

**THE MALALA FUND UK**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**THE MALALA FUND UK**  
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2022**

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<b>Trustees</b>	S McCaw F Naqvi M Yousafzai A Mateen
<b>Company registered number</b>	10551265
<b>Charity registered number</b>	1178655
<b>Registered office</b>	138 Holborn London EC1N 2SW
<b>Company secretary</b>	A Cosby
<b>Independent auditor</b>	Sayer Vincent LLP Statutory Auditor Invicta House 108-114 Golden Lane London EC1Y 0TL
<b>Bankers</b>	Citibank Cana Square Canary Wharf London E14 5LB
<b>Solicitors</b>	Bates Wells 10 Queen Street Place London EC1Y 0TL
<b>Accountants</b>	Blick Rothenberg Limited 16 Great Queen Street London, Covent Garden WC2B 5AH

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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The trustees present their annual report together with the audited financial statements of the charity for the year 1 April 2021 to 31 March 2022. The Annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Objectives and activities**

**a. Policies and objectives**

Together with the Malala Fund US and Malala Fund Nigeria, the Malala Fund UK is working toward a world where every girl can learn and lead. Co-founded by Malala Yousafzai and her father, Ziauddin Yousafzai, Malala Fund began in the United States in early 2013 in response to a swell of public support following the 2012 attack on Malala's life. Since then, Malala has become the movement leader for girls' education and her continued activism has created progress for girls' education and equality around the world.

As stated in the Malala Fund UK's Articles of Association, the objects of the charity are to promote education around the world, particularly (but not limited to) secondary school-age girls denied education due to poverty, violence, discrimination, or tradition.

Since incorporation in 2017 and registration as a public charity in England and Wales in 2018, the Malala Fund UK has worked alongside the Malala Fund US to support programmes that improve access to high-quality education in Afghanistan, Bangladesh, Brazil, Ethiopia, India, Lebanon, Nigeria, Pakistan, Tanzania and Turkey. The charity also advocates for the resources and policy changes needed to give all girls a secondary education, informing policymakers and the general public in the United Kingdom and elsewhere about the importance and benefits of girls' education around the world.

Throughout the year, the trustees of the Malala Fund UK review the aims, objectives and activities of the charity. This report looks at what the Malala Fund UK has achieved and the outcomes of its work against its charitable objectives during the reporting period. Regular reviews and the process of putting together this annual report help the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and planning its future activities. In particular, the trustees consider how planned activities will contribute to the charity's set aims and objectives.

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Objectives and activities (continued)**

**b. Strategies for achieving objectives**

The Malala Fund UK works to support the nearly 130 million girls who are out of school around the world and the millions more who are not receiving a quality education. To Malala Fund, a “quality education” means not just that children are retaining knowledge but also that what they learn translates into a wider set of personal, social and developmental benefits. Two aspects of quality education that are particularly pertinent for girls are the relevance of education to their lives and aspirations, and the extent to which education is gender responsive so that it supports girls in pursuing their goals.

**c. Activities undertaken to achieve objectives**

Specifically, the charity (along with the Malala Fund US and Malala Fund Nigeria) engages in three overarching activities:

1. Advocating to hold leaders accountable: The charity advocates — at local, national and international levels — for resources and policy changes needed to give all girls a secondary education.
2. Investing in local education activists: Through its Education Champion Network (formerly the “Gulmakai Network” programme) the Malala Fund US awards grants to local educators and advocates — the people who best understand girls in their communities — in regions where the most girls are missing out on secondary school. The Malala Fund UK supports these grantees through capacity building, advocacy support, networking opportunities and programme monitoring, evaluation and learning (MEL).
3. Amplifying girls’ voices: The charity believes that girls should speak for themselves and tell leaders what they need to learn and achieve their potential. To this end, the charity amplifies girls’ voices and shares their stories through Assembly, its digital publication and newsletter. In 2020, the organisation also launched a new portfolio of grants (through its new Girl Programme) to support organisations informing girls of their rights and working directly with them to build advocacy skills.

All of the Malala Fund UK’s charitable activities focus on getting more girls into school and ensuring every girl receives a quality education and are undertaken to further the charity’s mission and to serve a public benefit. Specifics on the charity’s activities and progress towards its objectives are provided below.

**Advocacy work and victories**

In FY 2021–2022, the Malala Fund UK and the Malala Fund US encouraged leaders to address the impact of the COVID-19 global pandemic on girls’ education and successfully advocated for more aid. Highlights of these efforts included:

International Women’s Day, March 2022: Malala collaborated with The Economist as the first-ever guest editor of the magazine’s opinion section. Malala’s essay focuses on the growing girls’ education emergency and how crises — from climate and COVID-19 to Afghanistan — impact girls’ education and how failing to invest in education only exacerbates and extends these crises. To help reach more audiences, The Economist agreed to lift the paywall on the essays for a limited time. The project reached an estimated 7 million people.

Afghanistan advocacy: The Malala Fund released research on the girls’ education crisis in Afghanistan, where Malala Fund has worked since 2016. Malala Fund’s new policy briefing, Rights in jeopardy: How the international community should respond to the girls’ education crisis in Afghanistan, outlines four key actions that international and regional communities must take to address the girls’ education crisis and deliver on their commitments to girls.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Objectives and activities (continued)**

Human rights advocacy: Malala Fund called for the appointment of a Special Rapporteur to monitor the deteriorating education and human rights situation in Afghanistan. In October 2021 the Human Rights Council adopted resolution 48/1 establishing the mandate of a Special Rapporteur on the situation of human rights in Afghanistan.

Religious leaders' declaration on girls' education and women's rights: In March 2022 religious scholars came together to call upon the Taliban to revisit its decision to ban girls from attending secondary school and ensure girls can access education without discrimination. This culminated in a joint declaration — endorsed by Islamic scholars and ulemas from different schools of thought — highlighting teachings of the Quran that emphasise the importance of girls' education.

Global commitments to education: Malala Fund's advocacy efforts contributed to a number of new financial commitments to education, totalling \$2.3 billion over the next five years from Norway, the U.K., the U.S., the European Union and Germany made largely to the Global Partnership for Education (GPE) replenishment. A quote from Malala was included in the GPE's Case for Investment document and one senior GPE source stated in a call that "the fact that the case for girls' education is so well accepted [among donors] is down to Malala and Malala Fund."

Fourth international conference on the Safe School Declaration: In Nigeria on International Day of the Girl, Malala Fund partnered with the Nigeria Girl Guides Association to lead an advocacy workshop where 40 girls came together to develop their own Safe Schools Declaration. Malala Fund then shared their demands with high-level government officials and the media. This event occurred immediately before the International Conference on Safe Schools hosted by Nigeria, helping to ensure that leaders included the priorities of girls during the conference.

**Supporting a network of local educators and activists**

By the close of FY 2021–2022, the Malala Fund US had supported 85 local educators and advocates in ten countries with \$25.8 million (USD) in grants to their organisations, capacity building and networking opportunities. While the Malala Fund UK does not engage in direct grantmaking, its staff do support grantee capacity building, advocacy, networking opportunities and programme MEL.

Together, the Malala Fund US and the Malala Fund UK are working to cultivate a network of Education Champions around the world who can pursue joint advocacy strategies, share innovative models for increasing access to quality education and learn from each other's work. Specifically, the Malala Fund UK has undertaken the following activities in support of this effort:

- Facilitating collective action within the network and increasing local advocates' ability to realise their agendas and create impact;
- Supporting capacity building for advocates through in-person, online and individual training programmes; and
- Raising the profile of individual Education Champions and providing access to decision-makers.

Examples of Education Champion successes during FY 2021–2022 included:

In Brazil, Education Champion Cassia Jane Souza identified the factors forcing girls in Cabo de Santo Agostinho to drop out of high school and worked with them to advocate for gender-responsive education policies that will help them stay in school. In response to their efforts, the local government agreed to improve school facilities to promote safer classroom environments — including implementing a menstrual dignity programme to provide sanitary pads to girls in public schools, expanding their response to school dropouts to incorporate a gender lens and implementing a programme to address gender-based violence in public schools.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Objectives and activities (continued)**

In Ethiopia, the changing context as a result of the ongoing conflict is impacting girls' education; reports indicate that more than 1.9 million students are out of school because of the crisis. Collectively, Education Champions have initiated an emergency response focused on the 10 areas most affected by the conflict. They are responding to humanitarian needs, safeguarding girls in internally displaced people (IDP) camps and helping girls to safely return to school. The regional government has welcomed the Ethiopia chapter's focus on supporting students, schools and parents and committed to help implement the project.

In India, Education Champions initiated a postcard campaign on the International Day of Education, where more than 55,000 girls from 52 districts across six states (Assam, Bihar, Uttar Pradesh, Delhi, West Bengal and Andhra Pradesh) wrote to the prime minister of India asking him to extend the Right To Education (RTE) Act from 10 to 12 years of education. This campaign was widely covered in the media and helped advance Education Champions' education financing advocacy and connect them with the relevant government departments at district and state levels.

**Youth activism and awareness raising**

In recent years, the Malala Fund UK and the Malala Fund US have developed a large, diverse and active supporter base of young people around the world (the majority of the charity's 275,000+ online supporters in the United Kingdom are between the ages 18 and 34). The charity's young audience positions it well to lead regional, national and global efforts on girls' education. Young followers are often the first to take action online and share Malala Fund's campaigns, giving more visibility to the activists and girls the charity supports.

Malala Fund believes that listening to the experiences of girls and young women, amplifying their voices and building their advocacy skills to create their own movements is fundamental to achieving lasting progress for girls' education. In 2020, the Malala Fund US and UK launched its Girl Programme, which offers a fellowship for girls to develop their knowledge and skill as advocates and campaigners for education. Through its grantmaking function the Girl Programme has awarded 15 grants to organisations, groups and movements working to improve education and address the barriers girls face when accessing education. Through the voice amplification strand of the Girl Programme, Malala Fund has supported the participation of young women in global, regional and national advocacy and policymaking spaces.

Finally, on Assembly, Malala Fund's digital publication and newsletter, girls share their thoughts, their challenges and their accomplishments. Assembly is a meeting place for girls around the world and a source of ideas and inspiration in their fight for education and equality. Led by Malala's example, the charity uses the platform to encourage young people to create change for girls' education on a global scale.

**Plans for the future**

The Malala Fund UK and the Malala Fund US have shared goals for the coming years. Building on lessons learned from past endeavours, the charity's future work will focus on encouraging governments to provide more funding for education and on special campaigns to change social norms that deny girls' potential. The charity will also focus efforts on promoting quality education that prepares young women to shape the world around them.

In terms of investments, the Malala Fund US intends to grow its grantmaking portfolio over the coming years, expanding its Education Champion Network to up to 11 countries total by 2025. At the same time, the organisation plans to support girls' training and movement building around education advocacy and launch new programmes that form strategic education coalitions in the countries where Malala Fund has already established strong partner networks.

While the Malala Fund UK does not plan to engage in direct grantmaking for the foreseeable future, its staff will continue to support grantees of the Malala Fund US. Specifically, staff of the Malala Fund UK will develop and refine programmatic approaches benefitting both the Malala Fund UK and the Malala Fund US. Staff of the charity will also work with the grantees of the Malala Fund US to produce a joint advocacy agenda for every country where the Malala Fund US invests grant funding.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Objectives and activities (continued)**

Staff of the Malala Fund UK will also oversee and evaluate the overall programme process and MEL. Staff of the Malala Fund UK will also engage in education research and awareness raising efforts to benefit audiences in the UK and globally.

**COVID-19 impact and response:** In response to the COVID-19 global pandemic beginning in 2020, Malala Fund made several strategic changes to its advocacy and grantmaking approaches, which continued into 2021 and are expected to continue in the future. By mid-2020, Malala Fund had initiated multiple actions in response to the pandemic. In April 2020 the organisation released a research report on the impacts of COVID-19 on education, which found that approximately 20 million secondary school-age girls are unlikely to ever return to classrooms as a result of the pandemic. This research sparked the development of Malala Fund's COVID-19 Response Framework, which entails the following through special advocacy campaigns and grantmaking to local organisations in six countries (Afghanistan, Brazil, Ethiopia, India, Nigeria, and Pakistan):

1. Respond to the immediate needs of girls displaced from in-person learning in the near-term;
2. Help ensure that countries have clear plans to assist girls in returning to school as part of national recovery in the medium-term; and
3. Work with partners and governments around education resiliency in the longer-term, building on lessons learned from the pandemic.

At the midpoint of this initiative in August 2021, Malala Fund commissioned a mid-term review to: reflect on the major social and economic implications of COVID-19 for girls around the world, particularly those in Malala Fund programme countries; evaluate the effectiveness of Malala Fund's COVID investments; and identify key changes, messaging and strategies needed to continue to advance girls' education. The intention was not to assess the impact of advocacy and programmatic efforts during this time, but rather on the relevance of the strategy and support given to partners. In December 2021, the evaluation consultants facilitated a three-day learning event to share initial research findings with Malala Fund staff, research participants and other interested partner representatives, and gather feedback on key insights. The three-day event was also a space to have conversations within Malala Fund on the COVID-19 strategy and Malala Fund's future programming. The consultants finalised and submitted their reports in January 2022. Over the period of March–May 2022, the Malala Fund Programmes and Advocacy teams engaged with the evaluation findings and developed a management response, which is Malala Fund's method of documenting teams' reactions to an evaluative product and how they intend to take forward and prioritise findings and recommendations.

**Impact of the unfolding crisis in Afghanistan:** Malala Fund continues to respond to the unfolding humanitarian and girls' education crisis in Afghanistan following the Taliban's takeover on 15 August 2021. At the time of writing, Afghanistan is the only country in the world where girls are effectively banned from attending secondary school. Malala Fund has supported girls' education partners in Afghanistan since 2016 and the charity's work in recent months has focused on ensuring the safety of its Afghan partners, communicating the importance of girls' education in all Afghanistan-related advocacy and communications, and identifying new ways to support education-related programming within Afghanistan and for Afghans who are displaced internationally. This work has significantly impacted budgeting and planning for FY 2021–2022 and for years to come. In response to the crisis in Afghanistan, Malala Fund has opened an Afghanistan Response Fund seeking to work with and support initiatives inside and outside Afghanistan that supports girls' access to education, including but not limited to supporting the delivery of education programmes.



**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Objectives and activities (continued)**

Diversity, Equity and Inclusion (DEI): In 2021, the charity, including its Board of Trustees, placed great focus on ensuring that all aspects of the organisation's work reflected commitments to be decolonial, inclusive, feminist, free of abuse and promote the well-being of our staff and grantees. Critical steps taken in FY 2021–2022 included:

- Continuing our DEI work with our staff-led Anti-Discrimination and Equity (ADE) Committee, which involves regular consultations with Trustees, the CEO, and Executive Leadership Team to help shape organisational culture and ensure Malala Fund policies and practices are fairly designed and implemented; and
- Shaping the DEI roadmap to take recommendations from our external consultant forward.

**Achievements and performance**

**Financial review**

**a. Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**b. Reserves policy**

Given the Malala Fund UK's status as a fairly new charity and its modest financial activity during FY 2021–2022 (relative to the financial activity of its nearly exclusive funding source for the period, the Malala Fund US), the charity does not have a reserves policy yet. The charity will establish such a policy once it has scaled up independent fundraising in the United Kingdom. In 2021–2022 Malala Fund developed a UK-specific fundraising strategy, which it began to implement at the start of FY 2022–2023.

Per the inter-company cooperation agreement between the Malala Fund UK and the entity in the US, in event of a revenue shortfall, the US entity is prepared to cover any payment and other resources to cover the Malala Fund UK's contractual obligations in accordance with annual budgets or as approved in writing by the boards of the two entities, utilising US reserve funds or other sources. At the end of the year the Malala Fund UK had free reserves (defined as unrestricted funds excluding fixed assets) of £113,447.

**c. Principal risks and uncertainties**

In early 2020, the Malala Fund UK (along with Malala Fund US) finalised a formal risk register and risk management policy, which necessitates review of all risks by the CEO and the organisation's Audit and Risk Committee at least bi-annually and a review of select, key risks by the full board at least annually. Identified risks are rated based on probability and severity of impact. In each area, the charity is taking critical steps to mitigate risk, including significant investments in a robust due diligence process for vendors, staff and other partners, safeguarding measures for children and at-risk adults and guidance and support from security experts.

Organisational risks identified by the Malala Fund UK are categorised as follows:

- Management and government risks, including failure to make an impact as a result of strategic approach, loss of board members or key staff, and failures in policies, procedures and systems. These risks are mitigated by annual review of the strategic plan, regular review of policies and procedures, creation of a large and diverse board and directors and officers insurance.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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- Public perception, including reputational risks and the risk of losing supporters. These risks are mitigated by team consultations before public statements and ongoing monitoring of media responses, as well as hiring staff with experience working with youth in developing countries.
- Programmes and operational risks, including economic or political turmoil, the negative impact of COVID-19 or other possible force majeure events on programmatic implementation and oversight and a potential incident involving a staff member or programme participant. These risks are mitigated through diversification of donors and investment accounts, strong relationships with legal counsel in our program countries, grantees' and partners' signature of our Child Protection Policy and annual safeguarding policy and procedure reviews.
- Financial, including failure to raise funds in the future or an act of theft or abuse of funds. These risks are mitigated by focus on donor diversification, maintaining a 6-month operating reserve, monthly cash flow tracking, anti-fraud banking controls and insurance coverage of theft.
- Security risks, including acts of terrorism or a cyber breach involving donor or partner data. These risks are managed by keeping travel schedules confidential, limited access to cloud-based systems and our cyber-crime insurance policy.

At present, the specific areas for risks identified by the trustees, which they track most closely with staff are:

1. Performance against Malala Fund's five-year strategy;
2. Living out organisational values of diversity, equity and inclusion;
3. Appropriate composition of the board of trustees;
4. Global expansion of Malala Fund programmes and operations;
5. Risks concerning the Shangla Girls' School;
6. Risks concerning the Education Champion Network;
7. Reputational risks in the event of failure to comply with policies; and
8. Fundraising.

**d. Financial risk management objectives and policies**

Per the Malala Fund UK's FY 2021–2022 financial statements, total expenditures for the period were £1,910,517 against £1,932,580 in net revenue (and £40,877 in in-kind contributions). The Malala Fund UK continues to be almost completely funded by a grant from its sole member, the Malala Fund US.

During the course of the financial year, the Malala Fund US transferred US board-approved disbursements to cover operational costs as needed, with limited carry-over balances from month to month. All operational costs for the Malala Fund UK were in alignment with the annual budget independently approved by its trustees.

At the close of the Malala Fund UK's financial year, on 31 March 2022, the charity reported £113,447 in funds carried forward. In accordance with the standing inter-company cooperation agreement between the Malala Fund US and the Malala Fund UK, the US entity will continue to financially support the operations of the UK until the time that the UK entity becomes self-sustaining. For this reason, FY 2021–2022's carry-over balance at the close of the financial year is not cause for concern.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**e. Fundraising**

The Malala Fund UK did not engage in any significant, solicited fundraising efforts during FY 2021–2022, its third year as registered charity. Approximately 91% of the charity's £1,932,580 in net revenue for FY 2021–2022 arrived in the form of a grant from the Malala Fund US, in alignment with the inter-company cooperation agreement between the two entities to support a shared mission. In addition, the Malala Fund US also provided the charity with £40,877 in in-kind contributions to support the newer charity. While a portion of the CEO salary was allocated to fundraising, no fundraising-specific staff were employed by the Malala Fund UK during FY 2021–2022. The charity did not employ professional fundraisers and it received no complaints.

**f. Remuneration policy for key management personnel**

The Malala Fund UK maintains a shared policy with the Malala Fund US and Malala Fund Nigeria for determining the compensation level of the charity's CEO. Under the policy, the trustees set the salary level for the CEO and in doing so must rely on comparability data that demonstrates the reasonableness of the proposed CEO compensation. For example, when setting compensation, the trustees must secure data that documents compensation levels paid by similarly situated organisations for functionally comparable positions.

The compensation levels for all other staff of the Malala Fund UK are authorised by the charity's CEO. The salary levels of the charity are based on comparability data sourced by the charity's operations and human resources staff. In January 2022, the boards of The Malala Fund U.K. and Malala Fund (US) engaged a third-party consultant to perform a salary review for the CEO and all executive-level leaders. This work is still ongoing as of August 2022. In addition to this, Malala Fund Human Resources Department is commencing a review of our compensation philosophy to be aligned with Malala Fund's values of equity, inclusion and courage and to better meet our unique global need.

**Structure, governance and management**

**a. Constitution**

The Malala Fund UK is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

**b. Methods of appointment or election of trustees**

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Memorandum of Association.

**c. Organisational structure and decision-making policies**

The organisation is a charitable company limited by guarantee, incorporated on 6 January 2017 and registered as a charity on 5 June 2018. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustees of the Malala Fund UK are recruited and retained based on their talents and ability to add significant value in some or all of the following areas: 1) Subject matter expertise on global (girls') education, with an understanding of the constituencies the Malala Fund serves; 2) Core business experience in advocacy, grant-making, operational programming, etc.; 3) Innovative, strategic communications experience; and 4) Board governance experience and experience in organisational management, particularly in the charity sector.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Structure, governance and management (continued)**

As a matter of formal vote, the trustees of the Malala Fund UK may appoint new board members as they deem beneficial. The Malala Fund UK's sole member, the Malala Fund US, may also appoint trustees, as was the case at the time of the Malala Fund UK's initial establishment. All trustees give their time voluntarily and receive no benefits from the charity.

In terms of trustee induction, key trustee documents are provided to all new trustees, including a detailed overview of trustee roles, responsibilities and expectations. Induction for new trustees includes a handover of key documents and a series of weekly meetings with individual departments covering topics such as organisational history, key programmatic priorities, fundraising plans and financial health and planning.

Governance activities of the Malala Fund UK's trustees include the following:

- Approval of the Articles of Association, board policies and amendments thereof.
- Approval of the annual budget and top-line organisational strategy.
- Establishment of committees and committee charters.
- Oversight of the Malala Fund UK's organisational and financial sustainability.
- Evaluation of major areas of risk via regular discussion.
- Ensuring that the Malala Fund UK is legally and financially compliant with the intentions of its donors and its status as a charity in England and Wales.
- Appointing a Chair, new trustees and officers.
- Hiring and setting the CEO's compensation rate.
- Conducting regular performance reviews on the CEO, remediating concerns if necessary.
- The handling of Serious Incident Reports (SIRs) to the Charity Commission and whistleblower complaints, in the event that they arise.
- Providing general support to the CEO and other senior leadership.

The Malala Fund UK's CEO (a shared employee with The Malala Fund US) is authorised to make decisions relating to office expansion, staff changes, major campaigns, employee policies and security or reputational concerns, but in all of these cases must first consult with the trustees. The CEO is also responsible for day-to-day management and decision-making for the charity and implementation of trustee-approved strategic plans. They are supported by an Executive Leadership Team composed of two senior department heads who are employees of the Malala Fund UK and three senior department heads employed by the Malala Fund in the US.

The trustees of the Malala Fund UK conducted formal meetings in FY2021-2022, with all trustees present. Most trustees were also present as observers during three additional board calls of the Malala Fund US's board of directors during the same financial year. The charity takes out trustee liability insurance in relation to their duties.

**d. Pay policy for key management personnel**

The Malala Fund UK maintains a shared policy with the Malala Fund US for determining the compensation level of the charity's CEO. Under the policy, the trustees set the salary level for the CEO and in doing so must rely on comparability data that demonstrates the reasonableness of the proposed CEO compensation. For example, when setting compensation, the trustees must secure data that documents compensation levels paid by similarly situated organisations for functionally comparable positions.

The compensation levels for all other staff of the Malala Fund UK are authorised by the charity's CEO. The salary levels of the charity are based on comparability data sourced by the charity's operations and human resources staff.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Structure, governance and management (continued)**

**e. Related party relationships**

The sole member of the charity is the Malala Fund (US), a registered not-for-profit United States 501(c)(3) charitable organisation. In April 2021, the two entities were joined by a third member, The Malala Fund Nigeria LTD, a Nigerian company limited by guarantee with a charitable purpose. While the three organisations are independent entities, they do cooperate around a shared mission in service to the same beneficiaries.

**Statement of trustees' responsibilities**

The trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditor**

Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Disclosure of information to auditor (continued)**

**Auditor**

Sayer Vincent LLP was appointed during the year and has expressed its willingness to continue in that capacity

Approved by order of the members of the board of trustees and signed on their behalf by:

**A Mateen**  
(Chair of Trustees)

Date: 15 December 2022

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MALALA FUND UK**

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**Opinion**

We have audited the financial statements of The Malala Fund UK (the 'charity') for the year ended 31 March 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MALALA FUND UK (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MALALA FUND UK (CONTINUED)**

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**Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

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

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

[Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.]

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MALALA FUND UK (CONTINUED)**

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**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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Noelia Serrano (Senior statutory auditor)**

for and on behalf of  
**Sayer Vincent LLP**

Statutory Auditor

Invicta House

108-114 Golden Lane

London

EC1Y 0TL

21 December 2022

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>				
Donations and legacies	3	1,973,457	1,973,457	1,282,622
<b>Total income</b>		<b>1,973,457</b>	<b>1,973,457</b>	1,282,622
<b>Expenditure on:</b>				
Raising funds		22,450	22,450	22,516
Charitable activities		1,888,067	1,888,067	1,559,948
<b>Total expenditure</b>		<b>1,910,517</b>	<b>1,910,517</b>	1,582,464
<b>Net income/(expenditure) for the year and net movement in funds</b>		<b>62,940</b>	<b>62,940</b>	(299,842)
<b>Reconciliation of funds:</b>				
Total funds brought forward		50,507	50,507	350,349
Net movement in funds		62,940	62,940	(299,842)
<b>Total funds carried forward</b>		<b>113,447</b>	<b>113,447</b>	50,507

The Statement of financial activities includes all gains and losses recognised in the year. All of the above results are derived from continuing activities.

The notes on pages 20 to 32 form part of these financial statements.

**BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Current assets</b>			
Debtors	11	134,208	87,134
Cash at bank and in hand		98,229	54,642
		<u>232,437</u>	<u>141,776</u>
Creditors: amounts falling due within one year	12	(118,990)	(91,269)
<b>Net current assets</b>		<u>113,447</u>	<u>50,507</u>
<b>Total net assets</b>		<u><u>113,447</u></u>	<u><u>50,507</u></u>
<b>Charity funds</b>			
Unrestricted funds	13	113,447	50,507
<b>Total funds</b>		<u><u>113,447</u></u>	<u><u>50,507</u></u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

**A Mateen**  
 (Chair of Trustees)

Date: 15 December 2022

The notes on pages 20 to 32 form part of these financial statements.

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	21	<b>43,587</b>	(278,301)
<b>Change in cash and cash equivalents in the year</b>		<b>43,587</b>	(278,301)
Cash and cash equivalents at the beginning of the year		<b>54,642</b>	332,943
<b>Cash and cash equivalents at the end of the year</b>	22	<b>98,229</b>	54,642

The notes on pages 20 to 32 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**1. General information**

The Malala Fund UK Limited is a charitable company limited by guarantee registered in England and Wales No. 10551265. It is also a registered charity in England and Wales No. 1178655. Its principal office address is 138 Holborn, London, EC1N 2SW.

The financial statements are presented in Sterling (£). Monetary amounts are rounded to the nearest £.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Malala Fund UK 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.

**2.2 Going concern**

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**2.3 Income**

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.4 Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**2.5 Expenditure**

**a) Expenditure and irrecoverable VAT**

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 reliably. Expenditure is classified under the following activity headings:

Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose

Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs

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

**b) Allocation of support and governance costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on direct costs incurred, of the amount attributable to each activity:

Costs of raising funds:	2%
Charitable activities:	98%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.6 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

**2.7 Operating leases**

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

**2.8 Pensions**

The charity operates a defined contribution pension scheme with Royal London. Employer contributions of 9% are charged to the statement of financial activities for the period to which they relate. The company has no liability under the scheme other than payments of these contributions.

**2.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.10 Liabilities and provisions**

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

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.11 Financial instruments**

The charity has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the charity becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

The charity's policies for its major classes of financial assets and financial liabilities are set out below.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**Financial instruments (continued)**

**Financial assets**

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

**Financial liabilities**

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

**Impairment of financial assets**

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**Financial instruments (continued)**

**Derecognition of financial assets and financial liabilities**

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**Offsetting of financial assets and financial liabilities**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2.12 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**3. Income from donations and legacies**

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
General donations	-	1,750,825	<b>1,750,825</b>
Individual donations	-	69,632	<b>69,632</b>
Corporate and Foundation donations	-	111,843	<b>111,843</b>
Donated services	-	40,877	<b>40,877</b>
Gift aid	-	280	<b>280</b>
	<hr/>	<hr/>	<hr/>
	-	1,973,457	<b>1,973,457</b>
	<hr/>	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**3. Income from donations and legacies (continued)**

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
General donations	-	1,175,338	1,175,338
Individual donations	7,240	19,827	27,067
Donated services	-	79,944	79,944
Gift aid	-	273	273
	<u>7,240</u>	<u>1,275,382</u>	<u>1,282,622</u>

**4. Analysis of expenditure 2022**

	Raising funds	Programmes and advocacy £	Support costs £	Governance costs £	Total funds 2022 £	Total funds 2021 £
Staff costs	2,457	1,444,510	86,215	-	1,533,182	1,285,263
Staff training	-	-	2,500	-	2,500	3,466
Fundraising costs	-	-	-	-	-	18
Bank fees	-	-	1,840	-	1,840	2,728
Insurance	-	-	30,394	-	30,394	16,546
Professional services	15,000	-	61,336	48,332	124,668	75,384
Travel	-	14,773	-	-	14,773	4,280
Occupancy	-	172,056	17,206	-	189,262	175,742
Communications	-	12,083	1,208	-	13,291	8,500
Office expenses	-	-	99	-	99	9,657
Loss on foreign exchange	-	-	508	-	508	880
	<u>17,457</u>	<u>1,643,422</u>	<u>201,306</u>	<u>48,332</u>	<u>1,910,517</u>	<u>1,582,464</u>
Support costs	4,026	197,280	(201,306)	-	-	-
Governance costs	967	47,365	-	(48,332)	-	-
Total expenditure 2022	<u>22,450</u>	<u>1,888,067</u>	<u>-</u>	<u>-</u>	<u>1,910,517</u>	<u>-</u>
Total expenditure 2021	<u>22,516</u>	<u>1,559,948</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,582,464</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**5. Analysis of expenditure 2021**

	Raising funds	Programmes and	Support costs	Governance costs	Total funds 2021
		£	£	£	£
Staff costs	2,020	1,145,962	137,281	-	1,285,263
Staff training	-	-	3,466	-	3,466
Fundraising costs	18	-	-	-	18
Bank fees	-	-	2,728	-	2,728
Insurance	-	-	16,546	-	16,546
Professional services	-	-	57,033	18,351	75,384
Travel	-	4,280	-	-	4,280
Occupancy	-	160,733	15,009	-	175,742
Communications	-	-	8,500	-	8,500
Office expenses	-	-	9,657	-	9,657
Loss on foreign exchange	-	-	880	-	880
	<b>2,038</b>	<b>1,310,975</b>	<b>251,100</b>	<b>18,351</b>	<b>1,582,464</b>
Support costs	19,084	232,016	(251,100)	-	-
Governance costs	1,395	16,956	-	(18,351)	-
Total expenditure 2021	<b>22,516</b>	<b>1,559,948</b>	<b>-</b>	<b>-</b>	<b>1,582,464</b>

**6. Net income and expenditure**

	<b>2022</b> £	2021 £
Net income/expenditure is stated after charging:		
Fees payable to the charity's auditor in respect of:		
Audit & accountancy preparation	<b>9,030</b>	7,150
Other assurance services	-	1,350
Foreign exchange losses	<b>508</b>	880

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**7. Staff costs**

	<b>2022</b> £	2021 £
Salaries and wages	<b>1,271,782</b>	1,053,895
Redundancy and termination costs	-	30,000
Social security and private medical insurance	<b>147,522</b>	109,315
Defined contribution pension scheme	<b>110,090</b>	85,261
Life and ADD insurance	<b>3,666</b>	2,632
Working from home allowance	-	4,160
Childcare vouchers	<b>122</b>	-
	<b>1,533,182</b>	1,285,263

The total employee benefits (including pension contributions and employer's social security) of the key management personnel were £29,897 (2021: £30,967). The CEO's salaries and benefits are paid by The Malala Fund USA and so only a proportion has been allocated to The Malala Fund UK, in line with the staff time spent on The Malala Fund UK work.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**8. Employees**

The following number of employees received employee benefits (excluding employer pension costs and employer national insurance) during the year was;

	<b>2022</b>	2021
	£	£
£60,000 - £69,999	<b>2</b>	4
£70,000 - £79,999	<b>3</b>	1
£80,000 - £89,999	<b>1</b>	1
£100,000 - £109,999	<b>1</b>	-
£120,000 - £129,999	<b>1</b>	1
	<u><b>8</b></u>	<u><b>7</b></u>

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 24 (2021: 19).

Staff are split across the activities of the charity as follows:

**Staff split**

	<b>2022</b>	2021
	£	£
Programmes and advocacy	<b>21</b>	15
Raising funds	-	-
Support	<b>3</b>	4
	<u><b>24</b></u>	<u><b>19</b></u>

Average head count is based on the number of staff working for The Malala Fund UK each month. The figure includes 4 staff employed by The Malala Fund US for the months where a portion of the cost of their employment has been allocated to The Malala Fund UK. Portion of the CEO, COO and Controller's time has been allocated to Raising Funds, totaling to less than one full time equivalent.

**9. Trustees' remuneration and expenses**

During the year, no trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no trustee expenses have been incurred (2021 - £NIL).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**10. Taxation**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**11. Debtors**

	<b>2022</b> £	2021 £
<b>Due within one year</b>		
Trade debtors	<b>50,552</b>	2,864
Funds held on behalf of The Malala Fund UK	<b>46,839</b>	60,236
Other debtors	<b>26,383</b>	21,000
Prepayments	<b>10,434</b>	3,034
	<b>134,208</b>	87,134

**12. Creditors: Amounts falling due within one year**

	<b>2022</b> £	2021 £
Trade creditors	<b>6,792</b>	2,050
Other taxation and social security	<b>46,739</b>	32,978
Other creditors	<b>16,131</b>	12,675
Accruals	<b>49,328</b>	43,566
	<b>118,990</b>	91,269

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**13. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>				
General funds- all funds	<u>50,507</u>	<u>1,973,457</u>	<u>(1,910,517)</u>	<u>113,447</u>

**Statement of funds - prior year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>				
General funds- all funds	350,349	1,275,383	(1,575,225)	50,507
Restricted fund- Pakistan	-	7,239	(7,239)	-
	<u>350,349</u>	<u>1,282,622</u>	<u>(1,582,464)</u>	<u>50,507</u>

Purposes of restricted fund - Pakistan

The funds received were restricted to support local educators and activists in Pakistan.

**14. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Total funds 2022 £
Current assets	232,437	<b>232,437</b>
Creditors due within one year	(118,990)	<b>(118,990)</b>
<b>Total</b>	<u>113,447</u>	<u><b>113,447</b></u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**14. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2021 £	Total funds 2021 £
Current assets	141,776	141,776
Creditors due within one year	(91,269)	(91,269)
<b>Total</b>	<b>50,507</b>	<b>50,507</b>

**15. Operating lease commitments**

At 31 March 2022 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	<b>13,960</b>	-

**16. Members' liability**

The charity is a company limited by guarantee and has no share capital. The liability of the sole member, The Malala Fund, in the event of winding up is limited to £1.

**17. Related party transactions**

The Malala Fund, the parent charity of Malala Fund UK, funded the costs of salaries and rental costs in the year totalling £1,750,825 (2021: £1,175,338). In addition it provided in kind support totalling £40,877 (2021: £79,994). This is recognised as income in the accounts. There were no donations from trustees or senior management in the year (2021: £nil).

**18. Post balance sheet events**

Subsequent to the year end, on 29 April 2022, the company signed a new rental agreement. The commitment term of this lease being 12 months from 1 May 2022. Per this agreement, the total rent per annum is £185,232 resulting in an operating lease commitment of equal amount.

**19. Controlling party**

The company's ultimate parent undertaking and controlling party is The Malala Fund, a Section 501(c)(3) charitable corporation incorporated in the State of Delaware, U.S.A.

**NOTES TO THE FINANCIAL STATEMENTS  
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**20. Joint Ventures**

On 12 March 2021, a corporation registration was approved in Nigeria for The Malala Fund Nigeria LTD/GTE ("Malala Fund Nigeria"). The creation of Malala Fund Nigeria will allow for hiring of local staff in Nigeria and expansion of work in that country. The Malala Fund UK and The Malala Fund are the sole members of Malala Fund Nigeria. Malala Fund Nigeria had no financial activity during the year ended 31 March 2022.

**21. Reconciliation of net movement in funds to net cash flow from operating activities**

	2022 £	2021 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<b>62,940</b>	(299,842)
<b>Adjustments for:</b>		
(Increase) in debtors	<b>(47,074)</b>	(17,585)
Increase in creditors	<b>27,721</b>	39,126
<b>Net cash provided by/(used in) operating activities</b>	<b>43,587</b>	(278,301)

**22. Analysis of cash and cash equivalents**

	2022 £	2021 £
Cash in hand	<b>98,229</b>	54,642
<b>Total cash and cash equivalents</b>	<b>98,229</b>	54,642

**23. Analysis of changes in net debt**

	At 1 April 2021 £	Movement £	At 31 March 2022 £
Cash at bank and in hand	<b>54,642</b>	<b>43,587</b>	<b>98,229</b>
Debt due within 1 year	<b>(4,164)</b>	<b>(730)</b>	<b>(4,894)</b>
	<b>50,478</b>	<b>42,857</b>	<b>93,335</b>