



**GLOBAL
INNOVATION
FUND**

**Report and Audited Financial Statements
for the year ending 31st December 2021**

Greetings from the Chair



I am delighted to present the Global Innovation Fund's 2021 impact report, detailing the progress made to advance GIF's mission of accelerating innovation to improve the lives of the world's poorest.

We invest in early-stage innovations that are risky but which, if successful, offer prospects of meaningful benefits to millions of people. Through grants, loans and equity investments, GIF's portfolio of innovations has the potential for outsized social impact, whether through new technologies, business models, policy practices, or behavioural insights.

We need innovation in development. The building blocks of communities are public services that work for everybody. Dynamic and productive jobs and markets – in which the agency of women and girls is reflected – is universal and timeless, in London and in Lagos, through solutions that are locally-driven.

Central to achieving international development goals is confronting the challenges of climate change and gender inequality. GIF will continue to demonstrate how its flexible model can rise to these challenges, as we did to address the pandemic.

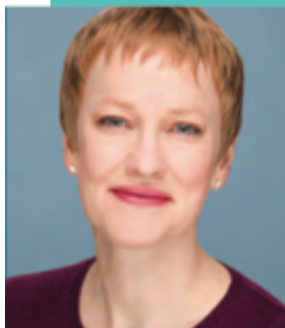
We want to see a world in which people everywhere are living in inclusive, sustainable, and dynamic economies and societies. If you are an innovator with a focus on solving hard development challenges in poorer countries, with a commitment to the rigorous generation of evidence and generating impact at scale, we want to hear from you.

Finally, I want to take the opportunity to thank all our hard-working, committed, and very talented investees who helped ensure GIF continued to deliver on its mission amidst an ongoing pandemic and brought meaningful advances to our target populations during what was another extraordinary year.

A handwritten signature in black ink, appearing to read 'James R. Clark', written in a cursive style.

James R. Clark
Chair, Board of Directors

Message from the CEO



Reflecting on a year in which the pandemic continued to threaten the hard-fought development gains made in recent decades, GIF continued to approach our work with a spirit of abundance. We deliberately acted with ambition, staked out our claim of impact and value for money, and asked our partners to double down on that, harvesting the returns of our work and their early investment in the model.

At COP26 in Glasgow, I was delighted to launch our new Innovating for Climate Resilience fund, in partnership with the Global Resilience Partnership and the Adaptation Research Alliance, which has been made possible by seed funding from our partners at the UK Foreign, Commonwealth & Development Office.

We cemented ourselves as strong investors who maximise the impact of donor funding by making strategic grants and investments, providing targeted venture support, and generating evidence so that both the private sector and non-profit organisations we support can thrive and grow. This year GIF closed six new transactions, addressing challenges ranging from gender-based violence, to the effects of COVID-19, to improving water sanitation.

Innovations in our portfolio are expected to benefit 135 million people by 2031, improving their standard of living by four percent on average. Our exit strategies have seen \$5 million in returned capital. We have recycled this money back into the fund, enabling us to reinvest it in new, evidence-based innovations with the potential to bring about lasting social impact for millions of people.

I would like to express my continued gratitude to each of our donors whose support and guidance make our work to scale innovation possible.

A handwritten signature in blue ink that reads "Alix".

Alix Peterson Zwane, PhD
Chief Executive Officer

Impact summary



57 innovations
delivering impact



135 million
people expected to
benefit from GIF
innovations by 2031



8 companies
have raised funds from
strategic/commercial
investors



4 percent
expected annual
improvement in livelihood
of people impacted by
our portfolio



\$106 million
committed to
investments



More than \$6
additional capital
mobilised per \$1 of GIF
for-profit investment



\$576 million
in net social benefits
generated by six GIF
investments alone



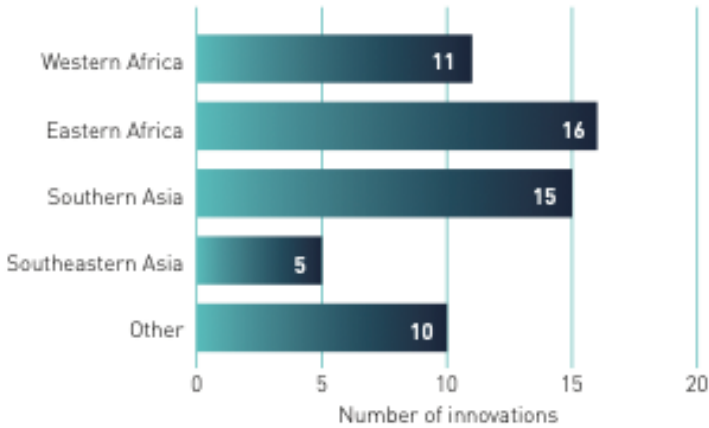
\$5 million
returned capital*
(*\$2.7 million in 2021)



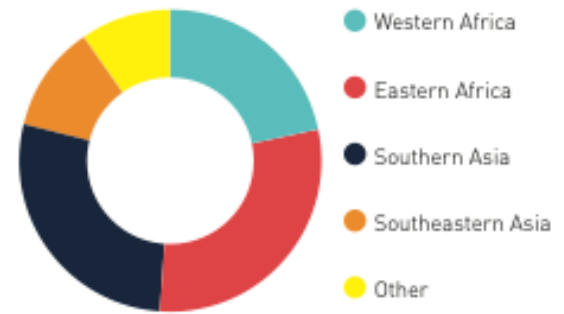
1.5 x
average exit multiple on
four exits (13.5% IRR)

Measuring impact

Innovations by region

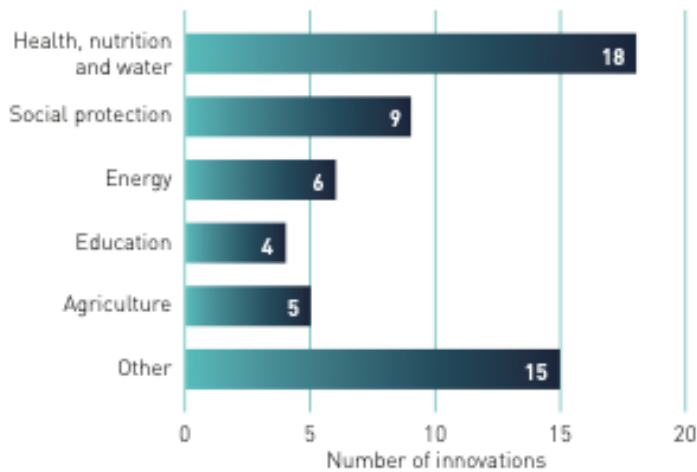


Value of GIF commitment by region

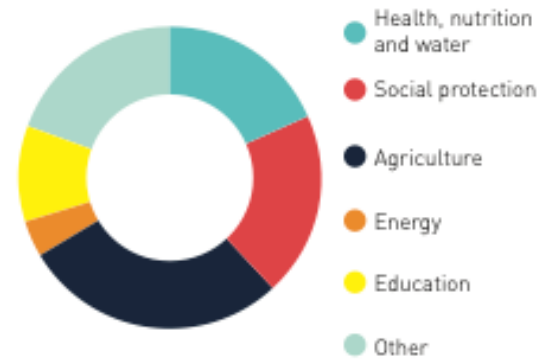


Total: \$105,474,841

Innovations by sector



Value of GIF commitment by sector



Total: \$105,474,841

Trustees, Officers and Advisers

Trustees

The directors who held office during the year were as follows:

- Darren Welch
- Jane Siebels
- Santhosh Mathew
- James Clark (appointed as Chair of the Board effective 31st January 2021)
- James Habyarimana
- Kathryn Kaufman
- Robert Christie (appointed 1st January 2021, resigned 30th June 2021)
- Amanda Glassman (appointed 1st January 2021)
- Jeremy Weinstein (appointed 31st January 2022)
- Sarah Pearson (re-appointed 17th March 2022)

Key management personnel

Chief Executive Officer	Alix Peterson Zwane
Chief Strategy & Legal Officer	Amélie Baudot (resigned 11 th February 2022)
Chief of Staff and VP	Garreth Spillane
Senior Managing Director	Hashim Mulangwa Wasswa (resigned 28 th February 2022)
Chief Analytics Officer	Kenneth Chomitz
Chief Financial Officer	Shane Leonard (appointed 21 st June 2021)

Professional advisors

Auditors	Crowe U.K. LLP	55 Ludgate Hill, London EC4M 7JW
Bankers	Barclays Bank Plc	1 Churchill Place, London E14 5HP
Solicitors	Bates Wells Braithwaite LLP	10 Queen Street Place, London, EC4R 1BE

Address of principal office

Global Innovation Fund's principal and registered office has the same address;

8 Devonshire Square

London

EC2M 4PL

Trustees' Report

The Trustees present their report, the directors' report, and consolidated financial statements for the year ended 31st December 2021.

Under the Charities Act 2011 and the Companies Act 2006 the Directors' Report and Strategic Report are included within the Trustees Report.

Business review and future developments

This has been discussed in the Strategic Report section.

The Board has delegated responsibility for GIF's investment selection (i.e., the selection of innovative investments to further GIF's mission) to the CEO and staff team, as outlined in GIF's, Byelaws and scheme of delegated authorities.

Directors Report

Appointment of Trustees

GIF's Articles of Association and Byelaws set out guidance on the composition of the Board of Trustees who are the Directors as defined under the Companies Act. The Board is entirely non-executive and comprises a majority of Trustees that are independent of any GIF funder ("A" Trustees). "A" Trustees are recruited from the following fields: private sector, civil society, the public sector and academia. They are formally appointed by the Board following approval by the Members. "A" Trustees serve for three-year terms with possible reappointment.

The Board also includes seats for Trustees that are elected by GIF's funders ("B" Trustees). "B" Trustees are elected at the start of each three year funding cycle of the charity.

The Trustees meet formally each quarter.

The Trustees have delegated day-to-day management of GIF to its Chief Executive Officer and her senior management team. The Board has also delegated authority to the Audit & Finance Committee and the Human Resources Committee, and has constituted an advisory Development Committee. Each of these committees reports back to the Board quarterly and makes recommendations to the Board for approval as necessary.

The Trustees review and approve as applicable on an annual basis:

- the annual budget and operating plan for the charity;
- the charity's financial results and variances from budget;
- the charity's key performance indicators;
- the charity's investment and grant portfolio and any major risks associated with the projects.

The Trustees also regularly review the charity's risk register. The Audit & Finance Committee of the Board receives quarterly updates from senior management on risks and ensures that appropriate controls are in place to mitigate those risks.

Induction and training of new Trustees

Each new GIF Trustee is briefed on the role of a Trustee and a Director under Charities Law and the Companies Act. They are provided with copies of relevant Charity Commission guidance and the charity's organisational documents. The Trustees also receive training on Trustee and Director duties and responsibilities, anti-bribery and corruption and conflicts of interest.

Pay and remuneration

The Human Resources Committee (appointed by the Board) is responsible for setting strategies relating to human resource needs for the charity and oversees the charity's compensation philosophy. The HRC makes a recommendation to the Board regarding the CEO's annual compensation. The CEO is responsible for setting the terms of remuneration for senior management.

Every year all staff go through an annual review looking at their performance against their objectives set at the start of the year. Pay increases are then dependable on the performance rating of each staff member.

Related Party

None of the Trustees receive remuneration or other benefit from their work with the charity, although expenses are paid. Any connection of a Trustee with a request for financial assistance under discussion will be disclosed at a Board of Trustees meeting in the same way as any other contractual relationship with a related party. In the current year, no such related party transactions were reported.

Details of Trustee expenses are disclosed in Note 16 to the accounts.

Auditor

Crowe U.K. LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

Strategic Report

This strategic report for the GIF's sixth full financial year covers the full financial period from 1st January 2021 to 31st December 2021, and includes information in the 'year in review' and 'measuring impact' sections of these accounts.

GIF was incorporated on 17th September 2014 as a company limited by guarantee. GIF has a 100% owned subsidiary, also called the Global Innovation Fund, incorporated in the District of Columbia, United States of America, on 9th April 2015. This subsidiary began operations on 13th April 2015.

The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Statement of public benefit

GIF was granted charity status with the Charity Commission for England and Wales on 27th January 2017 with the charity number 1171353. The Articles of Association were adopted on 28th November 2016.

GIF is a non-profit organisation whose activities are intended to be for the public benefit. In both setting out the objectives and planning future activities, the Trustees have had due regard to the Charity Commission's guidance on public benefit.

Over this reporting period, and in line with the goals, GIF has approved investments in a broad range of innovations across the developing world, covering the three themes of making public services work for the poor, creating productive jobs and easing market frictions and enhancing agency for women and girls.

Aims and purpose of the Charity

GIF's mission is:

- To support innovations that could scale up to benefit millions of people now living on less than \$5/day; and
- To improve the overall impact of development expenditure - public and private, international and domestic - by demonstrating the effectiveness of outcome-oriented, evidence-based investment.

GIF aims to support the global public good of generating innovations that will collectively open up opportunities and improve lives for hundreds of millions of people across multiple developing countries. To accomplish this, GIF seeks to accelerate the development, rigorous testing and scaling of cost-effective innovations, in particular by:

- providing an open global innovation platform to support piloting and testing new innovations for the world's poor in developing countries, including both those that could scale commercially and those that could scale through funding by developing country governments, donors, and philanthropy;
- providing grants and making risk capital investments to support the transition to scale of:
 - innovations designed to scale commercially that have passed a market test, and;
 - innovations designed to scale through public or philanthropic support that have rigorous evidence of impact and cost effectiveness; and
- generating significant evidence, lessons, and knowledge to share with partner institutions as well as the broader development community.

Investment Policy

GIF supports innovations that benefit people living on less than the equivalent of US\$5 per day in developing countries, and is especially interested in innovations that impact people living on less than US\$2 per day.

GIF defines “innovation” as any solution that has potential to improve the lives of the poor in developing countries more effectively than existing approaches. This includes new products or services, policy practices, business models, operational or production processes, behavioural insights, or ways of delivering products and services that benefit the poor, across all relevant sectors. These innovations could come from social enterprises, for-profit firms, non-profit organisations, researchers, academics, government agencies or any other relevant institution or individual.

GIF seeks to fill market gaps, and is especially interested in supporting promising innovations that may otherwise struggle to find appropriate forms of funding for objectives that align with those of GIF, e.g. piloting development innovations, gathering rigorous evidence of impact or achieving greater scale.

Grants

GIF works with a wide range of institutions to fund specific research projects. Payment of grants is conditional upon the performance of key tasks. Where such tasks remain incomplete, payment is withheld. GIF operates an annual review process whereby grants are reviewed to ensure progress is being made and the programme complies with expectations before continuing payment is confirmed. As a result, the first payment of each grant is made up front, with further payments contingent on the above policy.

Reserves Policy

The approved reserves policy intends to ensure GIF is in a position where it holds sufficient working capital to fulfil short-term contractual and constructive investment commitments, as well as sufficient funds to cover medium term operational expenditure. The Reserves Policy is approved by the board in line with the requirements of GIF's donor governments. The charity aims to have free reserves of \$5m to stay in line with the approved policy taking into account the variable investment commitments it makes in the year.

Investment Commitments

GIF intends to hold sufficient funds to fulfil any disbursements relating to contractual and constructive obligations falling due in the preceding twelve months. Current levels of investment commitments are shown in note 13 to the accounts.

Operational Expenses

Operational expenses are those incurred through the course of running GIF's offices, employing staff and making investments. The medium-term value of reserves will relate to twelve months' costs as per the most recent operational budget or forecast.

Working Capital

Global Innovation Fund
Report and audited financial statements
31st December 2021

In addition to the funds described above, GIF will hold a minimum level of working capital of \$5 million, in order to accommodate any investment activity beyond the time horizons indicated and any unforeseen costs.

Total Funds at 31st December 2021:	\$40.6m
Less:	
Restricted Funds	(\$3.9m)
Investments	(\$18.7m)
Funding Commitments	(\$10.5m)
Free Reserves Balance	\$7.5m

Free reserves are compliant with the approved policy.

Financial Review

GIF's income from its funders decreased from \$22,591k in 2020 to \$8,063k in 2021. This consisted of receipts from two existing Government donors in addition to receipts from existing private donors. Investment income decreased from \$583k to \$394k.

During the year \$3,804k of new risk capital investments (Debt, Equity or Convertible Debt) were made. At the end of the year an in-depth review of our investments was undertaken. It was decided that writedowns, totalling \$7,696k (2020: \$3,026k) were necessary due to uncertainties around various aspects such as going concern. The impairment losses are included within Charitable activities in the Statement of Financial Activities.

Total funds as at the end of the year was \$40,613k (2020: \$56,643k) of which \$3,901k (2020: \$5,889k) was restricted.

Review of the group's operations

Our goal at GIF is to find, fund, and scale-up cost-effective, evidence-based innovations that have the potential to measurably improve the lives of millions of people in the developing world.

We believe that the best ideas for solving some of the world's most critical problems can come from anyone, anywhere. Through our grants and risk capital, we help breakthrough solutions to global development challenges from social enterprises, for-profit firms, non-profit organisations, researchers, and government agencies to maximise their impact and affect meaningful change.

We support innovators at all stages of development, from start-up and pilot-testing through to larger scale implementation - the innovations we fund can be located in any developing country and can focus on any sector relevant to international development, provided they are committed to improving the lives of those living on less than \$5 a day.

When thinking about where to invest, we look for promising entrepreneurs and seek to become their early partners as they test, adapt and improve their business model, before they are big enough to work with development finance institutions. We can also support experimentation and evidence gathering in domestic resource mobilisation, such as in increasing tax compliance in developing countries or supporting remittance flows.

During this time:

- We have continued to build a portfolio of investments and grown our pipeline of possible investees to ensure that we are able to continue to invest in innovations with the potential to transform the lives of people living on \$5 a day or less.
- We have refined and implemented our Practical Impact methodology to rigorously assess the potential impact of our portfolio pipeline. This model is used across our work notably for project selection and appraisal (which proposals offer the highest impact per dollar), for tracking long-run portfolio performance, and in balancing rigour with practicality.

- We have continued our engagement with potential new funders who align with GIF’s impact first, evidence-based investment approach. These conversations will continue in 2022 as GIF seeks to mobilise additional capital in pursuit of social returns.

Throughout the year we have achieved the following results:

- **We invested in evidence-based impact:** GIF closed six new transactions through GIF Core, addressing development challenges ranging from gender-based violence to COVID response. GIF investees have returned over \$5m in capital through exits (\$2.7m in 2021 alone) which will be reinvested. By 2032, GIF expects its portfolio of evidence-based grants and risk capital investments to benefit 124 million people each year.
- **We committed to improving its organisational transparency:** This included the publication of completion assessment reports covering the achievements of, and lessons learned from, GIF Core’s former portfolio innovations, and impact briefs analysing the impact that innovations currently funded by GIF have achieved to date. The organisation strives to be an exemplar in PublishWhatYouFund’s DFI Transparency Initiative.
- **We continued to invest for gender equality:** GIF made two grants under the first phase of its Innovating for Gender Equality Fund in partnership with Global Affairs Canada (a sub-fund of GIF Core), and it commissioned an independent evaluation of the gender fund, which strongly endorsed the progress GIF made during its first phase of partnership. The evaluation found that *“GIF’s approach to development assistance is quite unique in the market given that it works like a venture capital fund, but with an objective to maximise the social benefits it creates...What began as a pilot partnership between GIF and GAC ultimately had a much wider and deeper impact, profoundly influencing the way GIF thinks about gender in all aspects of its work...a relatively modest amount of funding to GIF to gather evidence, develop methodologies, and design appropriate toolkits has created significant leverage and knock-on effects.”* Following this strong endorsement of the performance of the fund and in recognition of the outsized social impact achieved by the five grants awarded during the lifetime of the first phase of the agreement, GIF were delighted to announce a recommitment from GAC of a further CAD \$5m at the end of 2021.
- **We developed our approach to climate adaptation and resilience:** GIF built a Climate Investment Strategy, as well as launching its Innovating for Climate Resilience Fund (with seed funding from FCDO) a sub-fund of GIF Core which invests, through grant, equity, and debt instruments, in innovations with the potential to scale and support poor people to build resilience and adaptation to climate change. GIF launched the fund at COP26, with participation from Dr. Charlotte Watts and representatives from the Finnish, Maldivian, and Bangladeshi governments.
- **We relaunched GIF Growth:** Following a pause to fundraising as a result of the pandemic, GIF renewed its work on building a returnable capital vehicle which will bring together impact-focused investors to mobilise their capital in the pursuit of outsized social impact and financial return. Ongoing conversations with a prospective anchor funder are positive and GIF hopes to finalise a funding partnership during 2022.
- **We saw the adoption of the Practical Impact methodology:** In line with its commitment to influence the field of development impact, GIF saw the adoption of its Practical Impact methodology in 2021 by CGIAR, a global partnership of international organisations engaged in food security research. GIF introduced CGIAR to GIF’s Practical Impact Methodology and provided advice and feedback to the CGIAR on their adaptation of Practical Impact to assess the projected benefits of their \$1 billion research portfolio. Having felt a need to assess the potential long-term impact of their innovations, CGIAR decided that Practical Impact was the best-suited. This is a major validation of GIF’s strength in forecasting and measuring the social impact of development innovations.

Principal risks facing the group

The table below outlines key organisational risks faced by GIF in achieving its mission, and what we’re doing to mitigate those risks.

Risk	Explanation/example	Management and mitigation
Political Risk	Global political or economic uncertainty	Active engagement with donor governments and broader bilateral and multilateral engagement, including focus on securing new donor relationships
Cash Flow Risk	Funding fluctuations by donor governments	GIF is funded by reputable development agencies on a multi-year basis with a reporting system in place to manage funding inflows
Impact risk	Portfolio fails to generate expected social impact, including as a result of COVID-19	Rigorous due diligence and investment process, active portfolio management, and understanding the market context in which portfolio organisations operate

These risks have, so far, proved manageable. A fully-encompassing corporate risk register is updated and reviewed by the Audit and Finance Committee and the wider Board of Trustees.

Goals & Key Objectives

- One Mission: Multiple Vehicles:** GIF “core”; GIF Growth; and the Advance Fund: We have recognised that GIF’s unique model can support not only the deployment of Official Development Assistance but also create unique impact for (i) pools of returnable capital that are being invested in more traditional impact investors and (ii) corporate social responsibility funds.
- One Mission: One Deal Team:** The power of the GIF team is that we bring together rigorous economic analysis grounded in evidence, a deep understanding of the context in which our innovations can scale, financial acumen, a venture mind-set, and an ability to take smart risks. We have learned that the key to unlocking the power of this combination is to structure ourselves in a way that draws on the resources from across the GIF team and breaks down organisational silos.
- Enhancing the Agency of Women and Girls:** With its gender sub-fund, GIF will continue to apply, and improve on, the gender lens that it brings to all its investments, mainstreaming gender analytics into deal selection, diligence, and venture support. We will continue to partner with world-leading gender experts to grow our expertise and build a portfolio that prioritises gender equality outcomes.
- Investing in Innovation Focused on Climate Adaptation and Resilience:** Having launched the ‘Innovating for Climate Resilience Fund’ at COP26 in partnership with the Adaptation Research Alliance and the Global Resilience Partnership, with seed funding from the UK Foreign, Commonwealth and Development Office, GIF is harnessing its innovative model to invest in scalable early stage solutions to help people protect lives and livelihoods in the face of a changing climate, and we will measure their impact over time.
- GIF will invest where the world’s poor live and in innovations that matter to them:** We will strategically complement our commitment to open innovation by deepening our expertise in markets where we have traction and where our capital can catalyse additional investment.

Going concern

Trustees have reviewed the latest versions of both the short-term and medium-term financial planning scenarios, paying particular attention to risks to income, operational costs, grant commitments, and the expectations of funders for new investments. The Global Innovation Fund has the flexibility to adapt our financial management, including

adjusting the cash-flow profile of disbursements and adjusting operational expenditure as needed, in response to any negative impacts to income levels. Trustees have concluded that there are sufficient reserves held at the time of completion of the audit to create a reasonable expectation that the Global Innovation Fund has adequate resources to continue in operational existence over the 12 months from the date these accounts were signed. Accordingly, the Trustees continue to adopt a going concern basis in preparing the financial statements.

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of Global Innovation Fund for the purposes of Company Law) are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the Trustees are required to:

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

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

In so far as each Trustee is aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
- each Trustee has taken all the steps that they should have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

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

The Trustee's Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Trustees, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by;

*Global Innovation Fund
Report and audited financial statements
31st December 2021*

8 Devonshire Square, London, EC2M 4PL

DocuSigned by:
James Clark
951FB70A3A2F4BE...

James Clark

*Chair of the Board of Directors
Global Innovation Fund*

19 September 2022

Date:

Independent Auditor's Report to the Members of Global Innovation Fund

Opinion

We have audited the financial statements of Global Innovation Fund ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2021 which comprise The Consolidated Statement of Financial Activities, The Consolidated and Charity Balance sheets, The Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the charitable company's affairs as at 31 December 2021 and of the group's 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 charitable company's or 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic 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 have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Anti-fraud, bribery and corruption legislation, General Data Protection Regulation (GDPR), taxation and employment

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legislation. We also considered compliance with local legislation for the group's overseas operating segments.


Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition and classification of income, grant expenditure, valuation of social investments and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

DocuSigned by:
 23 September 2022
B774CC8D7BF474...
Tim Redwood
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

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Consolidated Statement of Financial Activities

For the year ended 31 December 2021

	<i>note</i>	Unrestricted Funds 2021 USD (\$000)	Restricted Funds 2021 USD (\$000)	Total Funds 2021 USD (\$000)	Total Funds 2020 USD (\$000)
Income from:					
Charitable activities - Grants	2	6,809	1,254	8,063	22,591
Investment & Other Income	2	394	-	394	583
Other income - Foreign exchange gain		19	-	19	1,366
Total income		7,222	1,254	8,476	24,540
Expenditure on:					
Charitable activities	3	(21,264)	(3,242)	(24,506)	(23,193)
Total expenditure		(21,264)	(3,242)	(24,506)	(23,193)
Net movement in funds		(14,042)	(1,988)	(16,030)	1,347
Reconciliation of funds:					
<i>Total funds brought forward as at 1st January 2021</i>		50,754	5,889	56,643	55,296
<i>Total Funds carried forward as at 31st December 2021</i>		36,712	3,901	40,613	56,643

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Consolidated and Charity Balance Sheets

As at 31 December 2021

	<i>note</i>	Group 2021 USD (\$000)	Charity 2021 USD (\$000)	Group 2020 USD (\$000)	Charity 2020 USD (\$000)
Fixed assets:					
Investments	4	18,729	18,729	25,080	25,080
Total fixed assets		18,729	18,729	25,080	25,080
Current assets:					
Debtors	5	242	452	259	265
Cash at bank and in hand	6	22,229	22,008	31,805	31,616
Total current assets		22,471	22,460	32,064	31,881
Liabilities:					
Creditors: amounts falling due within one year	7	(587)	(576)	(500)	(318)
Net current assets		21,884	21,884	31,564	31,563
Total net assets		40,613	40,613	56,643	56,643
The funds					
Restricted	8	3,901	3,901	5,889	5,889
Unrestricted	8	36,712	36,712	50,754	50,754
Total funds		40,613	40,613	56,643	56,643

The deficit for the financial year dealt within the financial statements of the parent charitable company was \$16,029,724 (2020 – surplus \$1,347,438)

19 September 2022

These financial statements were approved and authorised by the board of directors on and were signed on its behalf by:

DocuSigned by:

James Clark

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James Clark

Chair of the Board of Directors

Global Innovation Fund

Company Registration Number: 09223487 (England and Wales)

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Consolidated Cash Flow Statement

For the year ended 31 December 2021

	<i>note</i>	Group 2021 USD (\$000)	Group 2020 USD (\$000)
Net cash inflow from operating activities	(a)	(1,048)	18,376
Cash flows from investing activities	(b)	277	403
Cash flows from financing activities	(c)	(8,805)	(15,358)
Change in cash and cash equivalents in the reporting period		(9,576)	3,421
Cash and cash equivalents as at 1 Jan		31,805	28,384
Cash and cash equivalents as at 31 Dec		22,229	31,805

Cashflow Statement notes:

(a) Reconciliation of changes in resources to net cash outflow from operating activities

Net income for the reporting period	(16,030)	1,347
Impairment of programme related investments	7,696	3,026
Dividends and interest from investments	(291)	(417)
Bank charges	14	14
Issuance of programme related grants	7,460	10,533
(Increase)/decrease in debtors	16	3,792
Increase/ (decrease) in creditors	87	81
Net Cash provided by operating activities	(1,048)	18,376

(b) Cash flows from investing activities

Portfolio Interest	288	361
Bank and other interest	3	56
Bank charges	(14)	(14)
Net Cash provided by investing activities	277	403

(c) Cash flow from financing activities

Purchase of programme related investments	(4,092)	(5,009)
Exits of programme related investments	2,747	184
Issuance of programme related grants	(7,460)	(10,533)
Net Cash provided by financing activities	(8,805)	(15,358)

The charity has taken advantage of the exemption available under FRS 102 from the requirement to present a charity-only cash flow statement within the consolidated financial statements.

Notes to the accounts

1. Accounting policies

Company Information:

Global Innovation Fund (GIF) is a company incorporated and domiciled in the UK, its registered address is Wework, 8 Devonshire Square, London EC2M 4PL

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) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

GIF has a 100% owned subsidiary, also called Global Innovation Fund, incorporated in the District of Columbia, United States of America (EIN: 47-4045086). It is a not for profit organisation and therefore has equity of nil, its turnover of \$1,606k (2020: \$2,056) was provided directly from GIF to cover its operating costs. Its address is 1701 Rhode Island Ave NW, 20036, Washington, United States.

GIF has a second 100% owned subsidiary, GIF Growth Limited (company number 12392232) that was incorporated on 8th January 2020. It has not commenced trading as of end of 2021 but has incurred costs of \$125k, resulting from recharges from the parent entity. These costs are reflected in the parent entity accounts as a receivable, but are consolidated out in the Group figures.

No separate SOFA has been prepared for the charity alone, as permitted by Section 408 of the Companies Act 2006. As required by Section 408 (4) of the Companies Act the charity's income for the year was \$8,476k (2020 - \$24,540k), and its net deficit was \$16,030k (2020 - surplus \$1,347k). The charity has also taken advantage of the exemptions available under FRS 102 from the requirements to present a charity-only cash flow statement and to present certain disclosures about the charity's financial instruments.

Going concern

Trustees have reviewed the latest versions of both the short-term and medium-term financial planning scenarios, paying particular attention to risks to income, operational costs, grant commitments, and the expectations of funders for new investments. The Global Innovation Fund has the flexibility to adapt our financial management, including adjusting the cash-flow profile of disbursements and adjusting operational expenditure as needed, in response to any negative impacts to income levels. Trustees have concluded that there are sufficient reserves held at the time of completion of the audit to create a reasonable expectation that the Global Innovation Fund has adequate resources to continue in operational existence over the 12 months from the date these accounts were signed. Accordingly, the Trustees continue to adopt a going concern basis in preparing the financial statements.

Basis of consolidation

The consolidated financial statements include the financial statements of the company Global Innovation Fund and its subsidiary undertakings made up to 31st December 2021. The parent company Global Innovation Fund is based in London and has three subsidiaries - one also named Global Innovation Fund based in Washington D.C, GIF Growth Limited based in London and GIF (Kenya) Limited based in Nairobi. There is also a branch based in Singapore.

Notes *(continued)*

Accounting estimates and judgements

In preparing the financial statements, management have made judgements, estimates and assumptions that affect both the amounts recorded as revenues and expenses during the period, and amounts recorded for assets and liabilities as at the balance sheet date. However, the nature of estimation means these estimates could differ from actual outcomes. This is especially prevalent in determining the carrying value of GIF's social investments and any need for impairment. The determination of carrying values for early-stage companies is by nature a volatile and uncertain process. Despite the inherent volatility, the guidelines applied to determine whether an impairment is required are considered to result in the best estimate of whether and the amount of any impairment required.

In 2021 GIF adopted a new valuations and impairments policy with a multi stage flow chart and analysis. We start by looking at recent third-party valuations including recent priced investment rounds. Should the carrying value be equal or higher than our book value then no adjustment to book value is made. In the absence of a third-party valuation, we compare performance to budget. Where there is no material deviation, no adjustment to book value is made. Finally, where there has been a material underperformance on budget, we look at the latest business plan and forecasts in order to make an assessment of any long term value impairment. Where there is no material downside in the long term value, no adjustment to book value is made.

Measurement convention

The financial statements are prepared on the historical cost basis except for any social investments for which it is considered that a reliable estimate of market value exists. The related financial instruments are classified at fair value through income and expense. Where an accurate estimate of market value is unavailable the investments are stated at cost with an assessment for impairment taken at the year end.

Foreign currency

GIF operates in 7 Currencies: US Dollars, Pounds Sterling, Euros, Swedish Kroner, Australian Dollars, Indian Rupees and Canadian Dollars. Transactions in foreign currencies are recognised in the group's statement of income and expense in US Dollars (the functional currency), at the foreign exchange rate ruling at the date of the transaction.

Exchange rates within the accounting system are updated automatically on a daily basis. For the purpose of the first period end, monetary assets and liabilities denominated in foreign currencies at 31st December 2021 are translated to US Dollars at the closing foreign exchange rate ruling on 31st December 2021. Foreign exchange differences arising on translation are recognised in the statement of income and expense.

The functional currency of the subsidiary is US Dollars and therefore no currency difference occurs on consolidation with the group accounts.

Basic financial instruments

Trade and other debtors are recognised initially at transaction price less any impairment. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Cash and cash equivalents comprise cash balances and notice deposits, less than three months. The accounting policy for social investments is set out separately below.

Income recognition

All income is accounted for when Global Innovation Fund has entitlement, there is probability of receipt and the amount is measurable. For grant income this is usually when the invoice for payment is raised.

Interest receivable on the notice deposits (less than three months) is recognised in the income and expenditure account as they accrue, using the effective interest method. Realised and unrealised foreign currency gains and losses are reported on a net basis.

Expenses

Expenses are recognised on an accruals basis in the period to which they relate.

All costs are allocated to direct charitable activities or raising funds. Support costs are allocated either as direct costs associated with the investment or indirect costs.

Pension costs

GIF operates a defined contribution pension scheme for its employees and contributes 10% of gross salary where the employee contributes at least 1%. Contributions to the scheme are charged to the Statement of Financial Activities when incurred.

Fund Accounting

Restricted funds are funds that have been given for particular purposes and projects. Restricted funds must be used in accordance with the funders' or donors' wishes.

Operating leases

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in the Statement of Financial Activities on a straight-line basis over the period of the lease.

Social Investments

Social Investments that are loans, equity or convertible loans are accounted for at the outstanding amount of the loan less any provision for unrecoverable amounts.

Unquoted equity, social investment funds and partnerships, and similar social investments are held at cost, less any provision for diminution in value, unless the Fund is able to obtain a reliable estimate of fair value.

An impairment of charge of \$7,696k (2020: \$3,026k) was recognised in the accounts in relation to the annual assessment of social investments.

Notes *(continued)*

2. Income

	2021	2020
	USD	USD
	(\$000)	(\$000)
Income		
Government Grants	6,809	19,855
Private Funding	1,254	2,736
	<u>8,063</u>	<u>22,591</u>

	2021	2020
	USD	USD
	(\$000)	(\$000)
Government income by country		
Australia	-	1,534
Canada	-	1,512
Sweden	2,584	2,508
United Kingdom	4,225	11,301
United States of America	-	3,000
	<u>6,809</u>	<u>19,855</u>

	2021	2020
	USD	USD
	(\$000)	(\$000)
Investment Income and other Income		
Income from investments	288	361
Bank interest on current accounts	3	56
Profit on disposal of investment	103	166
	<u>394</u>	<u>583</u>

No government grants that have been recognised in the accounts have any unfulfilled conditions or other contingencies attached and there are no other forms of government assistance from which the charity has benefited.

Notes *(continued)*

3. Charitable Activities

	2021 USD (\$000)	2020 USD (\$000)
Grants Payable		
DMI (Development Media International)	21	46
PATH	414	454
DGMT-SmartStart	250	450
Behavioural Insights Team	135	-
One Acre Fund	-	3,174
Lively Minds	1,100	468
Education Initiatives	216	282
Ideas42	400	900
Interactive Research & Development	-	428
Labeled Remittances	-	400
Talent Beyond Boundaries	-	4
IDInsight	450	-
No Means No Worldwide	700	700
Graduation	1,500	1,500
SwipeRx (formerly mClinica)	60	60
Balloon Ventures	-	115
Give Directly	-	800
Babban Gona	18	208
Crime Radar	-	333
Strong Minds	400	211
BRAC	910	-
Breakthrough	253	-
BuildHer	150	-
MTV Staying Alive	175	-
Stanford	308	-
	<u>7,460</u>	<u>10,533</u>
Impairment of programme related investments	<u>7,696</u>	<u>3,026</u>
Staff and other related staff costs	<u>5,229</u>	<u>5,948</u>
Other support costs	<u>3,367</u>	<u>3,295</u>
Foreign Exchange losses	<u>754</u>	<u>391</u>
Total costs directly associated to charitable activities	<u>24,506</u>	<u>23,193</u>

All grants above were made to institutions. All grants were signed for and disbursed within the year.

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Notes *(continued)*

4. Programme-related investments

	Group 2021 USD (\$000)	Charity 2021 USD (\$000)	Group 2020 USD (\$000)	Charity 2020 USD (\$000)
Debt				
B/F amount	2,069	2,069	1,846	1,846
Reclassification	-	-	-	-
Additions/Interest accrued	774	774	354	354
Investments paid back	(1,697)	(1,697)	-	-
Impairment charge	(271)	(271)	(131)	(131)
C/F amount	<u>875</u>	<u>875</u>	<u>2,069</u>	<u>2,069</u>
Convertible debt instruments				
B/F amount	3,369	3,369	2,015	2,015
Reclassification	-	-	-	-
Additions/Interest accrued	930	930	1,354	1,354
Disposals	-	-	-	-
Debt converted to equity	(1,894)	(1,894)	-	-
Impairment charge	(430)	(430)	-	-
C/F amount	<u>1,975</u>	<u>1,975</u>	<u>3,369</u>	<u>3,369</u>
Equity				
B/F amount	19,642	19,642	19,420	19,420
Reclassification	-	-	-	-
Additions	2,388	2,388	3,300	3,300
Disposals	(1,051)	(1,051)	(183)	(183)
Debt converted to equity	1,894	1,894	-	-
Impairment charge	(6,994)	(6,994)	(2,895)	(2,895)
C/F amount	<u>15,879</u>	<u>15,879</u>	<u>19,642</u>	<u>19,642</u>
Total programme-related investments	<u>18,729</u>	<u>18,729</u>	<u>25,080</u>	<u>25,080</u>

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Notes *(continued)*

5. Debtors

	Group 2021 USD (\$000)	Charity 2021 USD (\$000)	Group 2020 USD (\$000)	Charity 2020 USD (\$000)
Debtors				
Deposits	103	63	130	91
Prepayments and accrued income	139	388	128	173
Other debtors	-	1	1	1
	242	452	259	265

6. Cash at bank and in hand

	Group 2021 USD (\$000)	Charity 2021 USD (\$000)	Group 2020 USD (\$000)	Charity 2020 USD (\$000)
Cash at bank and in hand				
Cash in hand	21,754	21,533	31,332	31,143
Notice deposits (less than 3 months)	475	475	473	473
	22,229	22,008	31,805	31,616

7. Creditors

	Group 2021 USD (\$000)	Charity 2021 USD (\$000)	Group 2020 USD (\$000)	Charity 2020 USD (\$000)
Creditors: amounts falling due within one year				
Trade creditors & accruals	580	569	498	316
Other creditors	7	7	2	2
	587	576	500	318

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Notes *(continued)*

8. Funds

The restricted funds are received under an agreement with GAC (Canada) and a separate agreement with DFAT (Australia). GAC have stipulated their funds are to be invested in initiatives that have a gender focus. For DFAT, GIF is the Implementation Partner for the Water Data Challenge. Through the Challenge, GIF seeks to source and invest in data-orientated innovations in the water sector which have the potential to cost-effectively improve smallholder farmers' productivity, income, or resilience; or that help to optimise water use at the system, watershed, or basin level so as to enhance resilience or promote inclusive growth. In June 2020 GIF signed a new deal with GAC that will be focused on investing through a gender lens. Restricted funds will be released as and when suitable investments or grants are found, and milestones are met.

	Group 2021 USD (\$000)	Charity 2021 USD (\$000)	Group 2020 USD (\$000)	Charity 2020 USD (\$000)
Restricted funds				
Balance brought forward	5,889	5,889	2,891	2,891
Grant & Other Income	1,254	1,254	5,123	5,123
Grants & Other Expenditure	(3,242)	(3,242)	(2,125)	(2,125)
Increase/(Decrease) in Investments	-	-	-	-
Balance carried forward	3,901	3,901	5,889	5,889
	Group 2021 USD (\$000)	Charity 2021 USD (\$000)	Group 2020 USD (\$000)	Charity 2020 USD (\$000)
Unrestricted funds				
Balance brought forward 1st January	50,754	50,754	52,405	52,405
Grant & Other Income	7,222	7,222	19,417	19,417
Grants & Other Expenditure	(13,568)	(13,568)	(18,042)	(18,042)
Increase/(Decrease) in Investments	(7,696)	(7,696)	(3,026)	(3,026)
Balance carried forward 31st December	36,712	36,712	50,754	50,754
Total Funds	40,613	40,613	56,643	56,643

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Notes *(continued)*

	Group 2021 USD (\$000)	Group 2021 USD (\$000)	Group 2020 USD (\$000)	Group 2020 USD (\$000)
	Unrestricted	Restricted	Unrestricted	Restricted
Fund Balances as at 31st December (Group)				
Investments	17,163	1,566	24,205	875
Current Assets	20,136	2,335	27,050	5,014
Current Liabilities	(587)	-	(501)	-
Total Funds	36,712	3,901	50,754	5,889
		40,613		56,643

9. Auditors remuneration

	Group 2021 USD (\$000)	Group 2020 USD (\$000)
Included in the statement of financial activities are;		
Statutory audit fees	50	44
Tax advisory fees	1	2
	51	46

10. Staff numbers and costs

The average number of persons employed by the Group (including directors) during the period, analysed by category, was as follows:

Category	Group 2021 USD (\$000)	Group 2020 USD (\$000)
Investment	12	14
Analytics	4	5
Legal	6	6
Administration	13	14
	35	39

The aggregate payroll costs of these persons were as follows:

Wages and salaries	3,847	4,435
Social security costs	359	421
Contributions to defined contribution pension plans	834	620

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Other employee benefits	203	220
Other Staff costs	11	252
	5,254	5,948

Staff banding

The number of employees whose total compensation package (excluding pension) exceeded \$81k are as follows:

	Group 2021 USD (\$000)	Group 2020 USD (\$000)
USD		
81,000 - 93,999	3	5
94,000 - 107,999	6	5
108,000 - 120,999	1	2
121,000 - 134,999	3	3
135,000 - 148,999	4	3
149,000 - 161,999	3	1
162,000 - 174,999	1	0
175,000 - 188,999	1	1
189,000 - 202,999	1	3
203,000 - 215,999	0	0
216,000 - 228,999	0	0
229,000 - 241,999	1	0
242,000 - 254,999	0	0
255,000 - 267,999	0	1
268,000 - 280,999	1	0
294,000 - 306,999	0	1
316,000 - 328,999	0	1
	25	26

The Trustees received no remuneration for their services to the company. The above reflects termination payments made in the year as detailed below.

Remuneration of Key Management Personnel

The total compensation package for key management personnel totalled \$1,400k (2020: \$2,157k). The trustees received no remuneration for their services to the company.

Termination payments

Termination payments made during the year were \$58,166 (2020: \$276,519). These have been included within "Wages and salaries" within the aggregate payroll costs table in note 10 and were accrued at year end

Notes *(continued)*

11. Financial Instruments

The carrying amounts of the financial assets and liabilities include

	Group 2021 USD (\$000)	Group 2020 USD (\$000)
Financial Instruments		
Financial Assets - amortised cost	39,771	55,699
Financial Assets - fair value	1,187	1,187
Financial Liabilities - amortised cost	587	501
Financial Assets		
Cash	22,229	31,805
Debtors	-	1
Social investments	18,729	25,080
	<u>40,958</u>	<u>56,886</u>
Financial Liabilities		
Trade Creditors	472	11
Accruals	108	488
Other creditors	7	2
	<u>587</u>	<u>501</u>

As quoted prices are unavailable, the fair value of equity investments has been measured as at the transaction price. An assessment of the investments were made at the year end by the senior management and an impairment charge of \$7,696k (2020: \$3,026k) was recognised in the accounts within charitable investments on the face of the Statement of Financial Position.

Notes *(continued)*

12. Operating Leases

The total of future minimum lease payments under non-cancellable operating leases for each of the following periods are as follows:

	Group 2021 USD (\$000)	Group 2020 USD (\$000)
Operating Leases		
not later than one year	257	693
later than one year and not later than five years	-	62
later than five years	-	-
Total annual commitments	257	755

Within the financial statements are lease payments totalling \$758k (2020: \$937k)

13. Funding Commitments

Amounts related to programme related investments (grants) contracted for but not provided in financial statements amounted to \$10,532k (2020: \$19,773k) for the group and the company. If all conditions relating to each grant were met, the following amounts will be due.

	2021 Grant Commitments	2021 Risk Capital Commitments	2021 Total
2022	5,557,480	2,441,357	7,998,837
2023	1,829,644	-	1,829,644
2024	703,130	-	703,130
2025	-	-	-
Total annual commitments	8,090,254	2,441,357	10,531,611
Total annual commitments as at 1st January 2021	14,240,861	5,532,229	19,773,090
FX Movement in 2021	101,921	(388,964)	(287,043)
Commitments made in 2021	1,207,201	1,102,166	2,309,367
Payments made in 2021	(7,459,729)	(3,804,074)	(11,263,803)
Total annual commitments at 31st December 2021	8,090,254	2,441,357	10,531,611

Neither the group nor company have any contingent liabilities as at the balance sheet date.

Notes *(continued)*

14. Trading activities of subsidiary

Global Innovation Fund, a non-profit subsidiary, is registered in the US (FEIN 47-4045086), located in Washington DC had the following results to 31/12/2021.

Global Innovation Fund is the sole member of the US entity and has certain governance rights under its articles and by laws, including, but not limited to, appointing board members.

The US entity carries out administrative activities such as employing US based staff and leasing premises to further the objectives of the parent entity.

	2021 USD (\$000)	2020 USD (\$000)
Income & Expenditure		
Total support received & revenue	1,671	2,116
Total expenses	(1,671)	(2,116)
Balance Sheet		
Assets	260	228
Liabilities	<u>(260)</u>	<u>(228)</u>
	<u>-</u>	<u>-</u>

15. Defined contribution scheme

The group operates a defined contribution pension scheme. The total expense relating to this scheme amounted to \$834k (2020: \$620k) during the period which has been charged to the Statement of Financial Activities. The contributions were paid using unrestricted funds.

16. Related party disclosure

Trustees

None of the Trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

Trustees expenses

One of the Trustees have claimed expenses or had their expenses met by the charity, these are related to flights, accommodation and subsistence for board meetings. These costs total \$14,908 (2020: \$4,465)

Employees

There were no loans issued to employees in year and none outstanding at year end (2020: none)

Subsidiary

GIF gave \$1,700k (2020: \$1,700k) to its subsidiary located in Washington DC to fund its administration expenses. \$201k (2020: \$416,293) of expenses were paid by GIF on behalf of the US subsidiary and \$230k of previously provided funds were utilised by the subsidiary. The subsidiary had assets of \$259,980 and liabilities of \$259,980 at 31 December 2021, giving total net assets of \$Nil. At the year end, the subsidiary owed GIF \$nil (2020:nil).

17. Post balance sheet events

On 5th July 2022, one of our investees repaid the outstanding £262k balance on the £2.1m Revolving Facility Agreement and requested a cancellation of the agreement. This facility was due to expire at the end of 2022. As a result there is a material reduction in the Risk Capital Commitments going forward.

On 27th July 2022, we issued a notice of default to an investee, cancelling the investment and demanding full repayment of \$460k. The investee has acknowledged the notice of default and agreed to repay the sum in three instalments by the end of 2022. The first repayment of \$78,376 was received on August 15th. Should we recover the full sum we will reverse the impairment charge of \$230k that is taken in 2021.

On 2nd September 2022, GIF and Anglo American provisionally agreed to terminate their funding agreement, which will result in the return of undisbursed cash on account to Anglo American, subject to contract. We currently estimate this to be less than \$1m.