happiness when they are at GFS. But when at school they were really struggling. Despite outperforming boys academically at school, girls are still unhappy, according to our own research and that of others such as the

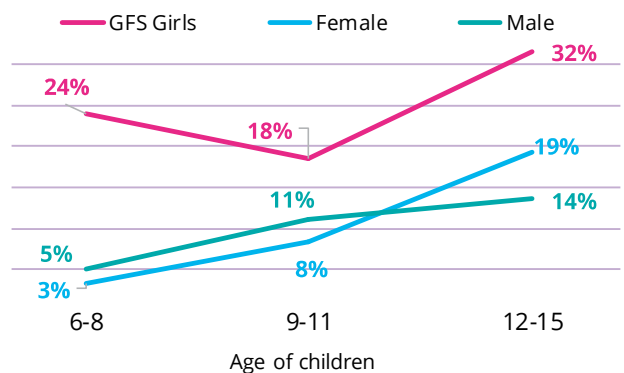
Children's Commissioner. This is something we cannot ignore; girls are telling us they need our help in schools. So, along with the desire to support more girls, we have been inspired by the girls to develop a new service for schools, for 2023-24, and will be delivering in Manchester, Liverpool and Swansea. The service has two components: a school-based group and a series of workshops. These were developed from the learning we gained in our schools' pilot programme and we look forward to evaluating its success.

### Background to Girls in Focus Girls who come to GFS are...

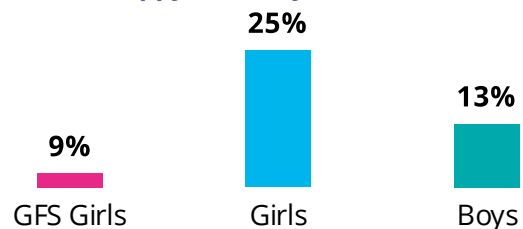
More likely to be happy with their lives overall



### % unhappy with "My life at school"



### % unhappy with "My mental health"



It is a priority for the Board and Leadership Team to develop the next chapter, which will coincide with our 150th anniversary in 2025. Next year will also include strategic reviews of our work, our place in the sector and our sustainability to be able to launch a new strategy, which will deliver the most impact for disadvantaged girls and young women.

## Performance 2022-23

In addition to weekly sessions, our groups had some incredible trips which enabled them to push boundaries and find out more about themselves and who they could be.

### Saracens Rugby Club Trip

Two of our London groups joined Saracens women's rugby team training, thanks to an invitation from our corporate partner, Enstar.

“ Enstar is committed to making a difference through community involvement, charitable giving, and volunteering. We and our people give our time and money through a Corporate Social Responsibility Programme formalised in 2018 as a global initiative with a local focus. It promotes staff engagement in our support of local charities and causes. Enstar is passionate about making a difference through community involvement, charitable giving and volunteering. Our Global Corporate Social Responsibility Programme promotes staff engagement in our support of local charities and causes in the regions we operate in.

Enstar is delighted to support Girls Friendly Society as part of our commitment to equality for women and girls. ” -Enstar

### Regional Fundays

GFS took part in the Big Give's International Women's Day fundraising campaign and raised £5,000 to hold a series of regional fun days for 145 GFS girls.

### Workshops

In the Northwest, the girls took part in inspiring workshops provided by external facilitators, Strengthening Wellbeing Together, who led the girls in making a gratitude tree and Pariss from Journal to



Dreams, which took the girls through some fun and empowering teamwork activities. Other groups were visited by the amazing Creating Spaces, who led the girls in a placard making session about issues they were passionate about.

### Creature Feature

One hugely popular feature with all girls was our creature experience. Girls explored their limits and tested their bravery by handling unfamiliar animals such as tarantulas and bearded dragons.

### Building Trust

For many of us, we are wary when meeting new people. Our groups in the South and Midlands built trust and had a great laugh by letting other girls paint their faces and taking silly snaps at our selfie station.

## Our programme supports girls to develop key skills.

Core programme activities aimed to support girls with areas of weakness identified in our 2022 girls survey. Through listening to girl voices, we focused our attention on supporting them with the skills they found most challenging. We were pleased to see girls reporting improvements in this year's annual survey.

### Autumn term - Resilience: managing emotions & coping with difficult situations



**50%**  
of girls said they had got better at trying again when they had a setback since joining GFS.

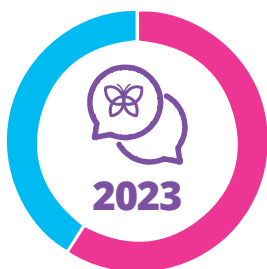


This rose to **72%** of girls, following core programme sessions on resilience.

### Spring/Summer terms - Speaking Up: expressing ourselves and sharing our voices



**46%**  
of girls said they'd got better at speaking up since joining GFS.



This rose to **59%** following core programme sessions on speaking up, or **63%** for girls who've attended GFS for 6 months+

“ One girl in particular who has always been extremely quiet and, even when asked something, would barely reply, this last month has been speaking up, confidently sharing ideas and her confidence is soaring. ”

-Group Co-ordinator, GFS Neath

“ Some of the girls are becoming increasingly more confident at speaking up and joining in group discussions. They are also willing to put themselves in a position to stand out without being prompted/encouraged to do so.

-Group Co-ordinator, GFS Smethwick ”

### Girls are putting skills into practice

Girls feel the impact of GFS beyond their groups too. Two thirds of girls say their group makes them feel more confident and three quarters feel they have got better at trying new things since joining GFS. Our “Girls In Focus” project revealed that this particularly emerged through improved social connections and communication skills, with girls feeling more able to trust others and build relationships, alongside increased confidence and resilience in challenging situations:

“ I am more brave when I get hurt at hockey, I can cope better with my feelings. ”

“ Helped with my anxiety, I can express myself more and talk about my feelings. ”

Parents and carers have also reported improvements in their child as a result of attending a GFS group. 52% say GFS has helped their child deal with personal challenges and 70% say GFS has had a positive impact on their child's behaviour outside of group:

**“ She was previously in a behavioural plan...since attending GFS she has been able to control how she behaves and is able to talk about why she's upset and resolve problems before they escalate. ”**

### **Our group environments offer vital safe spaces**

Over a quarter of girls say feeling safe and welcome is the most important thing about their GFS group. We learnt that girls feel able to relax and be themselves at GFS, allowing them to form more meaningful and supportive relationships, be more open to trying new things and experiencing a positive impact on their wellbeing.

### **When girls feel safe, relationships can form**

Girls told us that the relationships they form at group are valuable. They find dealing with peers and 'girl drama' outside of GFS a challenge, but the skills that they develop at group have supported their ability to make and maintain friendships.

### **When girls feel safe, they are more confident to try new things**

Our non-competitive approach to activities allows girls to participate in the way that suits them best and our Group Coordinators and volunteers are skilled at adapting sessions to ensure all girls are included. This ethos supports girls to engage at their own pace and builds their confidence in having a go at something new.

**75%** of girls say they have got better at making friends with different people since joining GFS

**69%** of girls say their group helps them get along with people, rising to 81% for the youngest girls (aged 5 – 8)

**3 in 5** parents and carers say that the friendships their child has made at group have helped her build positive relationships outside GFS.

**“ This is a safe space and you can grow at GFS and express yourself. ”**

**“ With my friends here, we're all quite different but I can be myself. ”**

**“ You can find good friends at GFS so you know who you can trust. ”**

**“ Being able to see what you need in a friend, not just who you think you should be friends with. ”**

**“ I'm making more friends and choosing wise friends. ”**

**87%** of girls said they had got better at trying new things within the first 6 months of attending GFS.

**83%** of parents and carers say the non-competitive environment helps their child join in more.

**“ I try new things at GFS which makes me more confident to try things at home. ”**

**“ I've got better at games and not hating active stuff as much. ”**

## CASE STUDY ONE

### Trip - Ford Castle - GFS Blyth

“ Before the trip, Dakota told us she was ‘scared of heights, water and everything.’ Dakota and the group leaders chatted. They suggested she come along. She wouldn’t be forced to do anything she wasn’t comfortable with. One of the activity workers knew Dakota was scared when they went to the zip line activity, which involved climbing at height with a harness on.

The activity worker and the GFS girls encouraged Dakota to put her foot on the first step; with encouragement, she went up 3 big steps in total.

She was upset that she didn’t get to the top but the GFS girls were full of praise and called her “amazing” for getting up 3 steps. They told her “it’s ok, you didn’t get to the top. You said you were doing one step and you did three! ”

- Group Co-ordinator, GFS Blyth

## CASE STUDY TWO

### Session - Speaking Up - GFS Rusholme

“ Before the session, Layla never liked to speak up in a group setting. Previously she did not interact as much but now she is talking more. I have seen so much confidence come out and she is so vocal. With all of the sessions, she joined in, spoke up in groups about why her group had done certain things and in the debate session, she felt confident to express what her thoughts were. She used to be overwhelmed sometimes and become visibly upset but this seems to have passed and it is great that this programme is helping her to speak out. ”

- Group Co-ordinator, GFS Rusholme

## When girls feel safe, they can be themselves

With supportive friendships and a safe space where girls can try things without judgement, girls told us they are able to relax more and feel accepted for who they are. Around 1 in 5 girls say this is the most important thing about their GFS group. It is particularly important for older girls when self-esteem and confidence can start to drop in their teenage years.

**75%** of girls in their first 6 months at GFS said that their group makes them feel like they can be themselves.

“ I want to say this in front of everyone - I feel comfortable here and feel like I can show off my anxiety whereas I have to cover it up at school. ”

“ It makes me feel more normal (everyone can be weird here). ”

“ It’s free from boys here so it makes me relax ”



## When girls can be themselves, they are happier

When girls are free to be themselves without worrying about competing with others, fitting in or being judged, they are happier. GFS girls are less likely to be unhappy with their mental health compared to other girls their age and more likely to be happy with their lives overall.

**72%** of parents and carers say their child is happier as a result of coming to GFS.

“GFS makes me feel like a rainbow. It makes me a positive person on the outside.”

“My GFS group helps me be nice to myself.”

“GFS keeps me afloat when everything else is hard.”

“Coming to GFS gets me off my phone for three hours and gets me out of my bed.”

“I feel alive at GFS... I'm actually happy here.”



## Volunteering at GFS

GFS recruited 114 new volunteers, with more than 200 active throughout the year.

GFS could not reach the number of girls and deliver the impact outlined above without the support of our inspirational volunteers; as Trustees, committee members, content creators, ambassadors and critically our group volunteers. Their contribution is significant and we know they enjoy being part of the GFS movement to enable girls of today to be proud of who they are. We also know that they enjoy and benefit from the experience.

GFS offers our volunteers personalised support in identifying training and development opportunities and adapting roles for greater inclusion, access and participation.

“The girls are the highlight of GFS for me; to be able to create such a lovely safe space for them is so fulfilling; chatting with them, watching them grow in confidence, laughing, learning and making new friends. I know that GFS would have been such a positive experience for me when I was younger and having the opportunity to provide this for other young girls is incredible rewarding.”

“GFS was a huge part of my daughter Frances’s life – who had been in GFS since she was two-three years old. It helped her, her friends, and many other young people realise the good and difficult things in life, and develop the ability to ask questions and form opinions. I didn’t have that as a child, as we were expected to ‘seen but not heard’ as children.”

## Upskilling volunteers to better support girls at group

We took a new approach to creating training for our volunteers. Content was guided by volunteers themselves, who identified areas of need amongst the girls they supported. Training was then designed to improve their knowledge, understanding and ability to help girls with issues such as ADHD, autism and anxiety.

Specialist facilitators were recruited to deliver sessions on these subjects, to provide more accessible and continuous learning opportunities. As a result, we noted higher rates of attendance and positive impact amongst attendees, after completing their training:

**72%** reported a positive change in their confidence of how best to support a girl.

**63%** reported a positive change in their knowledge and understanding.

**97%** said that the training session had changed or improved their practice.



## Listening to girls

We are committed to being girl-shaped and girl-led. We have explored different ways to hear girls' voices to both understand our impact and ensure that girls and their needs are at the heart of our decision-making.

### Our research with girls

To establish some baseline data, we used the Children Commissioner's "Big Ask" survey to assess the wellbeing of GFS girls; asking questions about their friendships, life at school, mental health, local area, experiences online and life overall. This allowed us to benchmark GFS girls against children nationally. Our findings showed that, whilst GFS girls were happier than other girls nationally in some areas, their happiness with life at school was significantly lower.

To explore this further, we carried out focus groups over a six-week period. Our "Girls In Focus" project used participatory methods to engage girls in conversation around what a good or bad day looks like at school, as well as what they value about GFS.

What we learnt from girls was hugely insightful. For those who were unhappy, the school environment was a source of stress, in terms of both academic and social pressure. The negative attitudes of others and worrying about what other people think also affected their wellbeing. They told us about the challenges of navigating friendships, managing conflict and fitting in with their peers. They also illustrated how gender stereotypes can start to affect them from a young age. For example, their experiences of PE in school mirrored the findings of wider research into why girls disengage from sport in their teenage years.

Our annual survey revealed that only one third of GFS girls feel like they can be themselves at school. The findings – along with what girls told us about GFS - helped define our understanding of the problems girls are facing and the solution we currently provide through our services. It helped inform how we can better support girls and talk about their experiences on other platforms.

### GFS girls wellbeing benchmark



### Girls In Focus



**“ There is so much pressure, it's such a hard environment...I can't find the words but before the holidays I had really poor mental health, I wasn't sleeping and I was getting sick. ”**

**“ I like PE - football, rugby and tennis - they are fun but boys say I'm bad at them. ”**

**“ People think I'm different because I like to express myself and they say 'calm down.' I mask the way I like to express myself so people don't see it and judge me. ”**

## Learning from and responding to girls 2023-24

Listening to girls has allowed us to learn, adapt and improve, to ensure we continue to meet their needs appropriately in 2023/24. Girl voices have influenced various aspects of decision-making across GFS, with some key examples:

### 01 Shaping our Programme around girls' needs and exploring evaluation approaches

Navigating friendships emerged as a key area of challenge for girls during our "Girls in Focus" project. Our core programme for 2023-24 will therefore focus on supporting girls' needs in this area by raising their awareness of how to handle issues and developing key skills to better manage challenges. Our Autumn Programme, launched in September 2023, focuses on celebrating difference, learning to let go of things and positive self-esteem.

### 02 Making changes to the way we operate to ensure we are reaching girls in key areas

We have worked hard to improve our understanding of the areas we work in and the demographics of our girls and volunteers. Through collecting key data, we have been able to monitor whether we are reaching those most in need within our local communities and make changes to ensure our groups are accessible and inclusive. For example, after girl numbers dropped at GFS Mile End, we consulted local families and found that GFS clashed with evening sessions at mosque. As a result, we successfully trialled our first Saturday group, with girls now attending who were previously unable to.

### 03 Working in schools to support girls where they need us

We are exploring how we can bring our support into new spaces. As girls have told us that school can be challenging, we are adapting our services to operate in schools. This will help us meet girls where they need us most, whilst removing barriers to inclusion for those unable to attend GFS groups. We are trialling two ways of working with schools:

- After-school groups in schools, two of which launched as a trial in September 2023.
- One-off workshops delivered to girls during the school day, with activities based on our core programme. We will be trialling this new service in 2024.

### 04 Putting girl voices at the heart of our campaigns

Our learning from girls has directed the theme of our celebrations for campaigns such as International Day of the Girl (IDG). Through our #GirlsAllowed IDG campaign, we advocated that all girls should feel allowed to be themselves wherever they go. This concept has helped us engage with external stakeholders as the voices and experiences of GFS girls have resonated with many people, especially women. As a result, we received a number of significant contributions to our virtual wall, social media blogs and webinars.

### 05 Keeping girls at the heart of all we do

84% of girls say they feel like they have a say in what happens at their GFS group. As we continue to advocate for girls, we want to make sure they also feel this way about what happens across GFS. Our learning from girls means that their voices will influence our work in 2023-24 through:

- The continuous development of programme and training based on girls' needs.
- The establishment of further listening initiatives through our "Girls In" project, focusing on improving two-way communication with girls through workshops, newsletters and improved listening mechanisms and approaches to evaluation at group.
- Delivering our fundraising and awareness campaign around International Day of the Girl and ensuring that girl voices are embedded within future events, such as our 150th anniversary.



# FINANCIAL REVIEW

## Results for the year

**The statement of financial activities on page 30 shows net expenditure for the year before investment losses of £742,985 (2022 – £723,217) being a deficit on unrestricted funds of £334,877 (2022 - £421,265), a deficit on designated funds of £288,959 (2022 - £163,792) and a deficit on restricted funds of £119,149 (2021 – £138,160).**

Total income for the year was £312,831 (2022 – £228,588) with income from investments and interest receivable comprising 48% (2022 – 63%) of the total and amounting to £150,988 (2022 – £143,083). Although the income yield from investments is welcome, it is not adequate to sustain our activities and it needs to be supplemented by substantial other sources of income in the future to ensure the financial security which will safeguard the charity's services for the long term.

Expenditure in the year totalled £1,055,816 (2022 – £951,805) with expenditure on charitable activities to £889,010 (2022 – £811,531). The charity's largest expense item continues to be staff costs reflecting the importance of people to the successful achievement of the organisation's aims – both paid staff and volunteers. Trustees continue to strive to achieve the charity's aims within the framework of providing a high-quality service to the girls and young women who require the charity's support.

The final net movement in funds for the year, after net investment gains of £151,121 (2022 – loss of £1,117,922) amounted to a loss of £591,864 (2022 – loss of £1,841,139).

## Financial position

### Free reserves and reserves policy

GFS' reserves policy is to maintain free reserves, net of the pension fund deficit, of around 3 months' expenditure, £286,000-£383,000. Free reserves are maintained to mitigate risks associated with fluctuating costs and to ensure there is a baseline to cover spend in the coming months. Free reserves, along with designated funds would also be used in the unlikely event of wind up. In September 2023 we had £282,625 in free reserves (2022 - £260,950) this is equivalent to 2.6 months expenditure (2022 – 2.7 months).

The charity also has restricted reserves that are limited in where they can be spent, and endowments that generate income that can be spent. Trustees have structured the reserves to protect the services and allow the charity to continue to fundraise. The additional fundraising income is being built on top of the strong financial foundation the endowment provides, to allow the charity to innovate and to meet the growing demand for our services.

The charity carries a pension deficit of £18,858 (2022 - £32,047).

### Other funds

In addition to the endowment funds, on 30 September 2023, GFS had restricted funds which totalled £1,910,031 (2022 – £1,990,317) most of which are restricted to being spent in certain geographic areas and, in particular, specific dioceses. Full details of the funds are given in notes 17 to 19 to the attached financial statements.

The charity has designated funds which on 30 September 2023 totalled £2,298,240 (2022 – £2,861,898). These funds are designated for the growth of the fundraising department, to support the organisation during COVID, and to deliver our strategy to work with more girls and young women. They form the basis of an ongoing piece of work to bolster our services in the coming years, as described in more detail throughout this report.

The pension deficit fund of £18,858 matches the liability on the balance sheet in respect to the defined benefit pension scheme which the charity contributes to on behalf of certain of its employees. Details of the scheme and the deficit funding determined by an actuary are given in note 24 to the attached financial statements.

## Investment Policy

The charity has a portfolio of investments which had a market value as of 30 September 2023 of £7,052,233 (2022 – £7,738,460) comprising listed investments of £6,502,688 (2022 – £7,556,506), and cash awaiting investment of £549,545 (2021 – £181,954). The investment portfolio represents in part the charity's endowment funds, the capital of which cannot be spent.

We consider our investments to be a long-term solution. Markets are starting to bounce back after the volatility of the last couple of years. We anticipate our investment portfolio will continue to provide us with an income, it is still necessary for us to supplement this with fundraised income to cover the breadth of our activities.

GFS uses independent investment managers (CCLA and Rathbones) to safeguard our invested funds. These investment managers meet with Trustees once per quarter to review the portfolios, the yield, and the requirements of the charity. The investment objectives are to achieve the highest possible yield from the portfolio and long-term capital growth whilst maintaining the underlying risk at acceptable levels. During the year Trustees agreed to split the money in Rathbones into two portfolios, at different risk levels. The lower risk level means we can withdraw money as needed with minimal risk to the value of the overall portfolio. Our investments are managed on a Total Return basis.

## Fundraising Statement

GFS is committed to responsible fundraising practices, which are legal, honest and respectful. We follow the Fundraising Code of Practice. We are registered with the Fundraising Regulator. We do not carry out door-to-door, street or telephone fundraising. We take our responsibility towards our donors very seriously and aim to provide a positive experience. We believe that no one should feel pressured into giving. We take steps to ensure that the vulnerable are protected. We will not contact anyone unless they have requested or consented to receiving fundraising communications. Donors can opt out of receiving fundraising or any other communications at any time. We will never sell, swap or share their data. We aim for all those donating to GFS to have a positive experience. In 2022-23 we received no complaints. However, if we receive them, we are committed to investigating complaints and resolving them swiftly. If anyone is dissatisfied with their experience, please contact us. Feedback enables us to improve our fundraising service.

## Public Benefit

Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and activities for the year, and the organisational plans for future periods.



# GOVERNANCE ARRANGEMENTS

## Constitution and Committees

Girls Friendly Society in England and Wales is a company limited by guarantee and is registered under the Charities Act (2011).

The Board of Trustees consists of up to fifteen Trustees, recruited in accordance with the Bye Laws following an open and transparent recruitment exercise designed to address skills and experience gaps emerging on the Board. As well as sitting on the Board every Trustee sits on one of the supporting skill-based committees – People & Operations, Fundraising & Growth, Finance & Investments and Quality & Impact. This wider governance team is recruited in the same open recruitment process to fill gaps and in line with safer recruitment.

Each new Trustee receives an induction pack and ongoing training. Trustees are encouraged to attend individual in-house and external training events with or without staff. Trustees also have a member of the Leadership Team as a link to ensure good staff-board communication. Key pillars of their induction training are Conflict of Interest, safeguarding, inclusion, EDI. No Trustee received remuneration for services as a Trustee during the period or any beneficial interest in any contract with the charity during the period.

Overall responsibility for the charity remains with the Trustees who set and monitor the strategic direction of the charity and agree policy. The Board reviews organisational progress against the strategy on a quarterly basis and self-assesses its practice and progress against the Charity Governance Code.

## Trustees' Responsibilities

The Trustees are responsible for preparing Trustees' Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under

company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the charitable company and of its income and expenditure for that period.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- ✓ **so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware;**
- ✓ **the Trustee took all steps needed to make self aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.**

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. The Trustees are responsible for the maintenance and integrity of financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Risk

The Trustees regularly assess the major risks to which the charity is exposed under the following categories: Finance and Investment, People and Operations, Quality and Impact, Fundraising and Growth. The Trustees believe that by monitoring these and developing controls they will have established effective systems to mitigate them or reduce their impact.

The Trustees discuss risks at every committee and Board meeting, although risks may be raised by the Chief Executive to the Board at any time. The Board uses a Risk Rating matrix to help it focus on the principal risks and execute mitigating plans of action. A summary of the top three principal risks and uncertainties identified by the Trustees follows:

- ? Investment strategy not working for us**
- ? Ability to develop and deliver successful FR strategy**
- ? Continuing to run charity on a deficit**

## Leadership and Management

The Leadership Team is recruited to lead on each area of specialism the organisation needs and is supported by governance committees. Each member of the Leadership Team attends and presents reports to a committee. They also feed into every Board by way of a joint report as well as attending at least one board meeting a year. The Chief Executive attends all committee meetings and board meetings to provide consistency.

We are a totally virtual team now and so each Leadership Team member has a responsibility to lead their team with great purpose to fulfil the strategy and achieve our organisational objectives. The Leadership Team has an annual plan and objectives that they develop alongside KPI's for the year. They meet weekly to discuss key priorities and have task specific meetings throughout the week. The entire staff team meets virtually once a week to attend training, discuss team goals or receive organisational updates. After every Board meeting a Trustee reports to the staff team on decisions made.

The charity has a remuneration policy which is designed to offer fair pay to attract and retain qualified staff to lead, manage and deliver the

charity's aims. The charity does not have a performance pay approach and neither does it award commission or a bonus scheme. Instead, every two years, GFS reviews its salaries with an external benchmarking sector expert. Results are shared with the Board and feed into the budget. Every other year the Board awards an increase for all staff – this is a % award and based on cost of living and sector practice.

The trustees consider that they, together with the Chief Executive and Leadership Team, comprise the key management of the charity in charge of directing, controlling, running and operating the charity on a day to day basis. None of the trustees receives any remuneration in connection with their role as key management personnel.

## Recruitment and Training

GFS is committed to delivering fair and safer recruitment and has a policy in place to ensure this happens. Every paid and unpaid role is assessed to determine if it is eligible for a criminal DBS check and if so at what level. The guidance suggests that these are refreshed every three years and our database flags when this is necessary for each member of the team.

All recruitment and selection across GFS is also guided by the GFS Equity and Diversity Policy. Every post is widely advertised with a genuine focus on ensuring we include considerations for equity, diversity and inclusion. This is at advert stage, within the job description and the interview process. The shortlists are developed using anonymous applications and questions developed to test the key competencies of the role. The candidates are also given the opportunity to see the questions in advance of the interview to support a good interview process and give everyone the best opportunity.

GFS needs to respond to the ever-changing challenges of the day faced by girls and young women. Therefore, there is a need to ensure the entire team is supported to address that need and as a result there is a very real commitment to training and development. It is one of the GFS strategic objectives to invest in the people so that this remains a learning organisation.

The above report has been prepared in accordance with the special provisions relating to small companies within FRS 102 and part 15 of the Companies Act.

Signature



Date HERE 23 March 2024



# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GIRLS FRIENDLY SOCIETY IN ENGLAND AND WALES

## Opinion

We have audited the financial statements of Girls Friendly Society in England and Wales (the 'charitable company') for the year ended 30 September 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial

statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company, has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate

to the reporting framework (Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)), the Charities Act 2011, and the Companies Act 2006, and other regulations including safeguarding, data protection, fundraising and employment law.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- review of the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Catherine Biscoe (Senior Statutory Auditor)  
for and on behalf of Buzzacott LLP,  
Statutory Auditor

130 Wood Street  
London  
EC2V 6DL

Signature: 

Date: 3 April 2024

# STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expenditure account)

Year to 30 September 2023

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
<b>Income</b>							
Donations and legacies	1	41,778	—	92,319	—	<b>134,097</b>	70,430
Investment income and interest receivable	2	93,809	—	57,179	—	<b>150,988</b>	143,083
Miscellaneous income		27,746	—	—	—	<b>27,746</b>	15,075
<b>Total income</b>		<b>163,333</b>	<b>—</b>	<b>149,498</b>	<b>—</b>	<b>312,831</b>	228,588
<b>Expenditure</b>							
Raising funds	3	30,242	136,564	—	—	<b>166,806</b>	140,274
Charitable activities: Community and school based programmes	4	467,968	152,395	268,647	—	<b>889,010</b>	811,531
<b>Total expenditure</b>		<b>498,210</b>	<b>288,959</b>	<b>268,647</b>	<b>—</b>	<b>1,055,816</b>	951,805
<b>Net (expenditure) / income before investment gains / (losses)</b>	7	<b>(334,877)</b>	<b>(288,959)</b>	<b>(119,149)</b>	<b>—</b>	<b>(742,985)</b>	<b>(723,217)</b>
Net gains / (losses) on investments		—	56,422	38,863	55,836	<b>151,121</b>	(1,117,922)
<b>Net (expenditure) / income</b>		<b>(334,877)</b>	<b>(232,537)</b>	<b>(80,286)</b>	<b>55,836</b>	<b>(591,864)</b>	<b>(1,841,139)</b>
<b>Statement of recognised gains and losses</b>							
Actuarial (losses) / gains on defined benefit pension scheme		(1,343)	—	—	—	<b>(1,343)</b>	99,913
<b>Net movement in funds for the year before transfers</b>		<b>(336,220)</b>	<b>(232,537)</b>	<b>(80,286)</b>	<b>55,836</b>	<b>(593,207)</b>	<b>(1,741,226)</b>
Transfers between funds	20	331,121	(331,121)	—	—	<b>—</b>	<b>—</b>
<b>Net income and net movement in funds for the year</b>		<b>(5,099)</b>	<b>(563,658)</b>	<b>(80,286)</b>	<b>55,836</b>	<b>(593,207)</b>	<b>(1,741,226)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward at 1/10/22		290,719	2,861,898	1,990,317	2,832,164	<b>7,975,098</b>	9,716,324
Total funds carried forward at 30/9/23		285,620	2,298,240	1,910,031	2,888,000	<b>7,381,891</b>	7,975,098

# COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

## (incorporating an income and expenditure account)

Year to 30 September 2022

	Notes	General Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £
<b>Income</b>						
Donations and legacies	1	38,282	—	32,148	—	70,430
Investment income and interest receivable	2	92,466	—	50,617	—	143,083
Miscellaneous income		15,075	—	—	—	15,075
<b>Total income</b>		<b>145,823</b>	<b>—</b>	<b>82,765</b>	<b>—</b>	<b>228,588</b>
<b>Expenditure</b>						
Raising funds	3	26,762	113,512	—	—	140,274
Charitable activities: Community and school based programmes	4	540,326	50,280	220,925	—	811,531
<b>Total expenditure</b>		<b>567,088</b>	<b>163,792</b>	<b>220,925</b>	<b>—</b>	<b>951,805</b>
<b>Net (expenditure) income before investment gains</b>	7	<b>(421,265)</b>	<b>(163,792)</b>	<b>(138,160)</b>	<b>—</b>	<b>(723,217)</b>
Net gains on investments		—	(471,841)	(262,044)	(384,037)	(1,117,922)
<b>Net (expenditure)/ income</b>		<b>(421,265)</b>	<b>(635,633)</b>	<b>(400,204)</b>	<b>(384,037)</b>	<b>(1,841,139)</b>
<b>Statement of recognised gains and losses</b>						
Actuarial gains on defined benefit pension scheme		99,913	—	—	—	99,913
<b>Net movement in funds for the year before transfers</b>		<b>(321,352)</b>	<b>(635,633)</b>	<b>(400,204)</b>	<b>(384,037)</b>	<b>(1,741,226)</b>
Transfers between funds	20	454,000	(454,000)	—	—	—
<b>Net income / (expenditure) and net movement in funds for the year</b>		<b>132,648</b>	<b>(1,089,633)</b>	<b>(400,204)</b>	<b>(384,037)</b>	<b>(1,741,226)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1/10/21		158,071	3,951,531	2,390,521	3,216,201	9,716,324
Total funds carried forward at 30/9/22		290,719	2,861,898	1,990,317	2,832,164	7,975,098

# BALANCE SHEET

The financial statements were approved by the Trustees of Girls Friendly Society in England and Wales Company Registration No. 3172713 (England and Wales) and signed on its behalf by:

Year to 30 September 2023

Trustee *Amundep Dhanon*  
Approved on: 23 March 2024

	Notes	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	11	<b>21,853</b>	29,769
Investments	12	<b>7,052,233</b>	7,738,460
		<b>7,074,086</b>	7,768,229
<b>Current assets</b>			
Debtors	13	<b>26,526</b>	89,021
Short term deposits		<b>145,233</b>	36,472
Cash at bank and in hand		<b>214,053</b>	272,472
		<b>385,812</b>	397,965
<b>Liabilities</b>			
Creditors: amounts falling due within one year	14	<b>(59,149)</b>	(159,049)
<b>Net current assets</b>		<b>326,663</b>	238,916
<b>Total assets less current liabilities</b>		<b>7,400,749</b>	8,007,145
Provisions for liabilities and charges	15	(18,858)	(32,047)
<b>Total net assets</b>		<b>7,381,891</b>	7,975,098
<b>Funds and reserves</b>			
Restricted funds	17,18,19	<b>1,910,031</b>	1,990,317
Unrestricted funds			
Tangible fixed assets fund		<b>21,853</b>	29,769
Designated funds	20	<b>2,298,240</b>	2,861,898
General funds		<b>282,625</b>	292,997
Pension reserve	24	<b>(18,858)</b>	(32,047)
Endowment funds	16	<b>2,888,000</b>	2,832,164
<b>Total funds</b>		<b>7,381,891</b>	7,975,098

# CASH FLOW STATEMENT

## Year to 30 September 2023

	Notes	2023 £	2022 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	<b>(997,239)</b>	(823,108)
<b>Cash flows from investing activities:</b>			
Investment income received		<b>211,561</b>	66,439
Interest received		<b>654</b>	24
Purchase of tangible fixed assets		<b>(2,000)</b>	(5,418)
Proceeds from the disposal of tangible fixed assets		—	—
Proceeds from the disposal of investments		<b>4,538,653</b>	2,895,702
Purchase of investments		<b>(3,333,714)</b>	(2,183,553)
<b>Net cash provided by investing activities</b>		<b>1,415,154</b>	773,194
<b>Change in cash and cash equivalents in the year</b>		<b>417,915</b>	(49,915)
<b>Cash and cash equivalents at 1 October 2022</b>	B	<b>490,898</b>	540,813
<b>Cash and cash equivalents at 30 September 2023</b>	B	<b>908,813</b>	490,898

### Notes to the statement of cash flows for the year to 30 September 2023:

#### A Reconciliation of net movement in funds to net cash used in operating activities

	2023 £	2022 £
<b>Net movement in funds (as per the statement of financial activities)</b>	(593,207)	(1,741,226)
<b>Adjustments for:</b>		
Depreciation charge	9,916	9,467
Losses (gains) on investments	(151,121)	1,117,922
Investment income	(150,334)	(143,059)
Interest receivable	(654)	(24)
Decrease (increase) in debtors	1,250	6,954
(Decrease) increase in creditors	(99,900)	70,042
(Decrease) in pension provision	(13,189)	(143,184)
<b>Net cash used in operating activities</b>	<b>(997,239)</b>	<b>(823,108)</b>

#### B Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	214,035	272,472
Short term deposits	145,233	36,472
Cash held by investment managers	549,545	181,954
<b>Total cash and cash equivalents</b>	<b>908,813</b>	<b>490,898</b>

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

# PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

## Basis of preparation

These financial statements have been prepared for the year to 30 September 2023 with comparative information provided in respect to the year to 30 September 2022.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

## Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- the underlying assumptions used by the actuary in determining the deficit on the defined benefit pension scheme;

- the allocation of expenditure across charitable activities; and
- the estimation of future income and expenditure flows for the purpose of assessing going concern (see below).

## Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. In making their assessment, the Trustees have considered the impact of pandemics and fluctuating markets on the charity.

The Trustees will continue to keep both income and expenditure under review but do not anticipate that the impact on the charity's finances will be material or impact on the charity's going concern

## Income recognition

Income is recognised in the period in which the charity has entitlement to receipt, the amount can be measured reliably and it is probable that the funds will be received.

Income comprises donations, legacies, investment income, interest receivable, income from charitable activities and miscellaneous income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable

that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from charitable activities comprises grants from government and other agencies. Such income is recognised when the charity has entitlement to the funds under agreements or other the contractual arrangements for the payment of each grant.

### Gifts in Kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale

or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the Statement of Financial Activities as incoming resources in the period they are receivable.

### Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- a Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising and an allocation of support costs.
- b Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities as described in the Trustees' report i.e. providing opportunities for girls and young women to develop their self confidence, wellbeing and resilience to enable them to fulfill their potential. Such costs include:
  - Staff costs and associated expenses
  - Day to day running expense of schemes and projects
  - Special projects and equipment
  - Maintenance and building costs for the schemes and projects.

This expenditure includes both costs that can be allocated directly to such activities and those indirect costs necessary to support them.

All expenditure is stated inclusive of irrecoverable VAT.

### Allocation of costs

Support costs are those costs that enable charitable activities to be carried out. These costs include expenses relating to personnel development, financial procedures, provision of office services and equipment, and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned to expenditure headings based on the headcount relating to each activity.

### Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

### Freehold land and buildings

- Freehold land and buildings are stated in the financial statements at cost and after deducting depreciation.
- Depreciation is charged at the following annual rate based on net cost:
  - Freehold buildings 2%
  - No depreciation is charged on freehold land

### Other tangible fixed assets

All other tangible fixed assets are stated at cost. Depreciation is calculated at the following annual rates in order to write off the cost of each asset over its estimated useful life:

- |                                 |                              |
|---------------------------------|------------------------------|
| • Computer equipment            | 33% on cost                  |
| • Office equipment              | 20% on cost                  |
| • Other equipment and furniture | 10% on cost                  |
| • Fittings in leased property   | Over the period of the lease |

### Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

### Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

### Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

The classification of current assets in the prior year has been updated to show deposits with a maturity of between three and twelve months as short term deposits.

## Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

## Fund structure

The general funds comprise free reserves, the tangible fixed assets fund and the pension deficit fund. The free reserves those net assets are which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the Trustees.

The pension deficit fund represents the liability in respect to the defined benefit pension scheme to which the charity contributes on behalf of certain of its employees.

The designated funds comprise monies set aside by the Trustees for specific purposes.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

The permanent endowment funds comprise monies which must be held indefinitely as capital. The income therefrom can be used for general purposes and is credited directly to general funds.

## Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

## Pension contributions

The growth plan pension scheme is a multi-employer scheme providing benefits for some 1,300 non-associated employers. It is therefore not possible to identify the underlying share of the charity's assets and liabilities within the scheme. However, as a member of the scheme, the charity has a legal obligation to make pension deficit reduction payments when required by the scheme's actuary. The full cost of these repayments, discounted to present values, is recognised in the year a pension deficit reduction plan is agreed.

In July 2014, all eligible members of staff were required to enrol in the charity's workplace pension scheme, under auto-enrolment. Staff members were entitled to opt out of this scheme. The percentage contribution of salary into the scheme is a minimum rate of 2.5%. The charity pays employer's contributions at a rate of 7.5%.

## Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

# NOTES TO THE FINANCIAL STATEMENTS

## 1 Income from: Donations and legacies

	General Funds £	Restricted Funds £	Total Funds 2023 £
Donations and similar income	38,020	92,319	<b>130,339</b>
Legacies	3,758	—	<b>3,758</b>
<b>2023 Total funds</b>	<b>41,778</b>	<b>92,319</b>	<b>134,097</b>

	General Funds £	Restricted Funds £	Total Funds 2022 £
<i>Donations and similar income</i>	<i>35,082</i>	<i>32,148</i>	<i>67,230</i>
<i>Legacies</i>	<i>3,200</i>	<i>—</i>	<i>3,200</i>
<i>2022 Total funds</i>	<i>38,282</i>	<i>32,148</i>	<i>70,430</i>

GFS has been asked to record the donations of two of its funders in 2022/23 within the charity's annual accounts. These are the Portal Trust, who donated £6,000 to support GFS Mile End, and SCVO Vision 2030 who donated £5,000 to support GFS Smethwick.

## 2 Income from: Investment income and interest receivable

	General Funds £	Restricted Funds £	Total Funds 2023 £
Investment income (see below)	93,155	57,179	<b>150,334</b>
Interest receivable	654	—	<b>654</b>
<b>2023 Total funds</b>	<b>93,809</b>	<b>57,179</b>	<b>150,988</b>

	General Funds £	Restricted Funds £	Total Funds 2022 £
<i>Investment income (see below)</i>	<i>92,442</i>	<i>50,617</i>	<i>143,059</i>
<i>Interest receivable</i>	<i>24</i>	<i>—</i>	<i>24</i>
<i>2022 Total funds</i>	<i>92,466</i>	<i>50,617</i>	<i>143,083</i>

Investment income was received from the following sources:

	Total 2023 funds £	Total Funds 2022 £
UK equities	<b>56,255</b>	47,275
Overseas equities	<b>19,711</b>	23,826
UK fixed interest based common investment funds	<b>72,231</b>	63,866
Property unit trusts	—	7,894
Alternatives	<b>2,137</b>	198
	<b>150,334</b>	143,059

### 3 Expenditure on: Raising funds

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2023 £
Investment manager's fees	30,242	—	—	<b>30,242</b>
Staff costs	—	—	133,468	<b>133,468</b>
Other direct fundraising costs	—	—	3,096	<b>3,096</b>
<b>2023 Total funds</b>	30,242	—	136,564	<b>166,806</b>

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2022 £
<i>Investment manager's fees</i>	26,762	—	881	27,643
<i>Staff costs</i>	—	—	112,631	112,631
<i>2022 Total funds</i>	26,762	—	113,512	140,274

### 4 Expenditure on: Charitable activities - community and school based programmes

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2023 £
Staff costs and recruitment	332,563	193,805	138,506	<b>664,874</b>
Staff travel, training and subsistence	15,937	6,846	2,500	<b>25,283</b>
Direct volunteer costs	7,259	3,009	—	<b>10,268</b>
Direct project costs	25,024	29,173	—	<b>54,197</b>
Premises	24,197	8,633	—	<b>32,830</b>
Office, administration and misc	34,609	16,867	11,389	<b>62,865</b>
Marketing and communications	7,666	2,656	—	<b>10,322</b>
Governance costs (note 6)	20,713	7,658	—	<b>28,371</b>
<b>2023 Total funds</b>	467,968	268,647	152,395	<b>889,010</b>

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2022 £
<i>Staff costs and recruitment</i>	393,906	148,332	21,346	563,584
<i>Staff travel, training and subsistence</i>	7,994	1,999	—	9,993
<i>Direct volunteer costs</i>	7,823	2,455	—	10,279
<i>Direct project costs</i>	24,632	19,278	—	43,910
<i>Premises</i>	49,725	12,431	—	62,156
<i>Office, administration and misc</i>	56,246	19,572	2,957	78,775
<i>Marketing and communications</i>	—	8,549	6,639	15,188
<i>Governance costs (note 6)</i>	—	8,309	19,338	27,647
<i>2022 Total funds</i>	540,326	220,925	50,280	811,531

## 5 Support costs

Support costs are those costs which enable the charitable work of GFS. They include indirect overheads and many of the head office costs which facilitate the branches and projects.

Support costs included within raising funds and community and school based programmes are as follows:

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2023 £
Staff costs and related costs	149,676	50,558	25,366	<b>225,600</b>
Travel, training and subsistence	18,437	6,146	—	<b>24,583</b>
Premises	12,065	4,022	—	<b>16,087</b>
Office, administration and misc	35,749	15,712	11,389	<b>62,850</b>
Governance costs (note 6)	20,713	7,658	—	<b>28,371</b>
<b>2023 Total funds</b>	<b>236,640</b>	<b>84,096</b>	<b>36,755</b>	<b>357,491</b>

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2022 £
<i>Staff costs and related costs</i>	<i>181,708</i>	<i>48,472</i>	<i>—</i>	<i>230,180</i>
<i>Travel, training and subsistence</i>	<i>7,994</i>	<i>1,999</i>	<i>—</i>	<i>9,993</i>
<i>Premises</i>	<i>30,332</i>	<i>7,583</i>	<i>—</i>	<i>37,915</i>
<i>Office, administration and misc</i>	<i>32,264</i>	<i>13,215</i>	<i>20,597</i>	<i>66,076</i>
<i>Governance costs (note 6)</i>	<i>17,640</i>	<i>8,309</i>	<i>1,698</i>	<i>27,647</i>
<i>2022 Total funds</i>	<i>269,938</i>	<i>79,578</i>	<i>22,295</i>	<i>371,811</i>

Supports costs are allocated across the expenditure headings in notes 3 and 4 as follows:

	Raising Funds (note 3) £	Charitable activities (note 4) £	Total 2023 £	Basis of appointment
Staff costs and related costs	136,564	89,036	<b>225,600</b>	Headcount
Other support costs:				
• Travel, training and subsistence	—	24,583	<b>24,583</b>	
• Premises	—	16,087	<b>16,087</b>	
• Office administration and misc	—	62,850	<b>62,850</b>	
• Governance costs	—	28,371	<b>28,371</b>	
<b>2023 Total</b>	<b>136,564</b>	<b>220,927</b>	<b>357,491</b>	

	Raising Funds (note 3) £	Charitable activities (note 4) £	Total 2022 £	Basis of appointment
<i>Staff costs and related costs</i>	112,631	117,549	230,180	
<i>Other support costs:</i>				
<i>Travel, training and subsistence</i>	—	9,993	9,993	
<i>Premises</i>	—	37,915	37,915	<i>Headcount</i>
<i>Office, administration and misc</i>	—	66,076	66,076	
<i>Governance costs (note 6)</i>	—	27,647	27,647	
<i>2022 Total</i>	112,631	259,180	371,811	

## 6 Governance costs

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2023 £
Legal and professional fees	20,361	7,537	—	<b>27,898</b>
Committee expenses	352	121	—	<b>473</b>
<b>2023 Total funds</b>	<b>20,713</b>	<b>7,658</b>	—	<b>28,371</b>

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2022 £
<i>Legal and professional fees</i>	17,640	8,309	648	26,597
<i>Committee expenses</i>	—	—	1,050	1,050
<i>2022 Total funds</i>	17,640	8,309	1,698	27,647

## 7 Net expenditure before net investment losses

Net expenditure before net investment losses is stated after charging:

	2023 £	2022 £
Staff costs (note 8)	<b>766,773</b>	659,138
Auditor's remuneration		
Audit - current year's fee	<b>23,240</b>	14,760
Depreciation	<b>9,916</b>	9,647
Operating lease rentals	<b>33,777</b>	37,917

## 8 Staff costs

	2023 £	2022 £
Staff costs during the year were as follows:		
Wages and salaries	<b>646,742</b>	571,368
Social security costs	<b>60,911</b>	49,468
Pension costs	<b>72,309</b>	181,486
Pension scheme adjustment	<b>(13,189)</b>	(143,184)
<b>Total</b>	<b>766,773</b>	659,138

Staff costs (including wages and staff travel, training and subsistence) by function were as follows:

	Direct costs £	Support costs £	Total 2023 £
Charitable activities	601,121	89,036	<b>690,157</b>
Cost of raising funds	—	133,468	<b>133,468</b>
<b>2023 Total funds</b>	601,121	222,504	<b>823,625</b>

	Direct costs £	Support costs £	Total 2022 £
<i>Charitable activities</i>	<i>456,028</i>	<i>117,549</i>	<i>573,577</i>
<i>Cost of raising funds</i>	<i>—</i>	<i>112,631</i>	<i>112,631</i>
<i>2022 Total funds</i>	<i>456,028</i>	<i>230,180</i>	<i>686,208</i>

The number of employees who earned £60,000 per annum or more (including taxable benefits) during the year was as follows:

	2023	2022
£80,000 - £90,000	<b>1</b>	1

The average number of full time equivalent employees in 2023 was 18 (2022 – 16).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the Trustees, Chief Executive and the Leadership Team. The total remuneration (including taxable benefits and employer's pension contributions) of key management personnel for the year was £324,835 (2022 – £327,972).

## 9 Trustees' expenses and related party transactions

During the year 2 Trustees (2022 – 3) were reimbursed a total of £290.43 (2022 – £122.03) for travel and subsistence.

No Trustee received any remuneration in respect to their services as a Trustee during the year (2022 – nil).

During the year, the charity received donations from Trustees totalling £80 (2022 - £31).

## 10 Taxation

Girls Friendly Society in England and Wales is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

The charity is only able to reclaim VAT on very limited expenditure.

## 11 Tangible fixed assets

	Furniture and equipment £	Total £
<b>Cost</b>		
At 1 October 2022	55,857	<b>55,857</b>
Additions	2,000	<b>2,000</b>
At 30 September 2023	57,857	<b>57,857</b>
<b>Depreciation</b>		
At 1 October 2022	26,088	<b>26,088</b>
Charge for the year	9,916	<b>9,916</b>
At 30 September 2023	36,004	<b>36,004</b>
<b>Net book values</b>		
At 30 September 2023	21,853	<b>21,853</b>
At 30 September 2022	29,769	<b>29,769</b>

## 12 Investments

	2023 £	2022 £
<b>Listed investments:</b>		
Market value at 1 October 2022	<b>7,556,506</b>	9,389,577
Additions at cost	<b>3,333,714</b>	2,183,553
Disposals at book value (proceeds: £4,538,653 realised gains £84,298)	<b>(4,455,355)</b>	(3,016,282)
Net unrealised investment losses	<b>66,823</b>	(997,342)
Market value at 30 September 2023	<b>6,502,688</b>	7,556,506
<b>Cash held by investment managers</b>	<b>549,545</b>	181,954
	<b>7,052,233</b>	7,738,460

During 2023, the GFS Trustees have maintained a balanced investment objective going forwards; on a total return basis. Returns generated from a balanced approach are a combination of income and the potential for capital growth, with the intention to protect against inflation over the time horizon and unusual exceptions in market downturns, whilst providing an income for the charity in line with the portfolio aim.

In September 2023, Trustees downgraded the risk grade of part of the investment portfolio to get the best return on investment. At the end of September 2023, sales for this move had been made but not all purchases completed which has led to an increase in cash held by investment managers.

Listed investments held at 30 September 2023 comprised the following:

	2023 £	2022 £
UK fixed interest based common investment funds	1,487,499	1,575,404
UK equity based common investment funds	1,164,032	3,313,672
Overseas equity based common investment funds	3,486,300	2,070,243
Other	364,857	597,187
	<b>6,502,688</b>	<b>7,556,506</b>

All listed investments held are dealt in on a recognised stock exchange.

At 30 September 2023, the charity had the following material investment holdings:

	Market value £	Percentage of portfolio %
RATHBONE UNIT TRUST MGMT Greenbank Tot Rtn P/f S Inc	2,831,230	44%
COIF Charities Ethical Investment Fund income units	1,421,579	22%

### 13 Debtors

	2023 £	2022 £
Prepayments	6,491	4,741
Security deposits	-	3,000
Investment income receivable	20,035	81,280
	<b>26,526</b>	<b>89,021</b>

### 14 Creditors

	2023 £	2022 £
Expense creditors	1,785	3,711
Other taxes and security costs	22,090	20,304
Other creditors	2,693	649
Accruals	32,581	134,385
	<b>59,149</b>	<b>159,049</b>

## 15 Provision for liabilities

	2023 £	2022 £
Provision for pension scheme deficit reduction payments (note 24)		
• Payable within one year	14,654	32,047
• Payable within one to two years	4,204	-
• Payable within two to five years	-	-
	18,858	32,047

## 16 Endowment funds

The capital funds of the charity include permanently endowed monies, which must be retained indefinitely:

	At 1 October 2022	Transfers	Investment gains/(losses) £	At 30 September 2023 £
Endowment fund	2,070,581	-	40,821	2,111,402
Francis Street Fund	761,583	-	15,015	776,598
	2,832,164	-	55,836	2,888,000

	At 1 October 2021	Transfers	Investment gains/(losses) £	At 30 September 2022 £
Endowment fund	2,351,348	-	(280,767)	2,070,581
Francis Street Fund	864,853	-	(103,270)	761,583
	3,216,201	-	(384,037)	2,832,164

The two endowment funds are as follows:

### Endowment fund

The endowment fund was established under a Charity Commission Scheme dated 31 July 2002. The Scheme replaces former trusts, a Scheme of the Commissioners dated 15 November 1972 and declaration of trusts dated 5 September 1974 and 21 November 1976. It states that income and capital shall be used:

- the Trustees must first apply the income to meet the proper costs of administering the charity and of managing its assets and thereafter the remaining income must be applied in furthering the objects of the charity; and
- for the object of the charity, the Trustees may also apply expendable endowment and permanent endowment but only on such terms for the replacement of the amount spent as approved by the Commissioners.

### Francis Street Fund

The Francis Street Fund was established during the year ended 30 September 2004 when the Francis Street hostel, which was managed by the charity, was sold by the freeholder. Under the terms of the disposal, the net proceeds were donated to the charity to be held as a permanent endowment.

## 17 Restricted funds - summary

	At 1 October 2022	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2023 £
Society funds - restricted grants	5,309	92,319	(49,183)	-	<b>48,445</b>
Trust funds (note 18)	203,583	8,863	(22,508)	3,145	<b>193,083</b>
Diocesan funds (note 19)	1,781,425	48,316	(196,956)	35,718	<b>1,668,503</b>
	1,990,317	149,498	(268,647)	38,863	<b>1,910,031</b>

	At 1 October 2021	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2022 £
<i>Society funds - restricted grants</i>	46,433	32,148	(73,272)	-	5,309
<i>Trust funds (note 18)</i>	228,060	7,187	(14,365)	(17,298)	203,583
<i>Diocesan funds (note 19)</i>	2,116,028	43,430	(133,287)	(244,745)	1,781,425
	2,390,521	82,765	(220,925)	(262,044)	1,990,317

## 18 Restricted funds - trust funds

The income funds of the charity include restricted trust funds comprising the following unexpended balances of donations, grants and other income held on trusts to be applied for specific purposes:

	At 1 October 2022 £	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2023 £
Packe holiday and housing trust	155,982	6,194	(17,245)	2,499	<b>147,430</b>
Greenlands, Peel, Isle of Man	40,572	2,263	(4,486)	523	<b>38,872</b>
Almoners Trust	7,029	406	(777)	123	<b>6,781</b>
Total	203,583	8,863	(22,508)	3,145	<b>193,083</b>
	At 1 October 2021 £	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2022 £
<i>Packe holiday and housing trust</i>	175,044	5,712	(11,026)	(13,748)	155,982
<i>Greenlands, Peel, Isle of Man</i>	45,093	1,195	(2,840)	(2,876)	40,572
<i>Almoners Trust</i>	7,923	280	(499)	(675)	7,029
	228,060	7,187	(14,365)	(17,299)	203,583

The use of the trust funds held at 30 September 2023 is restricted to the following:

**Packe Holiday & Housing Trust**

The provision of housing and holidays for the needy.

**Greenlands, Peel, Isle of Man**

The furtherance of the charity's objectives in the Isle of Man.

**Almoners Trust**

The provision of support for elderly members.

**19 Restricted funds - Diocesan funds**

The income funds of the charity include restricted Diocesan funds comprising the following unexpended balances of donations, grants and other income held on trusts for use by GFS within the specific dioceses:

	At 1 October 2022	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2023 £
Dioceses with branch activities:					
• Birmingham	111,615	9,569	(17,384)	4,123	<b>107,923</b>
• Carlisle	80,926	6,938	(8,372)	2,990	<b>82,482</b>
• Liverpool	236,772	4,853	(31,331)	4,668	<b>214,962</b>
• Other	202,787	3,266	(20,977)	1,408	<b>186,484</b>
Dioceses without branch activities:					
• Other Diocesan funds	10,044	162	(1,040)	70	<b>9,236</b>
• Branch support funds	1,139,281	23,528	(117,854)	22,461	<b>1,067,416</b>
<b>Total</b>	<b>1,781,425</b>	<b>48,316</b>	<b>(196,958)</b>	<b>35,720</b>	<b>1,668,503</b>

	At 1 October 2021	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2022 £
Dioceses with branch activities:					
• Birmingham	133,267	9,425	(8,394)	(22,683)	111,615
• Carlisle	96,626	6,833	(6,086)	(16,447)	80,926
• Liverpool	284,617	4,069	(17,928)	(33,986)	236,772
• Other	221,249	3,217	(13,936)	(7,743)	202,787
Dioceses without branch activities:					
• Other Diocesan funds	10,958	159	(690)	(383)	10,044
• Branch support funds	1,369,311	19,727	(86,252)	(163,505)	1,139,281
<b>Total</b>	<b>2,116,028</b>	<b>43,430</b>	<b>(133,286)</b>	<b>(244,745)</b>	<b>1,781,425</b>

## 20 Designated funds

	At 1 October 2022 £	Investment (losses)/gains £	Designated/ (released) £	At 30 September 2023 £
<b>Total - transitional investment fund</b>	2,861,898	56,422	(620,080)	<b>2,298,240</b>

	At 1 October 2021 £	Investment (losses)/gains £	Designated/ (released) £	At 30 September 2022 £
<i>Total - transitional investment fund</i>	3,951,531	(471,841)	(617,792)	2,861,898

The designated fund is for future investment in the fundraising strategy and implementation of the charity's five-year strategic plan.

## 21 Analysis of net assets between funds

	General funds						Total
	Free reserves £	Pension deficit fund £	Tangible fixed asset fund £	Designated funds £	Restricted funds £	Endowment funds £	
<b>Fund balances at 30 September 2023 are represented by:</b>							
Tangible fixed assets	-	-	21,853	-	-	-	<b>21,853</b>
Investments	-	-	-	2,298,240	1,865,993	2,888,000	<b>7,052,233</b>
Net current assets (liabilities)	282,625	-	-	-	44,038	-	<b>326,663</b>
Pension provision	-	(18,858)	-	-	-	-	<b>(18,858)</b>
	282,625	(18,858)	21,853	2,298,240	1,910,031	2,888,000	<b>7,381,891</b>

	General funds						Total
	Free reserves £	Pension deficit fund £	Tangible fixed asset fund £	Designated funds £	Restricted funds £	Endowment funds £	
<i>Fund balances at 30 September 2022 are represented by:</i>							
<i>Tangible fixed assets</i>	-	-	29,769	-	-	-	29,769
<i>Investments</i>	-	-	-	2,861,898	2,044,398	2,832,164	7,738,460
<i>Net current assets (liabilities)</i>	292,997	-	-	-	(54,081)	-	238,916
<i>Pension provision</i>	-	(32,047)	-	-	-	-	(32,047)
	292,997	(32,047)	29,769	2,861,898	1,990,317	2,832,164	7,975,098

## 22 Financial commitments

At 30 September 2023 the charity had no future minimum commitments under non-cancellable operating leases on land and buildings (2022 – nil)

## 23 Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

## 24 Pension costs and provisions

The charity participates in a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee of the scheme has asked the participating employers to pay additional contributions to the scheme as follows:

### Deficit contributions

From 1 April 2022 to 31 January 2025:	£11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)
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Unless a concession has been agreed with the Trustee, the term to 31 January 2025 applies.

The scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

### Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

## Present values of provision

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Present value of provision	19	32	175	226	276

## Reconciliation of opening and closing provisions

	2023 £'000	2022 £'000
Provision at 1 October 2022	32	175
Unwinding of the discount factor	1	1
Deficit contribution paid	(14)	(33)
Re-measurements – impact of any change in assumptions	-	(1)
Remeasurements - amendments to the contribution schedule	-	(110)
Provision at 30 September 2023	19	32

## Income expenditure and impact

	2023 £'000	2022 £'000
Interest expense	1	1
Re-measurements – impact of any change in assumptions	-	(1)
Remeasurements - amendments to the contribution schedule	-	(110)
Costs recognised in statement of financial activities	1	(110)

## Assumptions

	2023 %	2022 %	2021 %	2020 %	2019 %
Rate of discount	5.88	6.22	0.72	0.58	0.98

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.



## TRUSTEES, SENIOR MANAGEMENT, AUDITOR, BANKERS, LEGAL COUNSEL, CONTACT DETAILS

### Trustees

- L Massey (Chair) (resigned 16th September 2023)
- A Dhanoa (Chair) (appointed 16th September 2023)
- M Young (Treasurer)
- P Sanger (Vice Chair)
- T Banda
- O Lewis
- F Payne (appointed 3 December 2022)
- C Radia (appointed 3 December 2022)
- S Rose Smith
- B Thomas
- R Turton
- P Winks (resigned 3 December 2022)
- G Whitfield
- A Young

### Chief Executive & Leadership Team

- L Sercombe (Chief Executive)
- D Hannam (Head of Fundraising & Communications - appointed March 2023)
- B Huie (Head of People)
- C Hunt (Head of Operations N - appointed March 2023)
- J Moonie Dalton (Head of Operations S)
- N Shoultz (Head of Finance & Support Services)
- E Stone (Head of Fundraising & Communications - resigned February 2023)
- K Ward (Head of Operations N - resigned February 2023)

### Registered office and head office

- Office 4012, Beyond Aldgate Tower, 2 Leaman St, London, E1 8FA (Until September 2023)
- GFS, 3rd Floor, 86-90 Paul Street, London, EC2A 4NE (From September 2023)

### Company registration number

3172713 (England and Wales)

### Charity registration number

1054310

### Auditor

Buzzacott LLP, 130 Wood Street,  
London, EC2V 6DL

### Investment Managers

Rathbone Investment Management  
8 Finsbury Circus, Finsbury,  
London, EC2M 7AZ  
CCLA  
1 Angel Lane, London EC4R 3AB

### Principal Bankers

Barclays Bank plc, 1 Churchill Place,  
London, E14 5HP

 [gfs.org.uk](https://www.gfs.org.uk)

 [girlsfriendlysociety.org.uk](https://www.girlsfriendlysociety.org.uk)

 [gfsenglandwales](https://twitter.com/gfsenglandwales)

 [girlsfriendlysociety](https://www.instagram.com/girlsfriendlysociety)

 [girls-friendly-society-in-england-and-wales](https://www.linkedin.com/company/girls-friendly-society-in-england-and-wales)



**FOR GIRLS  
FOR FRIENDSHIP  
FOR SOCIETY**

**GIRLS FRIENDLY SOCIETY IN ENGLAND AND WALES**

England & Wales - Charity number 1054310

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# Accounts

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**FOR GIRLS  
FOR FRIENDSHIP  
FOR SOCIETY**

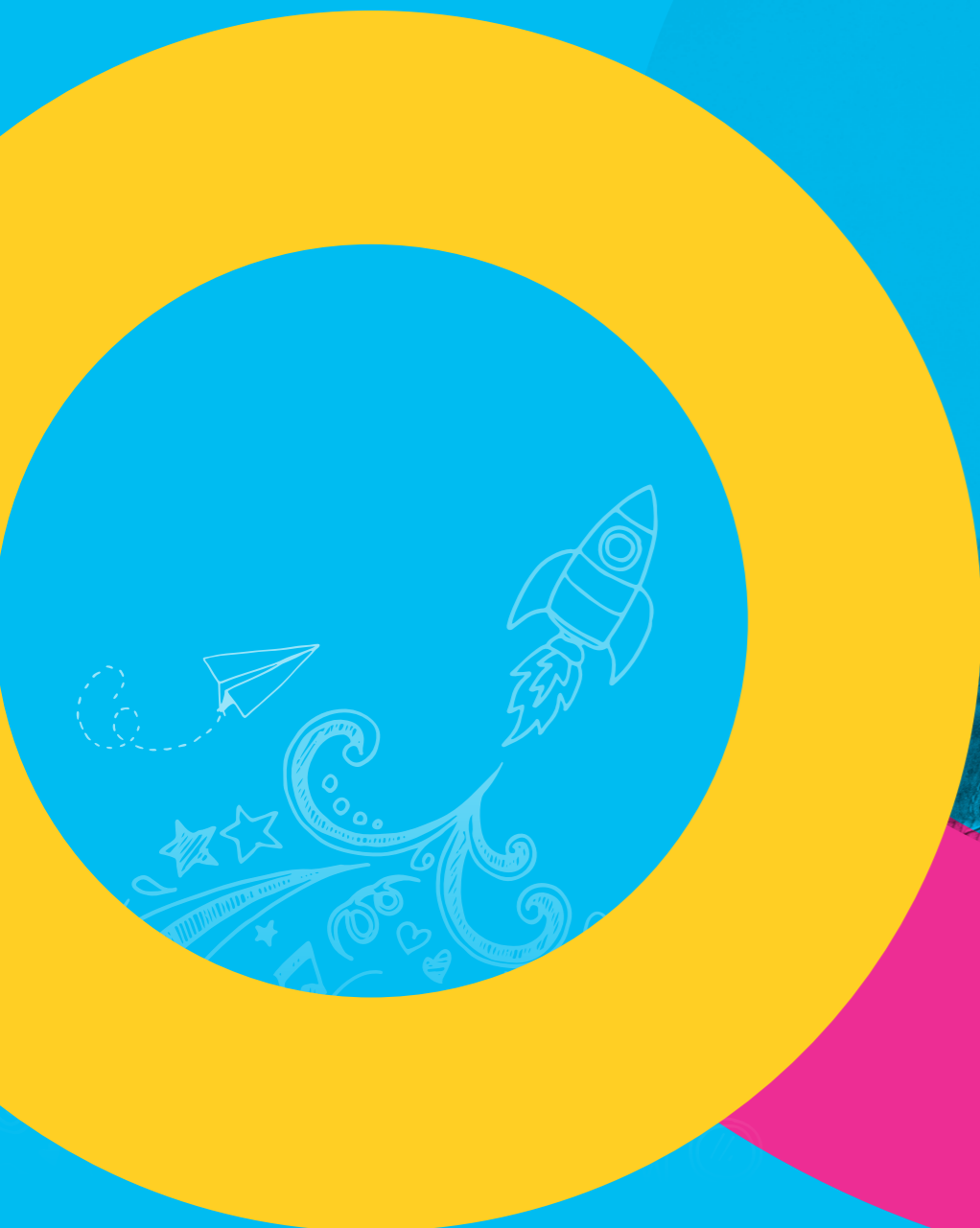
# Annual Impact Report and Financial Statements Girls Friendly Society in England and Wales (GFS)

**30 September 2022**





**FOR GIRLS  
FOR FRIENDSHIP  
FOR SOCIETY**



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# CHAIR'S WELCOME

**Friendship is not a luxury – a nice to have. It is the place we go to get comfort, celebrate success, laugh and cry. Without that in our lives, we all would struggle to cope with the challenges life throws at us.**

Over the past year, the post-COVID year, we have come to understand only too well how difficult the world has become for the girls we work with. They need their friendships, their safe place and for many that just does not exist without Girls Friendly Society (GFS) in their lives.

**“Before I started here there was a boy at school who was really bothering me and I never stood up to him, but since I started coming here, I’ve been able to stand up for myself because I’m more confident, so this group has really helped me.” - GFS Anfield**

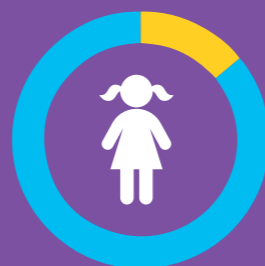
GFS has been in existence for almost 150 years and our founder Mary Townsend worked with a cohort of young women who were isolated and considered

vulnerable because of the lives they led; in service for the first time in towns and cities a long way from home. We find ourselves in a similar position – working with girls who are isolated and lonely because making friends does not come easily for so many of them. The impact on their wellbeing and mental health at a time of so much international dilemma is something they feel and that is our job to address.

This past year has seen us build on the work we did to address our three strategic themes – CULTURE, SUSTAINABILITY, GROWTH. We were delighted to see real improvement in the work we have done to build back the team CULTURE, with a recognition that this was fundamental to our success for the girls we support. It has been rewarding to see our turnover rates in the staff team decline from 38% (2019) to 28% (2020) to 8% (2021), against a sector average of 19%. We were told that 94% agree GFS is a happy place to work compared to 69% in 2020. The staff fed back that they feel more supported and valued by GFS which now sees us achieve two successive years of improvement.

**Volunteers appeared to feel equally included and valued and we believe that the addition of Group Coordinators and consistent operational leadership has been fundamental to this success, alongside improved central support of their group.**

**This resulted in some really positive headlines:**



We are enjoying this positive feedback but have plans to improve even more. Having a more harmonious working culture means we can be more effective in what we do but also take it to the next level. Our work on culture is now less about team dynamics and more about developing a joint sense of understanding and

purpose around our vision and mission, Equity, Diversity and Inclusion and, new for 2022-23, a thread around the environment. This work will need to be seen through a cost-of-living lens because the girls, their families, our volunteers and staff are facing a new set of challenges that will demand our response.

Training and investment in the team continues to be key and the Volunteer Training Week was an important part of that work, where we saw a combined team deliver a set of high-quality sessions for our volunteers. This was also open to all staff and governance team members. We have had a significant focus on Equity, Diversity and Inclusion – led by an internal taskforce, who have achieved a great deal in the past 12 months, including:



★ **Several different EDI training opportunities were made available to all staff and volunteers**

★ **Developing a thorough and wide-reaching inclusion policy, that includes commitments for staff, volunteers and girls alike**

★ **Establishing an approach to capturing EDI data for the girls and volunteers alongside an action plan for 22-23**

★ **Being nominated and becoming finalists for two national EDI awards**



For more about EDI, go to page 33

We are conscious that we need to review our plans in 2022-23 to ensure our strategy is well placed and act on the learning we now have. It promises to be an exciting chapter for GFS and one where we invite supporters to be part of the movement that enables the girls we work with to be proud of who they are.

We must also ensure we are able to generate a more significant income stream in fundraising. Fundraising in 21/22 was full of challenges, which are detailed more in this report. But, importantly, the whole team has shown commitment and resilience in supporting this as an organisational priority. We are encouraged in this when we are hearing more and more how funders recognise the need to support organisations addressing the very real need for a preventative programme for girls and young women.

Because of the unique way in which GFS has always worked we are well placed to address the issues for girls. In the last year we have understood far more how our work is being

successful for girls who are disadvantaged by where they live, a disability or support need, their ethnicity, financial constraints and more.

In 2021-22 we learned so much, which is documented below. 2022-23 has to be about embedding this learning, driving for quality and consistency alongside more analysis of what we now know to build the next chapter for GFS.

**Leanne Massey**  
Chair of Trustees



## TRUSTEES' REPORT INCLUDING IMPACT REPORT

The trustees of Girls Friendly Society in England and Wales (GFS) present the Trustees' Report and Financial Statements for the year ended 30 September 2022. This report has been prepared in accordance with Part VI of the Charities Act 2011 and constitutes a directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 42 to 46 of the attached financial statements and comply with the charitable company's memorandum and articles of association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

### GFS vision, mission and values

#### Our vision

Our vision is of a world where girls and young women are free to be themselves and feel proud of who they are.

#### Our mission

Our mission is to support and inspire girls and young women. We will create spaces where they feel safe and valued, so that they can build strong foundations that will prepare them for life's challenges.

#### Our values

In everything we do, GFS will be:

- ✔ Girl-focused
- ✔ Brave
- ✔ Feminist
- ✔ Ambitious
- ✔ Inclusive
- ✔ Fun

### Why we exist

#### It's hard being a girl.

Pressure, lack of provision and limiting gender stereotypes are leading to isolation, a lack of confidence, low aspirations, poor self-esteem and, ultimately, worse outcomes for girls. And for girls with multiple, intersectional identities, or those who simply "don't fit in," these challenges are heightened.

Without support, by their teenage years, these girls are lonely, demotivated, increasingly unhappy and vulnerable. This poor self-image goes on to impact other areas of life, such as academic attainment, mental health, social contribution and ambition.

That's why the GFS approach is so effective. We use long term, early intervention to give girls the tools they need to guard against the challenges they will face later in life. Research demonstrates that it is easier to sustain foundations of self-esteem, resilience and ambition built in childhood than to rebuild them later in life. We have seen how attending our weekly single-gender, non-competitive groups can provide a strong foundation that prepares our girls for growing up.

Right now, the need is greater than ever; our groups are operating waiting lists and, increasingly, girls are wanting to stay with GFS beyond the upper limit of our age range. Two key considerations here have been the impact of COVID, and the impact of years of cuts to affordable youth services.

### The impact of COVID

**The negative impact of isolation has always been significant. But right now, it's a more serious problem for girls and young women than it has ever been.**

The pandemic has exacerbated the challenges already experienced by girls. Our direct delivery team report that now, more than ever, parents are concerned that their daughters are unable to form friendships and are lonely.

For many of our girls, key developmental years were spent in lockdowns, which volunteers tell us is seriously affecting their social and communication skills. This is reinforced in research by STEER Education which recently reported that girls' ability to self-regulate (the healthy ability to adjust how we respond in different social-emotional situations) has declined by 33% since the first lockdown. We are already seeing the impact of this at GFS, resulting in more safeguarding concerns and requests for mental health training since returning to face-to-face delivery.

Youth issues such as poor mental health, academic attainment gaps, self-image, lack of confidence or self-belief continue to plague girls in poorer communities or the most vulnerable.

### Nowhere else to go

Despite evidence of the need for this kind of support, YMCA revealed that in the past 10 years there has been a £1.1bn cut in youth services funding in England. A decline of 74%.

Furthermore, we know from OFTSED and LSE's research that girls often don't feel safe in mixed recreational settings. The Big Ask 2021 revealed that half of girls nationwide say they are unhappy with youth provision in their area.

This need is further illustrated by the simple fact that our groups are oversubscribed, with most at capacity and almost a third operating growing waiting lists.

This serious shortfall has been particularly damaging to girls in areas of economic disadvantage and stands to worsen in the face of the Cost of Living Crisis. Alternative activities are typically inaccessible, with uniform/kit, travel costs, and upfront termly fees making them unaffordable.

As a result, parents find themselves having to choose between after school activities and heating their homes. Girls and young women from low-income families are being reduced to survival, rather than living. We sincerely believe that childhood should be about more than just getting by.



## STRATEGIC PLAN AND FUTURE PLANS OVERVIEW

**Our strategy is built on research that identified girls' confidence declines from the age of about six and drops dramatically around the age of 11. There is a desperate need to address this decline early; before it becomes ingrained and difficult to reverse. We see the vital support out there for teenagers who are struggling, but so little happening to prevent the problems from arising in the first place.**

In shaping our objectives for the year and planning our activities, we have been guided by two key principles:

### 1. Working with the girls who need us most

We want to reach girls who are the most disadvantaged. The intersection of gender with socio-economic disadvantage, exacerbates the challenges girls face already, simply because they are girls. In order to reach these girls, we open our groups in clusters in locations that we identify through a number of factors:

- 1 Did the area list on Plan UK's *State of Girls' Rights Report* as one of the worst places in the UK to be a girl?
- 2 Local demographics, for example the number of children accessing free school meals and ethnic diversity, to ensure we are reaching girls from all backgrounds
- 3 Factors that influence the likelihood of success, for example volunteer recruitment potential, funding opportunities and existing local provision for girls.

**“My child loves coming here. I had been looking for something for her to do after school, but couldn't find anything local or within my budget. It has made a big difference to her as I find there is not many opportunities in the area for girls.”**  
- Parent GFS Hackney

As well as working with girls in areas of deprivation, we have also found that GFS's objectives, brand positioning, and non-competitive programme, attracts girls who have struggled to fit in elsewhere. Our research shows that girls who attend GFS are likely to be less happy at school than average, have typically tried other after school activities but not enjoyed them, and struggle with friendships outside of GFS.

We know that healthy relationships are vital for everyone's wellbeing, and we are proud to be helping girls create them.

**“I don't really have any friends at school, but I take part in more activities at GFS because I can trust the people there.”**  
- Bella GFS Anfield

### 2. A framework for building confidence, resilience and wellbeing

We create and deliver sessions that develop the key attributes that evidence-based research says will help girls build the confidence, resilience and wellbeing they will need to face life's challenges. We describe these attributes as The GFS Girl:

By the end of her time with us, we would like each girl to be able to say (to whatever degree is right for her):

- 1 I can speak up about things that matter to me
- 2 I am proud of who I am
- 3 I try again if I have a setback
- 4 I can try new or unfamiliar things
- 5 I believe I can achieve my hopes and dreams
- 6 I can enjoy friendships with all kinds of people

The GFS girl is a picture of what we think confidence, resilience and wellbeing look like for girls and young women. This is based on the Young Foundation and Centre of Youth Impact's "Framework of Outcomes for Young People 2.0".

## Our objectives in 21/22

In 21/22 the key objectives were to **reach more girls**, to **become more sustainable** and to increase impact and retention by ensuring **consistency and quality of groups**.

The strategies employed to achieve the charity's aims and objectives (explained in more detail in the public benefit section of this report) were to:

- ✓ Ensure the safe return of existing groups post-COVID (page 10)
- ✓ Launch new groups in strategic "cluster areas" (page 11)
- ✓ Support groups with engaging and evidence-based programme (page 12)
- ✓ Test and expand our Group Coordinator model (page 14)
- ✓ Improve our impact measurement to ensure effectiveness of GFS sessions (page 15)
- ✓ Hear girls' voices at all levels of the organisation (page 16)
- ✓ Pilot a schools project, to explore how we might be able to grow our impact (page 17)
- ✓ Increase our fundraised income to ensure a sustainable future of GFS groups (page 18)



## The future for GFS

As you will see in this report, our work to become more girl-shaped was significant for us in 2021-22. Now we must review the outputs of this work to allow it and the girls to shape our strategy going forwards. Among other things, it highlighted the need for us to be leading edge in the field of EDI. In many ways this has only just begun and we have so much more to do. We now know who the girls are at GFS and why they come:

- 💡 We now know we meet more girls with support needs than other settings and this could be a disability, mental health support needs, low self-esteem, gender identity questioning and so much more.
- 💡 We have more girls needing fee waivers than ever before but suspect there should be even more in some places and we are already addressing this.

All of this comes with a training need for our staff and volunteers alike, and so we have named 2022-23 the Year of Inclusion for our groups with a work plan to make this a reality.

As well as a focus on inclusion, 22/23 will also be a period of reflection. Over the past three years, we have made real strides into our goals of culture, sustainability and growth, outlined in our strategic plan. Now, with these foundations, it is time for us to consider our next steps, and how we can continue to increase our impact.

Our starting place was culture and we know from our volunteer and staff feedback that our hard work has paid off here and we have really made significant progress. But to be able to increase the impact of what we deliver through our growth plan, sustainability needs to be a focus for this year.

Throughout nearly 150 years of activities, GFS has benefited from the generosity of benefactors who have endowed the charity with funds restricted to the particular aspects of GFS's work that were closest to their hearts. As our work has changed, these restricted funds have become unspendable, and so were invested, along with our endowment. GFS became accustomed to funding itself from the investment income deriving from these funds. However, if we are to continue to increase the impact of our work, we must raise more than we currently generate in interest from these investments to cover the cost of growth.

One solution could be to take this additional cost from our invested funds, however, this would

## PUBLIC BENEFIT

Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and activities for the year, and the organisational plans for future periods.

reduce the amount invested, therefore reducing our income from investments. In the long run, this would mean the loss of important income from invested funds. For this reason, it is essential for GFS to continue to build a more sustainable fundraising strategy in 22/23.

This also means that our ambitious plan to extend our impact through reach and operations is not achievable without major change. A key focus for us in 22/23 is to review all we have learned and further refine our activities, to ensure that we are reaching more of the girls who need us most, in a way that is impactful and sustainable. We are told by the external world that we have something special to offer and we need to find a way to share it with more girls.

**“ I'm very grateful for this group and believe more things like this should be available for our children. ”**  
- Parent

### GFS 21/22 at a glance:

**31 Groups**

**656 Girls**

**200 Volunteers**

**1,150 Sessions**

**10,695 Attendances**

**29 Regional events/trips**

## Ensuring the safe return of existing groups post-COVID

After the return of some pilot groups in summer 21, the autumn term focused on supporting volunteers to fully reopen their groups post-COVID. This was challenging for so many reasons; not least because the girls saw and experienced so many difficult things in that time, that we are now addressing.

The priority was to bring back as many groups as possible, to continue supporting girls and young women in communities where GFS was established. However, several of our long-standing volunteers felt that the COVID break drew their

time volunteering with us to a natural conclusion.

The groups run by these volunteers were in small rural communities which did not fit with our strategic priorities and where volunteer recruitment is a challenge. As a result, these groups were closed.

In the process of returning, we were able to conduct an audit of remaining groups to ensure that they were compliant and delivering sessions in line with the GFS Girl approach to programme planning and delivery. In doing so, we were able to further ensure the safety and consistency of groups, improving retention across the organisation.

## Launching new groups in strategic "cluster areas"

A key development for 21/22 was launching our first groups based on a new "cluster model". By this, we mean the decision to select core locations based on the criteria described on page 8, and, as awareness and demand grow, open more groups in the surrounding areas.

**This model is a strategic post-COVID change that allows us to do two things:**

- 01 Focus on communities where we know that girls face the greatest challenges**
- 02 Embed each group within the community it operates in. This allows us to focus resources efficiently; on building our reputation locally, connecting with local organisations and recruiting via word of mouth.**

After research, our new core locations were identified as Manchester, North East London, Swansea, Liverpool and Birmingham. These are in addition to an existing cluster in County Durham. Over the course of the year, we opened groups in each of these areas, building the foundation for future growth.



**The future of this model is to build on the success of these groups, by continuing to open groups in these areas in one of two ways:**



### Vertical clusters

Opening a second group, at the same location. Either on a different day to meet demand, or for an older age group, to continue supporting those girls who still want to be a part of GFS after reaching the upper age limit of their group.



### Horizontal clusters

Opening more groups in the immediate area.



### 📍 Meet Bella

Bella is 10 and joined GFS Anfield in November 2021

“ Because of my ASD, people at school often take things I say the wrong way. That doesn't happen at GFS - they understand me. ”

My favourite thing about GFS is the people. I take part in more activities at GFS because I know I can trust the people there.

Everyone at the first session was welcoming. My friend, Connie, was a bit shy at the first session, but on the second week, she just cracked open. I like how everyone at GFS is friends with each other.

One of my favourite GFS activities was when we made necklaces with different colour cards on them to tell people how we are feeling. Green for a good day, amber for ok, and red for not very good. It was helpful to be able to tell people if I was having a bad day.

My favourite GFS memory is when we went to see *Fantastically Great Women Who Changed the World - The Musical*. I liked learning about the women and that, although they were all very different, they had things in common.

At the end of each session, we talk about what we would like to do in future sessions. I suggested that we should adopt an animal. The leaders said we could, so we held a fundraiser - I made bracelets to sell, and took part in the group talent show. We raised enough money to adopt our panda! Being listened to helped me realise I'm an ideas person.

## An engaging and evidence-based GFS programme

In 20/21, we introduced The GFS Girl as our framework (page 8) for creating sessions that empower girls and young women. As we returned from COVID, the challenge for GFS was to work out how best to support volunteers to bring this framework to life in groups.

In January 2021, we hired the organisation's first Programme and Impact Manager to lead this project, ensuring that monitoring and evaluation were built in from the very start.

A key consideration was how to reduce pressure on groups to plan their own content, while also giving them the autonomy to create sessions that utilise volunteers' individual skills and are tailored for the needs of their girls locally.

As a result, it was decided that GFS would provide five core sessions for groups to deliver per term. The content of core sessions is guided by the GFS Girl framework, combined with girls' and volunteers' feedback; there is more detail on how we achieved this on page 16.

Each school term, the core sessions focus on one of the GFS Girl statements. By revisiting these theories over time, our programme follows the "shallow, deep, profound" approach, based on the first three stages of Bloom's Taxonomy of Learning. For girls at our groups, this looks like:

### ✓ Shallow: "I know what it is"

We introduce a concept; what it looks like, when it might be experienced

### ✓ Deep: "I understand it"

Developing understanding of the concept; how it might be experienced, what it feels like

### ✓ Profound: "I can apply it to my own life"

Understanding what is being experienced; why and how to internalise the related skill.

This approach was tested effectively with Group Coordinator led groups in the summer term of 2022, and then rolled out to all groups in the autumn term of 2022.

This approach ensures girls are receiving a good level of expert, research-based sessions, as well as each having their own identity.

## Example activity

### Getting out of Down Town

This is an example of a main activity that focuses on helping girls build their resilience. By working in small groups and thinking creatively about the issue, girls are able to think deeply, while still creating something fun.

#### This activity aims to help girls:

- 💡 Identify the things that support their wellbeing.
- 💡 Recognise the things that can negatively affect their mood.
- 💡 Recognise the emotions and physical feelings that they have when their mood is affected.
- 💡 Have a list of strategies to use to support their mood when feeling down.


- In groups, girls sketch a town on a large piece of paper. It should have some buildings, and a road going in, and out of the town. This is Down Town.
- The leader then asks the girls to think about the things that affect their mood and can take them into Down Town.
- The girls draw and name these things as 'pits stops' along the road into Down Town. They could be things like Test Stress Hotel, or Fall Out With Friends Square. The more creative, the better!
- Then, the town centre buildings should represent the feelings the girls have when they feel down. This could be physical feelings in the body, and emotions. This might be things like "Shake Shack", "Tearful Townhall". It is important girls recognise the things that happen to their bodies when they are stressed or anxious.
- Now it's time to focus on the positives!
- The girls will think about what things that help when they are feeling down? They draw the things that help along the road out of Down Town to show how we can move on from difficulties.
- Finally, girls will share the maps with each other to talk about the things that make them feel down, what helps when they're sad. They will find that they often have a lot in common and share good ideas.




## TESTING AND EXPANDING OUR GROUP COORDINATOR MODEL


The second key strategic development for delivering in 21/22 was the establishment and expansion of our Group Coordinator role. Group Coordinators are local staff members, with experience of youth work, who are employed for five hours per week, to support a group.

The Group Coordinators model was implemented to improve the sustainability of our groups by addressing a number of key challenges:

 Volunteer feedback was that they were required to spend too much time on group admin, when they had signed up so they could work with girls. This resulted in:

- Lack of leadership at some groups
- High volunteer turnover
- Instability at group level, often resulting in cancelled sessions or periods of closure
- Vital tasks such as budgets, group promotion and health and safety assessments regularly going uncompleted

 Inconsistent level of delivery from group to group – the quality of the sessions, relied heavily on the level of experience and personal preferences within the volunteer team.

 Monitoring and evaluation of our work at group level was challenging, as groups were not consistently delivering central programme, or providing feedback.



By the end of 21/22, 14 of our groups were supported by a Group Coordinator, covering a combination of new and pre-existing GFS groups.

Evaluation with 125 girls, across all groups, revealed that those who attended groups run by Coordinators were more likely, overall, to report progress against the GFS girl statements than those at volunteer-only groups.

We tested our notion that paid support would address these issues in our four October launch groups; GFS Mile End, GFS Rusholme, GFS Anfield and GFS Smethwick. The results were overwhelmingly positive; 61% of new registrations in 21/22 came from Group Coordinators, despite the fact that they only represent 48% of groups overall.

### Key Group Coordinator tasks:

- ★ Onboarding new girls
- ★ Managing volunteer attendance and training
- ★ Working with volunteers to plan sessions based on girls' needs
- ★ Delivering core programme (four sessions per term)
- ★ Parent communications
- ★ Budget management
- ★ Impact measurement and feedback
- ★ Promotion of the group through community engagement



The impact of Group Coordinators has been far reaching, and transformative for GFS:

Benefits for girls and young women	Benefits for volunteers	Organisational benefits
<ul style="list-style-type: none"> <li>★ Reduced volunteer turnover and longer-term commitment from Group Coordinators mean more consistency of support and awareness of girls' personal journeys.</li> <li>★ Sessions are more consistently focused on meeting girls' needs and supporting personal growth.</li> <li>★ Core sessions are personalised to meet girls' level of understanding and lived experiences.</li> <li>★ Girls have the opportunity to feedback directly to GFS, ensuring the service meets their needs and their voices are heard at all levels.</li> </ul>	<ul style="list-style-type: none"> <li>★ Primary focus is delivering sessions to girls and young women, meeting their expectations.</li> <li>★ Regular contact with a local GFS staff member has helped volunteers feel heard and valued, enhancing their volunteering experience.</li> <li>★ Greater learning and skills development as a result of working with experienced Group Coordinators.</li> </ul>	<ul style="list-style-type: none"> <li>★ Less demand for Heads of Operations to manage localised challenges, meaning stronger strategic planning and support for all groups.</li> <li>★ More comprehensive feedback from groups, helping ensure new programme is designed to meet girls and young womens' needs.</li> <li>★ Enhanced data-collection from groups.</li> <li>★ Improved bookkeeping and paperwork enabling GFS to maintain its standard as an efficient and compliant charity.</li> <li>★ Efficiencies as a result of increased volunteer retention.</li> </ul>

Going forward, we aim for all groups to have the support of a Group Coordinator. Funding from trusts and foundations has been vital for implementing this model, and we will continue to seek further funding to support the expansion of the model in 22/23.

### Improved impact monitoring to ensure effectiveness of GFS sessions

After working to improve consistency of sessions, our next strategic development was to improve the ways in which we were assessing the success and impact of them. While we knew anecdotally that parents and girls valued sessions highly, and that GFS had a long-lasting impact on the girls, we identified the need to better understand the effectiveness of the programme supplied centrally, and group attendance overall.

This year, we developed a range of qualitative and quantitative methods to capture girls' experiences of GFS and understand how we support them beyond our groups. Our annual girls' survey was an opportunity for girls to self-report their overall growth in relation to the GFS Girl; results were then combined with reflective feedback from girls and volunteers to gauge the benefit of activities and compared to previous years.

Along with our annual parent survey, these tools allow us to identify the impact for girls from different perspectives.

Core sessions are now shared with learning goals outlined at the beginning of the session plan. These are then assessed through an end of term self-evaluation that allows girls to reflect on what they have learned. As well as reviewing girls' understanding, systems have been implemented to create a feedback loop that allows volunteers and group leaders to share observations about girls' enjoyment and understanding of sessions.

The three new groups launched in June 2022 presented an opportunity to track the progress of individual girls within their first five weeks at GFS. Alongside feedback from group leaders each week, girls completed 'GFS Girl worksheets' at the start and end of term, measuring their progress against our six GFS Girl statements and gathering their thoughts on what they've gained from sessions so far.

For each statement, colour in a smiley face to show how much you agree or disagree. Then, finish off the sentence to tell us something about you

I can speak up about things that matter to me



Something I would like to do more of at GFS is...

I can try new things



Something new I have tried or learnt at GFS is...

I can enjoy friendships with different kinds of people



My friends at GFS would describe me as...



I am proud of who I am



Coming to GFS makes me feel...

I believe I can achieve my hopes and dreams



GFS has helped me believe that...

I try again when I have a setback



Since joining GFS, I have gotten better at...

## Hearing girls' voices at all levels of the organisation

In 20/21, GFS reviewed its values and made a commitment to being girl-focused in all that we do. One practical manifestation of this is our efforts to ensure that girls' voices are heard at all levels of the organisation.

### Girls Say book: Autumn 2021

Our creative anthology of girls' art, poetry and reflections was put together to celebrate International Day of the Girl 2021 and tells people what it's like to be a girl or young woman in England and Wales today. We received submissions from 86 girls, both inside and outside of GFS. Responses were structured around the six GFS Girl statements.

### Programme: February - July 2022

Opportunities to hear and elevate girls' voices have also taken place at individual group level. Group Leaders facilitated activities for girls such as interviewing inspirational women for International Women's Day, oral history film & photography, radio interviews and filming questions to ask their local women's football team.

### Annual survey: February 2022

We received responses from 125 girls across 12 of our groups, making up about a third of total active girls at the time of the survey. 54% of respondents were new to GFS within the last six months, allowing us to get a picture of how our services impact girls within a relatively short space of time.

Hearing girls' feedback on the programme through this survey, has been a vital part of our planning for the coming year. The survey identified areas of the GFS Girl, where girls were thriving, and those where they needed more support. The areas girls identified as still wanting to develop were talking about their feelings and dealing with problems. As a result, the 22/23 central programme will focus on two of these areas; trying again and resilience (autumn 2022); and speaking up (spring and summer 2023).

## Schools pilot project

As part of our objective to reach more girls, we began to think creatively about how GFS could reach girls outside of our group model. We believe that, while the long-term nature of our groups is highly impactful, there are also less time and resource intensive ways that we may be able to reach a wider audience of girls and young women.

Our Operational Team devised and piloted a project that looked at how GFS might reach girls through the school system. Key principles were:

- To reach more girls in a more time efficient manner
- To reach a wider range of girls by removing the self-selecting element of groups
- To apply the same "shallow, deep, profound" model over three sessions
- To work with schools in our cluster areas, raising awareness of GFS groups through the sessions



The pilot was conducted with 50 children at St Thomas's Primary School in Swansea, and consisted of three one hour sessions, delivered over three weeks, on the subject of speaking up. Groups were of between 15 and 22 children, were delivered by a GFS member of staff, and took part during normal class time.

One key learning was that few primary schools were able to accommodate opportunities that were only available to girls. It was concluded that, if we were to reach the girls, we would have to work with the class as a whole. For this reason, the session was delivered to all children in Years 5 and 6, with the

children being separated into boys and girls groups. This will require more consideration in future, in recognition of the fact that not all children identify as a boy or a girl.

All participants were given questionnaires at the beginning of the period, and then again at the end. These questionnaires had the same questions both times and sought to measure the effectiveness of the sessions in increasing the children's confidence in key factors relating to the ability to speak up.

On average, when scoring themselves out of 10, there was improvement in all the areas surveyed:

Average	I am a good communicator	I am confident speaking up or sharing my ideas in a group	I am confident speaking in front of an audience	I have ideas and opinions that are important	I feel like I have a voice and people listen to what I have to say	I can speak up about things that matter to me	I can make a difference to issues that I care about
Before	5.8	5.8	4.7	5.8	4.9	5.9	5.9
After	6.5	7.3	6.1	6.1	5.7	6.7	6.2
Average change	0.7	1.5	1.4	0.2	0.8	0.8	0.3

Feedback from the school teachers who witnessed the sessions, was overwhelmingly positive, with one sharing:

“ One of my class hadn't been able to speak up in class for the first three months of this school year, but by the end of the sessions, they were able to stand up and deliver their speech. ”

The success of this pilot will be a key part of our strategic review over the coming year, as we consider how to increase our impact.

### Increasing fundraised income to ensure a sustainable future of GFS groups

GFS's financial position is the product of a long history, and we are on a mission to make it fit for the 21st century, so that we may carry on its legacy. In the past the organisation was funded by philanthropists keen to support the mission. As a result, an endowment fund was established. This was invested, and, over time, the interest from the endowment became the charity's main source of income.

For decades, leaders of the organisation focused on delivering our services, funding them predominantly through the income from the invested endowment. However, this is no longer a sustainable funding model, because of rising costs and falling interest returns. The Board was concerned that the interest did not offer enough to sustain the services provided and most certainly not to address the growing need the charity is faced with.

To address this, trustees analysed the long-term projection and developed a plan for how GFS could build a sustainable future.

A vital element of this plan is the need to reduce risk by acting now, while the organisation has healthy investments and designated funds to support this plan. Rather than running down our investments to nothing, making us financially precarious, and then developing income streams, our strategy is to build a strong fundraising portfolio over the coming years. This way, we can preserve the stability of the organisation, while preparing for a more financially sustainable future, ensuring that we can consistently meet the need; support the girls and young women who need us.



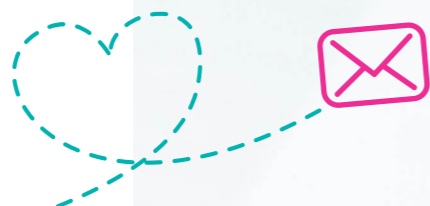
Achieving this involves investment of our own designated funds and a planned deficit, that has allowed us to become “fundraising ready” while at the same time, working towards increasing our fundraised income. We have developed our impact measurement, built infrastructure to support fundraising, established initiatives that ensure consistency across our groups, and fundamentally changed our ethos to ensure that girls are shaping the work we do. As a result, GFS's work is in a stronger position than ever, and we are now ready to begin growing our income more substantially, in line with the plan.

The plan was supported by a Fundraising Strategy that started with income streams that offer the best return on investment such as Trusts and Foundations but focuses on developing a broader portfolio over the first five years. So far, we have built a small team and delivered our strategy which now includes trusts and foundations, corporate, individual and regular giving as well as some in memory.

Taking this sustainable approach has required a slow and steady injection of cash over a period of time, which is supported by the release of designated funds and a spend down of restricted funds. However there remains a gap that we need to fund to meet the needs of girls and young women each year. For 22/23 that gap is £175K and for 23/24 it is £362K.

This has already proved to be a prudent approach. Since the first iterations of our strategy in February 2020, we have seen a worldwide pandemic, the war in Ukraine and a Cost of Living Crisis. These unforeseen circumstances significantly impacted our ability to fundraise at the rate initially anticipated and reduced the projected income from investments. Had our plan not allowed for this steady growth, the circumstances could have had serious consequences for GFS.

We recognise that if we are not as successful as we need to be this year, and in the coming years, the organisation will need to consider a different strategy. This year is an important one for us to achieve positive outcomes for the girls of today and tomorrow. When girls and young women face their toughest times post-COVID we are determined to do all we can to ensure that they have GFS to support them.



## PERFORMANCE 21-22

### Reaching the girls who need us most

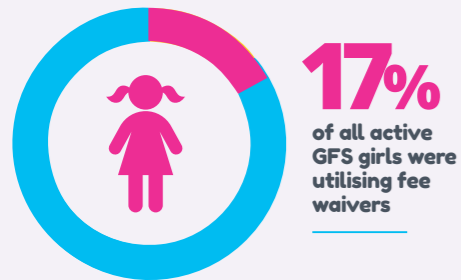
The number of girls attending GFS sessions increased from 302 in October 2021, to 473 at the end of September 2022. Over the course of the year, 656 different girls attended GFS sessions. As well as reaching more girls, we sought to ensure that GFS can reach and meet the needs of a diverse range of girls and young women.

In 21/22, GFS formally introduced and widely promoted a fee waiver for any families who felt that the cost of GFS sessions was prohibitive. While many

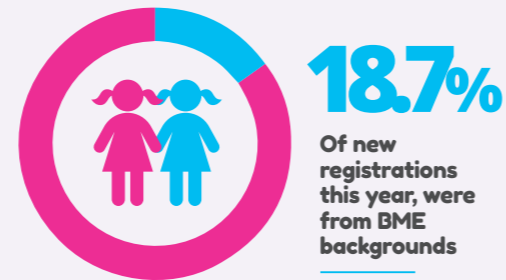
groups had been operating this policy informally, it was felt that allowing parents to self-select at point of sign up, would not only increase access, but also allow us to have better data on the demographic of girls at groups.

Of those girls accessing fee waivers, there is a higher proportion of BME girls in the Midlands and London, reflecting higher levels of disadvantage amongst marginalised communities, as well as greater ethnic diversity in these areas.

### Diversity in GFS groups (all as of August 2022):



Fee waivers rose to **31%** in groups opened in the last 12 months (which is in line with our strategy of focusing support in areas of high deprivation where girls' futures are disproportionately disadvantaged)



Anecdotally, we have also seen an increase in girls with additional needs, particularly **Autistic Spectrum Disorders**



22/23 will focus on further understanding of our demographic data, the introduction of a new inclusion policy and establishing processes to tailor support for girls to ensure we can meet their inclusion needs. In particular, we hope to build a clearer picture of how many girls may be impacted by additional needs, ranging from speech and language challenges to caring responsibilities, or learning difficulties to financial disadvantage and more.

We plan to map our demographic data against individual groups to establish whether we are reaching the girls who may need our services most.

# Ziyal

Ziyal is 8 and joined GFS Rusholme, in Manchester, in October 2021.

When asked, Ziyal says the best three things about her are that she's a **daredevil**, she's **cute** and she's **independent**.

And yet, in most places, she finds that people want to limit her independence. They are reluctant to treat her the same as other girls her age, and reticent to allow her to join in without her mum present. GFS has been different:

Ziyal's mum, Vicky, says "GFS took the time to understand Ziyal's condition and make it possible for me to leave her at the group. The leaders are so confident with her and include her with everything – even adapting a recent obstacle course for her".

Both Vicky and Ziyal say that at GFS, group leaders don't dictate what she can or can't do, but allow Ziyal to tell them what she feels comfortable with. As a result, Vicky says Ziyal's confidence has grown; she is more sure of herself in group settings and is increasingly able to advocate for herself.

"The group has helped me learn that I am the boss of myself and don't have to let other people tell me what to do. Apart from teachers, because I am only eight. "

Perhaps most striking about Ziyal is her ambitions. The independence and confidence GFS has given her, has helped her believe she can achieve her dream of studying to become an architect, moving to Trinidad and building accessible playgrounds for disabled children there. She's even agreed to take her mum with her.

Ultimately, at GFS, the leaders, and therefore the girls see more than just Ziyal's wheelchair. And in the process, help Ziyal to do the same.

"They see past my wheelchair and see the real me."



## IMPACT OF GFS GROUPS

In 21/22, we gained more insight than ever before into, both the impact of our work, and how it is received by the girls and young women who attend our groups. The qualitative and quantitative data collected can largely be grouped into four areas of significant impact.

### 01 Girls develop improved confidence, resilience and wellbeing through taking part in activities that follow the GFS Girl framework

We also found that long-term engagement helped girls to build skills which can be more challenging, such as speaking up and trying again when they face setbacks. Girls who have been with GFS for longer than six months are more likely to report improvements in these areas, evidencing the importance of the long-term nature of our work.

For example, we asked girls about their experiences outside GFS, 14% of girls told us they never felt like their ideas are important and 13% never felt like they could deal with problems, but this drops to just 4% for girls who have been with GFS over six months. This improved belief in the importance of their ideas, links directly to an increased ability to speak up about things that matter to them.

**“GFS has made me feel brave, more confident and love myself.” - GFS Anfield**



**“Coming along to the group has made me more confident because each week we all work together and make each other feel welcome and make each other have self-confidence, so it makes me feel better about myself.”**

**GFS Eldon**

*you are a star*

This year, our activities have enabled girls to explore new ideas and develop essential skills. We discovered that girls experience the positive effects of groups soon after joining, with our 2022 survey revealing that within the first six months:

**81%** of girls reported feeling more able to try new or unfamiliar things

**75%** of girls reported feeling more able to make friends

**73%** of girls reported greater belief in their ability to achieve their hopes and dreams

Group leaders have also observed how these activities benefit girls, reporting that core programme sessions helped girls grow in confidence, increased their ability to share their views and improved relationships within the group:

**“They opened up about their personal emotions which did allow the girls to connect more with each other due to experiencing similar feelings.”**  
-GFS Rusholme

**“They are more confident in expressing their opinion and comfortable talking about things they might find difficult and how they can find solutions to this... we’ve noticed they are a lot more open and honest about their thoughts and feelings.”** - GFS Neath

**“The girls have enjoyed the activities as they all facilitate a great environment to reflect on themselves, build friendships, and bond.”** - GFS Smethwick

**02 Girls feel safe, included and free to be themselves at GFS, making it a place where positive relationships can develop.**

Our groups are described as a “lifeline” to families whose daughters attend, with feedback from the girls and parents suggesting that GFS is one of the few places that they feel truly included.

**“I get to do activities and I am the loudest person in the room for once. I don’t know why I relax more, maybe it’s because I don’t think I’ll be judged?”**

Our groups are described as a “lifeline” to families. We know that creating this safe environment helps girls feel more able to be themselves and develop self-esteem:

**“I like coming because I can talk and not be shy. I get to enjoy myself and bond with other girls and classmates I don’t talk that much to. I love being myself without anyone calling me a freak or anything.”**

**It is good coming to GFS because you can learn how to trust others and know that you are perfect just the way you are.”**

Three out of four parents said that improving their child’s self-esteem was one of the reasons they registered with GFS. Our annual survey showed that 60% of girls felt more proud of who they are than when they joined. This evidences that the safe space that GFS offers girls is hugely important – and effective.

**03 We know that the GFS experience helps girls with life outside of GFS in different ways**

Building these skills helps girls thrive in all aspects of their lives. Last year, 86% of parents said that attending GFS had had a positive impact on their daughter’s behaviour outside of GFS.

Parents report that their daughters are more independent, comfortable spending time outside of their home environment, more confident and more able to speak up and participate at school, becoming their happiest selves.

**“I would firstly like to thank GFS for helping my daughter gain her confidence which is something she severely lacked whilst attending other clubs. She has learnt that women can be whoever they want to be and this has impacted her massively.”** - GFS Parent

**“This group has been huge for Bella - she has learnt that she can make friendships, and she can be accepted for who she is. Something she wasn’t getting anywhere else...It’s the best thing that could have happened to her.”**  
- GFS Parent

Where girls have told us how GFS helps them outside of group, the responses are powerful:

**“GFS has made me change a lot of things I wasn’t happy about.”** - GFS Anfield

**“I used to be the shy girl in the corner and my confidence has risen so much because of this amazing group, I am now basically a young leader who can speak in front of crowds of strangers...Never in this world did I think I could get over my terrible stage fright - but I’ve been in front of hundreds of people and have been fine thanks to the help of this group! I have achieved so much and made many friends.”** - GFS Atherstone

# Isla

Isla is 11 and joined GFS Pittington, In CO Durham, in March 2021.

Isla was having a really hard time with bullying at school when she came to GFS - so much so that she needed to move schools. It had a huge effect on her confidence. For a while, Isla came to feel that people didn't care about her, and that she was alone.

Isla's mum, Beth, signed her up in hope of rebuilding Isla's confidence, and her faith in people - she says the group has done all this and more. At the group, girls regularly reflect on what they're good at, and building this muscle has been really beneficial for Isla.

**Isla says: "I was really lucky that the waiting list wasn't as long at that time - I feel so grateful and I'm so happy I joined. It gave me chances and opportunities that I don't think I would have had otherwise."**

Both Isla and her mum recall specific GFS activities that were particularly beneficial in improving Isla's confidence and helped her feel like she mattered. One example was when Isla's work was featured on the front of GFS's Girls Say book, an anthology of works that illustrate what it's like to be a girl.

**"When I got the book and saw all of the other girls' works, I couldn't believe that someone thought my drawing was good enough to go on the front. I felt valued and noticed, which I hadn't been feeling for a long time."**

It's this sense of being appreciated that made the group stand out for Isla and Beth. They both talk about the informal nature of the GFS and how special it is to have the time and attention of adults whose only goal is to make Isla feel seen and heard.

**"Isla has wanted to stick with GFS over most other clubs. There is so much pressure with school and testing, so it's good that at GFS there are no set outcomes. It means you can't fail or not be good enough."**

If any further evidence was needed of Isla's confidence at GFS, she laughed as she shared a story about using her voice to make sure volunteers mad good on a promise: "We were supposed to have pizza at the end of term, but the session got cancelled - I made sure to remind all the girls that go to GFS that we still had to have our pizza so the leaders wouldn't forget. I tell people I am the saviour of GFS!"



## 04 And our volunteers benefit too...

Finally, our groups have a significant impact on the volunteers who run them.

**93%** agree that GFS has taught them skills useful in other areas of life and many volunteers in our long-standing groups attended GFS when they were young themselves!



**"Some of my greatest friendships have been made through GFS. I can't imagine what my life would have been like without GFS."**

**"I have definitely gained more time-management skills and an ability to work with youth. GFS was the first volunteering activity that I had been a part of since university started...I feel that it gave me a sense of independence."**

**"It has given me the opportunity to put my passion for female empowerment into practice ... it's been such a rewarding experience knowing that they [girls] all love the group and keep coming back week after week. On a social level, it's been great being able to meet new and like-minded women in the other volunteer roles."**

With **81%** of parents agreeing that their child benefits from positive women role models at group, the effects of GFS groups are important for girls and volunteers alike.



## FINANCIAL REVIEW

### Results for the year

The statement of financial activities on page 38 shows net expenditure for the year before investment losses of £723,217 (2021 – £486,605) being a deficit on unrestricted funds of £421,265 (2021 – £361,151), a deficit on designated funds of £163,792 (2021 – £109,425) and a deficit on restricted funds of £138,160 (2021 – £16,029).

Total income for the year was £228,588 (2021 – £274,050) with income from investments and interest receivable comprising 63% (2021 – 69%) of the total and amounting to £143,083 (2021 – £187,804). Although the income yield from investments is welcome, it is not adequate to sustain our activities and it needs to be supplemented by substantial other sources of income in the future to ensure the financial security which will safeguard the charity's services for the long term.

Expenditure in the year totalled £951,805 (2021 – £760,655) with expenditure on charitable activities to £811,531 (2021 – £648,776). The charity's largest expense item continues to be staff costs reflecting the importance of people to the successful achievement of the organisation's aims – both paid staff and volunteers. The trustees continue to strive to achieve the charity's aims within the framework of providing a high-quality service to the girls and young women who require the charity's support.

The final net movement in funds for the year, after net investment losses of £1,117,922 (2021 – gains of £906,906) amounted to a loss of £1,841,139 (2021 – surplus of £420,301).

## FINANCIAL POSITION

### Free reserves and reserves policy

GFS' reserves policy is to maintain free reserves, net of the pension fund deficit, of around 3 months' expenditure, £286,000-£383,000. Free reserves are maintained to mitigate risks associated with fluctuating costs and to ensure there is a baseline to cover spend in the coming months. Free reserves, along with designated funds would also be used in the unlikely event of wind up. In September 2022 we had £260,950 in free reserves (2021 – £124,253) this is equivalent to 2.7 months expenditure (2021 – 2.0 months).

The charity also has restricted reserves that are limited in where they can be spent, and endowments that generate income that can be spent. Trustees have structured the reserves to protect the services and allow the charity to continue to fundraise. The additional fundraising income is being built on top of the strong financial foundation the endowment provides, to allow the charity to innovate and to meet the growing demand for our services.

The charity carries a pension deficit of £32,047 (2021 – £175,231).

### Other funds

In addition to the endowment funds, on 30 September 2022, GFS had restricted funds which totalled £1,990,317 (2021 – £2,390,521) most of which are restricted to being spent in certain geographic areas and, in particular, specific dioceses. Full details of the funds are given in notes 17 to 19 to the attached financial statements.

The charity has designated funds which on 30 September 2022 totalled £2,861,898 (2021 – £3,951,931). These funds are designated for the growth of the fundraising department, to support the organisation during COVID, and to deliver our strategy to work with more girls and young women. They form the basis of an ongoing piece of work to bolster our services in the coming years, as described in more detail throughout this report.

The pension deficit fund of £32,047 matches the liability on the balance sheet in respect to the defined benefit pension scheme which the charity contributes to on behalf of certain of its employees. Details of the scheme and the deficit funding determined by an actuary are given in note 24 to the attached financial statements.

The tangible fixed assets fund of £29,769 (2021 – £33,818) represents the net book value of those tangible fixed assets held as part of the charity's unrestricted funds.

### Investment policy

The charity has a portfolio of investments which had a market value as of 30 September 2022 of £7,738,460 (2021 – £9,633,425) comprising listed investments of £7,556,506 (2021 – £9,386,577), and cash awaiting investment of £181,954 (2021 – £246,849). The investment portfolio represents in part the charity's endowment funds, the capital of which cannot be spent.

The charity's investment portfolio fell by 19.49% in the year. The war in Ukraine, economies recovering from COVID, the volatility of the UK parliament and the cost-of-living crisis have all had an impact on the markets this year. There is little expectation of markets recovering in the coming year, although there is some hope that rising interest rates may mean portfolios do not continue to decrease. We consider our investments to be a long-term solution. Markets will eventually bounce back and although we anticipate our investment portfolio will provide us with a higher rate of income once that happens, it will still be necessary to supplement this with fundraised income to cover the breadth of our activities.

GFS uses independent investment managers (CCLA and Rathbones) to safeguard our invested funds. These investment managers meet with Trustees once per quarter to review the portfolios, the yield, and the requirements of the charity. The investment objectives are to achieve the highest possible yield from the portfolio and long-term capital growth whilst maintaining the underlying risk at acceptable levels. During the year Trustees discussed moving away from ethical investments to increase yields but comparisons from our investment managers suggested this move would have little to no impact on the yield of the investments. Our investments are managed on a Total Return basis.



## FUNDRAISING STATEMENT

The charity aims to achieve best practice in the way in which it communicates with supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. This year we asked one of our team to also adopt responsibility for donor care to ensure we were listening to our supporters. The charity's fundraising activities have always been aligned to professional and ethical practices. We are committed to this approach and are therefore registered with the Fundraising Regulator and signed up to the Fundraising Preference Service. Our fundraising practice and performance is regularly monitored against our own fundraising policy and ethical practices. Each year we run an internal audit against the Fundraising Regulator objectives. Our approach includes a commitment to protect the public and vulnerable people, from unreasonably intrusive, persistent or pressurised fundraising practice.

We do not work with commercial fundraising organisations and do not carry out face to face or door to door fundraising.

We do not sell or buy personal data and are proud to say that we have received no fundraising complaints in the past year.

# GOVERNANCE ARRANGEMENTS

## Constitution and Committees

Girls Friendly Society in England and Wales is a company limited by guarantee (Company Registration No. 3172713) and is registered under the Charities Act 2011 (Charity Registration No. 1054310).

The Board of Trustees consists of up to 15 Trustees who are recruited in accordance with the Bye Laws following an open and transparent recruitment exercise designed to address skills and experience gaps emerging on the Board. The Board is supported by four committees chaired by Trustees:

- People & Operations Committee
- Fundraising & Growth Committee
- Finance & Investments Committee and
- Quality & Impact Committee.

This wider governance team is recruited in the same open recruitment process to fill the gaps identified and in line with safer recruitment.

Each new Trustee receives an induction pack and ongoing training. Trustees are encouraged to attend individual in-house and external training events with or without staff. Trustees also have a member of the Leadership Team as a link and who they meet informally to ensure good staff-board communication. A key part of their induction training is Conflict of Interest. Every governance meeting asks the question whether they have any conflict of interest. Every year the trustees are required to sign a declaration of interest form. It is therefore important they understand this responsibility.

No Trustee received remuneration for services as a trustee during the period or any beneficial interest in any contract with the charity during the period.

Overall responsibility for the charity rests with the Trustees who set and monitor the strategic direction of the charity and agree policy. The Trustees delegate the day-to-day operation of

the charity to the Chief Executive and Leadership Team. The Chief Executive meets with the Chair at least once a month and reports to the Trustees on a regular basis. The Trustees meet quarterly as well as in their committee meetings. The Board reviews its practice and progress against the Charity Governance Code to ensure GFS governance is best practice.

## Trustees' responsibilities

The Trustees (who are also directors of GFS for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the charitable company and of its income and expenditure for that period.

### This includes:

- ✔ Selecting suitable accounting policies and then applying them consistently
- ✔ Observing the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)
- ✔ Making judgements and estimates that are reasonable and prudent
- ✔ Stating whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- ✔ Preparing the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation



**The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.**

Each of the Trustees confirms that:

- so far as they are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustee has taken all the steps needed as a Trustee in order to make herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. The trustees are responsible for the maintenance and integrity of financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# RISK

The Trustees regularly assess the major risks to which the charity is exposed. They are reviewed under the following categories: Finance and Investment, People and Operations, Quality and Impact, Fundraising and Growth. The trustees believe that by monitoring these and developing controls they will have established effective systems to mitigate them or reduce their impact.

The trustees discuss risks at every committee and Board meeting, although risks may be raised by the Chief Executive to the Board at any time. The **risk management process includes:**

- 💡 Risk identification - including principal risks
- 💡 Risk assessment - of potential likelihood and estimated severity
- 💡 Risk response – to accept or mediate risk, and determine corrective action if needed
- 💡 Risk reporting and monitoring – by staff, Committees, and by Trustees



The Board uses a risk rating matrix to help it focus on the principal risks and execute mitigating plans of action. The risk rating ensures risks are prioritised and colour coded so that the Charity can focus on significant risks as a priority. A summary of the top five principal risks and uncertainties identified by the trustees follows:

Risk	Outcome	Plans to mitigate risk	GFS lead	Severity	Likelihood	Rating
<b>Finance &amp; Investment</b>						
<b>Failure in investments and/or markets</b>	Reduced funds because of market performance	<ul style="list-style-type: none"> <li>• Reserves policy in place</li> <li>• Re-tender of Investment Managers achieved</li> <li>• Investment policy in place</li> <li>• Regular monitoring</li> </ul>	F&I Chair and Investment Trustee	3	4	12
<b>Investment strategy not working for us</b>	Our investment strategy isn't giving us the best return possible	<ul style="list-style-type: none"> <li>• Reserves policy in place</li> <li>• Re-tender process achieved</li> <li>• Investment policy under ongoing review</li> <li>• Regular monitoring with enough time with each manager</li> <li>• Challenge from F&amp;I committee</li> </ul>	F&I Chair and Investment Trustee	4	3	12

Risk	Outcome	Plans to mitigate risk	GFS lead	Severity	Likelihood	Rating
<b>People and Operations</b>						
<b>Lack of volunteers</b>	<ul style="list-style-type: none"> <li>• Threaten closure to groups</li> <li>• A group is cancelled</li> <li>• A group cannot open</li> <li>• Lack of diversity</li> </ul>	<ul style="list-style-type: none"> <li>• Regular volunteer reviews led by Head of People</li> <li>• Volunteer engagement/ reward</li> <li>• Support from marketing and operations</li> <li>• GC strategy allows volunteers to do what they enjoy</li> <li>• Ongoing work from LT as this is an <b>organisational priority</b></li> </ul>	Head of People, Volunteer and Recruitment Coordinator	3	3	9
<b>Quality and Impact</b>						
<b>Ability to develop and implement successful FR strategy</b>	Failure to achieve FR target to assure long term future of charity	<ul style="list-style-type: none"> <li>• FR strategy developed and commenced</li> <li>• Plan to diversify income streams in 21-23</li> <li>• Ongoing work as this is an <b>organisational priority</b></li> </ul>	Chair of FRG and Head of Fundraising & Comms	4	3	12
<b>Continuing to run charity on a deficit</b>	Funding to run out in 5 -10 years	<ul style="list-style-type: none"> <li>• Strategic plan developed to generate funds</li> <li>• Fundraising strategy approved by Board</li> <li>• Ten year plan under scrutiny by strategic committee – committee chairs</li> <li>• 22-23 budget is travelling in right direction</li> </ul>	Chair of Trustees and Chief Executive	5	2	10

### Risk Rating: Likelihood x Severity

<b>Severity</b>	Catastrophic	5	5	10	15	20	25	<ul style="list-style-type: none"> <li>Catastrophic STOP</li> <li>Unacceptable URGENT ACTION</li> <li>Undesirable ACTION</li> <li>Acceptable MONITOR</li> <li>Desirable NO ACTION</li> </ul>
	Significant	4	4	8	12	16	20	
	Moderate	3	3	6	9	12	15	
	Low	2	2	4	6	8	10	
	Negligible	1	1	2	3	4	5	
			1	2	3	4	5	
			Improbable	Remote	Occasional	Probable	Frequent	
			<b>Likelihood</b>					

## Leadership and Management

The Board of Trustees directs strategy but delegates the day to day running of the organisation to the Chief Executive and Leadership Team. Each member of the team reports into one of the governance committees and reports to every Board as well as attending at least one board meeting a year. The Chief Executive attends all committee meetings and all board meetings to provide reporting and consistency.

Each Leadership Team member leads a team and works collaboratively across the charity to fulfil the strategy and achieve our organisational objectives. We meet weekly to discuss key priorities and have task specific meetings throughout the week. The entire staff team meets virtually once a week to attend training, discuss team goals or receive organisational updates. After every Board meeting a trustee reports to the staff team on decisions made.

The Leadership Team has an annual plan that we develop alongside the KPI's for the year. We report on this quarterly at the governance meetings but also consider how we can constantly improve our ability to deliver that plan. In 2022 we initiated an audit programme which lays out how key areas of our work is audited – some externally (Finance, GDPR and Health and Safety) and some internally (Safeguarding, Fundraising, Governance). All findings are analysed, reported to Quality & Impact and the Board alongside workplans being developed to chase improvement.

The charity has a remuneration policy which is designed to offer fair pay to attract and retain qualified staff to lead, manage and deliver the charity's aims. The charity does not have a performance pay approach and neither does it award commission or a bonus scheme. Instead, every two years, GFS reviews its salaries with an external benchmarking sector expert. The results are shared with the Board and form part of the budget. Every other year the Board awards an increase for all staff – this is a % award and based on cost of living and sector practice.

The trustees consider that they, together with the Chief Executive and Leadership Team, comprise the key management of the charity in charge of directing, controlling, running and operating the charity on a day to day basis. None of the trustees receives any remuneration in connection with their role as key management personnel.

## Recruitment, Training

GFS is committed to delivering safer recruitment and has a policy in place designed to ensure this happens. Every paid and unpaid role is assessed against DBS criterion to determine if it is eligible for a criminal records check. At the moment the guidance suggests that these are refreshed every three years and our database flags when this is necessary for individuals.

All recruitment and selection across GFS must reflect the Equal Opportunities Policy, practiced by GFS. This policy statement will be positively adhered to, and all employees involved in Recruitment and Selection have a duty to take action to eliminate discrimination throughout the process. Every post is widely advertised with a genuine focus on ensuring we include considerations for equity, diversity and inclusion. This is at advert stage, within the job description and the interview process. The shortlists are developed using anonymized applications and questions developed to test the key competencies of the role.

GFS is an ever evolving organisation and needs to respond to the challenges of the day faced by girls and young women. Therefore we need to ensure our entire team is supported to address that need and as a result we have a very real commitment to training and development. It is one of our strategic objectives to invest in the people so that this remains a learning organisation.

GFS has a Training Policy and in addition to this there are a range of documents and approaches that make up our annual training plan. We have three teams (our governance, our volunteers and our staff) and all three have different training and development needs. In addition there are individual needs that arise during the year that we ensure we address.

GFS currently requires all staff to complete the following mandatory training within their probation period.

- 💡 Safeguarding Adults
- 💡 Child Protection
- 💡 Equality and Diversity
- 💡 Personal Safety
- 💡 Health and Safety
- 💡 GDPR

In addition, new starters will be offered training and guidance that supports use of GFS's internal systems such as; People HR, Salesforce, and specific systems used in their role e.g. finance and communications. In certain cases a staff member may have responsibilities that require particular training to meet organisational requirements:

- 💡 Designated Safeguarding Officer
- 💡 First Aider
- 💡 Job specific software

**The above report has been prepared in accordance with the special provisions relating to small companies within FRS 102 and part 15 of the Companies Act.**

**Name:** Leanne Massey, Chair of Trustees

**Date:** 25.03.23



This year, GFS celebrated the success of our EDI work when it resulted in GFS being named as finalist for two national awards and being invited to speak at EDI conferences. In October 2021 GFS was shortlisted by the Chartered Governance Institute UK and Ireland for the governance award of Diversity and Inclusion Initiative of the year, thanks to the amazing results we've seen from our Trustee recruitment initiative in 2021. We placed in the top three for this award and received a special mention.

In November 2021, GFS Bishop Auckland was awarded North East Youth's Action of the Year Award for their 'Nights for Lights' campaign.

In June 2022 we were also finalists for Engage Awards 2022 under the category of Best Diversity and Inclusion Strategy. This led us to being invited to be a speaker at their Diversity and Inclusion Conference in July 2022 where we spoke to a large conference room full of companies wanting to learn where and how to start.





## INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF GIRLS FRIENDLY SOCIETY IN ENGLAND AND WALES

### Opinion

We have audited the financial statements of Girls Friendly Society in England and Wales (the 'charitable company') for the year ended 30 September 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs

(UK)) and applicable law. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of

irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice Accounting and Reporting by Charities preparing this accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and the Companies Act 2006 and other regulations including safeguarding, data protection, fundraising and employment law.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- review of the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Buzzacott LLP*

Catherine Biscoe, (Senior Statutory Auditor),  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date: 30 March 2023



**There is not limit**

**to how far a**

**girl can DREAM**

## STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expenditure account)

Year to 30 September 2022

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Income</b>							
Donations and legacies	1	38,282	—	32,148	—	<b>70,430</b>	80,357
Investment income and interest receivable	2	92,466	—	50,617	—	<b>143,083</b>	187,804
Miscellaneous income		15,075	—	—	—	<b>15,075</b>	5,889
<b>Total income</b>		<b>145,823</b>	<b>—</b>	<b>82,765</b>	<b>—</b>	<b>228,588</b>	274,050
<b>Expenditure</b>							
Raising funds	3	26,762	113,512	—	—	<b>140,274</b>	111,879
Charitable activities: Community and school based programmes	4	540,326	50,280	220,925	—	<b>811,531</b>	648,776
<b>Total expenditure</b>		<b>567,088</b>	<b>163,792</b>	<b>220,925</b>	<b>—</b>	<b>951,805</b>	760,655
<b>Net (expenditure) / income before investment gains / (losses)</b>	7	<b>(421,265)</b>	<b>(163,792)</b>	<b>(138,160)</b>	<b>—</b>	<b>(723,217)</b>	(486,605)
Net gains/ (losses) on investments		—	(471,841)	(262,044)	(384,037)	<b>(1,117,922)</b>	906,906
<b>Net (expenditure)/ income</b>		<b>(421,265)</b>	<b>(635,633)</b>	<b>(400,204)</b>	<b>(384,037)</b>	<b>(1,841,139)</b>	420,301
<b>Statement of recognised gains and losses</b>							
Actuarial gains on defined benefit pension scheme		99,913	—	—	—	<b>99,913</b>	—
<b>Net movement in funds for the year before transfers</b>		<b>(321,352)</b>	<b>(635,633)</b>	<b>(400,204)</b>	<b>(384,037)</b>	<b>(1,741,226)</b>	<b>420,301</b>
Transfers between funds	20	454,000	(454,000)	—	—	—	—
<b>Net (expenditure) / income and net movement in funds for the year</b>		<b>132,648</b>	<b>(1,089,633)</b>	<b>(400,204)</b>	<b>(384,037)</b>	<b>(1,741,226)</b>	420,301
<b>Reconciliation of funds</b>							
Total funds brought forward at 1/10/21		158,071	3,951,531	2,390,521	3,216,201	<b>9,716,324</b>	9,296,023
Total funds carried forward at 30/9/22		290,719	2,861,898	1,990,317	2,832,164	<b>7,975,098</b>	9,716,324

## COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expense account)

Year to 30 September 2021

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
<b>Income</b>						
Donations and legacies	1	13,475	—	66,882	—	80,357
Investment income and interest receivable	2	124,600	—	63,204	—	187,804
Miscellaneous income		5,889	—	—	—	5,889
<b>Total income</b>		<b>143,964</b>	<b>—</b>	<b>130,086</b>	<b>—</b>	<b>274,050</b>
<b>Expenditure</b>						
Raising funds	3	30,949	80,930	—	—	111,879
Charitable activities: Community and school based programmes	4	474,166	28,495	146,115	—	648,776
<b>Total expenditure</b>		<b>505,115</b>	<b>109,425</b>	<b>146,115</b>	<b>—</b>	<b>760,655</b>
<b>Net (expenditure) income before investment gains</b>	7	<b>(361,151)</b>	<b>(109,425)</b>	<b>(16,029)</b>	<b>—</b>	<b>(486,605)</b>
Net gains on investments		—	444,789	133,506	328,611	906,906
<b>Net (expenditure)/ income</b>		<b>(361,151)</b>	<b>335,364</b>	<b>117,477</b>	<b>328,611</b>	<b>420,301</b>
<b>Statement of recognised gains and losses</b>						
Actuarial gains on defined benefit pension scheme		—	—	—	—	—
<b>Net movement in funds for the year before transfers</b>		<b>(361,151)</b>	<b>335,364</b>	<b>117,477</b>	<b>328,611</b>	<b>420,301</b>
Transfers between funds	20	270,000	(270,000)	—	—	—
<b>Net income / (expenditure) and net movement in funds for the year</b>		<b>(91,151)</b>	<b>65,364</b>	<b>117,477</b>	<b>328,611</b>	<b>420,301</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1/10/20		249,222	3,886,167	2,273,044	2,887,590	9,296,023
Total funds carried forward at 30/9/21		158,071	3,951,531	2,390,521	3,216,201	9,716,324

# BALANCE SHEET

The financial statements were approved by the trustees of Girls Friendly Society in England and Wales Company Registration No. 3172713 (England and Wales) and signed on its behalf by:

Trustee  
Approved on: Leanne Massey, Chair of Trustees  
25.03.23



## Year to 30 September 2022

	Notes	2022 £	2022 £	2021 £	2021 £
<b>Fixed assets</b>					
Tangible assets	11		29,769		33,818
Investments	12		7,738,460		9,633,425
			7,768,229		9,667,243
<b>Current assets</b>					
Debtors	13	89,021		19,355	
Short term deposits		171,462		91,725	
Cash at bank and in hand		137,482		202,239	
		397,965		313,319	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	14	(159,049)		(89,007)	
<b>Net current assets</b>			238,916		224,312
<b>Total assets less current liabilities</b>			8,007,145		9,891,555
Provisions for liabilities	15		(32,047)		(175,231)
<b>Total net assets</b>			7,975,098		9,716,324
<b>The funds of the charity</b>					
<b>Funds and reserves</b>					
Permanent endowment funds	16		2,832,164		3,216,201
<b>Restricted funds</b>					
Society funds	17	5,309		46,433	
Trust funds	18	203,583		228,060	
Diocesan funds	19	1,781,425		2,116,028	
			1,990,317		2,390,521
<b>Unrestricted income funds</b>					
Designated funds	20	2,861,898		3,951,531	
<b>General funds</b>					
Tangible fixed assets fund		29,769		33,818	
Free reserves		292,997		299,484	
Pension deficit fund	24	(32,047)		(175,231)	
			290,719	158,071	
			3,152,617	4,109,602	
<b>Total funds</b>			7,975,098		9,716,324

# CASH FLOW STATEMENT

## Year to 30 September 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	(823,108)	(721,838)
<b>Cash flows from investing activities:</b>			
Investment income received		66,439	288,832
Interest received		24	23
Purchase of tangible fixed assets		(5,418)	(31,076)
Proceeds from the disposal of tangible fixed assets		—	—
Proceeds from the disposal of investments		2,895,702	8,990,729
Purchase of investments		(2,183,553)	(8,352,911)
<b>Net cash provided by investing activities</b>		773,194	895,597
<b>Change in cash and cash equivalents in the year</b>		(49,915)	173,759
<b>Cash and cash equivalents at 1 October 2021</b>	B	540,813	367,054
<b>Cash and cash equivalents at 30 September 2022</b>	B	490,898	540,813

### Notes to the statement of cash flows for the year to 30 September 2022:

#### A Reconciliation of net movement in funds to net cash used in operating activities

	2022 £	2021 £
<b>Net movement in funds (as per the statement of financial activities)</b>	(1,741,226)	420,301
<b>Adjustments for:</b>		
Depreciation charge	9,467	3,868
Losses (gains) on investments	1,117,922	(906,906)
Investment income	(143,059)	(187,781)
Interest receivable	(24)	(23)
Decrease (increase) in debtors	6,954	(9,927)
Increase in creditors	70,042	9,759
(Decrease) in pension provision	(143,184)	(51,129)
<b>Net cash used in operating activities</b>	(823,108)	(721,838)

#### B Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	137,482	202,239
Short term deposits (less than three months)	171,462	91,725
Cash held by investment managers	181,954	246,849
<b>Total cash and cash equivalents</b>	490,898	540,813

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

# PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

## Basis of preparation

These financial statements have been prepared for the year to 30 September 2022 with comparative information provided in respect to the year to 30 September 2021.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

## Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- the underlying assumptions used by the actuary in determining the deficit on the defined benefit pension scheme;
- the allocation of expenditure across charitable activities; and
- the estimation of future income and expenditure flows for the purpose of assessing going concern (see below).

## Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. In making their assessment, the trustees have considered the impact of COVID and fluctuating markets on the charity.

The trustees will continue to keep both income and expenditure under review but do not anticipate that the impact on the charity's finances will be material or impact on the charity's going concern.

## Income recognition

Income is recognised in the period in which the charity has entitlement to receipt, the amount can be measured reliably and it is probable that the funds will be received.

Income comprises donations, legacies, investment income, interest receivable, income from charitable activities and miscellaneous income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from charitable activities comprises grants from government and other agencies. Such income is recognised when the charity has entitlement to the funds under agreements or other the contractual arrangements for the payment of each grant.

## Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.



All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- a. Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising and an allocation of support costs.
- b. Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities as described in the trustees' report i.e. providing opportunities for girls and young women to develop their self confidence, wellbeing and resilience to enable them to fulfil their potential. Such costs include:
  - Staff costs and associated expenses
  - Day to day running expense of schemes and projects
  - Special projects and equipment
  - Maintenance and building costs for the schemes and projects.

This expenditure includes both costs that can be allocated directly to such activities and those indirect costs necessary to support them.

All expenditure is stated inclusive of irrecoverable VAT.

### Allocation of costs

Support costs are those costs that enable charitable activities to be carried out. These costs include expenses relating to personnel development, financial procedures, provision of office services and equipment, and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned to expenditure headings based on the headcount relating to each activity.

### Tangible fixed assets

- All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.
  - Freehold land and buildings
  - Freehold land and buildings are stated in the financial statements at cost and after deducting depreciation
  - Depreciation is charged at the following annual rate based on net cost:
    - Freehold buildings 2%
    - No depreciation is charged on freehold land.
    - Other tangible fixed assets
- All other tangible fixed assets are stated at cost. Depreciation is calculated at the following annual rates in order to write off the cost of each asset over its estimated useful life:
  - Computer equipment                      33% on cost
  - Office equipment                            20% on cost
  - Other equipment and furniture        10% on cost
  - Fittings in leased property              Over the period of the lease

### Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date.

Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

### Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

### Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

### Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### Fund structure

The general funds comprise free reserves, the tangible fixed assets fund and the pension deficit fund. The free reserves those net assets are which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

The pension deficit fund represents the liability in respect to the defined benefit pension scheme to which the charity contributes on behalf of certain of its employees.

The designated funds comprise monies set aside by the trustees for specific purposes.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.



The permanent endowment funds comprise monies which must be held indefinitely as capital. The income therefrom can be used for general purposes and is credited directly to general funds.

### Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

### Pension contributions

The growth plan pension scheme is a multi-employer scheme providing benefits for some 1,300 non-associated employers. It is therefore not possible to identify the underlying share of the charity's assets and liabilities within the scheme. However, as a member of the scheme, the charity has a legal obligation to make pension deficit reduction payments when required by the scheme's actuary. The full cost of these repayments, discounted to present values, is recognised in the year a pension deficit reduction plan is agreed.

In July 2014, all eligible members of staff were required to enrol in the charity's workplace pension scheme, under auto-enrolment. Staff members were entitled to opt out of this scheme. The percentage contribution of salary into the scheme is a minimum rate of 2.5%. The charity pays employer's contributions at a rate of 7.5%.

### Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

*Cash at bank* – is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.



## NOTES TO THE FINANCIAL STATEMENTS

### 1 Income from donations and legacies

	General Funds £	Restricted Funds £	Total Funds 2022 £
Donations and similar income	35,082	32,148	67,230
Legacies	3,200	—	3,200
<b>2022 Total funds</b>	<b>38,282</b>	<b>32,148</b>	<b>70,430</b>

	General Funds £	Restricted Funds £	Total Funds 2021 £
Donations and similar income	10,692	66,882	77,574
Legacies	2,783	—	2,783
<i>2021 Total funds</i>	<i>13,475</i>	<i>66,882</i>	<i>80,357</i>

### 2 Income from: Investment income and interest receivable

	General Funds £	Restricted Funds £	Total Funds 2022 £
Investment income (see below)	92,442	50,617	143,059
Interest receivable	24	—	24
<b>2022 Total funds</b>	<b>92,466</b>	<b>50,617</b>	<b>143,083</b>

	General Funds £	Restricted Funds £	Total Funds 2021 £
Investment income (see below)	124,577	63,204	187,781
Interest receivable	23	—	23
2021 Total funds	124,600	63,204	187,804

Investment income was received from the following sources:

	Total 2022 funds £	Total Funds 2021 £
UK equities	47,275	14,251
Overseas equities	23,826	11,403
UK fixed interest based common investment funds	63,866	50,901
Property unit trusts	7,894	97,873
Alternatives	198	13,353
	143,059	187,781

### 3 Expenditure on: Raising funds

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2022 £
Investment manager's fees	26,762	—	881	27,643
Staff costs	—	—	112,631	113,631
2022 Total funds	26,762	—	113,512	140,274

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2021 £
Investment manager's fees	30,949	—	—	30,949
Staff costs	—	—	80,930	80,930
2021 Total funds	30,949	—	80,930	111,879

### 4 Expenditure on: Charitable activities - community and school based programmes

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2022 £
Staff costs and recruitment	393,906	148,332	21,346	563,584
Staff travel, training and subsistence	7,994	1,999	—	9,993
Direct volunteer costs	7,823	2,455	—	10,279
Direct project costs	24,632	19,278	—	43,910
Premises	49,725	12,431	—	62,156
Office, administration and misc	56,246	19,572	2,957	78,775
Marketing and communications	—	8,549	6,639	15,188
Governance costs (note 6)	—	8,309	19,338	27,647
2022 Total funds	540,326	220,925	50,280	811,531

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2021 £
Staff costs and recruitment	367,752	99,169	7,975	474,896
Staff travel, training and subsistence	6,390	1,597	—	7,987
Direct volunteer costs	7,540	2,707	—	10,247
Direct project costs	4,627	8,938	—	13,565
Direct restricted project costs	—	—	—	—
Premises	30,180	7,545	—	37,725
Office, administration and misc	33,728	17,130	14,320	65,178
Marketing and communications	3,763	2,433	—	6,196
Governance costs (note 6)	20,186	6,596	6,200	32,982
2021 Total funds	474,166	146,115	28,495	648,776

## 5 Support costs

Support costs are those costs which enable the charitable work of GFS. They include indirect overheads and many of the head office costs which facilitate the branches and projects.

Support costs included within raising funds and community and school based programmes are as follows:

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2022 £
Staff costs and related costs	181,708	48,472	—	<b>230,180</b>
Travel, training and subsistence	7,994	1,999	—	<b>9,993</b>
Premises	30,332	7,583	—	<b>37,915</b>
Office, administration and misc	32,264	13,215	20,597	<b>66,076</b>
Governance costs (note 6)	17,640	8,309	1,698	<b>27,647</b>
2022 Total funds	269,938	79,578	22,295	<b>371,811</b>

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2021 £
Staff costs and related costs	152,631	44,704	—	197,335
Travel, training and subsistence	6,390	1,597	—	7,987
Premises	19,014	4,753	—	23,767
Office, administration and misc	33,255	11,894	14,320	59,469
Governance costs (note 6)	20,186	6,596	6,200	32,982
2021 Total funds	231,476	69,544	20,520	321,540

Supports costs are allocated across the expenditure headings in notes 3 and 4 as follows:

	Raising Funds (note 3) £	Charitable activities (note 4) £	Total 2022 £	Basis of appointment
Staff costs and related costs	112,631	117,549	<b>230,180</b>	Headcount
Other support costs:				
• Travel, training and subsistence	—	9,993	<b>9,993</b>	
• Premises	—	37,915	<b>37,915</b>	
• Office administration and misc	—	66,076	<b>66,076</b>	
• Governance costs	—	27,647	<b>27,647</b>	
<b>2022 Total</b>	112,631	259,180	<b>371,811</b>	

	Raising Funds (note 3) £	Charitable activities (note 4) £	Total 2021 £	Basis of appointment
Staff costs and related costs	80,930	116,405	197,335	Headcount
Other support costs:				
• Travel, training and subsistence	—	7,987	7,987	
• Premises	—	23,767	23,767	
• Office administration and misc	—	59,469	59,469	
• Governance costs	—	32,982	32,982	
<b>2021 Total</b>	80,930	240,610	321,540	

## 6 Governance costs

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2022 £
Legal and professional fees	17,640	8,309	648	<b>26,597</b>
Committee expenses	—	—	1,050	<b>1,050</b>
<b>2022 Total funds</b>	17,640	8,309	1,698	<b>27,647</b>

	General Funds £	Restricted Funds £	Designated Funds £	Total Funds 2021 £
<i>Legal and professional fees</i>	20,026	6,556	6,200	32,782
<i>Committee expenses</i>	160	40	—	200
<i>2021 Total funds</i>	20,186	6,596	6,200	32,982

## 7 Net expenditure before net investment losses

Supports costs are allocated across the expenditure headings in notes 3 and 4 as follows:

	2022 £	2021 £
Staff costs (note 8)	659,138	541,891
Auditor's remuneration		
Audit - current year's fee	14,760	14,400
Depreciation	9,647	3,868
Operating lease rentals	37,917	28,255

## 8 Staff costs

	2022 £	2021 £
Staff costs during the year were as follows:		
Wages and salaries	571,368	469,929
Social security costs	49,468	40,733
Pension costs	181,486	82,358
Pension scheme adjustment	(143,184)	(51,129)
<b>Total</b>	<b>659,138</b>	<b>541,891</b>

Staff costs (including wages and staff travel, training and subsistence) by function were as follows:

	Direct costs £	Support costs £	Total 2022 £
Charitable activities	456,028	117,549	573,577
Cost of raising funds	—	112,631	112,631
<b>2022 Total funds</b>	<b>456,028</b>	<b>230,180</b>	<b>686,208</b>

	Direct costs £	Support costs £	Total 2021 £
<i>Charitable activities</i>	366,478	116,405	482,883
<i>Cost of raising funds</i>	—	80,930	80,930
<i>2021 Total funds</i>	<i>366,478</i>	<i>197,335</i>	<i>563,813</i>

The number of employees who earned £60,000 per annum or more (including taxable benefits) during the year was as follows:

	2022	2021
£80,000 - £90,000	1	1

The average number of full time equivalent employees in 2022 was 16 (2021 – 17).  
The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees, Chief Executive and the Leadership Team. The total remuneration (including taxable benefits and employer’s pension contributions) of key management personnel for the year was £327,972 (2021 – £315,828).

## 9 Trustees’ expenses and related party transactions

During the year three trustees (2021 – none) were reimbursed a total of £122.03 (2021 – £Nil) for travel and subsistence.

No trustee received any remuneration in respect to their services as a trustee during the year (2021 – nil).  
During the year, the charity received donations from trustees totalling £31 (2020 - £1,259).

## 10 Taxation

Girls Friendly Society in England and Wales is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

The charity is only able to reclaim VAT on very limited expenditure.

## 11 Tangible fixed assets

	Furniture and equipment £	Total £
<b>Cost</b> At 1 October 2021	50,439	<b>50,439</b>
Additions	5,418	<b>5,418</b>
At 30 September 2022	55,857	<b>55,857</b>

## Tangible fixed assets (contd.)

	Furniture and equipment £	Total £
<b>Depreciation</b> At 1 October 2021	16,621	<b>16,621</b>
Charge for the year	9,467	<b>9,467</b>
At 30 September 2022	26,088	<b>26,088</b>
<b>Net book values</b> At 30 September 2022	29,769	<b>29,769</b>
At 30 September 2021	33,818	<b>33,818</b>

## 12 Investments

	2022 £	2021 £
<b>Listed investments:</b>		
Market value at 1 October 2021	<b>9,389,577</b>	9,117,488
Additions at cost	<b>2,183,553</b>	8,352,911
Disposals at book value (proceeds: £2,895,702 realised losses £120,580)	<b>(3,016,282)</b>	(8,750,796)
Net unrealised investment losses	<b>(997,342)</b>	666,974
Market value at 30 September 2022	<b>7,556,506</b>	9,386,577

	2022 £	2021 £
<b>Cash held by investment managers</b>	<b>181,954</b>	246,848
Market value at 1 October 2021	<b>7,738,460</b>	9,633,425

During 2021, the GFS Trustees have implemented a balanced investment objective going forwards; to move away from income return basis to a total return basis. Returns generated from a balanced approach are a combination of income and the potential for capital growth, with the intention to protect against inflation over the time horizon and unusual exceptions in market downturns, whilst providing an income for the charity in line with the portfolio aim.

Listed investments held at 30 September 2022 comprised the following:

	2022 £	2021 £
UK fixed interest based common investment funds	<b>1,575,404</b>	1,947,580
UK equity based common investment funds	<b>3,313,672</b>	3,186,590
Overseas equity based common investment funds	<b>2,070,243</b>	3,154,484
Property unit trusts	-	691,388
Other	<b>597,187</b>	406,535
	<b>7,556,506</b>	9,386,577

All listed investments held are dealt in on a recognised stock exchange.

At 30 September 2022, the charity had the following material investment holdings:

	Market value £	Percentage of portfolio %
COIF Charities Ethical Investment Fund income units	<b>1,402,671</b>	19%
Findlay Park Funds American fund	<b>517,020</b>	7%

### 13 Debtors

	2022 £	2021 £
Prepayments	<b>4,741</b>	14,695
Security deposits	<b>3,000</b>	-
Investment income receivable	<b>81,280</b>	4,660
	<b>89,021</b>	19,355

### 14 Creditors

	2022 £	2021 £
Expense creditors	<b>3,711</b>	18,096
Other taxes and security codes	<b>20,304</b>	17,326
Other creditors	<b>649</b>	2,687
Accruals	<b>134,385</b>	50,898
	<b>159,049</b>	89,007

## 15 Provision for liabilities

	2022 £	2021 £
Provision for pension scheme deficit reduction payments (note 24)		
• Payable within one year	32,047	53,000
• Payable within one to two years	-	54,000
• Payable within two to five years	-	68,231
	32,047	175,231

## 16 Endowment funds

The capital funds of the charity include permanently endowed monies, which must be retained indefinitely:

	At 1 October 2021	Transfers	Investment losses £	At 30 September 2022 £
Endowment fund	2,351,348	-	(280,767)	2,070,581
Francis Street Fund	864,853	-	(103,270)	761,583
	3,216,201	-	(384,037)	2,832,164

	At 1 Octo- ber 2020	Transfers	Investment gains £	At 30 Sep- tember 2021 £
Endowment fund	2,111,102	-	240,246	2,351,348
Francis Street Fund	776,488	-	88,365	864,853
	2,887,590	-	328,611	3,216,201

The two endowment funds are as follows:

### Endowment fund

The endowment fund was established under a Charity Commission Scheme dated 31 July 2002. The Scheme replaces former trusts, a Scheme of the Commissioners dated 15 November 1972 and declaration of trusts dated 5 September 1974 and 21 November 1976. It states that income and capital shall be used:

- the trustees must first apply the income to meet the proper costs of administering the charity and of managing its assets and thereafter the remaining income must be applied in furthering the objects of the charity; and
- for the object of the charity, the trustees may also apply expendable endowment and permanent endowment but only on such terms for the replacement of the amount spent as approved by the Commissioners.

### Francis Street Fund

The Francis Street Fund was established during the year ended 30 September 2004 when the Francis Street hostel, which was managed by the charity, was sold by the freeholder. Under the terms of the disposal, the net proceeds were donated to the charity to be held as a permanent endowment.

## 17 Restricted funds - summary

	At 1 October 2021	Income £	Expendi- ture £	Investment gains/ (losses) £	At 30 September 2022 £
Society funds - restricted grants	46,433	32,148	(73,272)	-	5,309
Trust funds (note 18)	228,060	7,187	(14,365)	(17,298)	203,583
Diocesan funds (note 19)	2,116,028	43,430	(133,287)	(244,745)	1,781,425
	2,390,521	82,765	(220,925)	(262,044)	1,990,317

	At 1 October 2020	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2021 £
<i>Society funds - restricted grants</i>	-	66,882	(20,449)	-	46,433
<i>Trust funds (note 18)</i>	243,018	7,052	(13,435)	(8,575)	228,060
<i>Diocesan funds (note 19)</i>	2,030,026	56,152	(112,231)	142,081	2,116,028
	2,273,044	130,086	(146,115)	133,506	2,390,521

## 18 Restricted funds - trust funds

	At 1 October 2021	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2022 £
Packe holiday and housing trust	175,044	5,712	(11,026)	(13,748)	<b>155,982</b>
Greenlands, Peel, Isle of Man	45,093	1,195	(2,840)	(2,876)	<b>40,572</b>
Almoners Trust	7,923	280	(499)	(675)	<b>7,029</b>
	228,060	7,187	(14,365)	(17,299)	<b>203,583</b>

	At 1 October 2020	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2021 £
<i>Packe holiday and housing trust</i>	186,568	5,604	(10,314)	(6,814)	175,044
<i>Greenlands, Peel, Isle of Man</i>	48,000	1,173	(2,654)	(1,426)	45,093
<i>Almoners Trust</i>	8,450	275	(467)	(335)	7,923
	243,018	7,052	(13,435)	(8,575)	228,060

The use of the trust funds held at 30 September 2022 is restricted to the following:

### Packe Holiday & Housing Trust

The provision of housing and holidays for the needy.

### Greenlands, Peel, Isle of Man

The furtherance of the charity's objectives in the Isle of Man.

### Almoners Trust

The provision of support for elderly members.

## 19 Restricted funds - Diocesan funds

The income funds of the charity include restricted Diocesan funds comprising the following unexpended balances of donations, grants and other income held on trusts for use by GFS within the specific dioceses:

	At 1 October 2021	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2022 £
Dioceses with branch activities:					
• Birmingham	133,267	9,425	(8,394)	(22,683)	<b>111,615</b>
• Carlisle	96,626	6,833	(6,086)	(16,447)	<b>80,926</b>
• Liverpool	284,617	4,069	(17,928)	(33,986)	<b>236,772</b>
• Other	221,249	3,217	(13,936)	(7,743)	<b>202,787</b>

## Restricted funds - Diocesan funds (contd.)

	At 1 October 2021	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2022 £
Dioceses without branch activities:					
• Other Diocesan funds	10,958	159	(690)	(383)	10,044
• Branch support funds	1,369,311	19,727	(86,252)	(163,505)	1,139,281
<b>Total</b>	2,116,028	43,430	(133,286)	(244,747)	1,781,425

	At 1 October 2020	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2021 £
<i>Dioceses with branch activities:</i>					
• Birmingham	143,887	12,335	(7,955)	(15,000)	133,267
• Carlisle	104,326	8,944	(5,768)	(10,876)	96,626
• Liverpool	264,020	5,147	(14,596)	30,046	284,617
• Other	236,062	4,547	(13,051)	(6,309)	221,249
<i>Dioceses without brand activities</i>					
• Other Diocesan funds	11,691	225	(646)	(312)	10,958
• Branch support funds	1,270,040	24,954	(70,215)	144,532	1,369,311
<b>Total</b>	2,030,026	56,152	(112,231)	142,081	2,116,028

## 20 Designated funds

	At 1 October 2021	Investment losses £	Designated/ (released) £	At 30 September 2022 £
<b>Total - transitional investment fund</b>	3,951,531	(471,841)	(617,792)	2,861,898

	At 1 October 2020	Investment gains £	Designated/ (released) £	At 30 September 2021 £
<b>Total - transitional investment fund</b>	3,886,167	444,789	(379,425)	3,951,531

The designated fund is for future investment in the fundraising strategy and implementation of the charity's five-year strategic plan.

## 21 Analysis of net assets between funds

	General funds						Total
	Free reserves £	Pension deficit fund £	Tangible fixed asset fund £	Designated funds £	Restricted funds £	Endowment funds £	
<b>Fund balances at 30 September 2022 are represented by:</b>							
Tangible fixed assets	-	-	29,769	-	-	-	29,769
Investments	-	-	-	2,861,898	2,044,398	2,832,164	7,738,460
Net current assets (liabilities)	292,997	-	-	-	(54,081)	-	238,916
Pension provision	-	(32,047)	-	-	-	-	(32,047)
	292,997	(32,047)	29,769	2,861,898	1,990,317	2,832,164	7,975,098

	General funds						Total
	Free re-serves £	Pension deficit fund £	Tangible fixed asset fund	Design- sted funds £	Re- stricted funds £	Endow- ment funds £	
<i>Fund balances at 30 September 2021 are represented by:</i>							
<i>Tangible fixed assets</i>	-	-	33,818	-	-	-	33,818
<i>Investments</i>	-	-	-	3,951,531	2,465,693	3,216,201	9,633,425
<i>Net current assets (liabilities)</i>	299,484	-	-	-	(75,172)	-	224,312
<i>Pension provision</i>	-	(175,231)	-	-	-	-	(175,231)
	299,484	(175,231)	33,818	3,951,531	2,390,521	3,216,201	9,716,324

## 22 Financial commitments

At 30 September 2021 the charity had future minimum commitments under non-cancellable operating leases on land and buildings as follows:

	2022 £	2021 £
Payments falling due:	-	-
Within one year	-	43,200
Between one and two years	-	-

## 23 Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

## 24 Pension costs and provisions

The charity participates in a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee of the scheme has asked the participating employers to pay additional contributions to the scheme as follows:

### Deficit contributions

From 1 April 2019 to 31 January 2025:	£11,243,000 per annum (payable monthly and increasing by 3% each on 1 April)
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Unless a concession has been agreed with the Trustee, the term to 31 January 2025 applies.

The scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

### Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% each on 1 April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1 April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

### Present values of provision

	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Present value of provision	32	175	226	276	323

### Reconciliation of opening and closing provisions

	2022 £'000	2021 £'000
Provision at 1 October 2021	175	226
Unwinding of the discount factor	1	1
Deficit contribution paid	(33)	(51)
Re-measurements – impact of any change in assumptions	(1)	(1)
Remeasurements - amendments to the contribution schedule	(110)	
Provision at 30 September 2022	32	175

### Income expenditure and impact

	2022 £'000	2021 £'000
Interest expense	1	1
Re-measurements – impact of any change in assumptions	(1)	(1)
Remeasurements - amendments to the contribution schedule	(110)	
Costs recognised in statement of financial activities	(110)	-

### Assumptions

	2022 %	2021 %	2020 %	2019 %	2018 %
Rate of discount	6.00	0.72	0.58	0.98	1.76

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.



**TRUSTEES, SENIOR MANAGEMENT,  
AUDITOR, BANKERS, LEGAL COUNSEL,  
CONTACT DETAILS**

**Trustees**

- L Massey (Chair)
- M Young (Treasurer)
- P Sangera (Vice Chair appointed 25 June 2022)
- O Lewis (appointed 2 April 2022)
- F Payne (appointed 3 December)
- C Radia (appointed 3 December)
- R Turton
- P Winks (resigned December 2022)
- S Rose Smith
- B Thomas
- T Banda
- A Young
- G Whitfield
- M Hughes (resigned 2 April 2022)
- C Osborne (resigned 2 April 2022)
- K Bowden (resigned 21 September 2022)

**Chief Executive & Leadership Team**

- L Sercombe (Chief Executive)
- E Stone (Head of Fundraising & Communications)
- B Huie (Head of People)
- J Moonie Dalton (Head of Operations S)
- K Ward (Head of Operations N)
- N Shoults (Head of Finance & Support Services)

**Registered office and head office**

Unit 12, Angel Gate, Angel, London EC1V 2PT  
(Until September 2022)  
Office 4012, Beyond Aldgate Tower, 2 Leman St,  
London, E1 8FA (from September 2022)

**Company registration number**

3172713 (England and Wales)

**Charity registration number**

1054310

**Auditor Solicitors**

Buzzacott LLP, 130 Wood Street,  
London, EC2V 6DL

Bates Wells & Braithwaite London LLP  
2-6 Cannon Street, London, EC4M 6YH

**Investment Managers**

Rathbone Investment Management  
8 Finsbury Circus, Finsbury,  
London, EC2M 7AZ  
CCLA  
1 Angel Lane, London EC4R 3AB

**Principal bankers**

Barclays Bank plc, 1 Churchill Place,  
London, E14 5HP

 [girlsfriendlysociety.org.uk](https://www.girlsfriendlysociety.org.uk)

 [girlsfriendlysociety.org.uk](https://www.facebook.com/girlsfriendlysociety.org.uk)

 [gfsenglandwales](https://twitter.com/gfsenglandwales)

 [girlsfriendlysociety](https://www.instagram.com/girlsfriendlysociety)

 [girls-friendly-society-in-england-and-wales](https://www.linkedin.com/company/girls-friendly-society-in-england-and-wales)



**FOR GIRLS  
FOR FRIENDSHIP  
FOR SOCIETY**

**GIRLS FRIENDLY SOCIETY IN ENGLAND AND WALES**

England & Wales - Charity number 1054310

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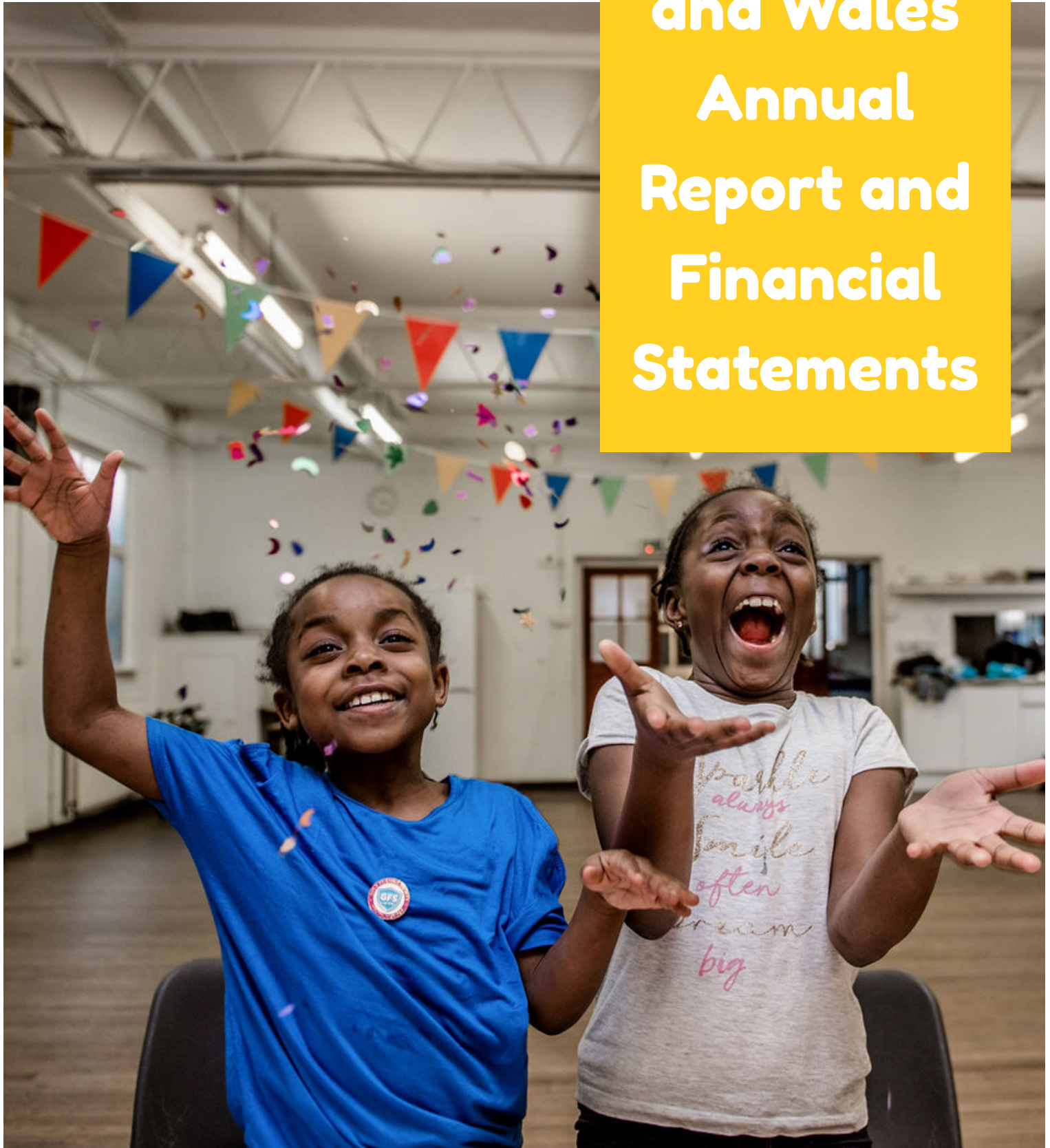
# Accounts

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**FOR GIRLS**  
**FOR FRIENDSHIP**  
**FOR SOCIETY**

# GFS England and Wales Annual Report and Financial Statements



**1 October 2020 - 30 September 2021**

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The trustees of Girls Friendly Society in England and Wales (GFS) present the Trustees' Report and Financial Statements for the year ended 30 September 2021.

This report has been prepared in accordance with Part VI of the Charities Act 2011 and constitutes a directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 35 to 38 of the attached financial statements and comply with the charitable company's memorandum and articles of association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

# CEO'S INTRODUCTION

Every day girls and women face inequality in their lives. That has an impact for the society in which we live. Right now we should all be worried about girls and young women. The media is full of stories that are alarming and post COVID we know that the mental health of girls has suffered disproportionately (NHS Mental Health of Children and Young People in England 2021). Further research has identified that:

- Girls as young as five routinely worry about their weight and appearance.
- The belief that men are smarter than women starts in girls as young as age 6.
- Girls' self-esteem drops significantly from age 10.

GFS is responding as a network of groups to do something to address how girls feel and support them to grow into confident and aspiring young women. We have an early intervention role to address the inequalities that exist in our society for girls. Our focus is to empower girls by working on self-esteem and confidence because these factors are so important to enable girls to speak up about what is important to them or try new things.

Confidence and self-esteem enable girls to take healthy risks and learn to solve problems. This means that learning and development will be productive and will set girls up for a healthy and positive future. We believe that by supporting the girls of today we are supporting the women of tomorrow; working towards a balanced society.

GFS is committed to running inclusive groups for girls that research has identified as needing it most. All groups are offered at a minimal cost and we offer a fee waiver for girls who need it. Despite being a national organisation, GFS operates a local approach; we recruit volunteers in the areas where groups are based, so that we can directly address the needs girls have within specific communities. Our strategy is evidence based and our work to develop a programme linked to our impact is progressing well but all of this great work has to be funded to take place, grow and address the very real need.

Financially we have a clear plan for the future to support the strategy in place. In the past 12 months, we have entered a period of investment, focusing heavily on modernisation and growth. This has created a gap between our income and our outgoings, which it is a priority for us to address over the coming months.

GFS has some income from investments which provides some stability and helps us sustain the charity. However, for a number of years we have been spending more than they generate, and so we have needed to take funds from our investment pot to sustain our work. We have now moved to a total return approach, which is both more sustainable and ethical. In the immediate term, this reduced the yield from investment income, impacting our bottom line, but has curtailed the erosion of the funds.

It is clear investment related income alone is not enough for our organisation to operate in an impactful way. Nor will it support growth. If we are to achieve our organisational objectives of growth and sustainability, it is essential for GFS to diversify and supplement its income streams. As a result, we have made it a strategic priority to develop our fundraising.

As far as possible, the investment funds have been released or invested to create useful revenue for the organisation. We have a clear plan to support the development of the fundraising strategy and growth of our delivery. This began during the year and we have seen both growth and fundraising evolve as a result. However a significant amount of our restricted reserves remain ring-fenced for work that sits outside of our strategy, for example work in the Isle of Mann or with older people and cannot be released for use. In reality, the available free reserves amount to approximately two months of operating costs, which underlines the importance for us to be successful in our fundraising.

It is a critical time for girls right now and GFS needs to raise awareness and funding to be able to reach more girls and increase impact to address the need. We would love to work in partnership with you if you can help us to make that a reality.

# CHAIR'S WELCOME

Girls Friendly Society (GFS) has been in existence for almost 150 years and we all have tremendous respect for those who went before us to establish such a forward thinking and relevant charity. Therefore, this report will not only celebrate our successes of 20-21 but also talk to the fact that this team knows we have a lot of work to address the challenge that we have not remained as forward thinking and relevant as we would like to be. This past year has seen us review what we do and how we do it to ensure we can confidently stand alongside our founders with pride. We believe that we now have a dedicated and skilled team at all levels of the organisation determined to honour our past and ensure GFS is delivering its charitable purpose in a way that our founder Mary Townsend would have approved.

This was the year that COVID hit hard and we are proud of the work that the organisation did to power through this and bring about fundamental change to address our headline strategic objective of CULTURE whilst remaining focussed on preparing for the second two; GROWTH and SUSTAINABILITY. We invested significant time and energy in the volunteers as we did all we could to develop respectful and effective relationships. They worked alongside us to develop a revised vision and mission, a new set of values and reviewed our strategic plan. We made

concerted efforts to celebrate their achievements, support them to take the service online and recognize the incredible dedication of service they offered the girls to ensure they and we stayed connected.

This year was one of assessment as we checked ourselves against the strategic plan and considered how our growth plan could be delivered to the areas of England and Wales that research said needed GFS the most. We stood back and worked collaboratively to develop the foundations of a 'Girl Shaped' strategy. Whatever we grew into needed to be built with and for the girls. We recognised that this was a priority if we were going to ensure our impact was significant and relevant.

Growth and reshaping needed a team that could support the considerable change that this inspired. Our leadership team rose to the challenge to make this a reality and our volunteer recruitment continued at a pace during COVID bringing a new breed of volunteers all passionate about supporting girls to be confident and proud of who they are.

Following an external governance audit, we introduced rigour to our governance in measuring ourselves against the Charity Governance Code to drive an improvement programme in all we do. We also worked together to modernise what governance looked like for GFS which involved a complex change management project around

membership to ensure the safeguarding of safe and sound decision making.

This has been successful with members moving to a new group called the Townsend Network which has an improved offer for them whilst ensuring that it is just trustees that are members. We then looked at our board membership with a headline ambition of addressing Equity, Diversity and Inclusion (EDI) with an intersectional approach. The new trustees and committee members numbered twenty in total and we dramatically changed the culture and diversity of our governance team to improve thinking, assurance and governance.

We believe that as a result, the organisation has a much improved culture with effective relationships and an appetite and approach to address issues collaboratively for the sake of the charity.

We have a team of professionals to realise the plan but we know that sustainability is a priority and we welcome challenge and scrutiny. We have been financially powered by our investments for decades but the majority of this is restricted and cannot be accessed. We will be unable to continue to offer a service if we do not achieve a successful alternative income stream in fundraising. We developed a strategy last year and launched it in the most challenging of years for fundraising! Despite this we saw green shoots of success as funders recognised the very real



need for girls and young women. As time has gone on, research has identified that girls and women suffered disproportionately during COVID and supporters are responding to this by seeing GFS as a solution. We have used this time to work through how fundraising could and did work for GFS and we are ready to face the new financial year with a team dedicated to making the most of emerging opportunities.

This has been a year of facing up to our challenges and building a plan to address them. We have reviewed all areas of work alongside our data to identify that our two key organisational objectives have to be girl numbers (for us to increase our impact by delivering a service for more girls) and achieving our sustainability through fundraising. The Board has commissioned a number of review processes to be able to develop a financial strategy that is robust but ambitious and brave, with KPI's to assess the level of success or otherwise. This work continues to ensure GFS has a long and relevant place in the empowerment of girls and young women.

# OUR VISION, MISSION AND VALUES

Our vision is of a world where girls and young women are free to be themselves and feel proud of who they are.

Our mission is to support and inspire girls and young women. We will create spaces where they feel safe and valued, so that they can build strong foundations that will prepare them for life's challenges.

In January 2021, GFS worked with staff, girls and volunteers to refresh our vision, mission and values.

It was important for us, under our strategic goal of improving our culture, to ensure that our vision, mission and values were something that could unite, motivate and guide our team. We wanted them to be a true representation of the passion that drives people to make such an incredible contribution to this organisation, and goals that we all believe can improve the lives of girls and young women.

Through workshops, consultation and feedback, we have crafted a vision, mission and values that we believe will help GFS be more appealing to funders, clearer to parents, and further its aims in every sense.

#### Public benefit aims

The trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and activities for the year and the organisational plans for future periods.



## In everything we do, GFS will aspire to be:

- 1 Girl-focused**  
We are here to make a difference for girls and young women. Everything we do will be in the interest of and informed by them.
- 2 Brave**  
We make brave choices in support of what we know is right.
- 3 Feminist**  
GFS is a community, where girls and women support each other and seek to address the inequalities faced by women in all that we do.
- 4 Inclusive**  
We believe in a fair society for everyone, and all girls and women are welcome at GFS. We will not let personal circumstances be a barrier to engaging with our services.
- 5 Ambitious**  
We have big aspirations. For our organisation, for the girls and young women we interact with and for a fair future.
- 6 Fun**  
Although girls and young women face challenges, we also believe in the importance of approaching our mission with a sense of fun.

# WHY GFS MATTERS

Gender inequality is bad for everyone. It restricts boys, girls, men, women and non-binary people. It has a disproportionately worse impact on those with intersecting marginalised identities, and it creates narrow ideals that no one can live up to.

In young women, gender inequality manifests as lack of confidence, reluctance to put themselves forward, preoccupation with image and poor mental health, such as anxiety.

And ultimately, that results in fewer experiences. Less evidence of the fact that they can be successful. Deference to their male counterparts. And in turn, worse career prospects, shouldering a disproportionate amount of the emotional and family labour, less control over decision making.

And these effects are exacerbated by deprivation. Fewer role models etc. The seeds of the grim picture we see for many women today, particularly in areas of need, were sown in childhood.

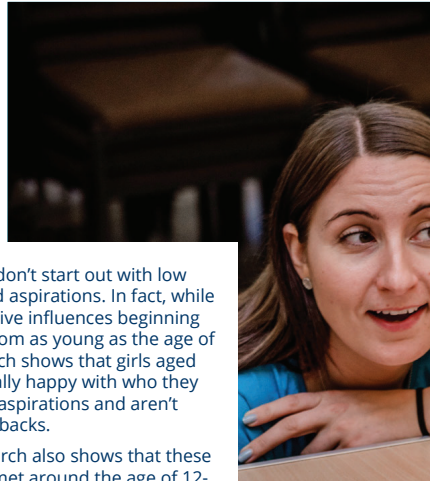
But, our research shows that girls and

young women don't start out with low self-esteem and aspirations. In fact, while there are negative influences beginning to affect girls from as young as the age of five, our research shows that girls aged 7-11 are generally happy with who they are. They have aspirations and aren't deterred by setbacks.

However, research also shows that these statistics plummet around the age of 12-13. So can we stop girls going from happy, healthy children, to struggling, insecure young people? How can we build strong foundations and counteract negative messages, to help girls maintain their sense of self beyond early adolescence?

At GFS we believe this can be achieved through early access to four key things:

- Single gender spaces
- A non-competitive environment
- Women role models
- A supportive and safe community to learn about themselves in.



# WHAT DOES SUCCESS LOOK LIKE?

This year, we have asked ourselves what it looks like for girls to feel proud of who they are; what the foundations are, that will see them through the challenges they will face.

In asking ourselves these questions, we have clarified our understanding of what resilience, wellbeing, confidence and self-esteem look like in practice for the girls we work with. As a result, in February, we developed six GFS Girl statements. These are six behaviours that we aim for each girl to have as a result of attending GFS.

They will look different in every girl, and we are more interested in individual progress than an end point, but all of our sessions aim to nurture these attributes in the girls who attend:

- I can speak up about things that matter to me
- I am proud of who I am
- I try again if I have a setback
- I can try new or unfamiliar things
- I believe I can achieve my hopes and dreams
- I can enjoy friendships with all kinds of people.

These have been shared with all groups, who have welcomed the statements, and recognise them as being in line with the realities of the work they deliver in their groups, and the hopes they have for the girls.

These GFS Girl statements give our volunteers a clearer focus and also help us articulate to everyone, exactly what it is we want for the girls we work with. Over the coming months, a key action for GFS will be to develop our tools and processes for evaluating these statements, and how well our sessions foster them.



# WHAT HAVE WE DONE TO ACHIEVE OUR AIMS?

## Direct delivery

At the start of 2020, we outlined three key strategic areas in which GFS must improve in order to increase the impact of our work and bring us closer to our charitable aims. These were growth, sustainability and culture.

### GFS online

For the first part of this year, the UK was still combating the spread of COVID-19 with periods of lockdown. To ensure no GFS girl went unsupported during this time, we ran online sessions. The sessions not only provided a safeguarding purpose, but also provided girls with an important outlet and sense of stability amidst so much other disruption. "This group is so wonderful and it's so appreciated how they personally try to reach out to each girl and their family to keep them up to date with big changes. It's this support that Robyn loves and learns."

These sessions were run by our amazingly committed volunteers and supported by additional activities provided from our central staff team. By supplying more content, we made sessions easier for volunteers to deliver during a stressful period. Greater detail on our COVID provisions can be found in our 2019/20 and COVID report.

### International Day of the Girl

We created connections with Festival of the Girl and provided them with video material to reach around 100 extra girls aged 7-11. By creating connections with other organisations with a similar mission, we aim to raise awareness of GFS, reach more girls, and coordinate efforts across the sector.

### Delivered the safe return of groups

We were delighted that groups were able to begin returning to face-to-face sessions in April of this year, a little more than 12 months after they were first closed. While parents and girls alike expressed enjoyment and gratitude for online sessions, so many of our girls and volunteers couldn't wait to be reunited.

Facilitating this was a huge task for our Operations and People teams; who ensured that girls and volunteers were safe when returning to their groups, and supporting them with training, PPE and socially distanced session plans.

- 133 girls attended GFS online sessions – our online sessions were a vital way of keeping in touch with girls and supporting them through the pandemic. Sessions were mostly attended by existing GFS girls.
- 174 girls returned to groups post pandemic – In September 2021, 174 girls attended GFS. This was a significant reduction on our estimated pre pandemic numbers, due to a number of factors, including girls who had reached their group's age limits, difficulty recruiting new girls for online sessions and delayed reopening of some groups.
- 19 groups returned to face-to-face delivery – In September 2021, 19 GFS groups have been supported to return to face-to-face delivery. This number was below our pre-pandemic number of groups. Some will return in 2021/22 and some of our long running, or less well attended groups saw the pandemic as a natural time to bring their groups to a close.

### International Women's Day

We had a fantastic time, encouraging our girls, staff, volunteers and supporters to take part in the UN's Choose to Challenge campaign. In groups, the girls discussed injustices that exist in their lives, and created their own Choose to Challenge commitments.

This was the first campaign where GFS engaged corporate partners to take part, both in order to raise our profile, and to make donations in support of GFS. In growing our profile and establishing corporate relationships, we are strengthening our position to reach more girls.

### Big Dreamers' Club

It was important to GFS that we push ourselves to continue innovating during the pandemic. One outcome was the creation of the GFS Big Dreamers' Club. Launched in November 2020, this six-week online programme of activities allowed us to reach girls without the restriction of physical location. We ran two different six-week courses – one on inspiring futures and one on leadership, and found that both had very good uptake. The sessions were really popular and have the potential to create a blueprint for future online work, which requires fewer resources and comes with less risk. One parent shared that her daughter:

"was very excited and very glad we got in! She is currently grilling me on famous leaders she has Googled and is writing a poem about great leaders! I think she may be inspired!"





## Improved processes and strategies

### We asked our parents, girls and volunteers more

In January 2021, we surveyed parents, girls, volunteers and staff in a more thorough way than previous years. In collecting their feedback, we seek to understand if the work we are doing is improving their experience, and how we can do more.

This was particularly important for volunteers and staff, as it was a key means of measuring our strategic goal of improving our culture.

A key goal for us moving forward will be becoming more girl-shaped, and this information is our starting point.

- 77% of parents said they felt their child was more able to try new or unfamiliar things as a result of attending GFS.
- 87% of girls said they felt more able to speak for themselves as a result of attending GFS.
- 96% of volunteers felt girls were more able to make friends with all kinds of people as a result of attending GFS.
- 81% of girls said GFS helps them free like they can achieve their hopes and dreams despite the pandemic.

### Working to improve our monitoring and evaluation

We know that GFS has more work to do in monitoring the impact of the work we do. While we see the difference our groups make week by week and in the responses we get from parents, girls and volunteers, we need to be more accurate in the way we are measuring it.

This year, significant work has been done to build a system that will allow us to move towards better understanding of what is happening at groups. Launching in 2021/22, the system will allow us to better understand how frequently girls are attending their groups, which of our GFS

Girl themes are being covered in sessions, and the diversity of the girls we are reaching.

This, of course, is only the first step – monitoring outputs, rather than outcomes or impacts. The creation of the GFS Girl as a tool for tracking girls' journey while they are at GFS is another key factor, and in September 2021, the Board signed off on plans to hire a programme and impact manager to help us take the next step. We are excited to continue our development over the coming months.

### A new approach to opening groups

A key piece of work this year has been a review of our approach to opening new groups. Having more groups and reaching more girls is key to our 'growth' priority, but it has been essential to think strategically to ensure that groups are also sustainable and impactful.

We decided together that future GFS groups will be opened in areas of need, as outlined by Plan UK's State of Girls' Rights report. This outlines intersecting factors that come together to make some parts of the UK significantly worse places to be a girl. By opening our groups in these areas, we can be sure that we are reaching the girls who need us most.

In addition, groups will be opened in strategic clusters around these areas, allowing us to build our reputation and focus our resources. We

believe these decisions will greatly improve the sustainability and effectiveness of our groups and expect to see the impact of these decisions in 21/22.

Our final development in the interest of growth and sustainability of groups was the introduction of employed Group Coordinators. This role aims to bring stability to the group, balancing volunteer turnover, and reduces the level of administration work required of volunteers. They improve communication with our central staff team and mean we have dedicated staff hours from people who best understand the communities they work in.

In the summer of 2021, we recruited six new group coordinators based on pilots in the North East – their groups will launch in November 2021.

# VOLUNTEERS

## Volunteers during COVID

This period saw GFS attract a different cohort of volunteers; COVID inspired so many to give back and we benefitted from this. In meeting them, we heard that this came from the fact that so many were working from home or in a hybrid capacity and so had more time available to be able to volunteer. It also came from the fact that so many felt so strongly about the many stories in the press and media around continued violence against women and wanting to empower girls at an early age.

We saw continued interest from local volunteers who wanted to join a group near them and support girls and young women. We also saw the rise of virtual volunteers who wanted to support the work we did, either by creating programme

content, supporting online sessions, or by offering skills to a specific project.

This was particularly important in helping GFS prepare for the future. GFS has been so fortunate to have well-established, long-standing volunteers who have been with us for decades. But as COVID presented new online challenges and return to groups was not possible for the most vulnerable, many of the women who have given the most to GFS have seen it as a natural end to their active volunteering with us. They have seen the standard of inspiring women joining GFS and felt that there are safe, reliable hands to leave their groups in, and we are so grateful to everyone involved.



## Training

We improved our basic training by developing and refining a suite of courses that start with a welcome session with the CEO and Volunteer Recruitment and Training Coordinator. This was developed to offer an overview of the organisation but also to afford an opportunity for the CEO to formally welcome and thank every single volunteer. It has also been beneficial to connect volunteers with one another at this point and for them to feel part of a team with shared purpose. This is then followed by a further three sessions, all developed to ensure that volunteers know what to expect and feel equipped to make the most of the role.

Our safeguarding annual refresher has also been embedded in the development of the training suite. This is a virtual training session bringing together volunteers from around the country to update their knowledge, share best practice and improve their ability to manage difficult circumstances. This has generated a noticeable difference in the volunteers' understanding of

safeguarding and we saw a subsequent increase in safeguarding referrals because they felt more confident in recognising a concern and doing something about it. This is particularly relevant and important in the context of our commitment to work in communities where the need and disadvantage is greatest.

The past year also saw us regularise volunteer briefings. These brought them together, virtually, to brief them on new initiatives, offer support and guidance around challenges they might face, and as well as the opportunity to talk together as one team. These sessions proved invaluable for supporting the work we did on improving culture at GFS. We will continue to build on this to assure the volunteers are consulted with, listened to and feel valued by the charity.

We recruited 88 new volunteers, 65 of whom completed their training to take up active volunteer roles.

# FINANCIAL REVIEW

## Results for the year

The statement of financial activities on page 31 shows net expenditure for the year before investment gains of £486,605 (2020 – £87,853) being a deficit on unrestricted funds of £361,151 (2020 – £34,398), a deficit on designated funds of £109,425 (2020 – £nil) and a deficit on restricted funds of £16,029 (2020 – £53,455).

Total income for the year was £274,050 (2020 – £649,543) with income from investments and interest receivable comprising 69% (2020 – 74%) of the total and amounting to £187,804 (2020 – £481,259). Included in the prior year income is the gain from the sale of freehold land and buildings amounting to £131,086. Although the income yield from investments is welcome, it may not be sustainable and there is a need for it to be supplemented by substantial other sources of income in the future to ensure the financial security which will safeguard the charity's services for the long term.

Expenditure in the year totalled £760,655 (2020 – £737,396) with expenditure on community and school based programmes amounting to £648,776 (2020 – £639,822). The charity's largest expense item continues to be staff costs reflecting the importance of people to the successful achievement of the organisation's aims – both paid staff and volunteers. The trustees continue to strive to achieve the charity's aims within the framework of providing a high quality service to the girls and young women who require the charity's support.

The final net movement in funds for the year, after net investment gains of £906,906 (2020 – losses of £940,231) amounted to a surplus of £420,301 (2020 – loss of £1,028,084).

## Free reserves and reserves policy

GFS' policy is to maintain adequate level of cash or free reserves, net of the pension fund deficit, of around 3-4 months' expenditure, so that the charity can at least fund a baseline service, should it ever be in a position of not being able to meet its short-term cash flow needs. The reserves are, in the main, restricted to generate income to fund the service; we are unable to access these as free reserves. However, the Trustees have structured the reserves to protect the service and also allow the charity to continue to fundraise in order to prevent any shortfall in cash flow (should it arise) becoming an on-going issue.

The charity carries a pension deficit of £175,231 that also needs to be mitigated by our reserves. The endowment interest provides the charity with a more sustainable income stream to fund the baseline service and to help erode the pension deficit over time. The additional fundraising income is being built on top of the strong financial foundation the endowment provides, to allow the charity to innovate and to meet the growing demand for our services.

In 2020, we were successful in our application to the Charity Commission to move £3.5m from the restricted endowment to designated funds. These funds are now designated to support our growth strategy and also fund the growth in our fundraising capability so that we can develop a sustainable future for the charity by diversifying our income portfolio beyond being solely reliant on our endowment.

In order for GFS to remain socially impactful, we also need to evolve our services to fully meet the changing needs of the girls we serve. While the reserves may appear significant, they cannot contribute to our innovation or expansion costs financially or legally. In actuality, our unrestricted free reserves are £299,484. When considered net of the pension fund deficit, and therefore the reserves that are available to us, these totalled £124,253 at the year end. This equates to 2.0 months expenditure and therefore falls below the reserves policy.

## Other funds

In addition to the endowment funds, at 30 September 2021, GFS had restricted funds which totalled £2,390,521 (2020 – £2,273,044) most of which are restricted to being spent in certain geographic areas and, in particular, specific dioceses. Full details of the funds are given in notes 17 to 19 to the attached financial statements.

As noted above, the charity has certain designated funds which at 30 September 2021 totalled £3,951,531 (2020 – £3,886,167) and comprise monies invested, in part, to generate income and funds from the release of £3,500,000 from the endowment fund which has been released to designate into the organisational growth and sustainability.

The pension deficit fund of minus £175,231 matches the liability on the balance sheet in respect to the defined benefit pension scheme which the charity contributes to on behalf of certain of its employees. Details of the scheme and the deficit funding determined by an actuary are given in note 24 to the attached financial statements.

The tangible fixed assets fund of £33,818 (2020 – £6,610) represents the net book value of those tangible fixed assets held as part of the charity's unrestricted funds.

## Investment policy

The charity has a portfolio of investments which had a market value as at 30 September 2021 of £9,633,425 (2020 – £9,134,345) comprising listed investments of £9,386,577 (2020 – £9,117,488), and cash awaiting investment of £246,849 (2020 – £16,857). The investment portfolio represents in part the charity's endowment funds, the capital of which cannot be spent.

The charity's investment portfolio rose by 5% in the year. With the outbreak of COVID and the impact on the global markets the makeup of the investment portfolio has changed with the charity selling off the property stock and investing in company stock. The charity changed in year so all funds are now in Ethical Investment portfolios.

From 01 October 2021 – 31 January 2022 the portfolio value fell by around 10%. There is likely to be continued volatility in the European markets following the Russian invasion of the Ukraine.

Independent investment managers, who operate within specific guidelines that are set and regularly reviewed by the trustees, manage the charity's investments. The investment objectives are to achieve the highest possible yield from the portfolio and long term capital growth whilst maintaining the underlying risk at acceptable levels.

The trustees meet with the investment managers regularly to review the performance of the portfolio and the investment strategy.



# FUNDRAISING

The charity aims to achieve best practice in the way in which it communicates with supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters.

The charity's fundraising activities have always been aligned to professional and ethical practices. We are committed to this approach and are therefore registered with the Fundraising Regulator and signed up to the Fundraising Preference Service.

Our fundraising practice and performance is regularly monitored against our own fundraising policy and ethical practices which include a commitment to protect the public, vulnerable people, from unreasonably intrusive, persistent or pressurised fundraising practice.

We do not work with commercial fundraising organisations and do not carry out face to face door to door or telephone and digital fundraising. We do not sell or buy personal data and are proud to say that we have received no fundraising complaints in the past year.

Our fundraising strategy was launched in February 2020, when we were still unaware of the impending pandemic and its scale. Nonetheless, our commitment to increasing fundraised income remained, and we have made significant progress.

Our strategy has been to develop key disciplines based on their return on investment and suitability for GFS. After first establishing our fundraising from Trusts and Foundations, 20/21 saw further development into Corporate Fundraising.

While there have been some real successes, the pandemic has had a serious impact on our fundraising ability; it has seen the trusts space become more crowded, businesses cut their bottom lines, and a reduction in GFS's direct delivery while core cost commitments remained steady.

## Fundraising growth

We invested in our Fundraising team by recruiting a second Trust Fundraising Coordinator in December 2020. This allowed us to secure funding from local authorities, supermarket schemes and a number of small trusts. We also secured funding for a number of intern posts which will help increase the capacity of the team as we grow.

We then started to grow our income through partnerships with commercial organisations, including major funding to launch four new groups with Legal and General. We also worked with partners to raise funds for International Women's Day and look forward to continuing this growth in 21/22.

## Income from charitable activities

£25,486

2018/19

£27,874

2019/20

£80,357

2020/21

# GOVERNANCE ARRANGEMENTS

Girls Friendly Society in England and Wales is a company limited by guarantee (Company Registration No. 3172713) and is registered under the Charities Act 2011 (Charity Registration No. 1054310).

The board of trustees consists of up to fifteen trustees who are recruited following an open and transparent recruitment exercise that is designed to address skills and experience gaps emerging on the Board.

Trustees are elected by members of GFS in accordance with procedures laid out in the Bye Laws. Newly elected trustees are formally interviewed and their appointment is for a three year term. Trustees may serve for two consecutive terms of office and thereafter must take a break from office. The trustees may from time to time appoint additional trustees either to fill casual vacancies or by way of co-option to the Board.

Each new trustee receives an induction pack and ongoing training. Trustees are encouraged to attend individual in-house and external training events with or without staff. Trustees also have a member of the Senior Leadership Team as a link and who they meet informally to ensure good staff-board communication. This is an initiative that has been started since the launch of the Better Board Staff Focus Group in 2020. A key part of their induction training is Conflict of Interest. Every governance meeting asks the question whether they have any conflict of interest. As part of the audit the trustees are required to sign a declaration of interest form. It is therefore important they understand this responsibility.

The trustees constitute directors of the charity for the purposes of the Companies Act 2006. They take responsibility for monitoring the charity's activities and constant regard is had to the skills mix of the trustees to ensure that the board of trustees has all the necessary skills required to contribute fully to the charity's development. No trustee received remuneration for services as a trustee during the period. No trustee had any beneficial interest in any contract with the charity during the period. The names of the trustees who served during the year are included below.

Overall responsibility for the charity rests with the trustees who are charged with setting and monitoring the overall strategic direction of the charity and for establishing policy. The trustees, who meet on a regular basis, delegate the day-to-day operation of the charity to the Chief Executive and her Leadership team. The Chief Executive meets with the Chair at least once a month and reports to the trustees on a regular basis. The trustees meet quarterly as well as in their committee meetings. The Board has reviewed its practice and committed to complying with the Charity Governance Code to ensure GFS governance is best practice and has a sense of audit of its own.

## Committees

In 2021 we had a priority that we all agreed was important to initiate – to develop a new subcommittee structure as well as address diversity and inclusion at every level; led from the very top. Together we did a skills gap analysis of the Board, we identified the skills, diversity we need to recruit to, as well as lived experience to take the organisation into its next chapter and up to the 150th anniversary.

We received over 45 applications from women looking to get involved at trustee and committee level. When we started this initiative we were looking to address a range of areas of diversity including race, age, sexual orientation and disability. The results were impressive, especially when you consider we did this with limited resources and no external resourcing. We now have 7 new trustees and 13 new committee members and our diversity has improved, resulting in us being nominated and shortlisted for a Governance Award in Inclusion and Diversity.

- The Board has seen increased participation of non- white British from 22% to 33%.
- The Board has moved from having one young trustee (12%) to three (23%).
- The Board has moved from 0% LGBTQ+ to 8%.
- The Board has moved from 0% members having declared a disability to 8% who have.

The Charity is now supported by four focussed committees and every trustee sits on one of the committees. They are each chaired by a trustee who has professional experience in that field and they are:

- Finance and Investments
- Fundraising and Growth
- Quality and Impact
- People and Operations.

These committees all sit in the weeks leading up to the quarterly board meeting and offer support and challenge to the leadership team on their direction of travel and performance. Each considers the relevant risks on the risk register, KPI's and reviews departmental policies before summarising the discussions and making proposals for the Board to consider.

## Membership

Following an independent governance review in 2020, a consultation with (company) members in January 2021 and a number of roadshows, the Board agreed that membership must be restricted to the board of trustees. Furthermore, it became clear that we were not offering members as much support and engagement as they had suggested they would like.

With that in mind, we established the Townsend Network (TN) and invited all members to resign from being members and become TN members instead. This was by invitation only and we included their feedback from roadshows in the design. We listened to members who attended the three roadshows we held and instead of having a set contribution like membership, we ask for a 'suggested donation' but left it open to them to decide to give more or less. We also encouraged them to think about a much smaller but more regular donation such as £5 per month.

All members resigned and moved over or did not engage. Those who did not respond we wrote to twice more to advise them that their membership would be terminated if we did not hear back which encouraged a few more to join the TN and we are now at a stage of redrafting the Articles and Bye Laws for approval in the December Board meeting. This work has been supported by a legal team.

The governance review also noted the absence of critical analysis around our governance arrangements. This inspired us to establish a monthly audit against the Charity Governance Code we measure our practice up against the benchmark of a large charity to identify areas of improvement before auctioning these. In practice we have seen this have an impact on agendas, communication, EDI programme to name a few.

## Trustee responsibilities

The trustees (who are also directors of GFS for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps needed as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. The trustees are responsible for the maintenance and integrity of financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



# RISK

The trustees have assessed and continue to assess the major risks to which the charity is exposed. These are reviewed under the following categories: Finance and Investment, People and Operations, Quality and Impact, Fundraising and Growth. The trustees believe that by monitoring these and developing controls they will have established effective systems to mitigate such risks. These activities are designed to identify and manage, rather than eliminate, the risk of failure to achieve the charity's objectives or to successfully deliver on our strategy.

The trustees discuss risks at every committee and Board meeting, although risks may be raised by the Chief Executive to the Board at any time. The risk management process includes:

- Risk identification – including principal risks
- Risk assessment – of potential likelihood and estimated severity
- Risk response – to accept or mediate risk, determine corrective action if needed
- Risk reporting and monitoring – by staff, Committees, and by trustees.

The Board uses a Risk Rating matrix to help it focus on the principal risks and execute on mitigating plans of action. The risk rating ensures risks are prioritised and colour coded so that the Charity can focus on significant risks as a priority. A summary of the top ten principal risks and uncertainties that have been identified by the trustees follows:

Operational Risk	Plans to mitigate	GFS lead	Severity	Likelihood	Rating
Inadequate uptake of delivery/operations-fewer girls	Regular monitoring of stakeholder journey Development of evaluation process for beneficiaries Need to better understand impact – Programme and Impact Manager recruited and to start Jan 2022	All trustees, Leadership Team	3	5	15
Unjustified cost per beneficiary ratio	Some groups not returning post COVID and our cost per beneficiary ratio worsening in the short term because fewer girls = less impact Strategy to increase number of beneficiaries but this has been further delayed because of COVID Virtual groups, volunteer comms, online resources Regular monitoring of numbers of beneficiaries Regular financial monitoring	All trustees, Chief Executive, Finance and Investment Committee, FR and Growth subcommittee, Leadership Team	3	5	15
Continuing to run charity on a deficit	Strategic plan developed to generate funds Fundraising strategy developed Five year draft plan to Board CC gave permission to unlock endowment fund to invest in strategy It will take us time to achieve strategy which is to protect the capital and see fundraised income exceed investment income	All trustees, Chief Executive, Leadership Team, Finance and Investment Committee, Strategy Committee, FR & Growth Committee	5	3	15

Reputational / PR risk	Regular social media reviews across all channels	Head of FR & Comms	2	5	10
	Communications plan for a specific risk	Leadership Team			
	Reaction follows careful analysis of risk and impact	Board FR & Growth committee			
Lack of incident reporting	Briefings for staff and trustees		5	2	10
	Increased training around safeguarding for all volunteers and staff started in 2020				
	H&S advisor to deliver training for volunteers	Chief Executive, Leadership Team			
Ability to develop and implement successful FR strategy	Improved resources and policies to support staff and volunteers		3	3	9
	Reporting to Q&I and Board on all incidents				
	FR strategy developed and commenced	All trustees, Chief Executive, FR & Growth committee, Leadership Team			
Failure in investments and/or markets	Support processes and resources developed		3	3	9
	Plan to develop corporate arm and grow T&F in 2021				
	There will always be a risk in the markets				
	Appropriate reserves in place				
	Reserves policy in place				
	Re-tender process achieved	All trustees, Chief Executive, Finance & Investment Committee			
Non-compliance with GDPR	Investment policy in place		3	3	9
	Regular monitoring	Head of Finance and Support Services			
	Good quality financial advice				
Major safeguarding incident	Total return policy activated to protect capital		4	1	4
	Data protection policy in place, reviewed annually				
	GDPR Compliance Forms for groups to sign	All trustees, Chief Executive			
EDI	Regular GDPR compliance monitoring		2	2	4
	Training and support for staff and volunteers				
	Need to consider external audit to check practice				
Vital that the whole team understand the GFS position on EDI	Robust safeguarding policy e.g. DBS checks, whistle-blowing policy, safeguarding process		2	2	4
	3 suitably qualified DSL's	All trustees, DSL, Safeguarding Trustees			
	Regular training for staff and volunteers				
We now have an EDI board lead	Annual updates for all		2	2	4
	External support; 31-8				
	Cross departmental task force developed and monitors plan	Leadership Team			
2021 trustee recruitment was positive and changed diversity dynamics at Board and committee level	EDI annual day of learning	EDI Board lead	2	2	4

# LEADERSHIP AND KEY PERSONNEL

The trustees consider that they, together with the Leadership team, comprise the key management of the charity in charge of directing, controlling, running and operating the charity on a day to day basis. None of the trustees receives any remuneration in connection with their role as Key Management Personnel.

The trustees work together to direct strategy but delegate the day to day running of the organisation to the Chief Executive and Leadership Team. The Leadership team is comprised of:

- Chief Executive
- Head of Finance and Support Services
- Head of Fundraising and Communications
- Head of People
- Head of Operations (N)
- Head of Operations (S)

Each member of the team reports into a subcommittee and attends at least one board meeting a year. The Chief Executive attends all committee meetings and all board meetings to provide reporting and consistency. Each member heads up a team and works collaboratively across departments to fulfil the strategy and achieve our organisational objectives. We meet weekly as a team to discuss key priorities and ensure we are all updated across teams. The wider staff team meets virtually once a week to attend training, discuss team goals or receive organisational updates. After every Board meeting a trustee reports to the staff team on decisions made.

The charity has a remuneration policy which is designed to offer fair pay to attract and keep appropriately qualified staff to lead, manage and deliver the charity's aims. Trustees are ultimately responsible for setting remuneration levels for the charity's staff team but this is scaffolded by the leadership team who present an annual budget with salary levels, any annual cost of living increases alongside any changes.

The charity does not have a performance pay approach and neither does it award commission or a bonus scheme. Instead on a regular basis (every two years) the charity commissions a review of its salary with at least one benchmarking sector expert. The results are analysed by the Leadership Team and shared with the Board. Any new roles are always benchmarked.

New to the leadership positions this year is Nic Shoult as Head of Finance and Support Services, Jemma Moonie Dalton and Kim Ward as Head of Operations N/S. As part of our review work we restructured the operations team to remove part time workers and replace with full time but fewer team members and start to introduce group coordinators on a five hour week at a local level. Both elements of this change have seen positive impact. We continued to invest in the fundraising team by adding to the team to increase the fundraising target. We have also initiated internship schemes with great success.



GFS Pittington



GFS Smethwick



GFS Chester-le-Street



GFS Leytonstone

## Recruitment and training

GFS is committed to delivering safer recruitment and has a policy in place designed to ensure this happens. Every paid and unpaid role is assessed against DBS criterion to determine if it is eligible for a criminal records check. Applications are also verified by the Authorised Body and our database flags when renewal is necessary for individuals.

All recruitment and selection across GFS must reflect our Equal Opportunities Policy, and our EDI taskforce has paid particular attention this year, to ensuring that we have a proactive approach to recruiting diversely.

Every post is widely advertised and we have a specific focus on ensuring that we follow best practice EDI considerations within the advert, job description and the process. For example, this year GFS committed to the Show the Salary campaign, which is proven to reduce the gender and race pay gaps. In addition, we no longer request previous salary information or unrelated educational qualifications in any of our roles, and adverts always invite the applicant to discuss the role with us in advance of application.

All of our roles now pay at least the Living Wage, including a number of funded Kickstart internship roles, which GFS top up. Our shortlists are made using anonymized applications, and our interview questions are developed to test the key competencies of the role, rather than solely previous experience as well as EDI awareness and knowledge.

Each new member of staff and volunteer is given an induction programme that is tailored to their role and the needs of the organisation. The induction process includes mandatory training and also enables managers and supervisors to identify any additional support that may be required

throughout the onboarding process. All staff and managers sign a Supervision Agreement setting out the dates for support and supervision meetings. In addition, annual appraisal dates are scheduled within which training and development discussions take place.

GFS currently requires all staff to complete the following mandatory training within their probation period.

- Safeguarding Adults
- Child Protection
- Equality and Diversity
- Personal Safety
- Health and Safety

In addition, new starters will be offered training and guidance that supports use of GFS's internal systems such as; People HRM, Salesforce, Microsoft, Dropbox, and specific systems used in their role e.g. finance and communications. In certain cases a staff member may have responsibilities that require particular training to meet organisational requirements;

- Designated Safeguarding Officer
- First Aider
- Data Protection Officer
- Fire Warden

All staff and trustees were given the opportunity to participate in our annual Day of Learning, where we dedicate a full day to broadening our organisational knowledge about intersecting identities that may impact on the experience of our girls. This year, we gave over a full day to hearing the experiences of non-white women, and getting to better understand the additional barriers they face.

# FUTURE PLANS

We have seen a growing need for girls and young women to be supported to achieve the GFS Girl Statements. COVID disadvantaged girls and young women so significantly and we are only now starting to see that impact. This has affected their wellbeing, confidence, resilience and mental health. We are committed to addressing this and being here for them to make a difference.

We are in a strong position to return to online delivery if there should be a continuation of lockdowns and other restrictions. Sessions were well attended and provided an important safeguarding function. Organisationally, we were able to learn a lot, quickly and support our incredible volunteer base in adjusting to this new way of working.

In addition to the online sessions, we saw that there are viable digital products and services that GFS can offer. Online resource packs for parents to do with their girls at home were enormously popular during the first lockdown and have scope to be developed should restrictions continue. The appetite for shorter online courses was also demonstrated by the popularity of The GFS Big Dreamers' Club. These modules could be expanded and volunteers trained on delivery to be repeated on a regular basis to girls all around the UK.

The urgency of need for GFS, not only remained during the pandemic, but was emphasised by it. Over the past two years we have continued to hear how lockdowns, limited access to school and reduced social interactions have hit girls, and disadvantaged girls, the most. Our plans for growth seek to address this growing need by offering an early intervention programme to address such inequalities. We can only do this with the help of supporters who are keen to do the same and to see a fair society evolve from this work.

The above report has been prepared in accordance with the special provisions relating to small companies within FRS 102 and part 15 of the Companies Act 2006.

**Leanne Massey, Trustee**

**Approved on 2 April 2022**



# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

## Opinion

We have audited the financial statements of Girls Friendly Society in England and Wales (the 'charitable company') for the year ended 30 September 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice Accounting and Reporting by Charities preparing this accounts in accordance with the Financial reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)), the Charities Act 2011, and the Companies Act 2006 and other regulations including safeguarding, data protection, fundraising and employment law.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- review of the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion. A further description of our responsibilities is available on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



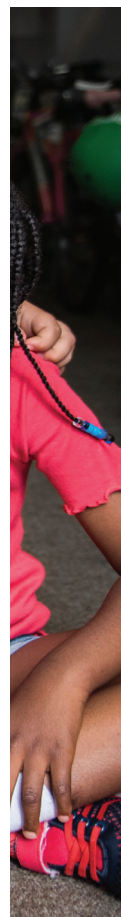
**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Buzzacott LLP*

12 April 2022

Catherine Biscoe (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL



**Statement of financial activities (incorporating an income and expenditure account)  
Year to 30 September 2021**

The table below shows all of the charity's activities derived from continuing operations during the above financial period and the immediately preceding financial period. All recognised gains and losses are included. A full comparative statement of financial activities for the year to 30 September 2020 is set out on the next page.

	Notes	General funds £	Designated funds £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
<b>Income from:</b>							
Donations and legacies	1	13,475	-	66,882	-	80,357	27,874
Investment income and interest receivable	2	124,600	-	63,204	-	187,804	481,259
Gain on disposal of tangible fixed asset		-	-	-	-	-	131,086
Charitable activities:							
- Community and school based programmes: grants receivable		-	-	-	-	-	1,970
Other sources - miscellaneous income		5,889	-	-	-	5,889	7,354
<b>Total income</b>		<b>143,964</b>	<b>-</b>	<b>130,086</b>	<b>-</b>	<b>274,050</b>	649,543
<b>Expenditure on:</b>							
Raising funds	3	30,949	80,930	-	-	111,879	97,574
Charitable activities: community and school based programmes	4	474,166	28,495	146,115	-	648,776	639,822
<b>Total expenditure</b>		<b>505,115</b>	<b>109,425</b>	<b>146,115</b>	<b>-</b>	<b>760,655</b>	737,396
<b>Net expenditure before net investment gains/(losses)</b>	7	(361,151)	(109,425)	(16,029)	-	(486,605)	(87,853)
<b>Net gains/(losses) on investments</b>		-	444,789	133,506	328,611	906,906	(940,231)
<b>Net (expenditure)/income</b>		(361,151)	335,364	117,477	328,611	420,301	(1,028,084)
<b>Statement of recognised gains and losses</b>							
Actuarial gains on defined benefit pension scheme	24	-	-	-	-	-	-
<b>Net movement in funds before transfers</b>		(361,151)	335,364	117,477	328,611	420,301	(1,028,084)
<b>Transfers between funds</b>	20	270,000	(270,000)	-	-	-	-
<b>Net movement in funds</b>		(91,151)	65,364	117,477	328,611	420,301	(1,028,084)
<b>Reconciliation of funds:</b>							
Fund balances brought forward at 1 October 2020		249,222	3,886,167	2,274,044	2,887,590	9,296,023	10,324,107
<b>Fund balances carried forward at 30 September 2021</b>		<b>158,071</b>	<b>3,951,531</b>	<b>2,390,521</b>	<b>3,216,201</b>	<b>9,716,324</b>	9,296,023

**Comparative statement of financial activities  
(incorporating an income and expenditure account)  
Year to 30 September 2020**

	Notes	General funds £	Designated funds £	Restricted funds £	Endowment funds £	2020 Total funds £
<b>Income and expenditure</b>						
<b>Income from:</b>						
Donations and legacies	1	13,522	—	14,352	—	27,874
Investment income and interest receivable	2	395,569	—	85,690	—	481,259
Gain on disposal of tangible fixed asset		131,086	—	—	—	131,086
<b>Charitable activities</b>						
Community and school based programmes: grants receivable		1,970	—	—	—	1,970
<b>Other sources</b>						
Miscellaneous income		7,354	—	—	—	7,354
<b>Total income</b>		<b>549,501</b>	<b>—</b>	<b>100,042</b>	<b>—</b>	<b>649,543</b>
<b>Expenditure on:</b>						
Raising funds	3	97,574	—	—	—	97,574
<b>Charitable activities:</b>						
Community and school based programmes	4	486,325	—	153,497	—	639,822
<b>Total expenditure</b>		<b>583,899</b>	<b>—</b>	<b>153,497</b>	<b>—</b>	<b>737,396</b>
<b>Net expenditure before net investment losses</b>	7	<b>(34,398)</b>	<b>—</b>	<b>(53,455)</b>	<b>—</b>	<b>(87,853)</b>
<b>Net losses on investments</b>		<b>—</b>	<b>(49,872)</b>	<b>(65,182)</b>	<b>(825,177)</b>	<b>(940,231)</b>
<b>Net expenditure</b>		<b>(34,398)</b>	<b>(49,872)</b>	<b>(118,637)</b>	<b>(825,177)</b>	<b>(1,028,084)</b>
<b>Statement of recognised gains and losses</b>						
Actuarial gains on defined benefit pension scheme	24	—	—	—	—	—
<b>Net movement in funds before transfers</b>		<b>(34,398)</b>	<b>(49,872)</b>	<b>(118,637)</b>	<b>(825,177)</b>	<b>(1,028,084)</b>
Transfers between funds	20	—	3,500,000	—	(3,500,000)	—
<b>Net movement in funds</b>		<b>(34,398)</b>	<b>3,450,128</b>	<b>(118,637)</b>	<b>(4,325,177)</b>	<b>(1,028,084)</b>
<b>Reconciliation of funds:</b>						
<b>Fund balances brought forward at 1 October 2019</b>		<b>283,620</b>	<b>436,039</b>	<b>2,391,681</b>	<b>7,212,767</b>	<b>10,324,107</b>
<b>Fund balances carried forward at 30 September 2020</b>		<b>249,222</b>	<b>3,886,167</b>	<b>2,273,044</b>	<b>2,887,590</b>	<b>9,296,023</b>

**Balance sheet  
30 September 2021**

	Notes	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Tangible assets	11		33,818		6,610
Investments	12		9,633,425		9,134,345
			<b>9,667,243</b>		<b>9,140,955</b>
<b>Current assets</b>					
Debtors	13	19,355		110,479	
Short term deposits		91,725		88,019	
Cash at bank and in hand		202,239		262,178	
		<b>313,319</b>		<b>460,676</b>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	14	(89,007)		(79,248)	
<b>Net current assets</b>			<b>224,312</b>		<b>381,429</b>
<b>Total net assets less current liabilities</b>			<b>9,891,555</b>		<b>9,522,383</b>
Provisions for liabilities	15		(175,231)		(226,360)
<b>Total net assets</b>			<b>9,716,324</b>		<b>9,296,023</b>
<b>The funds of the charity:</b>					
<b>Funds and reserves</b>					
Permanent endowment funds	16		3,216,201		2,887,590
<b>Restricted income funds</b>					
Society funds	17	46,433		—	
Trust funds	18	228,060		243,018	
Diocesan funds	19	2,116,028		2,030,026	
			<b>2,390,521</b>		<b>2,273,044</b>
<b>Unrestricted income funds</b>					
Designated funds	20	3,951,531		3,886,167	
<b>General funds</b>					
Tangible fixed assets fund		33,818		6,610	
Free reserves		299,484		468,972	
Pension deficit fund	24	(175,231)		(226,360)	
		<b>158,071</b>		<b>249,222</b>	
			<b>4,109,602</b>		<b>4,135,389</b>
			<b>9,716,324</b>		<b>9,296,023</b>

The financial statements were approved by the trustees of Girls Friendly Society in England and Wales Company Registration No. 3172713 (England and Wales) and signed on its behalf by:

**Leanne Massey, Trustee**  
Approved on 2 April 2022



## Statement of cash flows Year to 30 September 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	(721,838)	(721,763)
<b>Cash flows from investing activities:</b>			
Investment income received		288,832	476,129
Interest received		23	561
Purchase of tangible fixed assets		(31,076)	(1,076)
Proceeds from the disposal of tangible fixed assets		—	190,000
Proceeds from the disposal of investments		8,990,729	563,471
Purchase of investments		(8,352,911)	(461,749)
<b>Net cash provided by investing activities</b>		<b>895,597</b>	<b>767,336</b>
<b>Change in cash and cash equivalents in the year</b>		<b>173,759</b>	<b>45,573</b>
<b>Cash and cash equivalents at 1 October 2020</b>	B	<b>367,054</b>	<b>321,481</b>
<b>Cash and cash equivalents at 30 September 2021</b>	B	<b>540,813</b>	<b>367,054</b>

## Notes to the statement of cash flows for the year to 30 September 2021:

### A: Reconciliation of net movement in funds to net cash used in operating activities

	2021 £	2020 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>420,301</b>	<b>(1,028,084)</b>
<b>Adjustments for:</b>		
Depreciation charge	3,868	3,939
Losses on investments	(906,906)	940,231
Investment income	(187,781)	(480,698)
Interest receivable	(23)	(561)
Gain on disposal of tangible fixed assets	—	(131,086)
(Increase) decrease in debtors	(9,927)	14,463
Increase in creditors	9,759	9,673
Decrease in pension provision	(51,129)	(49,640)
<b>Net cash used in operating activities</b>	<b>(721,838)</b>	<b>(721,763)</b>

### B: Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	202,239	262,178
Short term deposits (less than three months)	91,725	88,019
Cash held by investment managers	246,849	16,857
<b>Total cash and cash equivalents</b>	<b>540,813</b>	<b>367,054</b>

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

## Principal accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### Basis of preparation

These financial statements have been prepared for the year to 30 September 2021 with comparative information provided in respect to the year to 30 September 2020. The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

### Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- the underlying assumptions used by the actuary in determining the deficit on the defined benefit pension scheme;
- the allocation of expenditure across charitable activities; and
- the estimation of future income and expenditure flows for the purpose of assessing going concern (see below).

### Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. In making their assessment, the trustees have considered the impact of COVID on the charity.

COVID continued to have a significant economic impact beyond the charity's control. We are continuing to see operational and financial impact from COVID, as is the rest of the sector, but we monitor them all closely and have ongoing support and challenge from professionals on our Board and Committees to ensure we are ready to adapt our practice in the best interests of the charity and the girls and young women we support. The trustees will continue to keep both income and expenditure under review but do not anticipate that the impact on the charity's finances will be material or impact on the charity's going concern status.

### Income recognition

Income is recognised in the period in which the charity has entitlement to receipt, the amount can be measured reliably and it is probable that the funds will be received.

Income comprises donations, legacies, investment income, interest receivable, income from charitable activities and miscellaneous income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the

charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Income from charitable activities comprises grants from government and other agencies. Such income is recognised when the charity has entitlement to the funds under agreements or other the contractual arrangements for the payment of each grant.

#### Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

1. Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising and an allocation of support costs.
2. Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities as described in the trustees' report i.e. providing opportunities for girls and young women to develop their self confidence, wellbeing and resilience to enable them to fulfil their potential. Such costs include:
  - a) Staff costs and associated expenses
  - b) Day to day running expense of schemes and projects
  - c) Special projects and equipment
  - d) Maintenance and building costs for the schemes and projects.

This expenditure includes both costs that can be allocated directly to such activities and those indirect costs necessary to support them.

All expenditure is stated inclusive of irrecoverable VAT.

#### Allocation of costs

Support costs are those costs that enable charitable activities to be carried out. These costs include expenses relating to personnel development, financial procedures, provision of office services and equipment, and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned to expenditure headings based on the headcount relating to each activity.

#### Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

- Freehold land and buildings  
Freehold land and buildings are stated in the financial statements at cost and after deducting depreciation. Depreciation is charged at the following annual rate based on net cost:  
Freehold buildings 2%  
No depreciation is charged on freehold land.
- Other tangible fixed assets  
All other tangible fixed assets are stated at cost. Depreciation is calculated at the following annual rates in order to write off the cost of each asset over its estimated useful life:
  - Computer equipment 33% on cost
  - Office equipment 20% on cost
  - Other equipment and furniture 10% on cost
  - Fittings in leased property Over the period of the lease

#### Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments. Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

#### Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

#### Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

#### Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

#### Fund structure

The general funds comprise free reserves, the tangible fixed assets fund and the pension deficit fund. The free reserves those net assets are which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

The pension deficit fund represents the liability in respect to the defined benefit pension scheme to which the charity contributes on behalf of certain of its employees.

The designated funds comprise monies set aside by the trustees for specific purposes.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

The permanent endowment funds comprise monies which must be held indefinitely as capital. The income therefrom can be used for general purposes and is credited directly to general funds.

### Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

### Pension contributions

The growth plan pension scheme is a multi-employer scheme providing benefits for some 1,300 non-associated employers. It is therefore not possible to identify the underlying share of the charity's assets and liabilities within the scheme. However, as a member of the scheme, the charity has a legal obligation to make pension deficit reduction payments when required by the scheme's actuary. The full cost of these repayments, discounted to present values, is recognised in the year a pension deficit reduction plan is agreed.

In July 2014, all eligible members of staff were required to enrol in the charity's workplace pension scheme, under auto-enrolment. Staff members were entitled to opt out of this scheme. The percentage contribution of salary into the scheme is a minimum rate of 2.5%. The charity pays employer's contributions at a rate of 7.5%.

### Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

## Notes to the financial statements

1

### Income from: Donations and legacies

	General funds £	Restricted funds £	Total 2021 funds £
Donations and similar income	10,692	66,882	77,574
Legacies	2,783	—	2,783
<b>2021 Total funds</b>	<b>13,475</b>	<b>66,882</b>	<b>80,357</b>

	General funds £	Restricted funds £	Total 2020 funds £
Donations and similar income	10,113	14,352	24,465
Legacies	3,409	—	3,409
<b>2020 Total funds</b>	<b>13,522</b>	<b>14,352</b>	<b>27,874</b>

2

### Income from: Investment income and interest receivable

	General funds £	Restricted funds £	Total 2021 funds £
Investment income (see below)	124,577	63,204	187,781
Interest receivable	23	—	23
<b>2021 Total funds</b>	<b>124,600</b>	<b>63,204</b>	<b>187,804</b>

	General funds £	Restricted funds £	Total 2020 funds £
Investment income (see below)	395,008	85,690	480,698
Interest receivable	561	—	561
<b>2020 Total funds</b>	<b>395,569</b>	<b>85,690</b>	<b>481,259</b>

Investment income was received from the following sources:

	Total 2021 funds £	Total 2020 funds £
UK equities	14,251	58,192
Overseas equities	11,403	110,160
UK fixed interest based common investment funds	50,901	74,701
Property unit trusts	97,873	174,729
Alternatives	13,353	62,916
<b>Total</b>	<b>187,781</b>	<b>480,698</b>

3

### Expenditure on: Raising funds

	General funds £	Restricted funds £	Designated funds £	Total 2021 funds £
Investment manager's fees	30,949	—	—	30,949
Staff costs	—	—	80,930	80,930
<b>2021 Total funds</b>	<b>30,949</b>	<b>—</b>	<b>80,930</b>	<b>111,879</b>

	General funds £	Restricted funds £	Designated funds £	Total 2020 funds £
Investment manager's fees	28,950	—	—	28,950
Staff costs	68,624	—	—	68,624
<b>2020 Total funds</b>	<b>97,574</b>	<b>—</b>	<b>—</b>	<b>97,574</b>

4

### Expenditure on: Charitable activities – community and school based programmes

	General funds £	Restricted funds £	Designated funds £	Total 2021 funds £
Staff costs and recruitment	367,752	99,169	7,975	474,896
Staff travel, training and subsistence	6,390	1,597	—	7,987
Direct volunteer costs	7,540	2,707	—	10,247
Direct project costs	4,627	8,938	—	13,565
Direct restricted project costs	—	—	—	—
Premises	30,180	7,545	—	37,725
Office, administration and miscellaneous	33,728	17,130	14,320	65,178
Marketing and communications	3,763	2,433	—	6,196
Governance costs (note 6)	20,186	6,596	6,200	32,982
<b>2021 Total funds</b>	<b>474,166</b>	<b>146,115</b>	<b>28,495</b>	<b>648,776</b>

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Support costs are those costs which enable the charitable work of GFS. They include indirect overheads and many of the head office costs which facilitate the branches and projects.

Support costs included within raising funds and community and school based programmes are as follows:

#### Support costs

	General funds £	Restricted funds £	Designated funds £	Total 2021 funds £
Staff costs and related costs	152,631	44,704	—	197,335
Travel, training and subsistence	6,390	1,597	—	7,987
Premises	19,014	4,753	—	23,767
Office administration and miscellaneous	33,255	11,894	14,320	59,469
Governance costs (note 6)	20,186	6,596	6,200	32,982
2021 Total funds	231,476	69,544	20,520	321,540

	General funds £	Restricted funds £	Designated funds £	Total 2020 funds £
Staff costs and related costs	94,240	26,580	—	120,820
Travel, training and subsistence	8,173	2,339	—	10,512
Premises	64,026	18,323	—	82,349
Office administration and miscellaneous	42,629	12,198	—	54,827
Governance costs (note 6)	27,029	7,735	—	34,764
2020 Total funds	236,097	67,175	—	303,272

Support costs are allocated across the expenditure headings in notes 3 and 4 as follows:

	Raising funds (note 3) £	Charitable activities (note 4) £	Total 2021 £	Basis of apportionment
Staff costs and related costs	80,930	116,405	197,335	Headcount
Other support costs:				
Travel, training and subsistence	—	7,987	7,987	
Premises	—	23,767	23,767	
Office administration and miscellaneous	—	59,469	59,469	
Governance costs	—	32,982	32,982	
<b>2021 Total</b>	<b>80,930</b>	<b>240,610</b>	<b>321,540</b>	

6

	Raising funds (note 3) £	Charitable activities (note 4) £	Total 2020 £	Basis of apportionment
Staff costs and related costs	68,624	52,196	120,820	Headcount
Other support costs:				
Travel, training and subsistence	—	10,512	10,512	
Premises	—	82,349	82,349	
Office administration and miscellaneous	—	54,827	54,827	
Governance costs	—	34,764	34,764	
<b>2020 Total</b>	<b>68,624</b>	<b>234,648</b>	<b>303,272</b>	

#### Governance costs

	General fund £	Restricted funds £	Designated funds £	Total 2021 funds £
Legal and professional fees	20,026	6,556	6,200	32,782
Committee expenses	160	40	—	200
<b>2021 Total funds</b>	<b>20,186</b>	<b>6,596</b>	<b>6,200</b>	<b>32,982</b>

	General fund £	Restricted funds £	Designated funds £	Total 2020 funds £
Legal and professional fees	25,706	7,356	—	33,062
Committee expenses	1,323	379	—	1,702
<b>2020 Total funds</b>	<b>27,029</b>	<b>7,735</b>	<b>—</b>	<b>34,764</b>

7

#### Net expenditure before net investment losses

Net expenditure before net investment losses is stated after	2021 £	2020 £
Staff costs (note 8)	541,891	475,332
Auditor's remuneration	—	—
Audit – current year's fee	14,400	14,400
Depreciation	3,868	3,939
Operating lease rentals	28,255	59,839

8

#### Staff costs

	2021 £	2020 £
Staff costs during the year were as follows:		
Wages and salaries	469,929	417,607
Social security costs	40,733	31,715
Pension costs	82,358	75,650
Pension scheme adjustment	(51,129)	(49,640)
	541,891	475,332

Staff costs (including wages and staff travel, training and subsistence) by function were:

	Direct costs £	Support costs £	Total 2021 £
Charitable activities	366,478	116,405	482,883
Cost of raising funds	—	80,930	80,930
<b>2021 Total funds</b>	<b>366,478</b>	<b>197,335</b>	<b>563,813</b>

	Direct costs £	Support costs £	Total 2020 £
Charitable activities	360,213	62,708	422,921
Cost of raising funds	—	68,624	68,624
2020 Total funds	360,213	131,332	491,545

The number of employees who earned £60,000 per annum or more (including taxable benefits) during the year was as follows:

	2021	2020
£60,000 - £70,000	—	1
£80,000 - £90,000	1	—

The average number of full time equivalent employees in 2021 was 17 (2020 – 15).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees, Chief Executive and the Leadership Team. The total remuneration (including taxable benefits and employer's pension contributions) of key management personnel for the year was £315,828 (2020 – £220,156).

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#### Trustees' expenses and related party transactions

During the year no trustees (2020 – five) were reimbursed a total of £Nil (2020 – £1,567) for travel and subsistence.

No trustee received any remuneration in respect to their services as a trustee during the year (2020 – nil). During the year, the charity received donations from trustees totalling £1,259 (2020 - £641).

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#### Taxation

Girls Friendly Society in England and Wales is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

The charity is only able to reclaim VAT on very limited expenditure.

11

Tangible fixed assets	Freehold land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 October 2020	—	19,363	19,363
Additions	—	31,076	31,076
At 30 September 2021	—	50,439	50,439
<b>Depreciation</b>			
At 1 October 2020	—	12,753	12,753
Charge for year	—	3,868	3,868
At 30 September 2021	—	16,621	16,621
<b>Net book values</b>			
At 30 September 2021	—	33,818	33,818
At 30 September 2020	—	6,610	6,610

During the prior year the charity disposed of its freehold land and buildings resulting a gain on disposal of £131,086.

12

Investments	2021 £	2020 £
<b>Listed investments</b>		
Market value at 1 October 2020	9,117,488	10,159,464
Additions at cost	8,352,911	461,749
Disposals at book value (proceeds: £8,990,728 realised gains £239,932)	(8,750,796)	(645,332)
Net unrealised investment losses	666,974	(858,393)
Market value at 30 September 2021	9,386,577	9,117,488
<b>Cash held by investment managers</b>	246,848	16,857
	9,633,425	9,134,345

In previous years it has not been possible to determine the cost of listed investments exactly, as certain investments were purchased many years ago and records of cost could not be obtained without incurring significant time and cost, which in the opinion of the trustees, was not justified. In the year to 30 September 2021, all investments have been sold or transferred to a new portfolio, meaning historic cost is now available. The historic cost at 30 September 2021 was £8,727,497.

During the year, the GFS Trustees have implemented a balanced investment objective going forwards; to move away from income return basis to a total return basis. Returns generated from a balanced approach are a combination of income and the potential for capital growth, with the intention to protect against inflation over the time horizon and unusual exceptions in market downturns, whilst providing an income for the charity in line with the portfolio aim.

Listed investments held at 30 September 2021 comprised the following:

	2021 £	2020 £
UK fixed interest based common investment funds	1,947,580	1,918,102
UK equity based common investment funds	3,186,590	454,056
Overseas equity based common investment funds	3,154,484	1,976,888
Property unit trusts	691,388	4,015,341
Other	406,535	753,101
	9,386,577	9,117,488

All listed investments held are dealt in on a recognised stock exchange.

At 30 September 2021, the charity had the following material investment holdings:

	Market value £	Percentage of portfolio %
COIF Charities Ethical Investment Fund income units	1,225,232	13%
CBF Property Fund income shares	691,388	7%
Findlay Park Funds <i>American fund</i>	524,738	6%

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Debtors	2021 £	2020 £
Prepayments	14,695	4,769
Investment income receivable	4,660	105,710
	19,355	110,479

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Creditors		
	2021 £	2020 £
Expense creditors	18,096	19,419
Other taxes and social security costs	17,326	14,318
Other creditors	2,687	1,318
Accruals	50,898	44,193
	<b>89,007</b>	<b>79,248</b>

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Provisions for liabilities		
	2021 £	2020 £
Provision for pension scheme deficit reduction payments (note 24)		
. Payable within one year	53,000	51,000
. Payable within one to two years	54,000	53,000
. Payable within two to five years	68,231	122,360
. Payable after five years	—	—
	<b>175,231</b>	<b>226,360</b>

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The capital funds of the charity include permanently endowed monies, which must be retained indefinitely:

Endowment funds				
	At 1 October 2020 £	Transfers (see below) £	Investment gains £	At 30 September 2021 £
Endowment fund	2,111,102	—	240,246	<b>2,351,348</b>
Francis Street fund	776,488	—	88,365	<b>864,853</b>
	<b>2,887,590</b>	—	<b>328,611</b>	<b>3,216,201</b>

	At 1 October 2019 £	Transfers (see below) £	Investment gains £	At 30 September 2020 £
Endowment fund	5,268,481	(2,555,000)	(602,379)	2,111,102
Francis Street fund	1,944,286	(945,000)	(222,798)	776,488
	<b>7,212,767</b>	<b>(3,500,000)</b>	<b>(825,177)</b>	<b>2,887,590</b>

#### Transfers

On 1 June 2020, the Charity Commission for England and Wales gave the trustees the authority to spend up to £3,500,000 over a ten year period from the charity's permanent endowment funds and to transfer that sum to unrestricted funds.

The two endowment funds are as follows:

- Endowment fund

The endowment fund was established under a Charity Commission Scheme dated 31 July 2002. The Scheme replaces former trusts, a Scheme of the Commissioners dated 15 November 1972 and declaration of trusts dated 5 September 1974 and 21 November 1976. It states that income and capital shall be used:

- The trustees must first apply the income to meet the proper costs of administering the charity and of managing its assets and thereafter the remaining income must be applied in furthering the objects of the charity; and
- for the object of the charity, the trustees may also apply expendable endowment

and permanent endowment but only on such terms for the replacement of the amount spent as approved by the Commissioners.

- Francis Street Fund

The Francis Street Fund was established during the year ended 30 September 2004 when the Francis Street hostel, which was managed by the charity, was sold by the freeholder. Under the terms of the disposal, the net proceeds were donated to the charity to be held as a permanent endowment.

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Restricted funds – summary					
	At 1 October 2020 £	Income £	Expenditure £	Investment gains/ (losses) £	At 30 September 2021 £
Society funds – restricted grants	—	66,882	(20,449)	—	<b>46,433</b>
Trust funds (note 18)	243,018	7,052	(13,435)	(8,575)	<b>228,060</b>
Diocesan funds (note 19)	2,030,026	56,152	(112,231)	142,081	<b>2,116,028</b>
	<b>2,273,044</b>	<b>130,086</b>	<b>(146,115)</b>	<b>133,506</b>	<b>2,390,521</b>

	At 1 October 2019 £	Income £	Expenditure £	Investment gains £	At 30 September 2020 £
Society funds – restricted grants	—	14,352	(14,352)	—	—
Trust funds (note 18)	250,960	6,999	(14,601)	(340)	243,018
Diocesan funds (note 19)	2,140,721	78,691	(124,544)	(64,842)	2,030,026
	<b>2,391,681</b>	<b>100,042</b>	<b>(153,497)</b>	<b>(65,182)</b>	<b>2,273,044</b>

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The income funds of the charity include restricted trust funds comprising the following unexpended balances of donations, grants and other income held on trusts to be applied for specific purposes:

Restricted funds - Trust funds					
	At 1 October 2020 £	Income £	Expenditure £	Investment gains £	At 30 September 2021 £
Packe Holiday & Housing Trust	186,568	5,604	(10,314)	(6,814)	<b>175,044</b>
Greenlands, Peel, Isle of Man	48,000	1,173	(2,654)	(1,426)	<b>45,093</b>
Almoners Trust	8,450	275	(467)	(335)	<b>7,923</b>
<b>Total</b>	<b>243,018</b>	<b>7,052</b>	<b>(13,435)</b>	<b>(8,575)</b>	<b>228,060</b>

	At 1 October 2019 £	Income £	Expenditure £	Investment gains £	At 30 September 2020 £
Packe Holiday & Housing Trust	192,503	5,535	(11,200)	(270)	186,568
Greenlands, Peel, Isle of Man	49,755	1,197	(2,895)	(57)	48,000
Almoners Trust	8,702	267	(506)	(13)	8,450
<b>Total</b>	<b>250,960</b>	<b>10,214</b>	<b>(14,601)</b>	<b>(339)</b>	<b>243,018</b>

The use of the trust funds held at 30 September 2021 is restricted to the following:

- Packe Holiday & Housing Trust - The provision of housing and holidays for the needy.
- Greenlands, Peel, Isle of Man - The furtherance of the charity's objectives in the Isle of Man.
- Almoners Trust - The provision of support for elderly members.

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The income funds of the charity include restricted Diocesan funds comprising the following unexpended balances of donations, grants and other income held on trusts for use by GFS within the specific dioceses:

#### Restricted funds - Diocesan funds

	At 1 October 2020 £	Income £	Expenditure £	Investment (losses)/ gains £	At 30 September 2021 £
<b>Dioceses with branch activities:</b>					
Birmingham	143,887	12,335	(7,955)	(15,000)	133,267
Carlisle	104,326	8,944	(5,768)	(10,876)	96,626
Liverpool	264,020	5,147	(14,596)	30,046	284,617
Other	236,062	4,547	(13,051)	(6,309)	221,249
<b>Dioceses without branch activities:</b>					
Other Diocesan funds	11,691	225	(646)	(312)	10,958
Branch support funds	1,270,040	24,954	(70,215)	144,532	1,369,311
<b>Total</b>	<b>2,030,026</b>	<b>56,152</b>	<b>(112,231)</b>	<b>142,081</b>	<b>2,116,028</b>

	At 1 October 2019 £	Income £	Expenditure £	Investment gains £	At 30 September 2020 £
<b>Dioceses with branch activities:</b>					
Birmingham	137,475	15,005	(7,998)	(595)	143,887
Carlisle	99,676	10,880	(5,799)	(431)	104,326
Liverpool	283,838	7,015	(16,513)	(10,320)	264,020
Other	242,217	11,195	(14,092)	(3,258)	236,062
<b>Dioceses without branch activities:</b>					
Other Diocesan funds	11,996	554	(698)	(161)	11,691
Branch support funds	1,365,519	34,041	(79,444)	(50,076)	1,270,040
<b>Total</b>	<b>2,140,721</b>	<b>78,691</b>	<b>(124,544)</b>	<b>(64,842)</b>	<b>2,030,026</b>

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#### Designated funds

	At 1 October 2020 £	Investment gains £	Designated/ (released) £	At 30 September 2021 £
<b>Total – Transitional investment fund</b>	<b>3,886,167</b>	<b>444,789</b>	<b>(379,425)</b>	<b>3,951,531</b>

	At 1 October 2019 £	Investment losses £	Designated/ (released) £	At 30 September 2020 £
<b>Total – Transitional investment fund</b>	<b>436,039</b>	<b>(49,872)</b>	<b>3,500,000</b>	<b>3,886,167</b>

The designated fund is for future investment in the fundraising strategy and implementation of the charity's five year strategic plan.

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#### Analysis of net assets between funds

	General funds						Total £
	Free reserves £	Pension deficit fund £	Tangible fixed asset fund £	Designated funds £	Restricted funds £	Endowment funds £	
<b>Fund balances at 30 September 2021 are represented by:</b>							
Tangible fixed assets	—	—	33,818	—	—	—	33,818
Investments	—	—	—	3,951,531	2,465,693	3,216,201	9,633,425
Net current assets (liabilities)	299,484	—	—	—	(75,172)	—	224,312
Pension provision	—	(175,231)	—	—	—	—	(175,231)
	299,484	(175,231)	33,818	3,951,531	2,390,521	3,216,201	9,716,324

	General funds						Total £
	Free reserves £	Pension deficit fund £	Tangible fixed asset fund £	Designated funds £	Restricted funds £	Endowment funds £	
<b>Fund balances at 30 September 2020 are represented by:</b>							
Tangible fixed assets	—	—	6,610	—	—	—	6,610
Investments	—	—	—	3,886,167	2,360,588	2,887,590	9,134,345
Net current assets (liabilities)	468,972	—	—	—	(87,544)	—	381,428
Pension provision	—	(226,360)	—	—	—	—	(226,360)
	468,972	(226,360)	6,610	3,886,167	2,273,044	2,887,590	9,296,023

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At 30 September 2021 the charity had future minimum commitments under non-cancellable operating leases on land and buildings as follows:

#### Financial commitments

	2021 £	2020 £
Payments falling due:		
Within one year	43,200	30,164
Between one and two years	—	43,200
	43,200	73,364

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#### Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

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#### Pension costs and provisions

The charity participates in a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee of the scheme has asked the participating employers to pay additional contributions to the scheme as follows:

#### Deficit contributions

- From 1 April 2019 to 31 January 2025: £11,243,000 per annum (payable monthly and increasing by 3% each on 1 April)

Unless a concession has been agreed with the Trustee, the term to 31 January 2025 applies.

The scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

#### Deficit contributions

- From 1 April 2016 to 30 September 2025: £12,945,440 per annum (payable monthly and increasing by 3% each on 1 April)
- From 1 April 2016 to 30 September 2028: £54,560 per annum (payable monthly and increasing by 3% each on 1 April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

#### Present values of provision

	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
Present value of provision	175	226	276	323	364

#### Reconciliation of opening and closing provisions

	2021 £'000	2020 £'000
Provision at 1 October 2020	226	276
Unwinding of the discount factor	1	2
Deficit contribution paid	(51)	(50)
Re-measurements – impact of any change in assumptions	(1)	2
Remeasurements - amendments to the contribution schedule	—	(4)
Provision at 30 September 2021	175	226

#### Income and expenditure impact

	2021 £'000	2020 £'000
Interest expense	1	2
Re-measurements – impact of any change in assumptions	(1)	2
Remeasurements - amendments to the contribution schedule	—	(4)
Costs recognised in statement of financial activities	—	—

#### Assumptions

	2021 %	2020 %	2019 %	2018 %	2017 %
Rate of discount	0.72	0.58	0.98	1.76	1.52

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

## Reference and administrative details of the charity, its trustees and advisers

#### Trustees

I Vidal (Chair) (resigned March 2021)  
L Massey (Chair) (appointed March 2021)  
M Young (Treasurer)  
M Hughes (Vice Chair)  
C Osborne  
R Turton  
P Winks  
S Rose Smith (appointed 30 July 2021)  
P Sangera (appointed 30 July 2021)  
K Bowden (appointed 30 July 2021)  
B Thomas (appointed 30 July 2021)  
T Banda (appointed 30 July 2021)  
A Young (appointed 30 July 2021)  
G Whitfield (appointed 30 July 2021)  
C Charlesworth (Wales President) (resigned 5 December 2020)  
E Dickinson (resigned June 2021)  
M Winks (England President) (resigned June 2021)

#### Chief Executive & Leadership Team

L Sercombe  
E Stone (Head of Fundraising & Communications)  
B Huie (Head of People)  
J Moonie Dalton (Head of Operations S) (appointed February 2021)  
K Ward (Head of Operations N) (appointed February 2021)  
I Ondhia (Head of Finance & Support Services) (Resigned July 2021)  
N Shoult (Head of Finance & Support Services) (appointed September 2021)

#### Registered office and head office

Unit 12, Angel Gate  
326 City Road  
London  
EC1V 2PT

#### Company registration number

3172713 (England and Wales)

#### Charity registration number

1054310

#### Website

[www.girlsfriendlysociety.org.uk](http://www.girlsfriendlysociety.org.uk)

#### Facebook

[www.facebook.com/girlsfriendlysocietyuk](https://www.facebook.com/girlsfriendlysocietyuk)

#### Twitter

[www.twitter.com/gfsgotlandwales](https://www.twitter.com/gfsgotlandwales)

#### Instagram

[www.instagram.com/girlsfriendlysociety/](https://www.instagram.com/girlsfriendlysociety/)

#### LinkedIn

[www.linkedin.com/company/girls-friendly-society-in-england-and-wales](https://www.linkedin.com/company/girls-friendly-society-in-england-and-wales)

#### Auditor

Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

#### Solicitors

Bates Wells & Braithwaite London LLP  
2-6 Cannon Street  
London  
EC4M 6YH

#### Custodians

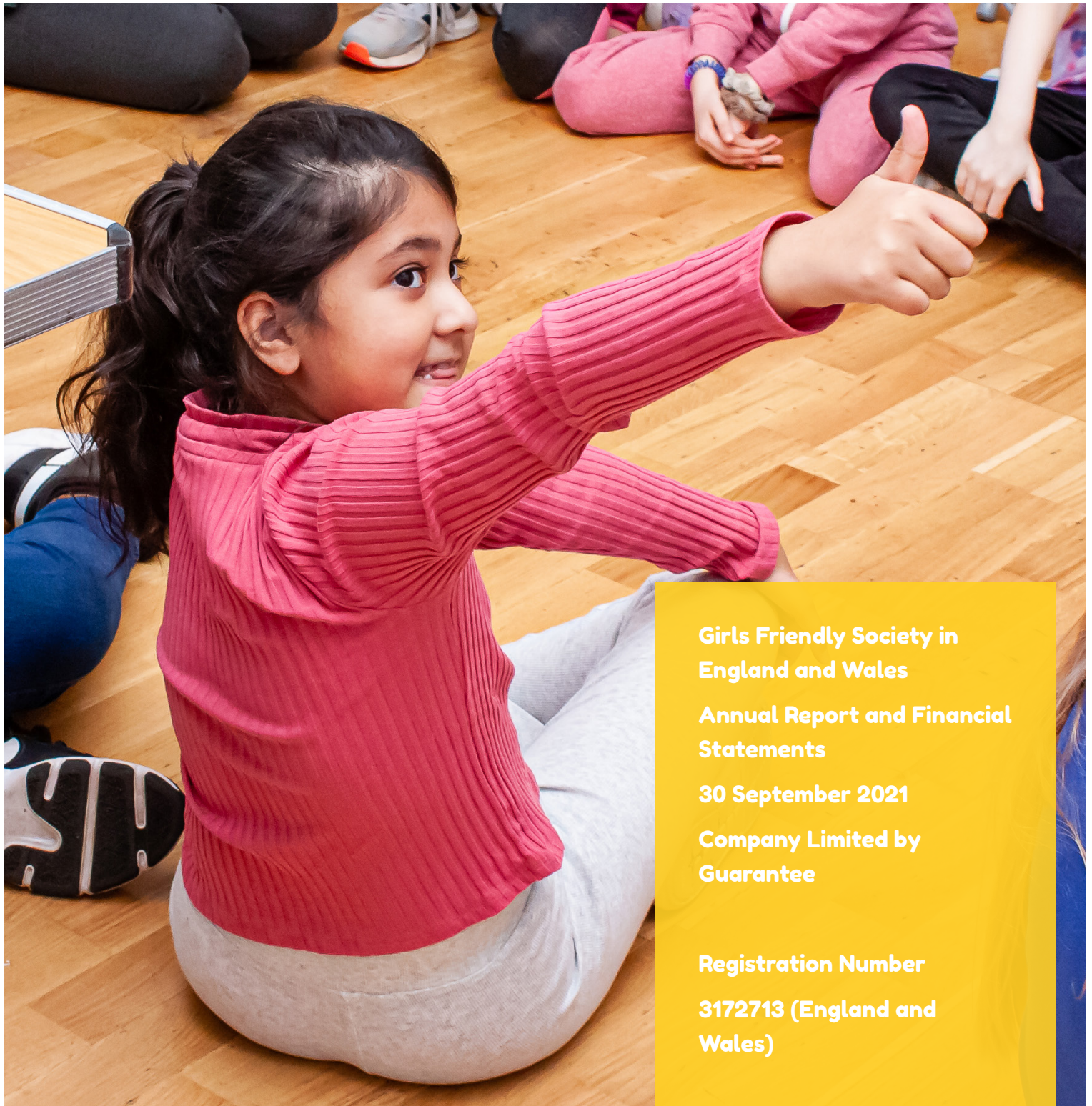
Schroders & Co Limited (to November 2020)  
1 London Wall Place  
London  
EC2Y 5AU

#### Principal investment managers

Schroders & Co Limited (to November 2020)  
1 London Wall Place  
London  
EC2Y 5AU  
Rathbone Investment Management (from November 2020)

#### Principal bankers

8 Finsbury Circus  
Finsbury  
London  
EC2M 7AZ  
Barclays Bank plc  
1 Churchill Place  
London  
E14 5HP



**Girls Friendly Society in  
England and Wales**

**Annual Report and Financial  
Statements**

**30 September 2021**

**Company Limited by  
Guarantee**

**Registration Number  
3172713 (England and  
Wales)**

**Charity Registration  
Number  
1054310**



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[www.girlsfriendlysociety.org.uk](http://www.girlsfriendlysociety.org.uk)

**GIRLS FRIENDLY SOCIETY IN ENGLAND AND WALES**

England & Wales - Charity number 1054310

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# Accounts

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**FOR GIRLS  
FOR FRIENDSHIP  
FOR SOCIETY**

Girls  
Friendly  
Society  
in England  
and Wales

**Annual Report and  
Financial Statements**

30 September 2020

Company Limited by Guarantee  
Registration Number  
3172713 (England and Wales)

Charity Registration Number  
1054310

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## Reference and administrative details of the charity, its trustees and advisers

<b>Trustees</b>	Ms I Vidal (Chair) Mrs C Charlesworth (Wales President) (resigned 5 December 2020) Ms E Dickinson Ms D Farrow (resigned 28 March 2020) Mrs M Hughes (Vice Chair) Ms L Massey (appointed 5 December 2020) Ms C Osborne Ms S Schibli (Treasurer) (resigned 30 August 2020) Ms R Turton (appointed 30 March 2020) Mrs M Winks (England President) Miss P Winks Ms M Young (Treasurer) (appointed 30 August 2020)
<b>Chief Executive</b>	Ms L Sercombe (appointed January 2020)
<b>Registered office and head office</b>	Unit 12, Angel Gate 326 City Road London EC1V 2PT
<b>Company registration number</b>	3172713 (England and Wales)
<b>Charity registration number</b>	1054310
<b>Website</b>	<a href="http://www.girlsfriendlysociety.org.uk">www.girlsfriendlysociety.org.uk</a>
<b>Facebook</b>	<a href="http://www.facebook.com/girlsfriendlysocietyuk">www.facebook.com/girlsfriendlysocietyuk</a>
<b>Twitter</b>	<a href="http://www.twitter.com/gfsenglandwales">www.twitter.com/gfsenglandwales</a>
<b>Instagram</b>	<a href="http://www.instagram.com/girlsfriendlysociety/">www.instagram.com/girlsfriendlysociety/</a>
<b>LinkedIn</b>	<a href="http://www.linkedin.com/company/girls-friendly-society-in-england-and-wales">www.linkedin.com/company/girls-friendly-society-in-england-and-wales</a>

## Reference and administrative details of the charity, its trustees and advisers

<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Solicitors</b>	Bates Wells & Braithwaite London LLP 2-6 Cannon Street London EC4M 6YH
<b>Custodians</b>	Schroders & Co Limited (to November 2020) 1 London Wall Place London EC2Y 5AU
<b>Principal investment managers</b>	Schroders & Co Limited (to November 2020) 1 London Wall Place London EC2Y 5AU  Rathbone Investment Management (from November 2020) 8 Finsbury Circus Finsbury London EC2M 7AZ
<b>Principal bankers</b>	Barclays Bank plc 1 Churchill Place London E14 5HP

## Chair's report 30 September 2020

The Girls Friendly Society in England and Wales (GFS) has a long and rich history of renewal and innovation. In its 145 years, our charity has seen six British monarchs, two world wars and the introduction of modern technology to the home and workplace. And yet, even our great organisation has been challenged in the last 12 months, by the debilitating effects of the coronavirus pandemic.

This is the greatest challenge we have faced – nationally and globally – in a generation, and it has tested humanity's capacity to collaborate, communicate and care for each other as never before. These values are ones which have fuelled our movement for many years, and the individual and collective endeavours of GFS women and girls has been heartening to see. From the unstoppable volunteers delivering care packages to girls isolated at home, to the inspiring staff members rapidly changing plans to accommodate online sessions. From the dedicated trustees and committee members who devoted extra time to support the running of the charity to our fearless girls and young women who led with ideas to keep us connected. This is the true spirit of GFS and a legacy that Mary Townsend would be proud of.

Despite the disruption, as a team, GFS achieved and delivered in a number of strategic areas:

- ◆ We focused on reforming and strengthening our culture, revising our policies to ensure a safe environment and creating more space for learning and collaboration across the organisation.
- ◆ We opened new groups physically and virtually, introduced new programmes and sessions, and provided our girls with extra support during these challenging times.
- ◆ We continued to work towards building a sustainable future for the charity, with a growth in fundraised income despite the difficult environment and a supported plan to release a portion of our permanent endowment to ensure that the charity continues for future generations.

As ever, all of this could not have been achieved without the love, commitment and support of our incredible girls, staff, volunteers and supporters. We will continue to build on the strong and inspiring roots of our movement, to develop a safe haven for girls and young women across England and Wales where they can learn more about themselves and the world, make new friends and importantly, have fun.



Iana Vidal

Chair

**Chair's report** 30 September 2020

## **Trustees' report** 30 September 2020

The trustees of Girls Friendly Society in England and Wales (GFS) present the Trustees' Report and Financial Statements for the year ended 30 September 2020.

This report has been prepared in accordance with Part VI of the Charities Act 2011 and constitutes a directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 33 to 39 of the attached financial statements and comply with the charitable company's memorandum and articles of association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

### **OBJECTS, ACTIVITIES AND PUBLIC BENEFIT**

#### **Objects**

GFS is established for the public benefit and for general charitable purposes according to the laws of England and Wales and in particular, but not exclusively, to advance education and any other charitable purpose for the benefit of women and girls. The charity works with women and girls of all religious faiths and of none.

#### **Public benefit aims**

The trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and activities for the year and the organisational plans for future periods.

#### **Our approach**

Our vision is a world where all girls and young women fulfil their potential.

Our mission is to provide opportunities for girls and young women to develop their confidence, self-esteem, wellbeing and resilience to enable them to fulfil their potential.

Our values: we endeavour to engage every girl, young woman, parent, volunteer and member of staff with the following principles of behaviour:

- ◆ Kindness
- ◆ Humility
- ◆ Trust
- ◆ Respect
- ◆ Empathy
- ◆ Compassion

## OBJECTS, ACTIVITIES AND PUBLIC BENEFIT (continued)

### The need

In 2020, there were a number of key pieces of research launched including that of Plan International UK who released *The State of Girls' Rights in the UK, 2020* which identified that:

- ◆ Girls do not feel safe in public;
- ◆ 2 in 3 girls aged 14-21 have been sexually harassed in public;
- ◆ Mental health issues amongst girls are rising and they don't feel this is being taken seriously; and
- ◆ Where a girl lives affects her experiences and opportunities.

In addition, The Fawcett Society shared its Unlimited Potential Report on the effect of gender stereotypes on young children. Some of their key findings remind us all why the work of GFS remains so important:

- ◆ 36% girls aged 7-10 say they are made to feel their looks are their most important attribute;
- ◆ 66% of people think people treat girls and boys differently because of their gender; and
- ◆ 56% of primary school teachers had one session or less on challenging gender stereotypes during their teacher training and 44% haven't had any since.

Research such as this remains vital to ensure our work is evidence based but, alongside such research, it is also so very helpful to hear from individuals such as Alicia in Bishop Auckland who wrote to say:

*'Can I just say that it has honestly made me so happy that an organisation like GFS exists? I would have loved to have been part of something like this when I was younger! There is so much pressure on women at any age but especially as young adults to look, perform, speak and act a certain way, and without guidance from an organisation like yourselves they will get their guidance from Instagram. And that's not a world I want to see. Girls at any age should be standing up strong and working for what they believe in and your charity gives them a voice and keeps them safe! I'm only 25 so it wasn't so long ago I felt the pressures as a teenager! Thank you for helping our future women!'*

### What we do

It is well known that girls and young women start to lose confidence at key times in their development. GFS is there to support them through these difficult transitions by providing opportunities for them to come together in a safe environment that is designed to inspire and empower. The GFS role models offer this while girls have fun, make friends and develop their understanding about themselves and the world around them to enable them to go on to achieve their personal vision and live as confident, independent women.

**OBJECTS, ACTIVITIES AND PUBLIC BENEFIT** (continued)

We developed our programme in consultation with the groups and informed by the issues girls and young women face today, and current academic thinking in youth development. Our small staff team and national network of more than 200 trained volunteers deliver a gender-specific programme of activities, services and support to girls and young women aged between 5 - 25 in a safe, single gender, non-judgmental environment throughout England and Wales designed to:

- ◆ Build self-esteem, wellbeing and resilience;
- ◆ Create support networks and foster friendship; and
- ◆ Develop healthy life coping and decision-making skills.

Our groups meet weekly for one to two hours. A typical session will start with check-in and circle time where girls discuss their week and any plans for future sessions. This is followed by one or two activities selected from the themes below. Sessions end with reflection time.

**GFS Programme Framework**

<b>Self-esteem</b>	<i>"I feel good about myself"</i>	<b>Happy to Be Me</b> "I like myself and am aware of issues affecting girls and young women like me"	<b>Issues</b>	issues affecting girls and young women
		<b>My Community</b> "I feel a sense of belonging and connection to people and places"	<b>Relationships</b>	relating to others
			<b>Volunteer</b>	making a contribution to society
			<b>Trips Out</b>	personal development
<b>Wellbeing</b>	<i>"I am happy and healthy"</i>	<b>Be Creative</b> "I can express myself and have interests and talents"	<b>Arts and Crafts</b>	creativity and self-expression
		<b>Get Active</b> "I enjoy feeling healthy and positive"	<b>Music and Drama</b>	development through performance
			<b>Physical</b>	being active, fit and healthy
<b>Resilience</b>	<i>"I can deal with problems"</i>	<b>Have Fun</b> "I have fun, take risks and like working in a team"	<b>Games</b>	social and emotional skills
			<b>Group Challenge</b>	interpersonal skills and teamwork
		<b>Skills for Life</b> "I know how to look after myself and others"	<b>Skill-based</b>	essential life skills

## **OBJECTS, ACTIVITIES AND PUBLIC BENEFIT** (continued)

For many of the girls and young women, our groups provide stability and an opportunity for them to develop their understanding of the importance of supporting each other and accepting one another, regardless of economic status, race, religion, cultural background, sexual orientation or ability.

We provide guidance, advice and information about a number of topics, issues and themes including friendship, healthy living, positive relationships, happiness and independent living. We also support and promote campaigns addressing issues affecting girls and young women such as sexualisation, abusive relationships, discrimination, the lack of equality in the workplace and everyday sexism.

### **Strategic aims and objectives**

The Board and staff team worked together in 2020 to develop a five year plan that looked back to our roots of 1875 and ahead to our 150<sup>th</sup> anniversary in 2025. We built a plan around the reality that this is an organisation that is needed just as much today as it was when it was founded. The plan has three core fundamentals.

Our first priority is to build on what we have in terms of **culture** and make the most of the strengths of our people that resulted in a brave, collaborative team that was able to deliver a safe and relevant service for the girls and young women we serve.

Our second priority is to acknowledge that we are proud of what the volunteer groups achieve across England and Wales and grow our impact by implementing an ambitious **growth** plan to ensure that we can continue to offer support where it is needed, but in an efficient and impactful way.

Our third priority is **sustainability** and therefore has a focus on assuring the long-term future of the charity. The Third Sector has faced challenges around sustainability and GFS is no different. To continue to build on our founder's vision and the 150 years of dedication offered by our volunteers, we owe it to them to build a sound and sustainable financial plan.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Culture**

COVID dominated the year for GFS as it did for everyone. The team was dedicated, hardworking and creative which meant that GFS was able to constantly pivot and find a way to continue to provide services for girls and young women who we saw being disproportionately affected by the pandemic. They needed the service more than ever before and we recognised that our commitment to have an effective and supportive culture was vital during this time.

When the Pandemic started we had already carried out a review of the structure, roles and responsibilities. This was to empower the team to focus on what was important but also develop a spirit of responsibility and

## ACHIEVEMENTS AND PERFORMANCE (continued)

accountability. A key part of this work was to establish a Leadership Team which was vital as they worked closely together to carry the team and organisation through COVID. As well as refining job descriptions and developing more effective teams, we developed banks of policies and procedures so that there was real clarity for staff and volunteers and that they felt enabled to make decisions and manage locally.

The staff team adopted a new approach which was all about ensuring the volunteers were served better by us, the employees. The Board worked with the staff team to support the initiative and carried out vital work streams such as an organisational governance review. This also included the launch of BBS - Better Board Staff – to have a more supportive and collaborative approach so that volunteers and girls would all benefit. For example, we made the most of 'Zoom' with staff and board members all making a commitment to join volunteer regional and national meetings to develop more meaningful and effective working relationships. We also set up a regular CEO coffee morning to support volunteers through a virtual 'open door policy'.

We worked hard before, and during, COVID to build excellent relationships with volunteers, support their needs, improve our training and development offer; investing in them so that girls and young women benefitted. We saw the development and implementation of a suite of volunteer training modules as well as a separate one for group leaders. We know that this, alongside our new Group Leader Handbook, will mean we can succession plan and assure a high quality service. We also developed a virtual safeguarding course so we can update and refresh everyone's safeguarding knowledge annually and ensure a high degree of knowledge to support vulnerable girls and young women.

One of the key parts of our work under culture was to reinvigorate our work to hear girls' voices. The most notable project was to establish our pilot focus group - the **Jane Bonds**. They have been meeting weekly to feed into key strands of our strategic planning, decision making and programme development. Their work is going to be an important part of our future alongside such projects as **Voices of the Frontline**, a project in the North West funded by ROSA that sets out to support girls to have confidence in their own thoughts and voices. This exciting piece of work resulted in the launch of a campaign, designed and implemented by the girls.

The staff team, like others in our sector, saw increased demand for our service alongside operational and funding challenges making it difficult for us to respond. It was so important to keep the team united and strong, especially when we could not be together. We met on Zoom every week and once a month did a training session together as well as a monthly wellness session. Nothing could replace being together but we did all we could to address that gap so that we were as effective and mutually supportive as possible.

## **ACHIEVEMENTS AND PERFORMANCE** (continued)

We also supported key campaigns such as **Show the Salary** and **Black Lives Matter**. We invested in our learning and development as well as initiating important work streams. For example we established an Equality Diversity and Inclusion Taskforce to initiate learning, policy and practice across all teams and the organisation. This was supported by our **Day of Learning** when we all committed to learning about how to ensure we could be an anti-racist charity.

### **Growth**

Growing our impact is a core ambition for the organisation and in the year of the Pandemic this became all about adapting what we did to develop our offering for girls. GFS responded quickly to the sudden and dramatic impact of COVID; a core team was assembled to monitor external developments, manage decision making and share vital communications for the charity. Of course we had no choice but to close all GFS groups in March 2020, and the closure of the London office in the same month.

The staff team were supported to work from home and they developed an online offer with interactive groups to keep girls connected and supported. At the same time, the team developed a support network for volunteers to keep them connected to the organisation, which for some, was central to their lives and mental wellbeing. Despite the challenges during this time we managed to deliver 13 virtual groups, open two new groups, as well as launch a national online programme: Big Dreamers Club.

In addition we wrote, revised and revised again a regional development plan to plan for safe return and our development. We also developed a bank of regular print-free #StayConnected resources for girls at home. We then went onto prepare the national team by developing a plan, communications, training and resources for a safe return to groups. This was a difficult time but the organisation achieved growth as well as establishing new work.

The Voices from the Frontline campaigning project was important work that will feed into our efforts to become more 'girl shaped' as well as enable us to grow our impact with the simple objective of encouraging them to have confidence in their thoughts and then voicing those thoughts.

The organisation has an objective to raise our profile and during this time we supported campaigns as well as contributing to Black History Month with communications such as #sharethemic. We enjoyed working in partnership with others such as International Women's Day and a related project with Google, and International Day of the Girl and our work with Festival of the Girl. Our communication is vital for this and we invested some time to agree key messaging to, for example, develop our organisational position on feminism, revise our values, as well as early work to review our strategic plan.

**ACHIEVEMENTS AND PERFORMANCE** (continued)

Our impact measurement and our ability to comment on this relies heavily on our data and we recognise how important it is to get this right for the charity, our partners and supporters. We took some time to develop a database baseline in SalesForce, establish a decluttered layout, as well as review our data. We have more work to do on this but are excited about what this early work will be able to do in terms of clear reporting.

**Sustainability and future plans**

Our work to address this fundamental foundation stone was also challenged by COVID. We developed a fundraising strategy and started to build a team, a case for support and key processes and policies. COVID meant that income was significantly reduced across the sector for fundraising and investments because of the financial crisis in the markets which had an impact for GFS as it did for others in the sector.

A variety of funders announced emergency funding for charities, but these were not open to GFS as our charitable objects did not meet the criteria for support. There was increased competition and funders often chose to continue to support charities they had already worked with rather than new organisations. Despite this the team did well and we started to see a pipeline that generated income from trusts and foundations as well as corporate partnerships such as Legal & General.

The charity was advised by its investment managers that the impact on financial markets would affect our returns for 2019/20, and we recognised these in our reporting by developing a reforecast and being mindful of keeping costs down as much as possible. Furthermore, we were proud to successfully work through a retender process and achieve a positive outcome for the charity. This review of our investment programme will ensure that we have a total return approach so that the capital is better protected and less at risk.

We were assisted through this by the strong leadership of the team which was vital to us steering a steady course through such difficult times. It enabled us to implement our new fundraising strategy and develop new financial practices in an effort to support volunteers and governance, as well as review key lines of expenditure to save funds – approximately £40k this year.

An important contributing factor was to successfully apply to the Charity Commission to release £3.5M from permanent endowments and designate this to invest in the fundraising strategy and give the charity time to achieve our strategic plan. In 2019, to support the organisation's five year strategic plan, "*A Clear View Ahead*", trustees applied to the Charity Commission to release part of the Permanent Endowment in order to that it can be applied towards the implementation of a new fundraising strategy for the charity, in furtherance of the Objects. The new fundraising strategy was designed so that the charity could invest in the adoption of

## **ACHIEVEMENTS AND PERFORMANCE** (continued)

a more diverse approach to income streams, including trusts & foundations, corporate giving, legacy, individual and regular giving as well as membership.

These plans for long term sustainability were rooted in the fact that the charity sought to invest this sum in stages over a period of ten years. This was to allow the charity to invest more confidently in the first few years to establish this change programme and weather any financial shock or market volatility, with a view to reassessing funding needs in later years when a diversified income strategy is successfully embedded. Building a sustainable fundraising base is a long-term project and whilst we will see income generated in year one of the plan, we assume that no meaningful impact will be seen before 2-3 years because it takes time to develop the team, the resources and the pipeline.

During this time we not only need investment to continue to deliver the services in place but also to invest in growing the income generation team. Therefore we will seek to grow the team by recruiting two members of the team in 2020 and a further two in 2021 before reviewing our progress and having the flexibility to adjust our plans in line with the financial and strategic needs of the organisation. Estimating where to invest is not straightforward. However, the fundraising strategy has been developed around the best ROI and around opportunity allowing time for these income streams to mature and come to fruition.

Since writing the original strategy, it is worth noting that COVID-19 has made every strand of this plan more challenging. Operationally the need has grown; the girls we work with have become isolated, vulnerable and in need of a service. There is much evidence from organisations such as NSPCC and Young Minds that suggest this need is going to increase and that post COVID-19 charities such as GFS will need to address the 'Post Traumatic Stress' that young people are going to emerge with. Financially it is challenging because investments have declined and certain areas of fundraising declined dramatically. This is reinforcing that we need to diversify our income streams but with a real focus on areas of success.

## **FINANCIAL REVIEW**

### **Results for the year**

The statement of financial activities on page 29 shows net expenditure for the year before investment losses of £87,853 (2019 – £240,106) being a deficit on unrestricted funds of £34,398 (2019 – £155,646), a deficit on restricted funds of £53,455 (2019 – £83,348) and a deficit on the endowment funds of £nil (2019 – £1,112).

Total income for the year was £649,543 (2019 – £550,093) with income from investments and interest receivable comprising 74% (2019 – 95%)

**FINANCIAL REVIEW** (continued)

of the total and amounting to £481,259 (2019 – £509,539). Included in the income is the gain from the sale of freehold land and buildings amounting to £131,086. Although the income yield from investments is welcome, it may not be sustainable and there is a need for it to be supplemented by substantial other sources of income in the future to ensure the financial security which will safeguard the charity's services for the long term.

Expenditure in the year totalled £737,396 (2019 – £790,199) with expenditure on community and school based programmes amounting to £639,822 (2019 – £719,163). The charity's largest expense item continues to be staff costs reflecting the importance of people to the successful achievement of the organisation's aims – both paid staff and volunteers. The trustees continue to strive to achieve the charity's aims within the framework of providing a high quality service to the girls and young women who require the charity's support.

The final net movement in funds for the year, after net investment losses of £940,231 (2019 – £138,042) amounted to losses of £1,028,084 (2019 – £378,148).

Over recent years the charity has made substantial deficits on its continuing activities. Like many other charitable organisations, the impact of COVID, changes in Government policy, together with the economic climate have had a major effect on fundraising plans. Despite this, we have developed a sensible strategy, recruited a team and had some good successes in grant and corporate relationships.

**Financial position**

*Free reserves and reserves policy*

GFS' policy is to maintain adequate level of cash or free reserves, net of the pension fund deficit, of around 3-4 months' expenditure, so that the charity can at least fund a baseline service, should it ever be in a position of not being able to meet its short-term cash flow needs. The reserves are, in the main, restricted to generate income to fund the service; we are unable to access these as free reserves. However, the Trustees have structured the reserves to protect the service and also allow the charity to continue to fundraise in order to prevent any shortfall in cash flow (should it arise) becoming an on-going issue.

The charity carries a pension deficit of £226,360 that also needs to be mitigated by our reserves. The endowment interest provides the charity with a more sustainable income stream to fund the baseline service and to help erode the pension deficit over time. The additional fundraising income is being built on top of the strong financial foundation the endowment provides, to allow the charity to innovate and to meet the growing demand for our services.

**FINANCIAL REVIEW** (continued)

*Free reserves and reserves policy (continued)*

In 2019, the Leadership Team and Board of Trustees recognised that the charity needed to adopt a new strategy to be able to meet the growing need our service users and volunteers were facing in the communities. Across the country other youth services had been systematically closing due to years of austerity measures taking their toll.

In 2020, we were successful in our application to the Charity Commission to move £3.5m from the restricted endowment to designated funds. These funds are now designated to fund the growth in our fundraising capability so that we can develop a sustainable future for the charity by diversifying our income portfolio beyond being solely reliant on our endowment.

In order for GFS to remain socially impactful, we also need to evolve our services to fully meet the changing needs of the girls we serve. While the reserves may appear significant, they cannot contribute to our innovation or expansion costs financially or legally. In actuality, our unrestricted free reserves net of the pension fund deficit, and therefore the ones that are available to us, totalled £242,612 at the year end. This equates to just below 4 months expenditure and therefore is in line with the reserves policy.

The new and evolving fundraising team are working on a plan that allows GFS to evolve our clubs digitally, geographically, diversify our volunteers and introduce more robust impact measurements. All of which proved crucial when responding to the pandemic. It is early days but we have seen success evolving in attracting funds from the National Lottery, a Community Fund, Trusts and our first corporate partnership in Legal & General. Alongside this we are managing costs better and finding more affordable ways to deliver our services.

Being a 150 year old youth organisation, we know how remaining relevant to the needs of the girls we serve is vital to making a lasting and meaningful impact. The blended finance of the core model being underpinned by the endowment, but kept fresh and versant by the fundraised income enables GFS to continue to meet our impact goals even as needs change and demand increases.

GFS's fundraising strategy currently focuses on two income streams, Trusts and Foundations and Corporate Social Responsibility. The level of reserves is reflective of the risks and levels of uncertainty associated with these two income streams, and takes into consideration the fact that GFS is still in the very early stages of fundraising rather than being fully funded by our endowment. The reserves policy is reviewed at least annually.

*Other funds*

In addition to its endowment funds, at 30 September 2020, GFS had restricted funds which totalled £2,273,044 (2019 – £2,391,681) most of

## **FINANCIAL REVIEW** (continued)

which are restricted to being spent in certain geographic areas and, in particular, specific dioceses. Full details of the funds are given in notes 17 to 19 to the attached financial statements.

As noted above, the charity has certain designated funds which at 30 September 2020 totalled £3,886,167 (2019 – £436,039) and comprise monies invested, in part, to generate income. The increase being attributed to the charity commission granting the release of £3,500,000 from the endowment fund which has been released to designate into the organisational growth and sustainability.

The pension deficit fund of minus £226,360 matches the liability on the balance sheet in respect to the defined benefit pension scheme which the charity contributes to on behalf of certain of its employees. Details of the scheme and the deficit funding determined by an actuary are given in note 24 to the attached financial statements.

The tangible fixed assets fund of £6,610 (2019 – £10,032) represents the net book value of those tangible fixed assets held as part of the charity's unrestricted funds.

The pension deficit fund of minus £226,360 matches the liability on the balance sheet in respect to the defined benefit pension scheme which the charity contributes to on behalf of certain of its employees. Details of the scheme and the deficit funding determined by an actuary are given in note 24 to the attached financial statements.

The tangible fixed assets fund of £6,610 (2019 – £10,032) represents the net book value of those tangible fixed assets held as part of the charity's unrestricted funds.

### **Investment policy**

The charity has a portfolio of investments which had a market value as at 30 September 2020 of £9,134,345 (2019 – £10,200,749) comprising listed investments of £9,117,488 (2019 – £10,159,464), and cash awaiting investment of £16,857 (2019 – £41,285). The investment portfolio represents in part the charity's endowment funds, the capital of which cannot be spent.

Following the worldwide outbreak of the Coronavirus pandemic and its impact on global markets, between 1 October 2019 and 31 March 2020 the market value of the charity's investments had fallen by approximately 9%. However, since 31 March the value of the investment portfolio has recovered.

## **FINANCIAL REVIEW** (continued)

### **Investment policy** (continued)

Independent investment managers, who operate within specific guidelines that are set and regularly reviewed by the trustees, manage the charity's investments. The investment objectives are to achieve the highest possible yield from the portfolio and long term capital growth whilst maintaining the underlying risk at acceptable levels.

The trustees meet with the investment managers regularly to review the performance of the portfolio and the investment strategy.

### **The charity's assets**

Tangible fixed assets, as well as acquisitions and disposals of fixed assets during the year are recorded in note 11 to the financial statements.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

The trustees have assessed the major risks to which the charity is exposed. Finance, Legal and Regulatory, Operational, People and Safety, Information Security and Impact. The trustees believe that by monitoring these and developing controls they will have established effective systems to mitigate such risks. These activities are designed to identify and manage, rather than eliminate, the risk of failure to achieve the charity's objectives or to successfully deliver on our strategy.

The trustees discuss risks at every Board meeting, although risks may be raised by the Chief Executive to the Board at any time. The **risk management process** includes:

- ◆ Risk identification – including principal risks
- ◆ Risk assessment – of potential likelihood and estimated severity
- ◆ Risk response – to accept or remediate current risk, determine corrective action if needed
- ◆ Risk reporting and monitoring – by staff, RDCs, and Investment and Finance and Audit Committees, and by trustees

The Board uses a Risk Rating matrix to help it focus on the principal risks where we need to develop and execute on mitigating plans of action. The risk rating ensures risks are prioritised – with the lowest priority starting at 'no action', increasing to 'monitor', then 'action', and the highest priorities given to 'urgent action' and 'stop'. There are currently no risks assessed as 'urgent action' and 'stop'.

**PRINCIPAL RISKS AND UNCERTAINTIES** (continued)

A summary of the top ten principal risks and uncertainties that have been identified by the trustees follows:

Strategic risk	Operational risk	Outcome	Plans to mitigate risk
<b>Finance</b>	Continuing to run charity on a deficit	Funding to run out in 8-10 years	<ul style="list-style-type: none"> <li>• Strategic plan developed to generate funds</li> <li>• Fundraising strategy reviewed by Board December 2020</li> <li>• CC has given permission to unlock endowment fund to the value of £3.5M and is now designated</li> </ul>
	Failure in investments and/or markets	Reduced funds because of COVID	<ul style="list-style-type: none"> <li>• This was raised as a risk because of COVID markets</li> <li>• Appropriate reserves in place</li> <li>• Reserves policy in place</li> <li>• Re-tender process achieved</li> <li>• Investment policy in place</li> <li>• Regular monitoring</li> <li>• Good quality financial advice</li> </ul>
	Failure to meet regulatory requirements	Action taken by Charity Commission, Companies House, Fundraising Regulator, Information Commissioner's Office	<ul style="list-style-type: none"> <li>• Understanding legal and regulatory requirements</li> <li>• Monitoring compliance of requirements</li> <li>• Ensuring appropriate skills at board, staff and volunteer level</li> </ul>
	Mismanagement of staff team or service delivery as a result of COVID-19	Diagnosed case of Coronavirus at GFS in staff team and/or group	<ul style="list-style-type: none"> <li>• COVID task force managed transition to remote working and digital offer for girls</li> <li>• COVID task force will manage a cautious return to office and re-opening of groups but nothing before March 2021 at earliest</li> </ul>

			<ul style="list-style-type: none"> <li>• Safe Return policy and pack in place – project lead appointed</li> </ul>
	Non-compliance with GDPR	Action taken by the Charity Commission, Companies House or Information Commissioner's Office, Reputational damage, Fine	<ul style="list-style-type: none"> <li>• GDPR Compliance Forms for groups to sign</li> <li>• GDPR updates required by groups and families</li> <li>• Regular GDPR compliance monitoring</li> <li>• Training and support for staff and volunteers</li> <li>• This will be reviewed as part of budget and post budget action plan</li> </ul>
	Unjustified cost per beneficiary ratio	Reduced reach and impact because of COVID	<ul style="list-style-type: none"> <li>• Possibility of some groups not returning post COVID and our cost per beneficiary ratio worsening in the short term</li> <li>• Virtual groups, volunteer comms planning, online resources</li> <li>• Strategy to increase number of beneficiaries but this has been further delayed because of COVID</li> <li>• Regular monitoring of numbers of beneficiaries</li> <li>• Regular financial monitoring</li> <li>•</li> </ul>

**PRINCIPAL RISKS AND UNCERTAINTIES** (continued)

Strategic risk	Operational risk	Outcome	Plans to mitigate risk
<b>Impact</b>	Inadequate quality of programme	Reduced reach and impact because of COVID	<ul style="list-style-type: none"> <li>• Continued programme development</li> <li>• Regular training for volunteers</li> <li>• Monitoring of programme delivery and development of QA process</li> <li>• Evaluation process for beneficiaries in development</li> <li>• Virtual programme and BDC</li> </ul>
	Inadequate quality of delivery/ operations	Reduced reach and impact because of COVID	<ul style="list-style-type: none"> <li>• Regular monitoring of stakeholder journey</li> <li>Development of evaluation process for beneficiaries</li> </ul>
	Closure of GFS groups due to unwillingness to be compliant	Reduced reach and impact because of COVID	<ul style="list-style-type: none"> <li>• Clear comms from HO to groups regarding compliance position</li> <li>• Clarity of support for compliance</li> <li>• Decisive action if this is not achieved – two groups closed August 20</li> <li>•</li> </ul>
	Any finance, legal, regulatory, operational, safeguarding, cyber security or impact issue or incident with GFS worldwide or a GFS in another country	Reduced reach and impact because of COVID	<ul style="list-style-type: none"> <li>• Clarification of GFS England &amp; Wales' role in and relationship with GFS worldwide</li> <li>• Engagement with GFS worldwide on the topic at next World Council</li> <li>• Request that GFS worldwide monitor and report any incidents</li> <li>• Prepare and plan for PR communications</li> </ul>

## **GOVERNANCE, STRUCTURE, MANAGEMENT AND POLICIES**

### **Governance**

Girls Friendly Society in England and Wales is a company limited by guarantee (Company Registration No. 3172713) and is registered under the Charities Act 2011 (Charity Registration No. 1054310).

The board of trustees consists of up to eight elected representatives and four co-opted representatives. The elected representatives comprise the English President, the Welsh President, four GFS members with appropriate skills and two 15-25 year-old representatives.

Trustees are elected by members of GFS in accordance with procedures laid out in the Bye Laws. Newly elected trustees are formally interviewed and their appointment is for a three year term. Trustees may serve for two consecutive terms of office and thereafter must take a break from office. The trustees may from time to time appoint additional trustees either to fill casual vacancies or by way of co-option to the Board.

Each new trustee receives an induction pack, and an existing board member becomes their mentor for at least one year. Trustees are encouraged to attend individual in-house and external training events with or without staff. Trustees also have a member of the Senior Leadership Team as a mentor and who they meet informally to ensure good staff-board communication. This is an initiative that has been started since the launch of the **Better Board Staff Focus Group** in 2020.

The trustees constitute directors of the charity for the purposes of the Companies Act 2006.

The trustees take responsibility for monitoring the charity's activities and constant regard is had to the skills mix of the trustees to ensure that the board of trustees has all the necessary skills required to contribute fully to the charity's development.

No trustee received any remuneration for services as a trustee during the period. No trustee had any beneficial interest in any contract with the charity during the period.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and financial statements.

### **Statement of trustees' responsibilities**

The trustees (who are also directors of GFS for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**GOVERNANCE, STRUCTURE, MANAGEMENT AND POLICIES**  
(continued)

**Statement of trustees' responsibilities** (continued)

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the trustee has taken all the steps needed as a trustee in order to make herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

**GOVERNANCE, STRUCTURE, MANAGEMENT AND POLICIES**  
(continued)

**Statement of trustees' responsibilities** (continued)

The trustees are responsible for the maintenance and integrity of financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Employees**

GFS aims to be an equal opportunities employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Selection criteria and procedures are reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunity and, where appropriate and possible, special training to enable them to progress both within and outside the organisation. GFS is committed to a programme of action to make this policy effective, and brings it to the attention of all employees.

**Key management personnel**

The trustees consider that they, together with the Chief Executive and Leadership Team, comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. None of the trustees receives any remuneration in connection with their role as key management personnel.

The remuneration of the Chief Executive and Leadership Team is determined by the trustees after considering and benchmarking against salaries paid for similar roles by other organisations. It is reviewed on an annual basis and staff salaries are externally benchmarked every two years.

**Structure and management reporting**

Overall responsibility for the charity rests with the trustees who are charged with setting and monitoring the overall strategic direction of the charity and for establishing policy. The trustees, who meet on a regular basis, delegate the day-to-day operation of the charity to the Chief Executive and her Leadership team. The Chief Executive meets with the Chair at least once a month and reports to the trustees on a regular basis. The trustees meet quarterly.

**GOVERNANCE, STRUCTURE, MANAGEMENT AND POLICIES**  
(continued)

**Structure and management reporting** (continued)

Within GFS there are three sub-committees: the Investment Committee, the Finance and Audit Committee and the Youth Committee (currently being re-designed). Each comprises two or more trustees, existing GFS members with relevant skills and external specialists. The Board has reviewed its practice and committed to complying with the Charity Governance Code to ensure GFS governance is best practice and has a sense of audit of its own.

**Trustees**

The trustees who were in office during the year and up to the date of signing the financial statements are listed on page 1 and our thanks goes to them for their incredible support during a difficult year.

**Our volunteers**

We would like to thank our volunteers, without whom we would not be able to deliver our programme of activities to girls and young women and whose dedication to the girls and young women they serve has been extraordinary during COVID-19.

**Fundraising policy**

The charity aims to achieve best practice in the way in which it communicates with supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters.

The charity's fundraising activities have always been aligned to professional and ethical practices. We are committed to this approach and are therefore registered with the Fundraising Regulator and signed up to the Fundraising Preference Service. Each year we carry out an annual audit of our practice against the Regulator's standards as part of our audit process.

Our fundraising practice and performance is regularly monitored against our own fundraising policy and ethical practices which include a commitment to protect the public, vulnerable people, from unreasonably intrusive, persistent or pressurised fundraising practice.

We do not work with commercial fundraising organisations and do not carry out face to face door to door or telephone and digital fundraising. We do not sell or buy personal data and are proud to say that we have received no fundraising complaints in the past year.

**Trustees' report** 30 September 2020

**GOVERNANCE, STRUCTURE, MANAGEMENT AND POLICIES**

(continued)

**Fundraising Policy** (continued)

**Our donors**

We thank the following individuals and organisations who have supported the charity during 2019-20 and formally acknowledge our thanks as a condition of the grant:

- ◆ Northumbria Police and Crime Commissioner
- ◆ ROSA Fund for Women

Trustees' report approved by and signed on behalf of the trustees:



I. Vidal

Trustee

Approved on: 27 March 2021

## **Independent auditor's report to the members of Girls Friendly Society in England and Wales**

### **Opinion**

We have audited the financial statements of Girls Friendly Society in England and Wales (the 'charitable company') for the year ended 30 September 2020 which comprise the statement of financial activities, the comparative statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 30 September 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

## **Independent auditor's report** Year to 30 September 2020

- ◆ the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report

to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable 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 (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Independent auditor's report** Year to 30 September 2020

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Buzzacott LLP*



Amanda Francis (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

30 March 2021

**Statement of financial activities  
(incorporating an income and expenditure account)** Year to 30 September  
2020

	Notes	General funds £	Designated funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
<b>Income and expenditure</b>							
<b>Income from:</b>							
Donations and legacies	1	13,522	—	14,352	—	<b>27,874</b>	25,486
Investment income and interest receivable	2	395,569	—	85,690	—	<b>481,259</b>	509,539
Gain on disposal of tangible fixed asset		131,086	—	—	—	<b>131,086</b>	—
Charitable activities							
. Community and school based programmes: grants receivable		1,970	—	—	—	<b>1,970</b>	2,808
Other sources							
. Miscellaneous income		7,354	—	—	—	<b>7,354</b>	12,260
<b>Total income</b>		<b>549,501</b>	<b>—</b>	<b>100,042</b>	<b>—</b>	<b>649,543</b>	<b>550,093</b>
<b>Expenditure on:</b>							
Raising funds	3	97,574	—	—	—	<b>97,574</b>	71,036
Charitable activities:							
. Community and school based programmes	4	486,325	—	153,497	—	<b>639,822</b>	719,163
<b>Total expenditure</b>		<b>583,899</b>	<b>—</b>	<b>153,497</b>	<b>—</b>	<b>737,396</b>	<b>790,199</b>
<b>Net expenditure before net investment losses</b>	7	<b>(34,398)</b>	<b>—</b>	<b>(53,455)</b>	<b>—</b>	<b>(87,853)</b>	<b>(240,106)</b>
<b>Net losses on investments</b>		<b>—</b>	<b>(49,872)</b>	<b>(65,182)</b>	<b>(825,177)</b>	<b>(940,231)</b>	<b>(138,042)</b>
<b>Net expenditure</b>		<b>(34,398)</b>	<b>(49,872)</b>	<b>(118,637)</b>	<b>(825,177)</b>	<b>(1,028,084)</b>	<b>(378,148)</b>
<b>Statement of recognised gains and losses</b>							
Actuarial gains on defined benefit pension scheme	24	—	—	—	—	<b>—</b>	—
<b>Net movement in funds before transfers</b>		<b>(34,398)</b>	<b>(49,872)</b>	<b>(118,637)</b>	<b>(825,177)</b>	<b>(1,028,084)</b>	<b>(378,148)</b>
<b>Transfers between funds</b>	20	<b>—</b>	<b>3,500,000</b>	<b>—</b>	<b>(3,500,000)</b>	<b>—</b>	<b>—</b>
<b>Net movement in funds</b>		<b>(34,398)</b>	<b>3,450,128</b>	<b>(118,637)</b>	<b>(4,325,177)</b>	<b>(1,028,084)</b>	<b>(378,148)</b>
<b>Reconciliation of funds:</b>							
Fund balances brought forward at 1 October 2019		283,620	436,039	2,391,681	7,212,767	<b>10,324,107</b>	10,702,255
<b>Fund balances carried forward at 30 September 2020</b>		<b>249,222</b>	<b>3,886,167</b>	<b>2,273,044</b>	<b>2,887,590</b>	<b>9,296,023</b>	<b>10,324,107</b>

All of the charity's activities derived from continuing operations during the above financial period and the immediately preceding financial period.

All recognised gains and losses are included in the above statement of financial activities.

A full comparative statement of financial activities for the year to 30 September 2019 is set out on page 30.

**Comparative statement of financial activities  
(incorporating an income and expenditure account) Year to 30 September  
2019**

	Notes	General funds £	Designated funds £	Restricted funds £	Endowment funds £	2019 Total funds £
<i>Income and expenditure</i>						
Income from:						
Donations and legacies	1	25,486	—	—	—	25,486
Investment income and interest receivable	2	409,508	—	100,031	—	509,539
Charitable activities						
. Community and school based programmes: grants receivable		2,808	—	—	—	2,808
Other sources						
. Miscellaneous income		12,260	—	—	—	12,260
Total income		450,062	—	100,031	—	550,093
Expenditure on:						
Raising funds	3	71,036	—	—	—	71,036
Charitable activities:						
. Community and school based programmes	4	534,672	—	183,379	1,112	719,163
Total expenditure		605,708	—	183,379	1,112	790,199
Net expenditure before net investment losses	7	(155,646)	—	(83,348)	(1,112)	(240,106)
Net (losses) gains on investments		3,848	(12,547)	51,688	(181,031)	(138,042)
Net expenditure		(151,798)	(12,547)	(31,660)	(182,143)	(378,148)
<i>Statement of recognised gains and losses</i>						
Actuarial gains on defined benefit pension scheme	24	—	—	—	—	—
Net movement in funds before transfers		(151,798)	(12,547)	(31,660)	(182,143)	(378,148)
Transfers between funds	17	350,000	(350,000)	—	—	—
Net movement in funds		198,202	(362,547)	(31,660)	(182,143)	(378,148)
Reconciliation of funds:						
Fund balances brought forward at 1 October 2018		85,418	798,586	2,423,341	7,394,910	10,702,255
Fund balances carried forward at 30 September 2019		283,620	436,039	2,391,681	7,212,767	10,324,107

## Balance sheet 30 September 2020

	Notes	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Tangible assets	11		6,610		68,388
Investments	12		9,134,345		10,200,749
			<u>9,140,955</u>		<u>10,269,137</u>
<b>Current assets</b>					
Debtors	13	110,479		120,349	
Short term deposits		88,019		78,531	
Cash at bank and in hand		<u>262,178</u>		<u>201,665</u>	
		<u>460,676</u>		<u>400,545</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	14	<u>(79,248)</u>		<u>(69,575)</u>	
<b>Net current assets</b>			<u>381,429</u>		<u>330,970</u>
<b>Total net assets less current liabilities</b>			<u>9,522,383</u>		<u>10,600,107</u>
<b>Provisions for liabilities</b>	15		<u>(226,360)</u>		<u>(276,000)</u>
<b>Total net assets</b>			<u>9,296,023</u>		<u>10,324,107</u>
<b>The funds of the charity:</b>					
<b>Funds and reserves</b>					
Permanent endowment funds	16		2,887,590		7,212,767
Restricted income funds					
. Trust funds	18	243,018		250,959	
. Diocesan funds	19	<u>2,030,026</u>		<u>2,140,722</u>	
			<u>2,273,044</u>		<u>2,391,681</u>
Unrestricted income funds					
. Designated funds	20	3,886,167		436,039	
. General funds					
. Tangible fixed assets fund		6,610		10,032	
. Free reserves		468,972		549,588	
. Pension deficit fund	24	<u>(226,360)</u>		<u>(276,000)</u>	
		<u>249,222</u>		<u>283,620</u>	
			<u>4,135,389</u>		<u>719,659</u>
			<u>9,296,023</u>		<u>10,324,107</u>

The financial statements were approved by the trustees of Girls Friendly Society in England and Wales Company Registration No. 3172713 (England and Wales) and signed on its behalf by:



I. Vidal

Trustee

Approved on: 27 March 2021

## Statement of cash flows Year to 30 September 2020

	Notes	2020 £	2019 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	<b>(721,763)</b>	<b>(798,225)</b>
<b>Cash flows from investing activities:</b>			
Investment income received		476,129	521,901
Interest received		561	434
Purchase of tangible fixed assets		(1,076)	(7,680)
Proceeds from the disposal of tangible fixed assets		190,000	—
Proceeds from the disposal of investments		563,471	1,082,441
Purchase of investments		(461,749)	(809,510)
<b>Net cash provided by investing activities</b>		<b>767,336</b>	<b>787,586</b>
<b>Change in cash and cash equivalents in the year</b>		<b>45,573</b>	<b>(10,639)</b>
<b>Cash and cash equivalents at 1 October 2019</b>	B	<b>321,481</b>	<b>332,120</b>
<b>Cash and cash equivalents at 30 September 2020</b>	B	<b>367,054</b>	<b>321,481</b>

### Notes to the statement of cash flows for the year to 30 September 2020.

#### A Reconciliation of net movement in funds to net cash used in operating activities

	2020 £	2019 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>(1,028,084)</b>	<b>(378,148)</b>
<b>Adjustments for:</b>		
Depreciation charge	3,939	5,943
Losses on investments	940,231	138,042
Investment income	(480,698)	(509,105)
Interest receivable	(561)	(434)
Gain on disposal of tangible fixed assets	(131,086)	—
Decrease in debtors	14,463	4,396
Increase (decrease) in creditors	9,673	(11,919)
Decrease in pension provision	(49,640)	(47,000)
<b>Net cash used in operating activities</b>	<b>(721,763)</b>	<b>(798,225)</b>

#### B Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	262,178	201,665
Short term deposits (less than three months)	88,019	78,531
Cash held by investment managers	16,857	41,285
<b>Total cash and cash equivalents</b>	<b>367,054</b>	<b>321,481</b>

## **Principal accounting policies** 30 September 2020

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### **Basis of preparation**

These financial statements have been prepared for the year to 30 September 2020 with comparative information provided in respect to the year to 30 September 2019.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

### **Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- ◆ the underlying assumptions used by the actuary in determining the deficit on the defined benefit pension scheme;
- ◆ the allocation of expenditure across charitable activities; and
- ◆ the estimation of future income and expenditure flows for the purpose of assessing going concern (see below).

### **Assessment of going concern**

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. In making their assessment, the trustees have considered the impact of the Covid-19 pandemic on the charity. The Covid-19 pandemic has had a significant economic impact in ways which have been outside of the charity's control. The full impact on the charity's income and expenditure and financial position following the emergence of the global Covid-19 pandemic is still unknown. In the next financial year, the charity's investment income may again be adversely affected because of continuing volatility in listed investment markets and the impact of the pandemic on company dividends. Other categories of income may continue to be affected for at least another year. However, the pandemic has led also to some positive new initiatives and the successful application to the Charity Commission to release £3.5m from permanent endowment funds has given the charity the flexibility and time to achieve its strategic plan. Despite the disruption caused by Covid-19, as a team, GFS achieved and delivered in a number of strategic areas:

- ◆ There was focus on reforming and strengthening the charity's culture, revising its policies to ensure a safe environment and creating more space for learning and collaboration across the organisation.
- ◆ The charity opened new groups physically and virtually, introduced new programmes and sessions, and provided girls with extra support during these challenging times.
- ◆ The charity continued to work towards building a sustainable future, with a growth in fundraised income despite the difficult environment and a supported plan to release a portion of our permanent endowment to ensure that the charity continues for future generations.

The trustees will continue to keep both income and expenditure under review but do not anticipate that the impact on the charity's finances will be material or impact on the charity's going concern.

**ASSESSMENT OF ONGOING CONCERN** (continued)

The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 30 September 2021, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

**Income recognition**

Income is recognised in the period in which the charity has entitlement to receipt, the amount can be measured reliably and it is probable that the funds will be received.

Income comprises donations, legacies, investment income, interest receivable, income from charitable activities and miscellaneous income. Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

**Income recognition** (continued)

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from charitable activities comprises grants from government and other agencies. Such income is recognised when the charity has entitlement to the funds under agreements or other the contractual arrangements for the payment of each grant.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- a. Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising and an allocation of support costs.
- b. Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities as described in the trustees' report i.e. providing opportunities for girls and young women to develop their self confidence, wellbeing and resilience to enable them to fulfil their potential. Such costs include:
  - ◆ Staff costs and associated expenses
  - ◆ Day to day running expense of schemes and projects
  - ◆ Special projects and equipment
  - ◆ Maintenance and building costs for the schemes and projects.

This expenditure includes both costs that can be allocated directly to such activities and those indirect costs necessary to support them.

All expenditure is stated inclusive of irrecoverable VAT.

### **Allocation of costs**

Support costs are those costs that enable charitable activities to be carried out. These costs include expenses relating to personnel development, financial procedures, provision of office services and equipment, and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned to expenditure headings based on the headcount relating to each activity.

### **Tangible fixed assets**

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

- ◆ Freehold land and buildings  
Freehold land and buildings are stated in the financial statements at cost and after deducting depreciation.

Depreciation is charged at the following annual rate based on net cost:

Freehold buildings	2%
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No depreciation is charged on freehold land.

- ◆ Other tangible fixed assets  
All other tangible fixed assets are stated at cost. Depreciation is calculated at the following annual rates in order to write off the cost of each asset over its estimated useful life:

- ◆ Computer equipment 33% on cost
- ◆ Office equipment 20% on cost
- ◆ Other equipment and furniture 10% on cost
- ◆ Fittings in leased property Over the period of the lease

### **Fixed asset investments**

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

**Fixed asset investments** (continued)

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

**Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

**Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

**Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

**Fund structure**

The general funds comprise free reserves, the tangible fixed assets fund and the pension deficit fund. The free reserves those net assets are which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

The pension deficit fund represents the liability in respect to the defined benefit pension scheme to which the charity contributes on behalf of certain of its employees.

The designated funds comprise monies set aside by the trustees for specific purposes.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

## **Principal accounting policies** 30 September 2020

The permanent endowment funds comprise monies which must be held indefinitely as capital. The income therefrom can be used for general purposes and is credited directly to general funds.

### **Leased assets**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

### **Pension contributions**

The growth plan pension scheme is a multi-employer scheme providing benefits for some 1,300 non-associated employers. It is therefore not possible to identify the underlying share of the charity's assets and liabilities within the scheme. However, as a member of the scheme, the charity has a legal obligation to make pension deficit reduction payments when required by the scheme's actuary. The full cost of these repayments, discounted to present values, is recognised in the year a pension deficit reduction plan is agreed.

In July 2014, all eligible members of staff were required to enrol in the charity's workplace pension scheme, under auto-enrolment. Staff members were entitled to opt out of this scheme. The percentage contribution of salary into the scheme is a minimum rate of 2.5%. The charity pays employer's contributions at a rate of 7.5%.

## Notes to the financial statements 30 September 2020

### 1 Income from: Donations and legacies

	General funds £	Restricted funds £	Total 2020 funds £
Donations and similar income	10,113	14,352	<b>24,465</b>
Legacies	3,409	—	<b>3,409</b>
<b>2020 Total funds</b>	<b>13,522</b>	<b>14,352</b>	<b>27,874</b>

	General funds £	Restricted funds £	Total 2019 funds £
<i>Donations and similar income</i>	25,456	—	25,456
<i>Legacies</i>	30	—	30
<i>2019 Total funds</i>	<i>25,486</i>	<i>—</i>	<i>25,486</i>

### 2 Income from: Investment income and interest receivable

	General funds £	Restricted funds £	Total 2020 funds £
Investment income (see below)	395,008	85,690	<b>480,698</b>
Interest receivable	561	—	<b>561</b>
<b>2020 Total funds</b>	<b>395,569</b>	<b>85,690</b>	<b>481,259</b>

	General funds £	Restricted funds £	Total 2019 funds £
<i>Investment income (see below)</i>	409,074	100,031	509,105
<i>Interest receivable</i>	434	—	434
<i>2019 Total funds</i>	<i>409,508</i>	<i>100,031</i>	<i>509,539</i>

Investment income was received from the following sources:

	Total 2020 funds £	Total 2019 funds £
UK equities	<b>58,192</b>	81,889
Overseas equities	<b>110,160</b>	84,002
UK fixed interest based common investment funds	<b>74,701</b>	90,572
Property unit trusts	<b>174,729</b>	200,784
Alternatives	<b>62,916</b>	51,858
	<b>480,698</b>	509,105

## Notes to the financial statements 30 September 2020

### 3 Expenditure on: Raising funds

	General funds £	Restricted funds £	Total 2020 funds £
Investment manager's fees	28,950	—	<b>28,950</b>
Staff costs	68,624	—	<b>68,624</b>
<b>2020 Total funds</b>	<b>97,574</b>	<b>—</b>	<b>97,574</b>
	<i>General funds</i> £	<i>Restricted funds</i> £	<i>Total 2019 funds</i> £
<i>Investment manager's fees</i>	<i>31,984</i>	<i>—</i>	<i>31,984</i>
<i>Staff costs</i>	<i>39,052</i>	<i>—</i>	<i>39,052</i>
<i>2019 Total funds</i>	<i>71,036</i>	<i>—</i>	<i>71,036</i>

### 4 Expenditure on: Charitable activities – community and school based programmes

	General funds £	Restricted funds £	Endowment funds £	Total 2020 funds £
Staff costs and recruitment	311,917	100,492	—	<b>412,409</b>
Staff travel, training and subsistence	8,173	2,339	—	<b>10,512</b>
Direct volunteer costs	6,257	1,790	—	<b>8,047</b>
Direct project costs	25,287	7,208	—	<b>32,495</b>
Direct restricted project costs	—	3,122	—	<b>3,122</b>
Premises	64,238	18,383	—	<b>82,621</b>
Office, administration and miscellaneous	40,321	11,540	—	<b>51,861</b>
Marketing and communications	3,103	888	—	<b>3,991</b>
Governance costs (note 6)	27,029	7,735	—	<b>34,764</b>
<b>2020 Total funds</b>	<b>486,325</b>	<b>153,497</b>	<b>—</b>	<b>639,822</b>
	<i>General funds</i> £	<i>Restricted funds</i> £	<i>Endowment funds</i> £	<i>Total 2019 funds</i> £
<i>Staff costs and recruitment</i>	<i>333,801</i>	<i>117,221</i>	<i>—</i>	<i>451,022</i>
<i>Travel, training and subsistence</i>	<i>14,170</i>	<i>4,979</i>	<i>—</i>	<i>19,149</i>
<i>Direct volunteer costs</i>	<i>18,493</i>	<i>6,497</i>	<i>—</i>	<i>24,990</i>
<i>Direct project costs</i>	<i>37,530</i>	<i>8,768</i>	<i>—</i>	<i>46,298</i>
<i>Premises</i>	<i>69,336</i>	<i>24,361</i>	<i>1,112</i>	<i>94,809</i>
<i>Office, administration and miscellaneous</i>	<i>37,020</i>	<i>13,007</i>	<i>—</i>	<i>50,027</i>
<i>Marketing and communications</i>	<i>4,595</i>	<i>1,615</i>	<i>—</i>	<i>6,210</i>
<i>Governance costs (note 6)</i>	<i>19,727</i>	<i>6,931</i>	<i>—</i>	<i>26,658</i>
<i>2019 Total funds</i>	<i>534,672</i>	<i>183,379</i>	<i>1,112</i>	<i>719,163</i>

## Notes to the financial statements 30 September 2020

### 5 Support costs

Support costs are those costs which enable the charitable work of GFS. They include indirect overheads and many of the head office costs which facilitate the branches and projects.

Support costs included within raising funds and community and school based programmes are as follows:

	General funds £	Restricted funds £	Endowment funds £	Total 2020 funds £
Staff costs and related costs	94,240	26,580	—	<b>120,820</b>
Travel, training and subsistence	8,173	2,339	—	<b>10,512</b>
Premises	64,026	18,323	—	<b>82,349</b>
Office administration and miscellaneous	42,629	12,198	—	<b>54,827</b>
Governance costs (note 6)	27,029	7,735	—	<b>34,764</b>
<b>2020 Total funds</b>	<b>236,097</b>	<b>67,175</b>	<b>—</b>	<b>303,272</b>

	General funds £	Restricted funds £	Endowment funds £	Total 2019 funds £
Staff costs and related costs	114,947	26,666	—	141,613
Travel, training and subsistence	14,021	4,927	—	18,948
Premises	63,903	22,452	1,112	87,467
Office administration and miscellaneous	35,233	12,379	—	47,612
Governance costs (note 6)	19,727	6,931	—	26,658
<b>2019 Total funds</b>	<b>247,831</b>	<b>73,355</b>	<b>1,112</b>	<b>322,298</b>

Supports costs are allocated across the expenditure headings in notes 3 and 4 as follows:

	Raising funds (note 3) £	Charitable activities (note 4) £	Total 2020 £	Basis of apportionment
Staff costs and related costs	68,624	52,196	<b>120,820</b>	} Headcount
Other support costs:				
. Travel, training and subsistence	—	10,512	<b>10,512</b>	
. Premises	—	82,349	<b>82,349</b>	
. Office administration and miscellaneous	—	54,827	<b>54,827</b>	
. Governance costs	—	34,764	<b>34,764</b>	
<b>2020 Total</b>	<b>68,624</b>	<b>234,648</b>	<b>303,272</b>	

	Raising funds (note 3) £	Charitable activities (note 4) £	Total 2019 £	Basis of apportionment
Staff costs and related costs	39,052	102,561	141,613	} Headcount
Other support costs:				
. Travel, training and subsistence	—	18,948	18,948	
. Premises	—	87,467	87,467	
. Office administration and miscellaneous	—	47,612	47,612	
. Governance costs	—	26,658	26,658	
<b>2019 Total</b>	<b>39,052</b>	<b>283,246</b>	<b>322,298</b>	

## Notes to the financial statements 30 September 2020

### 6 Governance costs

	General fund £	Restricted funds £	Total 2020 funds £
Legal and professional fees	25,706	7,356	<b>33,062</b>
Committee expenses	1,323	379	<b>1,702</b>
<b>2020 Total funds</b>	<b>27,029</b>	<b>7,735</b>	<b>34,764</b>

	General fund £	Restricted funds £	Total 2019 funds £
Legal and professional fees	14,441	5,073	19,514
Committee expenses	5,286	1,858	7,144
<b>2019 Total funds</b>	<b>19,727</b>	<b>6,931</b>	<b>26,658</b>

### 7 Net expenditure before net investment losses

Net expenditure before net investment losses is stated after charging:

	2020 £	2019 £
Staff costs (note 8)	<b>475,332</b>	428,888
Auditor's remuneration		
. Audit – current year's fee	<b>14,400</b>	19,800
Depreciation	<b>3,939</b>	6,253
Operating lease rentals	<b>59,839</b>	58,003

### 8 Staff costs

	2020 £	2019 £
Staff costs during the year were as follows:		
Wages and salaries	<b>417,607</b>	367,539
Social security costs	<b>31,715</b>	34,351
Pension costs	<b>75,650</b>	73,181
Pension scheme adjustment	<b>(49,640)</b>	(46,183)
	<b>475,332</b>	428,888

## Notes to the financial statements 30 September 2020

### 8 Staff costs (continued)

Staff costs (including wages and staff travel, training and subsistence) by function were as follows:

	Direct costs £	Support costs £	Total 2020 £
Charitable activities	360,213	62,708	422,921
Cost of raising funds	—	68,624	68,624
<b>2019 Total funds</b>	<b>360,213</b>	<b>131,332</b>	<b>491,545</b>

	Direct costs £	Support costs £	Total 2019 £
Charitable activities	348,289	102,561	450,850
Cost of raising funds	—	39,052	39,052
<b>2019 Total funds</b>	<b>348,289</b>	<b>141,613</b>	<b>489,902</b>

The number of employees who earned £60,000 per annum or more (including taxable benefits) during the year was as follows:

	2020	2019
£60,000 - £70,000	1	—
£80,000 - £90,000	—	1

The average number of full time equivalent employees in 2020 was 15 (2019 – 14).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees, Chief Executive and, from the current year, the Leadership Team. The total remuneration (including taxable benefits and employer's pension contributions) of key management personnel for the year was £220,156 (2019 – £104,022).

### 9 Trustees' expenses and related party transactions

During the year five trustees (2019 – two) were reimbursed a total of £1,567 (2019 – £961) for travel and subsistence.

No trustee received any remuneration in respect to their services as a trustee during the year (2019 – nil). During the year, the charity received donations from trustees totalling £641 (2019 - £185).

### 10 Taxation

Girls Friendly Society in England and Wales is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

## Notes to the financial statements 30 September 2020

The charity is only able to reclaim VAT on very limited expenditure.

### 11 Tangible fixed assets

	Freehold land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 October 2019	80,588	23,877	<b>104,465</b>
Additions	—	1,076	<b>1,076</b>
Disposals	(80,588)	(5,590)	<b>(86,178)</b>
At 30 September 2020	—	19,363	<b>19,363</b>
<b>Depreciation</b>			
At 1 October 2019	22,232	13,845	<b>36,077</b>
Charge for year	—	3,939	<b>3,939</b>
Disposals	(22,232)	(5,031)	<b>(27,263)</b>
At 30 September 2020	—	12,753	<b>12,753</b>
<b>Net book values</b>			
At 30 September 2020	—	6,610	<b>6,610</b>
At 30 September 2019	58,356	10,032	<b>68,388</b>

During the year the charity disposed of its freehold land and buildings resulting a gain on disposal of £131,086.

### 12 Investments

	2020 £	2019 £
<b>Listed investments</b>		
Market value at 1 October 2019	<b>10,159,464</b>	10,570,437
Additions at cost	<b>461,749</b>	809,510
Disposals at book value (proceeds: £563,494 realised losses £81,838)	<b>(645,332)</b>	(1,127,330)
Net unrealised investment losses	<b>(858,393)</b>	(93,153)
Market value at 30 September 2020	<b>9,117,488</b>	10,159,464
<b>Cash held by investment managers</b>		
	<b>16,857</b>	41,285
	<b>9,134,345</b>	10,200,749

It has not been possible to determine the cost of listed investments at 30 September 2020 exactly, as certain investments were purchased many years ago and records of cost cannot be obtained without incurring significant time and cost, which in the opinion of the trustees, is not justified.

## Notes to the financial statements 30 September 2020

### Investments (continued)

The worldwide outbreak of the Coronavirus pandemic and its impact on global markets, between 1 October 2019 and 30 September 2020 meant that the market value of the charity's investments had fallen by approximately 9%. As a result, the GFS Trustees reviewed the investment policy and have implemented a balanced investment objective going forwards; to move away from income return basis to a total return basis. Returns generated from a balanced approach are a combination of income and the potential for capital growth, with the intention to protect against inflation over the time horizon and unusual exceptions in market downturns, whilst providing an income for the charity in line with the portfolio aim.

Listed investments held at 30 September 2020 comprised the following:

	2020 £	2019 £
UK fixed interest based common investment funds	1,918,102	2,015,938
UK equity based common investment funds	454,056	1,030,043
Overseas equity based common investment funds	1,976,888	1,930,954
Property unit trusts	4,015,341	4,253,022
Other	753,101	929,507
	<b>9,117,488</b>	<b>10,159,464</b>

All listed investments held are dealt in on a recognised stock exchange.

At 30 September 2020, the charity had the following material investment holdings:

	Market value £	Percentage of portfolio %
The Charities Property Fund	2,447,770	27
CBF Fixed Interest Security Fund	1,469,761	16
The Property Income Trust for Charities	935,362	10
CBF Property Fund	632,209	7
Schroder Income Maximiser	818,583	9

### 13 Debtors

	2020 £	2019 £
Prepayments	4,769	19,129
Investment income receivable	105,710	101,118
Accrued grant income	—	102
	<b>110,479</b>	<b>120,349</b>

## Notes to the financial statements 30 September 2020

### 14 Creditors

	2020 £	2019 £
Expense creditors	19,419	27,385
Other taxes and social security costs	14,318	12,578
Other creditors	1,318	1,761
Accruals	44,193	27,851
	<b>79,248</b>	<b>69,575</b>

### 15 Provisions for liabilities

	2020 £	2019 £
Provision for pension scheme deficit reduction payments (note 24)		
. Payable within one year	51,000	50,000
. Payable within one to two years	53,000	51,000
. Payable within two to five years	122,360	163,000
. Payable after five years	—	12,000
	<b>226,360</b>	<b>276,000</b>

### 16 Endowment funds

The capital funds of the charity include permanently endowed monies, which must be retained indefinitely:

	At 1 October 2019 £	Transfers (see below) £	Investment gains £	At 30 September 2020 £
Endowment fund	5,268,481	(2,555,000)	(602,379)	2,111,102
Francis Street fund	1,944,286	(945,000)	(222,798)	776,488
	<b>7,212,767</b>	<b>(3,500,000)</b>	<b>(825,177)</b>	<b>2,887,590</b>

	At 1 October 2018 £	Expenditure £	Investment gains £	At 30 September 2019 £
Endowment fund	5,401,832	(1,112)	(132,239)	5,268,481
Francis Street fund	1,993,078	—	(48,792)	1,944,286
	<b>7,394,910</b>	<b>(1,112)</b>	<b>(181,031)</b>	<b>7,212,767</b>

## Notes to the financial statements 30 September 2020

### 17 Transfers

On 1 June 2020, the Charity Commission for England and Wales gave the trustees the authority to spend up to £3,500,000 over a ten year period from the charity's permanent endowment funds and to transfer that sum to unrestricted funds.

The two endowment funds are as follows:

#### ◆ **Endowment fund**

The endowment fund was established under a Charity Commission Scheme dated 31 July 2002. The Scheme replaces former trusts, a Scheme of the Commissioners dated 15 November 1972 and declaration of trusts dated 5 September 1974 and 21 November 1976. It states that income and capital shall be used:

- ◇ the trustees must first apply the income to meet the proper costs of administering the charity and of managing its assets and thereafter the remaining income must be applied in furthering the objects of the charity; and
- ◇ for the object of the charity, the trustees may also apply expendable endowment and permanent endowment but only on such terms for the replacement of the amount spent as approved by the Commissioners.

#### ◆ **Francis Street Fund**

The Francis Street Fund was established during the year ended 30 September 2004 when the Francis Street hostel, which was managed by the charity, was sold by the freeholder. Under the terms of the disposal, the net proceeds were donated to the charity to be held as a permanent endowment.

### Restricted funds – summary

	At 1 October 2019 £	Income £	Expenditure £	Investment losses £	At 30 September 2020 £
Society funds – restricted grants	—	14,352	(14,352)	—	—
Trust funds (note 18)	250,960	6,999	(14,601)	(340)	<b>243,018</b>
Diocesan funds (note 19)	2,140,721	78,691	(124,544)	(64,842)	<b>2,030,026</b>
	<u>2,391,681</u>	<u>100,042</u>	<u>(153,497)</u>	<u>(65,182)</u>	<b><u>2,273,044</u></b>

## Notes to the financial statements 30 September 2020

### Restricted funds (continued)

	At 1 October 2018 £	Income £	Expenditure £	Investment gains £	At 30 September 2019 £
<i>Society funds – restricted grants</i>	—	—	—	—	—
<i>Trust funds (note 18)</i>	258,637	1,260	(19,572)	10,635	250,960
<i>Diocesan funds (note 19)</i>	2,164,704	98,771	(163,807)	41,053	2,140,721
	<b>2,423,341</b>	<b>100,031</b>	<b>(183,379)</b>	<b>51,688</b>	<b>2,391,681</b>

### 18 Restricted funds - Trust funds

The income funds of the charity include restricted trust funds comprising the following unexpended balances of donations, grants and other income held on trusts to be applied for specific purposes:

	At 1 October 2019 £	Income £	Expenditure £	Investment gains £	At 30 September 2020 £
Packe Holiday & Housing Trust	192,503	5,535	(11,200)	(270)	<b>186,568</b>
Greenlands, Peel, Isle of Man	49,755	1,197	(2,895)	(57)	<b>48,000</b>
Almoners Trust	8,702	267	(506)	(13)	<b>8,450</b>
<b>Total</b>	<b>250,960</b>	<b>10,214</b>	<b>(14,601)</b>	<b>(339)</b>	<b>243,018</b>

	At 1 October 2018 £	Income £	Expenditure £	Investment gains £	At 30 September 2019 £
<i>Packe Holiday &amp; Housing Trust</i>	199,119	—	(15,067)	8,451	192,503
<i>Greenlands, Peel, Isle of Man</i>	50,552	1,260	(3,826)	1,769	49,755
<i>Almoners Trust</i>	8,966	—	(679)	415	8,702
<b>Total</b>	<b>258,637</b>	<b>1,260</b>	<b>(19,572)</b>	<b>10,635</b>	<b>250,960</b>

The use of the trust funds held at 30 September 2020 is restricted to the following:

◆ **Packe Holiday & Housing Trust**

The provision of housing and holidays for the needy.

◆ **Greenlands, Peel, Isle of Man**

The furtherance of the charity's objectives in the Isle of Man.

◆ **Almoners Trust**

The provision of support for elderly members.

## Notes to the financial statements 30 September 2020

### 19 Restricted funds - Diocesan funds

The income funds of the charity include restricted Diocesan funds comprising the following unexpended balances of donations, grants and other income held on trusts for use by GFS within the specific dioceses:

	At 1 October 2019 £	Income £	Expenditure £	Investment losses £	At 30 September 2020 £
<i>Dioceses with branch activities:</i>					
. Birmingham	137,475	15,005	(7,998)	(595)	<b>143,887</b>
. Carlisle	99,676	10,880	(5,799)	(431)	<b>104,326</b>
. Liverpool	283,838	7,015	(16,513)	(10,320)	<b>264,020</b>
. Other	242,217	11,195	(14,092)	(3,258)	<b>236,062</b>
<i>Dioceses without branch activities:</i>					
. Other Diocesan funds	11,996	554	(698)	(161)	<b>11,691</b>
. Branch support funds	1,365,519	34,041	(79,444)	(50,076)	<b>1,270,040</b>
<b>Total</b>	<b>2,140,721</b>	<b>78,691</b>	<b>(124,544)</b>	<b>(64,842)</b>	<b>2,030,026</b>

	At 1 October 2018 £	Income £	Expenditure £	Investment gains £	At 30 September 2019 £
<i>Dioceses with branch activities:</i>					
. Birmingham	136,375	5,591	(10,319)	5,828	137,475
. Carlisle	98,878	4,054	(7,482)	4,226	99,676
. Liverpool	291,108	11,968	(22,029)	2,791	283,838
. Other	244,852	8,815	(18,528)	7,078	242,217
<i>Dioceses without branch activities:</i>					
. Other Diocesan funds	12,126	437	(918)	351	11,996
. Branch support funds	1,381,365	67,906	(104,531)	20,779	1,365,519
<b>Total</b>	<b>2,164,704</b>	<b>98,771</b>	<b>(163,807)</b>	<b>41,053</b>	<b>2,140,721</b>

### 20 Designated funds

	At 1 October 2019 £	Investment losses £	Designated/ (released) £	At 30 September 2020 £
<b>Total – Transitional investment fund</b>	<b>436,039</b>	<b>(49,872)</b>	<b>3,500,000</b>	<b>3,886,167</b>

	At 1 October 2018 £	Investment losses £	Designated/ (released) £	At 30 September 2019 £
<b>Total – Transitional investment fund</b>	<b>798,586</b>	<b>(12,547)</b>	<b>(350,000)</b>	<b>436,039</b>

The designated fund is for future investment in the fundraising strategy and implementation of the charity's five year strategic plan.

## Notes to the financial statements 30 September 2020

### 21. Analysis of net assets between funds

	General funds						Total £
	Free reserves £	Pension deficit fund £	Tangible fixed asset fund £	Designated funds £	Restricted funds £	Endowment funds £	
<b>Fund balances at 30 September 2020 are represented by:</b>							
Tangible fixed assets	—	—	6,610	—	—	—	<b>6,610</b>
Investments	—	—	—	3,886,167	2,360,588	2,887,590	<b>9,134,345</b>
Net current assets (liabilities)	468,972	—	—	—	(87,544)	—	<b>381,428</b>
Pension provision	—	(226,360)	—	—	—	—	<b>(226,360)</b>
	<b>468,972</b>	<b>(226,360)</b>	<b>6,610</b>	<b>3,886,167</b>	<b>2,273,044</b>	<b>2,887,590</b>	<b>9,296,023</b>

	General funds						Total £
	Free reserves £	Pension deficit fund £	Tangible fixed asset fund £	Designated funds £	Restricted funds £	Endowment funds £	
<i>Fund balances at 30 September 2019 are represented by:</i>							
Tangible fixed assets	—	—	10,032	—	—	58,356	68,388
Investments	—	—	—	463,665	2,582,673	7,154,411	10,200,749
Net current assets (liabilities)	549,588	—	—	(27,626)	(190,992)	—	330,970
Pension provision	—	(276,000)	—	—	—	—	(276,000)
	<b>549,588</b>	<b>(276,000)</b>	<b>10,032</b>	<b>436,039</b>	<b>2,391,681</b>	<b>7,212,767</b>	<b>10,324,107</b>

### 22. Financial commitments

At 30 September 2020 the charity had future minimum commitments under non-cancellable operating leases on land and buildings as follows:

	2020 £	2019 £
Payments falling due:		
. Within one year	<b>30,164</b>	50,815
. Between one and two years	<b>43,200</b>	13,502
	<b>73,364</b>	64,317

### 23. Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

## Notes to the financial statements 30 September 2020

### 24 Pension costs and provisions

The charity participates in a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee of the scheme has asked the participating employers to pay additional contributions to the scheme as follows:

#### Deficit contributions

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From 1 April 2019 to 31 January 2025:	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1 April)
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Unless a concession has been agreed with the Trustee, the term to 31 January 2025 applies.

The scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

#### Deficit contributions

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From 1 April 2016 to 30 September 2025:	£12,945,440 per annum	(payable monthly and increasing by 3% each on 1 April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum	(payable monthly and increasing by 3% each on 1 April)

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The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

## Notes to the financial statements 30 September 2020

### Pension costs and provisions (continued)

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

#### Present values of provision

	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000
Present value of provision	226	276	323	364	407

#### Reconciliation of opening and closing provisions

	2020 £'000	2019 £'000
Provision at 1 October 2019	276	323
Unwinding of the discount factor	2	5
Deficit contribution paid	(50)	(47)
Re-measurements – impact of any change in assumptions	2	6
Remeasurements - amendments to the contribution schedule	(4)	(11)
Provision at 30 September 2020	226	276

#### Income and expenditure impact

	2020 £'000	2019 £'000
Interest expense	2	5
Re-measurements – impact of any change in assumptions	2	6
Remeasurements - amendments to the contribution schedule	(4)	(11)
Costs recognised in statement of financial activities	—	—

#### Assumptions

	2020 %	2019 %	2018 %	2017 %	2016 %
Rate of discount	0.58	0.98	1.76	1.52	1.15

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.