

Girl Effect
Annual Report and Financial Statements

For the year ended 31st May 2021

Company No. 07516619
Charity No. 1141155

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

Contents	Page
Reference and Administrative Details	3
Trustees' Report (Incorporating the Strategic Report)	5
Independent Auditors' Report	19
Statement of Financial Activities	22
Balance Sheet	23
Statement of Cash Flows	24
Notes to the Financial Statements	25

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Status	The organisation is a charitable company limited by guarantee, incorporated on 3 February 2011, and registered as a charity on 4 April 2011.
Governing Document	The company was established under Memorandum and Articles which established the objects and powers of the charitable company, as amended by Special Resolution on 8 September 2015.
Company Number	07516619
Charity Number	1141155
Registered Office	151 Wardour Street, London, W1F 8WE
Operating Office	151 Wardour Street, London, W1F 8WE
Trustees	Jonathan Newhouse, Chair (appointed 21 May 2021) Maria Eitel (until 11 May 2021) Trishla Jain Hilary Krane Jacob Schimmel Ime Archibong Erin Hohlfelder
Company Secretary	Tabatha Bruce
Chief Executive Officer	Jessica Posner Odede

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

UK

HSBC
165 Fleet Street
London EC24 2DY

Metro Bank
One Southampton Row
London
WC1B 5HA

Ethiopia

Zemen Bank S.Co.
Main Branch
Joseph Tito Street
P.O.Box:1212

Nigeria

Stanbic IBTC Bank
39 Aguyi Ironsi Street
Maitama
Abuja

Malawi

Standard Bank
Capital City Branch
P.O. Box 30063
Lilongwe 3

Tanzania

CRDB Bank Plc
Ministers Residence Rd
Dar-es -salaam
Tanzania.
P.O BOX 268
0222923026

Rwanda

Bank of Kigali
KN4 Avenue de la Paix
Plot No.790
PO Box 175
Kigali

India

Citi Commercial Bank
Commercial Solutions
Group
Citibank N.A.
First International
Financial Centre (FIFC),
9th Floor
Bandra Kurla Complex
(BKC)
Bandra East, Mumbai –
400051

Auditors

UK

Haysmacintyre LLP
Chartered Accountants
and Registered Auditors
10 Queen Street Square
London
EC4R 1AG

Rwanda

BDO EA Rwanda Ltd
Career Center Building,
8th Floor,
KG 541st P.O. Box
6593, Kigali Rwanda.

Tanzania

BDO East Africa
1 Floor, Wing B
Infor Tech Place
Mwai Kibaki Road
P.O. Box 9912
Dar es Salaam, Tanzania

Nigeria

Oladimeji Ayoola & Co
(Chartered
Accountants)
Suite C10, 2nd Floor,
Kenuj O2 Mall,
Kaura district,
Abuja

Ethiopia

TAY Authorized
Accountants & Auditors
P.O. Box 1335
Addis Ababa

Malawi

BDO
6th Floor Unit House
Victoria Avenue,
PO Box 3038
Blantyre, Malawi

India

MSKA & Associates
Chartered Accountant
Floor 3, Enterprise Centre
Nehru Road, Vile Parle,
Mumbai
400099

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND
EXPENDITURE ACCOUNT)**

COMPANY NUMBER: 07516619

The Trustees present their report and the audited financial statements for the year ending 31 May 2021. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (Second Edition – effective 1 January 2019).

Objectives and activities

Girl Effect is a non-profit organisation working with girls to change their lives. We empower girls to navigate the pivotal time of adolescence – when they are faced with many choices that will directly affect their future – so they are to live a healthy life, participate in school and prepare for their future financially.

To do this, Girl Effect starts by building an in-depth understanding of what a girl needs, the challenges she faces and how best to talk to her and when. Girl Effect uses this understanding, and its expertise in behaviour science and mobile technology, to create branded media and virtual and real-world spaces that girls love. These spaces are designed to motivate girls, equip them with information and support to help them see a different future for themselves, and encourage them to act on their choices.

By working with girls at every step of the design journey and tapping into their aspirations, hopes and inner motivations, Girl Effect's work generates long-lasting demand for the opportunities, services and ongoing support available to girls.

Girl Effect is able to reach millions of girls by delivering our work primarily via the technology girls access everyday - including mobile, TV and radio. We are pioneering developments in artificial intelligence, Interactive Voice Response (IVR), chatbots and mobile to find new innovative ways to measure our impact, and reach and engage girls more personally, at scale, and cost-effectively.

STRATEGIC REPORT

Achievements and performance

Key achievements during the year ending 31 May 2021 include:

- 1) Developing and testing a new, evolved model for Girl Effect that takes advantage of mobile technology, girl networks, and partnerships with service providers to deliver behaviour change in a more scalable, cost-effective way and providing a 'proof of concept' in the process.
- 2) Facilitating the shift from a single-headquarter organisation to a rightsized and more flexible, networked organisation with distributed leadership.

Country programmes

India

In June 2019, Girl Effect launched Chhaa Jaa ('Go Forth and Shine'), a brand aimed at empowering adolescent girls in India through a digital product ecosystem. Chhaa Jaa's focus is to inspire, inform and equip girls with the right skills and confidence to navigate adolescence and reach their potential.

Reflecting the seismic shift in India's digital media landscape, Chhaa Jaa, aimed at lower-income girls aged 17-19 across the Hindi belt of India, comes to life online on social media platforms (Facebook, YouTube, and Instagram). Chhaa Jaa launched with three digital media properties designed to reflect the choices girls face as adolescents using entertaining, informative, and authentic characters and storylines. All content is underpinned by innovative behaviour-change science, designed to empower girls to make informed decisions about their future. Over the last year, we created and promoted over 120 pieces of content.

Chhaa Jaa, with foundational funding from the Children's Investment Fund Foundation and the Vodafone Americas Foundation, works closely with experts including research agencies, content creators,

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND
EXPENDITURE ACCOUNT)**

COMPANY NUMBER: 07516619

technology partners and supply-side services, to create best-in-class products and experiences, and through these, help every girl write her own story.

In just two years, Chhaa Jaa has demonstrated significant brand penetration amongst adolescent girls in India's Northern Hindi-speaking belt. Over 2.1 million unique visitors (girls between the ages of 15-19) have engaged with Chhaa Jaa's content on Facebook and Instagram since the brand's launch. Since 2019, our girls-only Facebook community - the Bak Bak Gang - has been a safe space for more than 2,500 girls to openly discuss sensitive topics and support each other. Since our chatbot Bol Behen ('Speak, Sister') was piloted in 2020, it has had 78,000 conversations initiated by girls asking questions they are not always comfortable discussing with others.

To date, we have also connected over 109,000 users to information about vetted sexual and reproductive health services through our website, with 4,300+ connections to external services.

Tanzania

With our partner, Vodafone Americas Foundation, Girl Effect launched Tujibebe ('Let's Lift Ourselves Up, Together') in Tanzania in July 2019.

Born out of Tanzanian culture, Tujibebe aims to unite young people through shared experiences. With a specific focus on girls aged 13-19, Tujibebe uses a combination of media to reach its audience, including a narrative storytelling radio drama, a national Interactive Voice Response (IVR) platform and a branded free-to-access website. Content is accessible online and offline via club networks. It is designed to inspire, entertain and equip young Tanzanians with the skills and confidence to navigate adolescence and make positive choices about their future – from finishing their education or setting up their own small business, to accessing a health service.

Since launching, Tujibebe's national IVR phone line, free to access by Vodacom users, has received more than 1.5 million calls from 935,000 unique callers.

As part of our campaign to combat vaccine myths in Tanzania and build awareness around HPV vaccination, funded by Gavi, the Vaccine Alliance, Girl Effect launched a video showcasing the Tujibebe cast of characters singing about the importance of getting vaccinated.

We completed pre-testing of the content and format for Season Two of the Tujibebe radio drama with 13-15-year-old girls in Dar es Salaam and Mwanza, to ensure the materials convey a clear and effective message. All participants felt the issues portrayed in the drama were well-suited to the target audience and addressed things that girls need to learn and understand. A teaser campaign to build excitement for the Season Two launch helped extend our reach through radio, television, and social media channels.

Partnering with ViiV Healthcare, Girl Effect carried out four rounds of research with our Technology Enabled Girl Ambassadors (TEGAs) on girls' conversations about HIV. Insights will help both ViiV Healthcare and Girl Effect with their programming by providing a deeper understanding of the behavioural drivers that enable girls to have more healthy discussions around sexual and reproductive health and HIV. In May, Girl Effect organised a dissemination workshop with participants from the HIV sector in Tanzania, to share research findings from the study.

Rwanda

Ni Nyampinga - our youth brand in Rwanda - is known by 79% of Rwandans (6.6 million people) and consumed regularly by 3.6 million people - through a radio talk-show and radio drama, magazine, network of girl ambassadors and clubs, and digital platforms.

Our greatest achievement in FY21 was the implementation and successful delivery of the Gavi 'Bridge' project, which aimed to reduce gender barriers to immunisation, improve nutrition and improve demand for routine immunisation through the use of innovative and digital approaches. This work was supported by Gavi, the vaccine alliance.

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND
EXPENDITURE ACCOUNT)**

COMPANY NUMBER: 07516619

As part of the project, we conducted and shared findings from our formative research with key stakeholders, which identified and assessed gender barriers to routine immunisation, nutrition and access to health services in Rwanda.

We also distributed 10,000 copies of the Ni Nyampinga mini magazine with tailored content targeting teen and young mothers about nutrition, routine immunisation, and sexual reproductive health. In the Huye district of Rwanda, we reached 922 expecting teen/young mothers through the distribution of mini magazines via Community Health Workers.

Our mini magazines also reached 9,635 teen/young mothers, who had already given birth, through collaboration with 12 local partners. We also engaged 17,156 secondary audience community members, including boys, teen and young fathers, parents of teen/young mothers and fathers, via outreach activities. To maximize our impact, we applied a gender transformative approach, allowing teen fathers and boys to engage with content that challenges gender norms and inspires mindset change, to encourage them to play their role in childcare.

Ethiopia

Yegna is Girl Effect's brand in Ethiopia that encourages positive behaviour change from girls, by tackling real-life challenges. Yegna's TV series reaches 9.8 million people nationally. There have been four seasons of the drama, with 16 episodes in the most recent season, the 30-minute-long episodes of which aired from January - May 2021 on two local television stations.

Over the past financial year, students in 22 schools from the regions of Amhara and Oromia took part in Yegna's Rural School programme. This 21-week educational programme, facilitated by teachers, is an extension of the television series. It aims to reach girls and boys aged 13-15 based in rural areas in Ethiopia. As part of the programme, students view a Yegna episode and engage in a teacher-facilitated discussion around key topics featured in it. We also produced student and teacher manuals to support the programme in two local languages (Amharic and Affan Oromo), including a fact sheet designed to help students have conversations with their families at home.

In response to COVID-19, we also produced a campaign focusing on general health seeking behaviours such as handwashing, good nutrition, and mask-wearing, as well as mental health coping behaviours. The campaign included 20 nationally distributed television and radio public service announcements in three languages, and it also ran on billboards throughout the country.

Malawi

Zathu is our youth brand in Malawi that unites girls and boys. It is consumed by 4.3 million people, including 820,000 girls aged 10-19 years, through music, a radio show and youth clubs.

In FY21, Zathu partnered with the Ministries of Health and Education in Malawi to train 80 teachers from primary schools across the country on cervical cancer and the HPV vaccine. The teachers were trained to use the Zathu teacher fact sheet that contains information around HPV and effective ways to deliver HPV messages to nine-year-old girls through class sessions. Our training model was to then encourage these trained teachers to go on to train other teachers, increasing the number of teachers with access to this information. We produced 150,000 copies of the teacher fact sheet and distributed them to 6,500 primary schools across the country.

We also produced 250,000 magazines targeting 14 districts in Malawi that had low uptake of the HPV vaccine amongst nine-year-old girls. Reports indicated that there has been an increase in the uptake of the vaccine after we disseminated the magazines.

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND
EXPENDITURE ACCOUNT)**

COMPANY NUMBER: 07516619

Digital Innovation

Technology Enabled Girl Ambassadors (TEGA)

In response to COVID-19, Girl Effect launched a digital diaries research project - Hear Her Voice - providing 29 girls in six countries with a platform to report on their experiences of life in lockdown, in their own words. The digital diaries, shared over a six-week period, offer candid insights through the stories of these young women experiencing the pandemic in Nigeria, India, Malawi, Bangladesh, Rwanda, and the USA. We have made our findings publicly available on a dedicated microsite www.voices.girleffect.org.

In FY21, we conducted TEGA research in Tanzania to test content from the Tujibebe Season Two radio drama, prior to its launch. As part of this research, we also explored the knowledge and attitudes of Tanzanian girls towards HIV prevention, testing and treatment. In Nigeria, TEGA finalised a study around adolescent's understanding of nutrition.

In Rwanda, we organised a dissemination event to share the findings of a qualitative study around the root-causes of teen pregnancy. Stakeholders such as government officials and development partners attended this event, helping us to forge new relationships and partnerships to tackle these root causes and support teen mothers.

In response to the conditions created by the global pandemic, TEGA also adapted to conduct remote research, and made a number of enhancements to its technology, including an e-learning platform with training modules for remote training.

Springster

On Springster's website and Facebook Page, we publish rich media content on issues girls care about, including confidence, health, education, economic readiness, and nutrition.

Over the past financial year, Girl Effect undertook a digital COVID-19 survey to understand the impact of the global pandemic on girls' lives and ensure that as an organisation we are aware of, and responding to, any shifts in girls' concerns and needs. We heard from 620 girls across 13 countries. 90% of girls asked felt like their lives have changed because of COVID-19. These changes included more difficult access to health centres and period products. We also noted changes in education and struggles with mental health.

Between December 2020 and April 2021, Springster focused on sexual health and reproductive rights with a campaign that ran across South Africa, Ghana, Mozambique, Kenya and DRC that engaged over 300k girls and had 1.2m video views. The aim of the campaign was to address the knowledge gaps girls have around puberty, and also tackle the shame and taboos that prevent girls from asking important questions.

In order to evaluate this content, we conducted a Digital Impact Survey that looked at the knowledge, attitudes and behaviours of our audience (consumers of our content) vs a "lookalike" non-consumer audience. The results showed us that, among other outcomes, our consumers were more likely to be more knowledgeable about how to manage their periods and talk to partners about contraception. This is fantastic evidence to show that our content is helping girls to navigate the choices they are facing through puberty and beyond.

We also piloted an innovative evaluation method for our Big Sis chatbot to understand its impact. Users completed quizzes related to specific behaviour change content both before and after consuming the related content. We have clear early indications that we are seeing Big Sis have a positive impact across a number of topic areas.

Big Sis has increased knowledge on communicating with partners, how you get pregnant, choices for contraception, symptoms and types of sexually transmitted infections and the basics of sex. As part of our commitment to build supply-side partnerships and better connect girls to sexual and reproductive health

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)

COMPANY NUMBER: 07516619

services, both online and in their community, we have integrated Marie Stopes services from 15 different clinics across South Africa directly into the chatbot menu.

Impact and Insights

In FY21, we continued to measure the reach and impact of countries and products across our portfolio. The table below summarises our total reach and reach of adolescent girls and young women (AGYW), during the financial year.

COUNTRY / REGION	FY21 REACH	
	TOTAL REACH	REACH OF AGYW
Tanzania	12.5m - 16.3m	Est. 1.7m - 3.2m
India	11.6m - 13.2m	Est. 4.8m - 6.4m
Ethiopia	9.8m - 9.9m	530k - 542k
Rwanda	4.5m	680k
Springster South Africa, Nigeria, Indonesia, Kenya, Ghana, Democratic Republic of Congo, Mozambique, Lesotho, Cameroon, United States of America, Burkina Faso, Uganda, Bangladesh, Pakistan, Benin	2.3m - 3.0m	Est. 700k - 1.1m

Building on the completion of our Social and Behaviour Change White Paper, we focused on developing measurement approaches to test our theory of change. This was to understand the impact of social behaviour change communications on improving a core set of specific behavioural drivers that influence girls' intent to act and ultimately, the behavioural act itself.

An overview of our FY21 service referral and behaviour change impact results are in the table below.

COUNTRY / REGION	FY21 IMPACT	
	SERVICE REFERRAL OF AGYW	BEHAVIOUR CHANGE OF AGYW — representative data
Tanzania	N/A	+16% of girls are willing to have the HPV vaccine after listening to the radio show (at 93% from 77% before listening)
India	Connected over 109,000 users to information about vetted sexual and reproductive health services, with 4,300+ clicks on external links to services	+16% of girls report visiting an SRH service when experiencing genital discomfort (consumers = 85.6% non-consumers = 69.6%) +9.5% of girls report visiting an SRH service when experiencing issues after sex

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)

COMPANY NUMBER: 07516619

		(consumers = 81.1% non-consumers = 71.6%) +10% of girls report visiting an SRH service when experiencing any menstruation-related issues (consumers = 82.6% non-consumers = 72.8%)
Ethiopia	N/A	+7% of girls aged 14-15 who took the first dose of the HPV vaccine in 2021 (viewers=64%, non-viewers=57%)
Malawi	N/A	+20% of 9-year-old girls who receive their eligible doses of the HPV vaccine (treatment=82%, control=62%) *Data from January 2020
Rwanda	N/A	+19% of girls report discussing their curiosities about sex with their friends (pre=51%, post=70%) +27% of girls report accessing an SRH service 3 times in the last 12 months (pre=10%, post=37%) +12% of girls accessed SRH services for STI tests including HIV/AIDS (pre=7%, post=19%)
Springster South Africa	Final results pending	+6% girls intend to visit a health service if they were to experience infections in their private parts after content (97% up from 91% before content) +12% of girls would access a health service before engaging in a new sexual relationship (76% up from 64% before content)

Partnerships

During the year we worked through the following partnerships:

New partnerships:

Danish Refugee Council: Girl Effect is working with the Danish Refugee Council to raise awareness around the struggles faced by returnee migrants in an attempt to change perceptions. We created a storyline in our Yegna TV drama with a new returnee migrant. We follow her story and how she navigates challenges - from loan sharks to family pressure - through eight episodes. Overall, 16 episodes reference migration themes throughout the season. Yegna's TV drama currently has more than 14 million views on YouTube.

Fossil Foundation: Fossil Foundation is supporting Girl Effect's digital programme Chhaa Jaa in India to help older adolescent girls with digital access, but with limited means to agency and income, to combat the enormously heightened pressures and anxieties of their everyday lives in a post-Covid world. Chhaa Jaa

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)

COMPANY NUMBER: 07516619

and Fossil Foundation are doing this through content that seeks to acknowledge their issues and provide ways to cope; and through Bak Bak Gang, Chhaa Jaa's unique girls-only digital safe-space - where girls, in the age group of 16 and above can share and learn about sexual and reproductive health, life, love, relationships and stresses.

Facebook (COVID-19 Challenge): Facebook is supporting Girl Effect with skill building and resources to run effective and far-reaching campaigns on Facebook platforms, promoting COVID-19 preventative behaviours and the increase of COVID-19 vaccine confidence. We are working together in eight countries - India (Chhaa Jaa), South Africa (Bis Sis), Kenya (Springster), Rwanda (Ni Nyampinga), Ghana (Springster), DRC (Springster), Mozambique (Springster) and Nigeria (Springster).

CommonAge: CommonAge and Girl Effect Rwanda want to better understand older women's personal ageing experience from their own point of view - both its challenges and its opportunities. Through Girl Effect's Technology Enabled Girl Ambassadors (TEGAs) we are conducting qualitative research from the point of view of women aged 60 and above, as well as the young girls they interact with, to then produce content based on these conversations. A powerful film highlighting the issues of ageing and older people in Rwanda will be screened at the Women's Forum at CHOGM (Commonwealth Heads of Government) to inspire intergenerational engagement.

Rockefeller Foundation: Girl Effect received financial support from the Rockefeller Foundation, and in partnership with Shining Hope for Communities (SHOFCO) we have brought new insights and understanding around barriers to vaccine uptake in Kenyan slums and the main communication tools used by young people in the slums (both formal and informal).

Multi-year partnerships:

Vodafone Americas Foundation: Girl Effect and Vodafone Americas Foundation have teamed up to empower vulnerable girls with access to the information, advice and services they need through mobile. Through the partnership, we have reached and engaged over 13.7 million girls in seven countries (India, Tanzania, South Africa, Ghana, Democratic Republic of Congo, Kenya and Mozambique) through mobile, providing access to information, inspiration and the services they need to navigate adolescence.

Gavi, the Vaccine Alliance: Through our 4-year partnership, we succeeded in reaching a significant number of vaccine-eligible girls in Ethiopia, Malawi, Rwanda and Tanzania over a relatively short implementation period. The qualitative and quantitative data we collected highlight the positive feedback our content received from the girls it reached — emphasising the extent to which it appealed to their distinct needs. Girls exposed to our content were less likely to believe the myth that HPV vaccination causes infertility. In Malawi and Ethiopia, girls exposed to our content were more likely to discuss vaccination with their families, compared to girls who were not exposed. Most importantly, girls exposed to our content in Malawi and Ethiopia were more likely to report receiving doses of the vaccine, compared to girls who were not exposed. Ministries of Health have also responded enthusiastically, indicating high levels of demand from governments for support on effective communications for the HPV vaccine.

Times Bridge: Part of the Times of India group, India's largest and oldest media company, Times Bridge helps businesses and other organisations navigate the Indian landscape. To support the launch of Chhaa Jaa, we drew on their networks and expertise to forge media and distribution partnerships, shape our PR strategy, and to support our legal set-up in India and fundraising efforts.

UNICEF: In Ethiopia, Girl Effect is partnering with UNICEF with a focus on changing behaviours and attitudes during the early stages of the COVID-19 pandemic. This includes changing attitudes and practices towards menstrual hygiene, mental health coping mechanisms and improving and diversifying diets to build better immunity all framed, 'in these covid times' through a 20 week campaign. UNICEF has also partnered with Girl Effect to incorporate nutrition, deworming and WASH messaging within the TV series to create content which is then broadcasted nationally and also used in our Rural School program for a guided viewing and discussion groups in Oromia and Amhara in 21 schools.

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND
EXPENDITURE ACCOUNT)**

COMPANY NUMBER: 07516619

Building internal capacity and leadership

Girl Effect has been on a journey to become an organisation that is rooted in, and reflective of, the communities in which we serve. As part of this journey, we have moved from an organisation headquartered in London, to a global network of hubs, dispersing our leadership and operations to ensure we are closer to our work and more engaged with local communities.

We have made important progress, moving from a planning phase to deployment. We have focused on the recruitment of key team members and leadership roles, particularly in our India and Kenya hubs. We have doubled down on our commitment to embed diversity, equity and inclusion (DEI) across every level of our organisation, putting into place fit-for-purpose systems and processes that will set us up for success. This includes reviewing our leadership and decision-making structures, embedding local leadership in all of our countries of operation and acting on our commitment to greater youth participation and engagement across all of our work.

Some highlights include:

- Hiring and onboarding four key leadership positions based in our Nairobi hub.
- Embedding local country leaders across all of our Country Programmes (Ethiopia, India, Malawi, Rwanda, Tanzania).
- Increasing youth participation across all of our work.
- Conducting an organisation-wide DEI survey and Employee Wellbeing survey.
- Developing and implementing a range of workshops and training designed to nurture and grow our team and leaders.

We are focused on ensuring that we have the resources, systems, and processes in place to build, nurture and empower a diverse global team. We are creating a team that reflects the places where we work, supports, and drives our programming in-country, and enables youth voices to shape our work.

Financial review

Our financial results for the year show a deficit and draw-down of reserves of £7.5m (2020: surplus of £2.49m).

Fundraising income reduced by 55% to £7.46m as the organisation continued its fundraising and operating model renewal process. Costs incurred by the organisation also reduced but not to the same level, as we drew down on our reserves to continue to invest in innovating our work and testing new approaches to creating scalable change.

Investment income decreased significantly – by 77% - due to historically low interest rates available on the organisation's cash and fixed term deposit balances. In addition, the group is recognising a significant loss on its net foreign currency exposure during the year, amounting to £2.14m (2020: a gain of £1.8m). This loss was primarily due to the strength in the USD dollar compared to the GBP at the end of the financial year, following a year of significant turbulence in that rate.

Overall, this means that the organisation has, as planned, drawn significantly on its reserves to fund its operational and innovation activities for the year.

The Girl Effect annual accounts for 2021 represent a consolidation of the financial positions of the UK charity's subsidiaries (Girl Effect Nigeria, Girl Effect Malawi, Girl Effect Enterprise, Girl Effect Ethiopia, and Girl Effect Tanzania) and its branches in Rwanda and Tanzania (now closed).

Girl Effect Enterprise had two further subsidiaries during the year – Girl Effect Enterprise India Private Limited and a Commercial Representative Office in Ethiopia (which was closed in the year).

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND
EXPENDITURE ACCOUNT)**

COMPANY NUMBER: 07516619

Financial objectives

Girl Effect's financial objectives are to maintain a strong and effective financial management system and control framework to ensure that resources are effectively deployed to achieve optimal value-for-money outcomes for all stakeholders; the ultimate goal being the achievement of healthy financial, funding and cash flow positions on a consistent basis.

Particularly as we actively grow the number of our restricted funding partnerships, we continue to invest significant effort to ensure that we have robust and responsive financial policies, systems and processes that support efficient resource allocation and provide visibility into project activities, results, outcomes, and sustainability.

Reserves Policy

Reserves are held to ensure that the charity can continue to meet its charitable objectives in the event of a sustained reduction in voluntary income or other adverse scenarios. The Trustees consider annually the level of reserves that should be maintained and take account of the requirements of the Charities SORP and the guidance issued by the Charity Commission (Charities and Reserves - CC19). The trustees believe in a prudent approach to general reserves and consider that these should be held at a sufficient level so as to mitigate the financial risks we have identified.

We therefore aim to hold a general reserve of at least £6.3m. At the balance sheet date, a general reserve of £9.7m is held, alongside £15.4m of designated reserves, as described below.

RESERVES

Restricted funds

Restricted income funds are to be spent within a reasonable period from their receipts to further one or more, but not all the charity's purposes. The charity holds a number of different funds to support specific activities chosen by donors, which fall within the objectives of the charity. On 31 May 2021, the charity expended all its income recognised from donors.

Unrestricted funds

These are funds that are expendable at the discretion of the Trustees to further the charity's objectives. The charity's unrestricted funds at 31 May 2021 were £25.0m and included £15.4m of designated funds. These designated funds are made up of three components:

Designated funds - Fixed Assets – Tangible and Intangible

During the year the charity vacated its leased property, which was previously used as office space in London. This means that the related fixed assets were written off as the office was returned to the state in which it was occupied.

In addition, the charity continues to amortise a material intangible asset (representing the historic investment in an end-to-end technology infrastructure).

Accordingly, the Trustees have decided that reserves equating to the carrying value of the organisation's fixed assets should be placed in a designated fund each period, as these represent a future call of the charity's reserves. At the balance sheet date this designated fund equates to £1.4m

Designated funds - Programme related

The organisation has entered voluntarily into commitments with a variety of partners (including its founding funders) to deliver against a number of programming priorities in line with the charity's objectives and donor expectations. These represent calls on the organisation's reserves which the Trustees plan to honour. During the financial year in review, it was this designated reserve which was primarily drawn down.

The total value of this committed activity is estimated at £8.97m at the end of the financial year. Accordingly, that figure has been designated within the organisation's reserves as of 31 May 2021.

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND
EXPENDITURE ACCOUNT)**

COMPANY NUMBER: 07516619

Designated funds – strategic projects

The organisation is undergoing a significant operating model shift towards a network of global hubs with a stronger presence close to the markets we work in and the girls we work with. On this basis the Trustees continue to designate £5m of reserves to underwrite the cost of this transition, which will include the cost of dual running of certain roles, of establishing new legal entities and fundraising processes, and of embedding a new global governance framework, amongst other workstreams.

General Funds

The Trustees review the level of general reserve required on an annual basis in line with guidance issued by the Charity Commission and having assessed the risks facing the charity, they recognise the need to ensure that the reserves held enable financial stability, are adequate to meet working capital requirements and can safeguard the charity's current commitments against fluctuations in income levels. The balance of general reserves on 31 May 2021 was £9.7m.

Going concern

Above is an overview of Girl Effect's financial performance and the general reserves position. The planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on sources of income and planned expenditure. There is a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future; however, our reserves policy seeks to account for the uncertain current environment.

The Covid-19 pandemic has presented significant operational challenges to the organisation (including, but not limited to, due to school closures and restriction on travel), however with strong planning Girl Effect believes that there are no material uncertainties that call into doubt Girl Effect's ability to continue in operation, and thus the accounts have been prepared on the basis that Girl Effect is a going concern.

Investment policy

The Trustees have delegated the management of investments to the Interim Chief Finance and Operations Officer, in consultation with the CEO.

Investments may be made in any share or bond, unless the underlying activity of the company or institution concerned is in direct conflict with the aims of the Girl Effect. Trustees accept that investing in pooled funds will restrict their ability to fully apply an ethical investment policy. Management will, however, remain vigilant of issues that might affect Girl Effect and bring them to the attention of the Investment Managers.

Investments are held to complement and support the reserves policy of holding reserves for at least three months of operating costs, requiring the relevant level of funds to be available at short notice to medium term to deal with a significant and sudden fall in income. The main investment objective is to maximise returns, protect capital and to invest in liquid assets. Investment management of share portfolios will be delegated to authorised professional investment managers, regulated by the FCA. Girl Effect's cash balances should be deposited with institutions with a satisfactory credit rating as approved by the Trustees. Deposits should be spread by counterparty. The investment objective is to generate a return of RPI per annum over the long term, after expenses. Most of Girl Effect's income is generated in US Dollars and current investments have been made in both US Dollars and Sterling fixed term deposits only.

As of 31st May 2021, our investments were held in cash or fixed interest bonds. A total of £20.1m was held in fixed interest bonds (2020: £18.6m). The cash investments held are placed on deposit in accordance with our investment policy. As short-term cash deposits are anticipated to cover committed expenditure, the investments were placed for a maximum period of 12 months.

How pay is governed at Girl Effect

The Board of Trustees has oversight of organisational spend at Girl Effect. The CEO and Executive Committee (EC) are responsible for defining Girl Effect's pay policy. Annually Girl Effect's People team review the current cost of living (CPI Index) and determine a Cost-of-Living Adjustment if applicable. The basic pay increase is based on the data available at the time of review (including affordability, salary

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND
EXPENDITURE ACCOUNT)**

COMPANY NUMBER: 07516619

benchmarking, market competitiveness and internal equity). Pay increases awarded to staff aim to ensure that performance is also weighted, by directing spend towards those who perform strongly and above expectations.

Girl Effect always ensures it meets all national pay standards and provides all paid staff with a living wage as a minimum. The CEO and EC review pay increases across the organisation to ensure spend is appropriate, contributing to organisational health and rewarding strong performance.

Girl Effect approach to pay

Our principles are to pay our staff a fair salary that is competitive within the sector (benchmarking against not only the charitable sector but also relevant parts of the private sector because the unique nature of what we do leverages the products and tools of the creative industries in order to transform girls lives), proportionate to the complexity of each role, and responsible in line with our charitable objectives.

Salaries are market-tested against appropriate salary surveys across sectors and skill sets. All staff in the UK are automatically enrolled in a group personal pension.

The Trustees consider the Executive Team to comprise the key management personnel of the charity in charge of directing and controlling, running, and operating the charity on a day-to-day basis. All Trustees give of their time freely.

Public benefit statement

Girl Effect's Trustees have given regard to the legislative and regulatory requirements for disclosing how its charitable objectives have provided benefit to the public. The Trustees have complied with the duty set out in Section 17 of the Charities Act 2011 and clarified how the organisation's work seeks to focus on seven charitable purposes as specified in the Act. These are "the prevention or relief of poverty, the advancement of education, the advancement of health or the saving of lives, the advancement of citizenship or community development, the advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity, the relief of those in need because of youth, age, ill-health, disability, financial hardship or other disadvantage".

Risk management

Girl Effect operates in countries where high levels of risk exist. The Trustees recognise that if Girl Effect is to achieve its objectives, it may be necessary to accept some risks that are outside of the charity's control, and which cannot be fully mitigated. The Executive Committee is charged with actively monitoring such risks, but the Trustees recognise that any system of risk management cannot eliminate risk. It, therefore, provides reasonable, but not absolute, assurance that the organisation is protected.

Girl Effect has a formal risk management process through which the Executive Committee identifies the major risks to which the organisation may be exposed and has ranked these by likelihood and impact, culminating in a risk control document which is updated on a regular basis. All significant risks, together with current mitigation actions, are reviewed regularly throughout the year by the Trustees. Risk is also managed at project-level with project managers actively monitoring and mitigating risks - this critically includes safeguarding and data protection risks.

The principal risks and uncertainties identified by the charity are as follows:

Risk identified	Action taken to mitigate the risk
• Immediate and longer-term consequences of the global Covid-19 pandemic.	<ul style="list-style-type: none">– Strict compliance with all national guidelines– Focused wellbeing support for Girl Effect staff, including for extended remote working– Constantly refreshed fundraising strategy and donor prospecting

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)

COMPANY NUMBER: 07516619

• Potential safeguarding incident to girls, partners or staff	<ul style="list-style-type: none"> – A Child Protection policy in place with staff trained regularly and designated child protection officers – Confidential whistleblowing structures operational
• Reputational damage from negative media coverage	<ul style="list-style-type: none"> – Targeted, transparent and proactive communication to relevant stakeholders – Insufficient funds to implement strategy – Conservative reserves policy in place – Plan in place to mobilise unrestricted, semi-restricted, and co-investment funding
• Operating model not adequate to scale at speed	<ul style="list-style-type: none"> – Plan in place to review and evolve infrastructure/ processes/ systems for scale and optimise for speed – Development of clear organisational structures – Resource and talent planning in place
• Exchange rate volatility	<ul style="list-style-type: none"> – Proactive Treasury management of exchange rate volatility with funds invested in USD and GBP
• Human resources: unable to attract, develop staff of the right qualities and capabilities	<ul style="list-style-type: none"> – Regular review of recruitment process – Global recruitment process to attract best talent – Professional development a priority with resources made available globally
• Cybersecurity: malicious attacks resulting in security breaches, loss of service and damage to reputation	<ul style="list-style-type: none"> – Risks to Cyber security reviewed and evaluated and online global incidence log maintained – Plans in place to improve security controls
• Data Protection: sensitive and personal data compromised resulting in regulatory non-compliance.	<ul style="list-style-type: none"> – Risk to Digital and IT infrastructure and assets being reviewed – External specialist support being leveraged to identify and improve Digital Policy and Practice

Safeguarding

Making sure children and young people are safe is Girl Effect's top priority. Our safeguarding policy promotes the welfare of all children and young people, prevents harm and mitigates risk, and protects children and young people through immediate response when harm or abuse is identified.

Structure, governance, and management

The charity is governed by its Memorandum and Articles of Association dated 3 February 2013, as amended by Special Resolution on 8 September 2015.

The Trustees, responsible for the overall strategic direction and management of the Charity's business, meet at least twice a year. Meetings consist of at least two trustees, with at least one also being a member of the charity. New trustees may be appointed by majority vote and are appointed based on their ability to apply their skills and expertise to the varied activities of the Charity as and when required.

On appointment, new trustees receive an information pack and an induction, which includes general information on charity governance and Girl Effect specific information on its governance, charitable activities, finances, fundraising and staffing. Trustees are encouraged to visit international projects. No Trustee has a beneficial interest in the company.

The Trustees bear responsibility for strategic planning, policy and direction. Implementation is delegated to the Chief Executive, who is answerable to the Trustees, and her Executive Team. Board members bring expertise in multiple areas, as well as a strong personal commitment to Girl Effect's mission and values, a willingness to act as advocates in promoting the work of Girl Effect within their personal networks and to the wider world, and to be active in helping mobilise new funds.

At the balance sheet date, Girl Effect is registered as a UK charity headquartered in London with:

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND
EXPENDITURE ACCOUNT)**

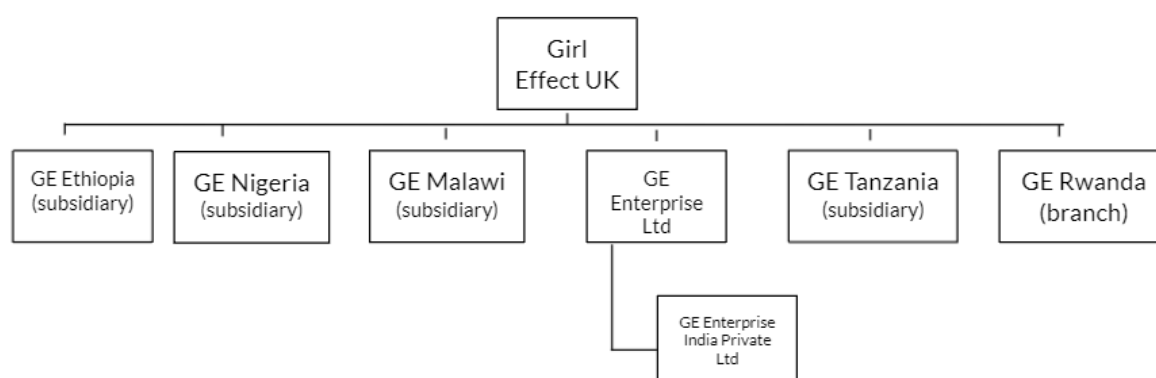
COMPANY NUMBER: 07516619

- A branch in Rwanda
- A wholly owned subsidiary in Nigeria
- A wholly owned subsidiary in Malawi
- A wholly owned subsidiary in Tanzania
- A wholly owned subsidiary in Ethiopia
- A wholly owned subsidiary in UK which has a subsidiary in India

To conduct commercial activities, Girl Effect has a wholly owned trading subsidiary in the UK (Girl Effect Enterprise Ltd) which is the vehicle for commercial activities worldwide. Girl Effect Enterprise Ltd had registered a commercial representative office in Ethiopia to promote its activities and brand in Ethiopia, which was closed in July 2020. In addition, any income or commission that results from public or private sector organisations' interest in bespoke TEGA research, is to be managed through the Girl Effect Enterprise.

During the year Girl Effect continued as a sponsored project of the Rockefeller Philanthropy Advisors in the US, a US 501(c)3, to receive donations from US philanthropists, corporates, and foundations. In parallel, an independently controlled organisation, Girl Effect Inc, was incorporated and mobilised in the US. The process to revise our fundraising model for US-based donors continued after the end of the financial year.

Global organisational structure (as at the balance sheet date)



Statement of the Board of Trustees responsibilities for the financial statements

The Trustees, who are also directors of Girl Effect for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts 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 group for that year. In preparing these financial statements, the Trustees are required to:

In preparing those financial statements which give a true and fair view, the Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable 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 assume that the charitable group will continue that basis

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND
EXPENDITURE ACCOUNT)**

COMPANY NUMBER: 07516619

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

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.

Each of the directors, who held office at the date of approval of this Trustees' Report, has confirmed that there is no information of which they are aware which is relevant to the audit but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are made aware of such information.

Auditors

Haysmacintyre LLP has expressed its willingness to continue in office as auditors. A resolution proposing that Haysmacintyre LLP be re-appointed as auditors of the charitable company for the forthcoming year will be put to members at the Annual General Meeting.

The Trustees' Report (incorporating the Strategic Report) was approved by the Trustees on 8 February 2022 and is signed on their behalf by:

Jonathan Newhouse

.....

Jonathan Newhouse, Chair

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND
EXPENDITURE ACCOUNT)**

COMPANY NUMBER: 07516619

Independent auditor's report to the members of Girl Effect

Opinion

We have audited the financial statements of Girl Effect for the year ended 31 May 2021 which comprise the Consolidated and Charity Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. 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 group's and of the parent charitable company's affairs as at 31 May 2021 and of the group's and parent charitable company's net movement in funds, including the 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 group 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 group'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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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.

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND
EXPENDITURE ACCOUNT)**

COMPANY NUMBER: 07516619

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 includes the strategic report and the directors' report prepared 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 strategic report and the directors' report included within the Trustees' Report and have 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 17, 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 group's and the parent 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 group or the parent 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:

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND
EXPENDITURE ACCOUNT)**

COMPANY NUMBER: 07516619

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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. 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.



Murtaza Jessa (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 14 March 2022

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND
EXPENDITURE ACCOUNT)**

COMPANY NUMBER: 07516619

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME FROM:					
Donations and legacies	2	3,897,331	3,353,592	7,250,922	15,886,516
Investments		113,761		113,761	498,552
Other		94,637		94,637	942,552
		-----	-----	-----	-----
Total income		4,105,729	3,353,592	7,459,321	17,327,620
EXPENDITURE ON:					
Raising funds	3	(307,828)		(307,828)	(666,333)
Charitable activities	3	(9,147,129)	(3,353,592)	(12,500,720)	(15,600,433)
		-----	-----	-----	-----
Total expenditure	3	(9,454,957)	(3,353,592)	(12,808,548)	(16,266,766)
Net (loss)/income	5	(5,349,227)		(5,349,227)	1,060,852
Foreign Exchange (Loss)/Gain	5	(2,142,505)		(2,142,505)	1,426,656
		-----	-----	-----	-----
Net movement in funds		(7,491,732)		(7,491,732)	2,487,508
Funds brought forward		32,515,709		32,515,709	30,028,201
		-----	-----	-----	-----
Funds carried forward		25,023,978	-	25,023,978	32,515,709
		=====	=====	=====	=====

The notes on pages 25 – 48 form part of these financial statements

The statement of financial activities includes all gains and losses recognised in the year.

All amounts derive from continuing activities.

Full comparatives for the Statement of Financial Activities are shown in Note 19.

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

CONSOLIDATED AND CHARITY BALANCE SHEETS

COMPANY NUMBER: 07516619

	Notes	2021 Group £	Charity £	2020 Group £	Charity £
FIXED ASSETS					
Tangible assets	8	39,892	25,013	187,308	131,450
Intangible assets	8	1,352,048	1,352,048	1,903,223	1,903,223
Investments	9	20,061,601	20,061,601	18,584,883	18,595,507
		-----	-----	-----	-----
		21,453,541	21,438,662	20,675,414	20,630,180
CURRENT ASSETS					
Debtors	10	1,114,428	597,382	11,109,988	10,235,431
Short term deposits and cash in hand		4,017,852	2,939,320	5,907,012	5,301,419
		-----	-----	-----	-----
		5,132,280	3,536,702	17,017,000	15,536,850
CURRENT LIABILITIES					
CREDITORS: amounts falling due within one year	11	(1,561,842)	(601,978)	(5,176,705)	(1,141,171)
		-----	-----	-----	-----
NET CURRENT ASSETS		3,570,438	2,934,724	11,840,295	14,395,679
		-----	-----	-----	-----
NET ASSETS		25,023,978	24,373,386	32,515,709	35,025,859
		=====	=====	=====	=====
FUNDS					
Unrestricted funds					
General funds	12	9,665,709	8,897,981	9,665,709	12,175,859
Designated funds	13	15,358,269	15,475,405	22,850,000	22,850,000
Restricted funds	14	-	-	-	-
		-----	-----	-----	-----
TOTAL FUNDS		25,023,978	24,373,386	32,515,709	35,025,859
		=====	=====	=====	=====

The deficit of the parent charity prior to consolidation was £6,702,532 (2020: surplus of £7,454,345)

Approved by the Trustees and authorised for their issue on 8 February 2022 and signed on their behalf by:

Jonathan Newhouse

Jonathan Newhouse, Chair

The notes on pages 25 – 48 form part of these financial statements

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

CONSOLIDATED CASHFLOW STATEMENT

COMPANY NUMBER: 07516619

		2021	2020
	Note	Group £	Group £
		-----	-----
Cash used in operating activities	17	(539,539)	(415,750)
		=====	=====
 Cash flows from investing activities			
Interest income		113,761	498,552
Purchase of Tangible Fixed Assets		(19,436)	(4,276)
Purchase of Investments		(1,476,718)	(6,794,552)
Disposal of Fixed Assets		32,771	2,533
Proceeds from disposal of investments		-	3,180,586
		-----	-----
Cash used in investing activities		(1,349,621)	(3,117,157)
 Decrease in cash and cash equivalents in the year		(1,889,160)	(3,532,907)
 Cash and cash equivalents at the beginning of the year		5,907,012	9,439,922
		-----	-----
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		4,017,852	5,907,012
		=====	=====

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

1.ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

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 UK and Republic of Ireland (FRS 102) (Second Edition) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Girl Effect meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). Girl Effect is a charitable company registered in England and Wales. Its reference and administrative details are shown on page 1.

The financial statements are prepared in pounds sterling, rounded to the nearest pound.

Preparation of accounts on a going concern basis

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The review of our financial position, reserves levels and plans give Trustees confidence that the charity remains a going concern for the foreseeable future.

Although the Covid-19 pandemic has presented significant operational challenges to the organisation (including, but not limited to, due to school closures and restriction on travel), the Trustees do not believe that the overall funding landscape in which the organisation operates has been adversely affected by the pandemic. In fact, in some cases the renewed focus on equitable vaccine access and gender barriers may over time enable Girl Effect to access new sources of funding.

Accordingly, Girl Effect believes that there are no material uncertainties that call into doubt Girl Effect's ability to continue in operation, and thus the accounts have been prepared on the basis that Girl Effect is a going concern.

Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiaries, Girl Effect Nigeria, Girl Effect Tanzania, Girl Effect Ethiopia, Girl Effect Malawi and Girl Effect Enterprise Ltd on a line-by-line basis. In line with the requirement of the Charity SORP FRS 102, these entities have been treated as subsidiaries on the basis that they are separately registered in their respective countries. Girl Effect Enterprise has a Commercial Representative Office in Ethiopia which is a subsidiary of Girl Effect Enterprise, and also has 99% ownership of its subsidiary in India - Girl Effect Enterprise India.

A separate Statement of Financial Activities and Income and Expenditure Account and Statement of Cash Flows for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The charity-only net movement in funds is shown as a footnote to the balance sheet.

The financial statements also include the charity's branches in Rwanda and Tanzania. In line with the requirements of the Charity SORP FRS 102 these have been treated as branches. On this basis, the activities relating to these branches are shown as part of the parent charity.

Income recognition

All income is recognised once the charity has entitlement to this income, it is probable that income will be received and the amount of income receivable can be measured reliably.

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Donations and legacies

Donations and gifts are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

Gifts in kind

Gifts in kind represent assets donated for distribution or use by the charity. Assets given for distribution are recognised as income only when distributed. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the amount realised from the disposal of the assets or at the price the charity would otherwise have paid for the assets.

Grants

Grants are recognised in full in the statement of financial activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt.

Income from charitable activities

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods or services are provided.

Investment income

Investment income is recognised on a receivable basis once the amounts can be measured reliably.

Fixed assets

Fixed assets are stated at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses. Assets costing more than £1,000 are capitalised.

Depreciation is calculated to write off the costs of the fixed asset by equal instalments as follows, all on a straight line basis:

Motor Vehicles	5 years
Furniture, Fixtures & Fittings	5 years
IT	3 years
Leasehold improvements	Life of lease
Intangible Assets (Computer software)	5 years

Costs directly attributable to the development of identifiable software are recognised as intangible assets only if they can be reliably measured, the product or process is technically and commercially feasible, future economic benefits are probable, and the group has adequate resources available to complete the development and use or sell the software. Directly attributable costs that are capitalised as part of the assets include employee costs and an appropriate portion of direct overheads. Other development expenditure that do not meet these criteria are recognised as an expense as incurred.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprises the costs of staff, consultants, and their travel as well as fundraising events and other costs incurred to generate charitable income
- Expenditure on charitable activities comprises all costs directly attributable to the activities highlighted in Note 3. This includes staff costs for those directly attributable to those activities.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of costs

Staff costs are allocated between direct charitable expenditure and support costs based on the time spent on these activities. Other costs are allocated directly to the relevant heading.

Operating leases

Rental charges are charged on a straight-line basis over the life of the lease.

Financial Instruments

The charitable company and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Cash

Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value.

Profits and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired after 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. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due

Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust deed.

Employee benefits

- Short term benefits: short term benefits including holiday pay are recognised as an expense in the period in which the service is received.
- Employee termination benefits: Termination benefits are accounted for on an accrual basis and in line with FRS 102.
- Pension scheme: Girl Effect operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of Girl Effect in an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the year. Girl Effect's pension is provided by AEGON UK.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, the Trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year. Similarly, the Trustees do not consider that there are any areas of significant estimation uncertainty within the financial statements. The accounting policies in relating to material areas, such as the recognition of income, are shown above.

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. DONATIONS AND LEGACIES

	2021	2020
	Total	Total
	£	£
Foundations	4,582,389	11,317,993
NGOs	259,358	1,842,907
Institution	1,160,470	523,877
Governments	18,294	214,510
High Net Worth Individuals (HNWIs)	78,507	78,507
Companies	1,103,458	1,908,722
Other	48,446	-
	-----	-----
	7,250,922	15,886,516
	=====	=====

In the year, the 'Companies' category includes donated services from Facebook and other global communications firms. The donated services relate to advertising credits used to deliver our campaigns and programmes.

As shown on the face of the Statement of Financial Activities, approximately 54% of the organisation's donation income for the financial year relates to unrestricted funds. The majority of restricted income is derived from funding partnerships with Foundations.

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. EXPENDITURE CURRENT YEAR

	2021 Sub-Total	2021 Sub-Total	2021 Total
	Direct	Support	
	£	£	£
Expenditure on raising funds	307,828	-	307,828
	-----	-----	-----
Expenditure on charitable activities			
Yegna	2,490,628	293,202	2,783,830
Ni Nyampinga	3,145,684	371,568	3,527,876
Zathu	642,275	75,610	717,885
Springster	1,053,747	124,049	1,177,796
TEGA (Technology Enabled Girl Ambassadors)	1,345,110	158,349	1,503,459
Chaa Jaa	2,375,658	279,668	2,655,326
Tujibebe	1,930,178	227,225	2,157,403
Nigeria Project	116,553	13,721	130,274
	-----	-----	-----
	13,099,833	1,543,392	14,643,225
	-----	-----	-----
In Kind payments	-	-	-
Total Expenditure	13,407,661	1,543,392	14,951,053
	=====	=====	=====

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. EXPENDITURE

PRIOR YEAR

	2020 Sub-Total Direct £	2020 Sub-Total Support £	2020 Total £
Expenditure on raising funds	666,333	-	666,333
	-----	-----	-----
	-	-	-
Expenditure on charitable activities			
Yegna	1,570,591	236,007	1,806,598
Ni Nyampinga	2,595,220	343,776	2,938,996
Zathu	2,012,106	411,049	2,423,155
Springster	1,254,341	232,804	1,487,145
TEGA (Technology Enabled Girl Ambassadors)	2,288,640	280,762	2,569,402
Chaa Jaa (formerly 'Brand India')	2,031,978	327,952	2,359,930
Tujibebe	1,042,822	144,009	1,186,831
Nigeria Project	727,862	100,514	828,376
	-----	-----	-----
	13,523,560	2,076,873	15,600,433
	-----	-----	-----
In Kind payments	-	-	-
Total Expenditure	14,189,893	2,076,873	16,266,766
	=====	=====	=====

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. EXPENDITURE (CONTINUED)

The support costs were as follows:

Department	2021 Total £	2020 Total £
General Management & Strategy	498,293	870,269
Corporate Communications & Website	96,630	107,841
Finance, Operations and Human Resources*	948,630	1,069,995
In Kind	-	28,768
	-----	-----
	1,543,392	2,076,873
	=====	=====

*Includes costs of IT, legal and premises

4. GOVERNANCE COSTS

	2021	2020
Included within Finance, Operations and Human Resources support costs are governance costs comprising:	£	£
Staff costs	110,558	102,774
Auditor's remuneration:		
Audit work - group	28,907	27,300
Audit work – subsidiaries & branches	81,520	71,428
Other services	68,684	45,783
	-----	-----
	289,669	247,285
	=====	=====

This figure includes all audit costs from operations across the globe.

5. NET INCOME FOR THE YEAR

As noted in the Trustees report, the Statement of Financial Activities also includes a net loss of £2.14m relating to foreign exchange movements in the year. The vast majority of this balance relates to a movement in the GBP-USD exchange rate, as the GBP value of cash and investment balances held by the organisation denominated in US Dollars decreased since the last revaluation date.

6. SUBSIDIARIES

Income in each subsidiary entity is the summation of income awarded and contracted with that subsidiary entity directly, foreign exchange gains, and income contributed by the Girl Effect parent charity (as disclosed in Note 18).

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

GIRL EFFECT NIGERIA

Girl Effect Nigeria is a wholly owned subsidiary of Girl Effect UK and was incorporated in Nigeria (company number: RC1202865) on 8th July 2014 (as Girl Hub Nigeria, later changed to Girl Effect Nigeria).

We have structured our Nigerian entity as a grantee of Girl Effect, and it therefore holds minimal reserves. The company was transferred to Girl Effect as part of the consolidation of all global activities within Girl Effect. Accordingly, it became a subsidiary of Girl Effect from 1 June 2015.

Girl Effect UK is the sole company member of Girl Effect Nigeria and there are currently six other registered Directors.

Girl Effect Nigeria ceased active operations in August 2020 but remains a part of the Girl Effect group of entities.

The summary financial performance of the subsidiary alone is:

	2021	2020
	£	£
Income	135,922	369,394
Expenditure	(28,041)	(468,234)
	-----	-----
Retained in subsidiary	107,881	(98,840)
	=====	=====

The assets and liabilities of the subsidiary were:

Fixed Assets	-	5,096
Current assets	187,959	128,017
Current liabilities	(369,085)	(91,480)
		41,633
Total (net liabilities)/ assets	(181,126)	-----
Aggregate share capital and reserves	-----	41,633
	181,126	=====
	=====	=====

GIRL EFFECT MALAWI

Girl Effect in Malawi is a wholly owned subsidiary of Girl Effect UK and was incorporated in Malawi on 25th July 2016 as a company limited by guarantee (company number: MBRS1012049) and registered with CONGOMA and the NGO Board. We do not anticipate Malawi to have excessive profits as Girl Effect transfers cash to Malawi to cover costs as they arise.

Girl Effect in Malawi has two shareholder subscribers who are Girl Effect UK employees and members of the Senior Leadership Team, three founding Director members who are national Malawians and a further two members.

The Board of Directors meets on quarterly basis to manage the affairs of the company, discuss the strategy and direction, and ensure statutory compliance.

The summary financial performance of the subsidiary alone is:

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

	2021	2020
	£	£
Income	250	655,900
Expenditure	(324,726)	(1,184,497)
	-----	-----
Retained in subsidiary	(324,476)	(528,597)
	=====	=====

The assets and liabilities of the subsidiary were:

Fixed Assets	791	36,496
Current assets	261	123,485
Current liabilities	(242,069)	(529,498)
	-----	-----
Total net (liabilities)/ assets	(241,017)	(369,517)
	=====	=====
Aggregate share capital and reserves	241,017	369,517
	=====	=====

GIRL EFFECT ENTERPRISE INDIA

Girl Effect Enterprise India Private Ltd is a 99% owned subsidiary of Girl Effect Enterprise UK Ltd and was incorporated on 8th February 2018 under registration number U74999MH2018FTC304938. The other 1% is held by a GE UK Senior leadership team member as it is mandated that there be an individual as shareholder.

There are three directors: one local national director and two Girl Effect employees who are members of the Executive Team.

The Board of Directors meets on a quarterly basis to manage the affairs of the company, discuss the strategy and direction and ensure statutory compliance, supported by its own Company Secretary.

The summary financial performance of the trading company alone is:

	2021	2020
	£	£
Income	1,158,087	1,012,863
Expenditure	(1,034,621)	(880,005)
	-----	-----
Retained in subsidiary	123,467	132,858
	=====	=====

The assets and liabilities of the subsidiary were:

Fixed Assets	6,336	4
Current assets	1,063,822	774,442
Current liabilities	(153,722)	(793,920)

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Total net assets / (liabilities)	916,436	(19,474)
	-----	-----
Aggregate share capital and reserves	(916,436)	19,474
	=====	=====

GIRL EFFECT ENTERPRISE

Girl Effect Enterprise Ltd was set up in order to enable Girl Effect to operate a 'trading arm' and conduct commercial activities worldwide with the view to there being the potential to receive some primary purpose trading income in the provision of our TEGA research services to other girl-centred development organisations.

Girl Effect Enterprise Ltd (previously Girl Effect Trading) is a wholly owned subsidiary of GE UK and currently has three directors.

The Board of Directors meets at a minimum on a half yearly basis to manage the affairs of the company, discuss the strategy and direction and ensure statutory compliance.

The summary financial performance of the subsidiary alone is:

	2021	2020
	£	£
Income	3,570,756	79,872
Expenditure	(851,018)	(481,735)
	-----	-----
Retained in subsidiary	(2,719,738)	(401,863)
	=====	=====

The assets and liabilities of the subsidiary were:

Fixed assets	727,130	728,436
Current assets	344,077	427,343
Current liabilities	(13,051)	(2,829,605)
	-----	-----
Total net liabilities	(1,058,156)	(1,673,826)
Aggregate share capital and reserves	1,058,156	1,673,826
	=====	=====

GIRL EFFECT ENTERPRISE - COMMERCIAL REPRESENTATIVE OFFICE

Girl Effect Enterprise Ltd has a registered local Commercial Representative Office (CRO) in Ethiopia as from 28th March 2017 to continue its operations in Ethiopia following the end of the partnership with DFID.

This takes the form of registering an individual authorised by GEE UK to act as its in-country representative.

The Commercial Representative Office was closed on 26th June 2020, as part of the process of establishing a Civil Society Organisation in Ethiopia.

The summary financial performance of the CRO is:

	2021	2020
	£	£
Income	-	286,452
Expenditure	-	(481,955)
	-----	-----
Retained in subsidiary	-	(195,503)
	=====	=====

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

The assets and liabilities of the subsidiary were:

Fixed assets	7,422	9,032
Current assets	(541)	122
Current liabilities	0	(596,063)
Total net (liabilities)/ assets	6,881	(586,909)
Aggregate share capital and reserves	(6,881)	586,909

GIRL EFFECT TANZANIA

Girl Effect in Tanzania is a wholly owned subsidiary of Girl Effect UK and was incorporated in Tanzania (company number :138587193) on 12th January 2019.

Girl Effect in Tanzania has two founding registered Directors who are members of Girl Effect UK's Executive Team.

GE Tanzania operated for only five months of FY19, therefore incurring significantly less expenditure as compared to FY20.

The summary financial performance of Tanzania is:

	2021	2020
	£	£
Income	0	39,459
Expenditure	(743,341)	(535,925)
Retained in subsidiary	(743,341)	(496,466)

The assets and liabilities of the subsidiary were:

Fixed assets	-	-
Current assets	167,238	52,971
Current liabilities	(1,422,940)	(590,017)
Total net liabilities	(1,255,701)	(537,046)
Aggregate share capital and reserves	1,255,701	537,046

GIRL EFFECT ETHIOPIA

Girl Effect in Ethiopia is a wholly owned subsidiary of Girl Effect UK and was incorporated on 28 August 2019 as an Ethiopian Civil Society Organisation (CSO).

The summary financial performance of Ethiopia is:

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

	2021 £	2020 £
Income	93,177	204,467
Expenditure	(788,835)	(153,682)
	-----	-----
Retained in subsidiary	(695,658)	(50,785)
	=====	=====

The assets and liabilities of the subsidiary were:

Fixed assets	-	-
Current assets	103,679	43,352
Current liabilities	(871,407)	(185,358)
	-----	-----
Total net liabilities	(767,728)	(142,006)
	-----	-----
Aggregate share capital and reserves	767,728	142,006
	=====	=====

7. STAFF COSTS AND NUMBERS

	2021 £	2020 £
Staff costs were as follows:		
Salaries and wages	3,996,377	5,115,392
Social security costs	317,818	415,934
Pension contributions	299,025	441,678
Redundancy payments	40,921	90,825
	-----	-----
	4,654,141	6,063,829
	=====	=====

The number of employees whose emoluments for the year (excluding employer pension costs) were over £60,000, fell within the following bands:

	2021 Number	2020 Number
£60,001 - £70,000	3	7
£70,001 - £80,000	1	3
£80,001 - £90,000	4	3
£90,001 - £100,000	2	-
£110,001 - £120,000	1	1

This covers both in-country and global operations.

These employees accrued pension contributions totalling £69,714 (2020: £127,944).

The aggregate earnings for the key management personnel was £573,429 (2020: £337,624), with pension contributions of £53,020 (2020: £28,818) and employer national insurance of £70,840 (2020: £53,186). This includes market comparable figures for those seconded to Girl Effect and directly paid by a donor whose policy does not allow for disclosure of individual compensation agreements.

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

	2021 Number	2020 Number
The average number of employees during the year was as follows:		
Charitable activities	107	153
Support	13	13
	-----	-----
	120	166
	=====	=====

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

8.FIXED ASSETS (Group)	Leasehold Improvements	Furniture, fittings & equipment	Motor Vehicles	IT	Intangible IT	Total
	£	£	£	£	£	£
Cost						
At 1 June 2020	562,773	324,676	107,883	342,462	2,755,875	4,093,670
Additions	-	-	-	19,260	176	19,436
Disposal	-	(7,344)	(12,311)	(13,116)	-	(32,771)
Reclassification	(11,881)	(9,022)	(13,134)	(8,721)	-	(42,758)
Transfer of Assets	-	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
Balance at 31 May 2021	550,892	308,309	82,438	339,886	2,756,051	4,037,576
	-----	-----	-----	-----	-----	-----
Accumulated depreciation						
At 1 June 2020	471,615	313,809	54,604	310,458	852,652	2,003,138
Charge for the year	82,127	4,865	9,085	26,178	551,351	673,606
Reclassification	(10,272)	(9,260)	(6,967)	(4,981)	-	(30,003)
Disposal	-	(1,106)	-	-	-	(1,106)
Transfer of Assets	-	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
Balance at 31 May 2021	543,470	308,309	56,722	331,956	1,404,003	2,645,935
	-----	-----	-----	-----	-----	-----
Carried forward at 31 May 2021	7,422	0	25,716	8,230	1,352,048	1,391,940
	=====	=====	=====	=====	=====	=====
Brought forward at 1 June 2020	91,159	10,867	53,279	32,004	1,903,223	2,090,531
	=====	=====	=====	=====	=====	=====

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

**(a) FIXED ASSETS
(Charity)**

	Leasehold Improvements	Furniture, fittings & equipment	Motor Vehicles	IT	Intangible IT	Total
	£	£	£	£	£	£
Cost						
At 1 June 2020	471,572	267,826	40,883	290,154	2,755,875	3,826,310
Additions	-	-	-	12,043	-	12,043
Disposal	-	(2,331)	-	-	-	(2,331)
Reclassification		1,883	(4,744)	(2,855)		(5,715)
Transfer of Assets	-	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
Balance at 31 May 2021	471,572	267,378	36,140	299,341	2,755,875	3,830,305
	-----	-----	-----	-----	-----	-----
Accumulated depreciation						
At 1 June 2020	389,446	263,834	16,353	269,352	852,652	1,791,637
Charge for the year	82,126	3,444	7,228	20,273	551,175	664,246
Reclassification	-	2,432	(1,897)	(840)	-	(306)
Disposal	-	(2,331)	-	-	-	(2,331)
	-----	-----	-----	-----	-----	-----
Balance at 31 May 2021	471,572	267,379	21,684	288,784	1,403,827	2,453,245
	-----	-----	-----	-----	-----	-----
Net Book Value						
Carried forward at 31 May 2021	0	0	14,456	10,557	1,352,048	1,377,060
	=====	=====	=====	=====	=====	=====
Brought forward at 1 June 2020	82,126	3,992	24,530	20,802	1,903,223	2,034,673
	=====	=====	=====	=====	=====	=====

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. INVESTMENTS: GROUP and CHARITY

	2021 £	2020 £
Market value at 1 June	18,595,506	11,790,331
Additions	6,113,871	6,057,127
Drawdowns	(2,566,867)	-
(Loss)/gain on foreign exchange	(2,080,909)	737,425
	-----	-----
Market value at 31 May	20,061,601	18,584,883
	=====	=====

Additions in the year relate to new fixed-term deposits taken out by the organisation in GBP or USD with the organisation's partner financial institutions.

10. DEBTORS: amounts falling due within one year

	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Accrued income	541,220	541,220	1,684,653	1,624,671
Prepayments	2645	13,327	128,020	89,233
Other debtors	570,563	42,836	9,297,315	4,535,812
Intercompany debtor	-	-	-	3,985,715
	-----	-----	-----	-----
	1,114,428	597,382	11,109,988	10,235,431
	=====	=====	=====	=====

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

**11. CREDITORS: amounts falling
due within one year**

	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Trade creditors	1,226,951	429,562	4,480,616	678,990
Other taxation and social security	163,339	69,144	98,921	39,534
Accruals	80,705	12,424	284,544	130,059
Deferred income	90,848	90,848	312,625	292,588
	-----	-----	-----	-----
	1,561,842	601,978	5,176,705	1,141,171
	=====	=====	=====	=====

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

12.	ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS	Restricted Funds £	Unrestricted Funds £	Total Funds £
	Current year:			
	Fixed assets	-	21,453,540	21,453,540
	Current assets	-	4,898,475	4,898,475
	Current liabilities	-	(1,328,037)	(1,328,037)
		-----	-----	-----
	Net assets at 31 May 2021	-	25,023,978	25,023,978
		=====	=====	=====
	Prior year:			
	Fixed assets	-	20,675,414	20,675,414
	Current assets	-	17,017,000	17,017,000
	Current liabilities	-	(5,176,705)	(5,176,705)
		-----	-----	-----
	Net assets at 31 May 2020	-	32,515,709	32,515,709
		=====	=====	=====
13.	DESIGNATED FUNDS	Balance	2021	Balance
		1 June 2020	Income	31 May 2021
		£	£	£
	Programme related fund	15,750,000	-	9,083,465
	Strategic project fund	5,000,000	-	5,000,000
	Fixed assets	2,100,000	-	1,391,940
		-----	-----	-----
	Charity Total	22,850,000	-	15,475,405
		=====	=====	=====
	Group total	22,850,000	-	15,358,269
		-----	-----	-----

A description of the organisation's designated funds is included in the Trustees' Report.

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. RESTRICTED FUNDS	1 June 2020	Income	Expenditure	31 May 2021
British High Commission	-	18,294	(18,294)	-
Care International - Rwanda	-	40,321	(40,321)	-
CIFF	-	183,383	(183,383)	-
CommonAge Rwanda	-	5,000	(5,000)	-
Danish Refugee Council	-	38,935	(38,935)	-
Facebook	-	84,262	(84,262)	-
Fossil Foundation	-	93,525	(93,525)	-
Gabi, the vaccine alliance	-	1,160,470	(1,160,470)	-
Gifts in Kind - corporates	-	263,907	(263,907)	-
Habesha View	-	27,574	(27,574)	-
Howard Delafield International	-	13,006	(13,006)	-
Imagine We Publishers	-	1,417	(1,417)	-
Mastercard Foundation	-	53,453	(53,453)	-
Nutrition International	-	59,582	(59,582)	-
Praekelt Foundation	-	31,556	(31,556)	-
Rockefeller Foundation	-	38,225	(38,225)	-
Anonymous Foundation	-	162,221	(162,221)	-
Ballmer Group	-	40,000	(40,000)	-
UNICEF	-	101,272	(101,272)	-
Unilever	-	410,000	(410,000)	-
Upswell	-	45,646	(45,646)	-
ViiV Healthcare	-	120,106	(120,106)	-
Vodafone Americas Foundation	-	265,844	(265,844)	-
Women Deliver	-	2,374	(2,374)	-
	-----	-----	-----	-----
Charity total	-	3,353,591	(3,353,591)	-
	-----	-----	-----	-----
Group total	-	3,353,591	(3,353,591)	-

Accompanying narrative can be found in the Trustees' Report.

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Comparative from FY2020

RESTRICTED FUNDS	1 June 2019	Income	Expenditure	31 May 2020
	£	£	£	£
Gavi, the vaccine alliance	-	1,842,907	(1,842,907)	-
Nutrition International	-	170,276	(170,276)	-
DFAT	-	208,514	(208,514)	-
Vodafone Americas Foundation	-	619,341	(619,341)	-
Anonymous donor	-	1,585,217	(1,585,217)	-
Anonymous donor	-	243,297	(243,297)	-
Cheryl Saban Self-Worth Foundation	-	99,076	(99,076)	-
Communications Firm (Gift in Kind)	-	160,432	(160,432)	-
CIFF	-	280,844	(280,844)	-
UNESCO	-	93,871	(93,871)	-
Howard Delafield	-	75,769	(75,769)	-
ACTED	-	180,619	(180,619)	-
ViiV Healthcare	-	26	(26)	-
The Ballmer Group	-	32,494	(32,494)	-
Women Deliver	-	60,161	(60,161)	-
Habesha View	-	37,985	(37,985)	-
Konterra	-	949	(949)	-
CHOGM	-	6,263	(6,263)	-
Mastercard Foundation	-	26,589	(26,589)	-
Facebook (Gift in Kind)	-	15,582	(15,582)	-
Praekelt Foundation	-	15,050	(15,050)	-
Fatima Fund	-	5,718	(5,718)	-
Malala Fund	-	3,824	(3,824)	-
	-----	-----	-----	-----
Charity Total	-	5,764,804	(5,764,804)	-
	-----	-----	-----	-----
Group total	-	5,764,804	(5,764,804)	-
	=====	=====	=====	=====

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. TAXATION

The charity does not incur corporation tax. All income is applied for charitable purposes. The charity is not exempt from VAT which is included with the expenses to which it relates in the Statement of Financial Activities.

16. OPERATING LEASES

At the year end, the charity was no committed future lease payments in respect of operating leases:

	Land and buildings: Group		Land and buildings: Charity	
	2021	2020	2021	2020
	£	£	£	£
In less than one year	-	467,770	-	467,770
In four to five years	-	-	-	-
	-----	-----	-----	-----
	-	467,770	-	467,770
	=====	=====	=====	=====

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO CASH USED IN OPERATING ACTIVITIES

	2021	2020
	Group	Group
Net (loss) / income	(7,491,732)	1,060,854
(Loss) / Gain on sale of assets	(6,588)	(4,460)
Add back depreciation charge	673,606	833,686
Deduct interest income shown in investing activities	(113,761)	(498,552)
Decrease in debtors	10,229,364	(844,943)
Increase in creditors	(3,848,668)	780,956
Foreign exchange gains / (losses) on operational activities	2,099,149	(2,480,716)
Foreign exchange gains / (losses) on investments	(2,080,909)	737,425
	-----	-----
	(539,539)	(415,750)
	=====	=====

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RELATED PARTY TRANSACTIONS

In 2021 the following transactions took place with related parties:

Girl Effect Nigeria: Revenue of £62,170 was transferred from the UK to Girl Effect Nigeria to cover the costs of our programmes and activities there. As at 31st May 2021 the balance owed by/to Girl Effect Nigeria is Nil

Girl Effect Malawi: Revenue of £153,584 was transferred from the UK to Girl Effect Malawi to cover the costs of our programmes and activities there. As at 31st May 2021 the balance owed by /to Girl Effect Malawi is Nil

Girl Effect Enterprise India Private Limited: Revenue of £1,563,017 was transferred from the UK to Girl Effect Enterprise India Private Limited (a wholly owned subsidiary of Girl Effect Enterprise Limited, which is a wholly owned subsidiary of Girl Effect Limited) to cover the costs of our programmes and activities there. As at 31st May 2021 the balance owed by/to Girl Effect Enterprise India Private Limited is Nil

Girl Effect Tanzania: Revenue of £462,000 was transferred from the UK to Girl Effect Tanzania to cover the costs of our programmes and activities there. As at 31st May 2021 the balance owed by/to Girl Effect Tanzania is Nil

Girl Effect Inc: A restricted grant was made to Girl Effect Inc in the period of \$930,000 equivalent to £718,583. Girl Effect Inc is not owned or controlled by Girl Effect Limited but does share some members of key management personnel. This grant is to be used to fund set-up activity. As at 31st May 2021 the balance owed by/to Girl Effect Inc is Nil

**GIRL EFFECT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (YEAR ENDED 31 MAY 2020)

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £
INCOME FROM:				
Donations and legacies	2	10,121,712	5,764,804	15,886,516
Investments		498,552	-	498,552
Other, including rental income		942,552	-	942,552
		-----	-----	-----
Total income		11,562,816	5,764,804	17,327,620
EXPENDITURE ON:				
Raising funds	3	(666,333)	-	(666,333)
Charitable activities	3	(9,835,629)	(5,764,804)	(15,600,433)
		-----	-----	-----
Total expenditure	3	(10,501,962)	(5,764,804)	(16,266,766)
Net income	5	1,060,852	-	1,060,852
Foreign Exchange Gain/(Losses)	5	1,426,656	-	1,426,656
		-----	-----	-----
Net movement in funds		2,487,508	-	2,487,508
Funds brought forward		30,028,201	-	30,028,201
		-----	-----	-----
Funds carried forward		32,515,709	-	32,515,709
		=====	=====	=====