



SCHOOLS AND TEACHERS INNOVATING FOR RESULTS

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year Ended 31st March 2021

Company Limited by Guarantee

Registration Number

08186440 (England and Wales)

Charity Registration Number 1149143

Second Home Spitalfields • 68-80 Hanbury Street • London • E1 5JL

STIR
education

TABLE OF CONTENTS

REFERENCE AND ADMINISTRATIVE INFORMATION	3
TRUSTEES' REPORT: YEAR TO 31 MARCH 2021.....	5
INDEPENDENT AUDITOR'S REPORT	18
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021	22
BALANCE SHEET AS AT 31 MARCH 2021	23
STATEMENT OF CASH FLOWS FOR THE YEAR TO 31 MARCH 2021	24
PRINCIPAL ACCOUNTING POLICIES	25
NOTES TO THE FINANCIAL STATEMENTS	28

REFERENCE AND ADMINISTRATIVE INFORMATION

Status	<p>Schools and Teachers Innovating for Results (STiR Education) is a charitable company limited by guarantee, incorporated on 21 August 2012 and registered as a charity on 28 September 2012.</p> <p>In the event of the charity being wound up, members are required to contribute an amount not exceeding £1.</p>
Governing document	The organisation was established under a Memorandum of Association, which established the objects and powers of the organisation, and is governed under its Articles of Association.
Trustees	<p>Jonathan Owen (Chair)* Dr Amrita Bihari Ahuja Louise Marie Henbest Rachel Hinton John Austen Knight* David Rothschild</p> <p>*Member of Finance Committee</p>
Company Secretary	<p>Bates Wells Braithwaite 10 Queen Street Place London EC4R 1BE</p>
Chief Executive	Girish Menon
Senior Executives	<p>Anamika Srivastava – Global Director, Finance & Operations Jenny Willmott – Senior Director, Programme Delivery Nithyambika Gurukumar – Director, Donor Partnerships John McIntosh – Director, Design and Programme Readiness Modern Musiimenta Karema – Uganda Country Director Swaha Sahoo – India Country Director (joined July 2021) Sharath Jeevan – CEO (resigned December 2020) Reinier Terwindt – Director, Monitoring, Evaluation and Research (resigned July 2021) Shalini Sharma – India Country Director (resigned in July 2020) Tomos Davies – Chief Operating Officer (resigned May 2020)</p>
Registered office	<p>Second Home Spitalfields, 68-80 Hanbury Street London, E1 5JL T: +44 (0)20 3870 1112 E: info@stireducation.org W: www.stireducation.org</p>

Principal office	Second Home Spitalfields, 68-80 Hanbury Street London, E1 5JL T: +44 (0)20 3870 1112 E: info@stireducation.org W: www.stireducation.org
Company registration number	08186440 (England and Wales)
Charity registration number	1149143
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Solicitor	Bates Wells 10 Queen Street Place London EC4R 1BE
Bankers	Lloyds Bank Oxford St PO Box 1000 London BX1 1LT UK Metro Bank 1 Southampton Row Holborn London WC1B 5HA UK

TRUSTEES' REPORT: YEAR TO 31 MARCH 2021

The trustees of Schools and Teachers Innovating for Results (STiR) present their trustees' report together with the financial statements for the year ended 31 March 2021.

The report has been prepared in accordance with the Charities Act 2011 and Part 15 of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 25 to 27 of the attached financial statements and comply with the charity's Memorandum and Articles of Association and applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later..

STiR'S VISION AND VALUES

OUR REASON FOR BEING

Education systems today must prepare every child, everywhere, to thrive in a world of 'unknown unknowns'. To succeed, children and young people need to develop a love of learning and education systems need to support them by building the foundations of lifelong learning. This has been recognised in the development plans of many emerging countries.



The moral imperative here is clear. The economic imperative is even clearer: for example, 90% of Ethiopian children will find jobs in the informal sector. 'Unknown unknowns' will be constant pressures in their future lives. They will need to learn and adapt as they move between sectors, jobs and settlements.

Education systems are failing to address this need. Governments are spending hundreds of dollars per child per year on education – but not preparing them for a future citizenship and workforce. And although other organisations are doing great work on technical interventions – 'seeds' such as direct training programmes and curriculum reform – there are almost no interventions that focus on the 'soil', by which we mean the intrinsic motivation of teachers and officials in systems. At STiR, we recognise that this soil is just as important. Without fertile soil, seeds cannot grow and flourish. So, we support education systems to reignite intrinsic motivation in every teacher and official. It is our unique contribution to achieving Sustainable Development Goal 4.

OUR MISSION

To thrive in a world of 'unknown unknowns', children need to be able to continually seek, process, act and reflect on new information. They need to love to learn.

At STiR, we have identified the core foundations that enable lifelong learning. These foundations are supported by a deep body of global evidence. Our approach is designed to build these foundations sustainably and at scale within education systems.

Our mission statement: We support education systems to reignite intrinsic motivation in every teacher and official, to role-model the foundations of lifelong learning for every child.

OUR VISION WILL BE REACHED WHEN:

- Every child is engaged, feels safe, loves learning, trusts and values their teacher, is curious and thinks critically.
- Every teacher loves teaching and intentionally improves their classroom practice.
- Every local and ministry official sees the foundations of lifelong learning as a core goal, prioritizes the support of teachers, and uses data and insights to continually improve.

Our vision statement: A world where every child develops a love of lifelong learning.

OUR APPROACH

We believe that the most sustainable way to build the foundations of lifelong learning is through strong role-modelling and trusting relationships at all levels of an education system – between a child and their teacher, and between the teacher and the school leaders and officials who support them. We understand role-modelling to be the demonstration and promotion of behaviours and attitudes that you wish to see in others. This is overlooked in most education systems, but it has been our biggest organisational strength and source of success.

We recognise that effective role-modelling doesn’t just ‘happen’. The desired behaviours from teachers must be clearly defined and we need to be clear on how they can be promoted. Our key ingredient is intrinsic motivation. This is based on building a sense of autonomy (that you can change something), mastery (that you can improve) and purpose (that you are connected to something greater than yourself).

Every part of our model is designed with these three elements in mind. We support governments to employ practical strategies based on each element, to promote our desired behaviours in teachers and these in turn, build the foundations of lifelong learning in children.

We do not want our approach to be dependent on us. So we are learning to work in partnership with governments to deliver the model. We run the approach together, and aim to step back our involvement over time to ensure long-term sustainability. They refocus existing resources to the model over five years and they increase their contribution to the costs to ensure ownership and long-term sustainability.

Our team works to ensure that the approach is increasingly prioritized within our partner systems. The engagement of officials at state level helps to provide credibility and accountability to district officials and their buy-in can accelerate behaviour change among teachers at large scale.



Over time, we expect to see officials and school leaders developing the foundations of lifelong learning. They will spend more time in schools supporting and understanding teachers and recognise their crucial role in driving improvements. We have developed an innovative set of measurement tools – in partnership with groups like the World Bank – to measure this progress on a monthly basis through a mobile app, and through an annual external longitudinal research study led by a leading J-PAL Affiliate Professor.

OUR VALUES

HUMILITY: We do not have all the answers upfront.

OPENNESS: We will listen, learn and improve, and lead through obstacles.

OWNERSHIP: We empower each other with high expectations and support.

PURPOSE: We are united by a shared vision we will build and achieve together.

We encourage and support team members to take ownership over the work that they do, and challenge each other to continuously learn and improve. In the same way, our team role-models these values with our government partners. We encourage and support officials to take on ownership to ensure sustainability. We seek to build a culture of constant learning and use our innovative monitoring and evaluation data to inform further improvement.

These core values guide us as we build an internal culture and work environment that develops the foundations of lifelong learning in education systems around the world. We aim to walk our talk by recruiting and developing a team of lifelong learners. As a result, STiR is an exciting and unique place to work. Our team is trusted and empowered with significant responsibility and accountability to deliver projects where they will learn and grow.



HOW STiR WORKS

As set out in the Memorandum and Articles of Association, STiR's objectives are:

1. 'the identification, development and promotion of new educational methods to advance and further education anywhere in the world; and
2. the promotion of such other purposes being exclusively charitable according to the law of England and Wales as the trustees may from time to time determine'.

To fulfil its charitable objectives, STiR's cooperative and iterative approach works through role-modelling and relationships at all levels of education systems. It is based around the core principles of peer networks, action and feedback, and reflection, and these core activities underpin everything that we do for teachers, school leaders and officials. Our content is organised into termly learning improvement cycles (LIC) which focus on different themes (e.g. the science of learning). Officials are supported to lead training sessions for school leaders, who then lead network meetings for teachers.

This year, given the challenges presented by Covid-19, our work has looked a little different to previous years as we have worked to navigate the specific circumstances in each geography.

STiR'S WORK IN DIFFERENT GEOGRAPHIES

DELHI

Over the past year, our work in Delhi has mostly closely resembled our pre-Covid programme activities. Our Learning Improvement Cycles (LICs) have continued, but shifted to online delivery. This has been made possible by the high levels of access to technology and connectivity across the state. We have been successful in creating channels for our stakeholders to support and share learning with each other, through peer networks and regular coaching calls. In our first LIC of the year, we helped stakeholders to think about the social and emotional wellbeing of their students and bring this to the forefront of their discussions. More recently, we've focused on using themes and strategies from our previous LICs in online teaching, which also acted as a review of our programme so far. Both LICs played a role in strengthening the use of online tools to facilitate learning for peers and students.

KARNATAKA

After consulting with the government, we decided to focus our Covid-19 response efforts in Karnataka on supporting our District Champions (senior officials with responsibility for supporting the STiR programme in each district) and officials at block and cluster levels, through the virtual delivery of training institutes and coaching meetings. Our main themes have been preparedness for virtual delivery and social and emotional wellbeing, which were selected based on a needs analysis and co-designed with senior officials in the District Institutes for Education and Training (DIETs). We've also conducted a number of open learning sessions for teachers and officials, on topics including the use of Microsoft Excel and PowerPoint, which have been very popular with our participants.

TAMIL NADU

In Tamil Nadu, we have revised the structure of our LICs to allow for remote delivery. Since access to technology and connectivity are more difficult in the state, we chose to focus on asynchronous models for delivery. Each LIC contains three modules for teachers made up of videos, reading materials and reflection exercises, all shared over WhatsApp. Officials and school leaders have facilitated peer learning discussions and used tools such as Padlet and WhatsApp groups to encourage action planning and feedback. The video content has been hosted on a dedicated website, and our three LICs have covered topics including structuring the learning journey and virtual facilitation skills. We also expanded our operations in the state to seven new districts over the past year, taking us to a total of 13 in the state.

UGANDA

Our activities have been most different in Uganda over the past year, as it quickly became clear that delivery over the internet would have been unrealistic in the country, so we have had to find alternative methods to support teachers and officials over the year. Our most prominent activity has been the delivery of radio CPD sessions for teachers on a fortnightly basis in all districts, but this has also been supported with coaching calls for district officials and regular conference calls for headteachers to share reflections and action plans. We're very proud of our work with the National Curriculum Development Centre (NCDC), with whom we created training on the principles of effective radio instruction. Content developers from across the Ministry have received training which has impacted the quality of radio content for both children and teachers.

INDONESIA

The majority of our time in Indonesia this year has been spent on negotiation of our memorandum of understanding (MoU) with the Ministry of Education and Culture. This had not yet been agreed by the end of this reporting period, but we hoped that this would be in place in 2021/22. Our principal permit from the Ministry of Foreign Affairs has been granted so STiR is free to operate as an NGO in Indonesia. We have identified three districts for our first year in 2021/22 and look forward to the launch of activities soon.

**ETHIOPIA**

Ethiopia is our newest project, with our first Senior Programme Consultant in the country joining our team in November 2020. By March 2021, we were able to secure a letter of intent from the Ministry of Education in Ethiopia to confirm their commitment to our programme. We have been assigned a team of three experts from the Ministry to work closely with STiR on our project proposal, programme co-design and contextualisation. We are now looking forward to identifying a region for our launch and to finalising a memorandum of understanding with the Ministry.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

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

STIR'S BOARD OF TRUSTEES

The Board of Trustees works closely to provide strategic and fiduciary oversight and guidance to the executive team. Trustee meetings take place once a quarter and involve an operational and programme review as well as a focused examination of key strategic and operational issues that take place. They also attend a full day strategy workshop – alongside key funding partners – each year and there are regular one to one discussion and check-points in between Board meetings, including a fortnightly discussion between the Chair and the Chief Executive.

The following trustees were in office at the time this report was approved and served throughout the year, except where shown:

TRUSTEE	APPOINTED/RESIGNED
Jonathan Owen (Chair)	
Dr Amrita Bihari Ahuja	
Dr Rachel Hinton	
John Austen Knight	
David Rothschild	
Paulo Pisano	Resigned 5 July 2021
Louise Marie Henbest	Appointed 29 March 2021

STiR has purchased insurance to protect it from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £967 (2020 – £786) and provides cover of up to a maximum of £2m (2020 – £2m).

STRUCTURE

The Chief Executive and senior staff provide reports to regular meetings of the Board of Trustees and Finance Committee on a quarterly basis. This enables the business of the Board, including strategy development and governance, to be undertaken collaboratively and in accordance with good practice. The Chief Executive manages the day-to-day business and operations of STiR.

The Founder and Chief Executive Officer, Sharath Jeevan had stepped down in December 2020. Girish Menon joined in January 2021 as the new Chief Executive Officer.

OTHER RELATIONSHIPS

STiR has set up an office in Uganda, which is legally registered as an International Non-Profit entity. In India it is being incubated by Development Consortium with a fiscal relationship and has a signed multi-year Memorandum of Understanding grant agreement for carrying out the programme in India.

KEY MANAGEMENT PERSONNEL

The key management personnel of the charity comprise the trustees together with the Chief Executive and senior management team as listed on page 2. Further information can be found in note 6 to the financial statements.

PUBLIC BENEFIT

The trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. STiR's activities continue to aid and support the beneficiaries outlined within our charitable objectives including teachers and children across the Ugandan and Indian education systems along with the education systems and structures that support them.

OBJECTIVES AND ACHIEVEMENTS

Significant progress has been made against the three core aims and objectives from last year:

Programme: STiR has committed to deliver the programme expected against our progress pathway across all geographies which are measured by our internal and external metrics. We have been able to achieve success in Delhi with getting the MoU signed with the state government which is a testament to our approach of system ownership. We have been able to make progress in Indonesia on developing relationships with districts and are in the process of signing the MoU with the Ministry of Education and Culture. We have had promising conversations in Ethiopia and have been progressing for initial scoping through a letter of intent received from the Ministry of Education. We have been able to confidently communicate, engage and inspire our stakeholders during this unprecedented Covid-19 times and have been able to keep our teams motivated.



Cost: STiR has continued to improve financial monitoring and internal control systems whilst also being cost effective across all contexts. This was achieved by the strategic changes in our programme model and partnering with governments, and improved financial planning, monitoring and reporting even during the Covid-19 situation.

Governance: STiR reviewed the current approach to governance and completed a skills audit of the Finance Committee and the Board. The organisation also welcomed two new Finance Committee Members and one Board member and plans to further strengthen in the coming year. We have been continuously engaged with both the Finance committee and Board with our plans and progress during the Covid-19 pandemic and our approach.

Finances: STiR's funding gaps for the year were successfully closed with particular attention focused on fundraising for the programmes in India and Uganda. We have been able to successfully raise funds for Indonesia and for initial stages for Ethiopia.

STiR'S FUNDRAISING APPROACH

STiR Education is currently supported by 17 of the world's leading funding organisations. The fundraising activities are carried out by a core team of five who are full time employees of the organisation and form part of the Donor Partnerships and Strategic Communications function who are based in STiR's London and India offices. The team is responsible for scoping potential funding partnerships and taking invited grant applications to fruition. The core activities involve pipeline desk research, establishing new partnerships through contacts/introductions that come through existing funding partners and/or supporters of STiR, and managing relationships with current/existing funding partners.

Neither STiR as an entity, nor any of its team members within the Donor Partnerships and Strategic Communications function, subscribe or are subscribed to any fundraising voluntary regulation schemes or standards. STiR holds its employees to a very high standard of accountability and ownership and there have not been any untoward incidents or complaints arising consequent to its fundraising activities. As part of its fundraising activity, STiR engages only with trusts/foundations/bi-laterals/organisations with Corporate Social Responsibility specifically in India who have invited the organisation to apply for funding and therefore does not undertake any in-person/door to door fundraising initiatives currently. However, a new fundraising strategy is currently being developed which includes a greater focus on corporate partnerships, digital and peer-to-peer fundraising and high-net-worth individuals. This strategy is expected to be implemented from September 2021.

ACHIEVEMENTS AND PERFORMANCE

As of March 2021, we have reached 200,000 teachers through our monthly peer networks and classroom observations that develop the intrinsic motivation and build the foundations of lifelong learning across education systems. Since 2012, we have supported more than 6 million children across India and Uganda.

In partnership with the Ministry of Education and Sports in Uganda, our approach is being delivered across 39 districts and municipal councils. In India, we have grown our footprint in the South with the addition of a further district in Karnataka, and 7 districts in Tamil Nadu. In addition, we continued to support all nine districts in Delhi with significant ownership from the state government in terms of program accountability. We made significant progress in shifting more operational and financial responsibility for the approach to governments with our cost effective approach.

Covid-19 has now been disrupting our partner education systems in India and Uganda since March 2020. Schools have remained closed for most or all of this period in each geography, which has had a very significant impact on our ability to reach officials, teachers and children through our work. We have worked with our partner governments to adopt virtual and blended approaches to delivery, with some of the following achievements:

- In Delhi, we carried out a feedback survey with all of our stakeholders to understand the impact of our 20/21 Learning Improvement Cycles (LICs). Most respondents felt that the LICs had allowed them to share opinions freely, get new ideas, be recognised and learn from each other. 60% of respondents felt that technology had helped them to collaborate, give feedback and plan better, while 55% said that having to use technology motivated them to learn and explore more.
- In Karnataka, our main themes have been preparedness for virtual delivery and social and emotional wellbeing. 100% of participants found the content relevant to their needs, and 92% were able to share ideas and collaborate with peers. They feel more comfortable using virtual platforms and leveraging these to facilitate meetings, while there have been positives in terms of scheduling and participating in sessions with greater flexibility.
- In Tamil Nadu, one of our biggest successes has been the expansion of our activities to seven new districts, taking us to a total of 13 in the state. This was made possible by the shift to virtual delivery. We've also been inspired by a group of 'Bright Spot' teachers and officials from across districts, who have shared their ideas and strategies through short videos on a public YouTube channel. In a recent survey, most teachers cited these Bright Spots as their greatest influence and inspiration.
- In Uganda, we have been delighted by the response from teachers and officials to our activities, despite the significant challenges that so many of them face at this time. Our radio teacher CPD programme, with associated coaching calls for officials and headteachers has been well received with high engagement.
- We engaged our first team member in Indonesia and began working with the Ministry of Education and Culture (MOEC) in Indonesia in the development of a Memorandum of Understanding (MoU) to launch our programme in East Java. At the end of the reporting period, the MoU was in its final draft and we are planning to launch by the end of 2021. In Ethiopia, we are in the process of working with the Ministry of Education to scope our approach and hope to launch in 2022.
- We have more clearly defined our approach to sustainability and long term government ownership. This includes; clear funding model with a pathway to government contributions upfront, clear roles and responsibilities for a 'Lifelong Learning Unit (LLU)' at the central government level and a plan for ensuring there is the equivalent of at least 1 full time District Champion to drive the approach at the district level from Year 2. We are pleased that in January 2021, the Delhi State government signed a refreshed MoU committed to a LLU and sustaining our programme post our 5-year pathway.

A lean and candid organisation: as a leadership team we focused hard to build on our value of openness and continue to stay lean and cost-efficient. We want to continue to strengthen the ways in which we demonstrate honesty to build a strong values-aligned culture in the organisation that allows us to embrace change and take risks – but allow rapid feedback loops to ensure that we stay on the right track. We have also had a bigger focus on team member wellbeing, supporting our team through these challenging times through, for example, wellbeing sessions and counselling.

COVID-19 RESPONSE

As a result of our COVID-19 approach highlighted above, we have summarised our key learnings. This will inform our programme approach going forward:

- Our relationships with governments are critical to ensure that we can meaningfully co-design and contextualise our approach, particularly since our COVID-19 response differs from place to place.
- Because of the structures and relationships we have in place, we have been able to support governments to respond to the crisis by being flexible and adaptive in our design and delivery.
- The middle tier (districts) have really engaged over the past year and continued to see themselves as role-models for teachers, giving us confidence that we will be able to build back quickly.
- Wherever possible, we intend to resume in-person meetings and institutes, particularly at teacher level, to ensure the maximum opportunity for practice and feedback.
- Clear technology adoption plans are critical to ensure that our stakeholders are fully equipped to use technology effectively.
- We will continue to use digital resources (especially short videos) to demonstrate model examples, even when we can resume in-person activities.
- There is a need for a long-term planning exercise with governments to identify what we want to achieve together, and how we will show impact across all levels of the system given COVID-19 restrictions.
- There is also more that STiR can do to prepare ourselves for future shocks and changes, and we are developing scenario plans for sudden shutdowns.



PLANS FOR 2021-22 AND BEYOND

Our plans for the 2021-22 year (and beyond) that we aim to achieve are as follows:

- Over recent months we have been carrying out a review of our organisational strategy to 2025 – This review has enabled us to reflect on our achievements since the strategy was developed in 2019, as well as challenges we’ve faced. It has also provided a chance for us to ensure we respond as an organisation to the current education challenges posed by the COVID-19 crisis. We will be sharing the outcomes of this review later this year, subject to trustee board sign off.
- Maintain momentum in our programme delivery, working even closer with our government partners to ensure our approach is responsive to their needs – Programme delivery will be a mix of virtual and in person and will be largely themed around supporting stakeholders to respond to current challenges (e.g. teacher and student social and emotional wellbeing, dealing with learning loss).
- Engage key officials in sustainability planning in each of our geographies – In Delhi, we will continue to work with the Delhi government to operationalise our MoU and move to full government ownership. In Karnataka, we will be sharing our content with all districts and developing a longer-term MoU with state officials including agreements around scaling and sustainability. In Tamil Nadu, we will add a further three

districts in 2021/22 and work with the government on a longer-term scaling plan. In Uganda, we are in discussions with the Ministry of Education and Sports on a scaling strategy and expect to scale, at least our virtual delivery, over the course of the period.

- Expansion – Launch in Indonesia in 2021 (three districts initially) and in Ethiopia in 2022. Scope our work in Brazil in 2022, with a view to launching in 2023.
- Explore opportunities to develop regional hubs based out of our work in India and Uganda – These opportunities may include partnerships with other implementing agencies, funders or governments to incorporate elements of our approach into their own work. We are also identifying the best operating and revenue models for such a hub, with the hope that this might support with diversifying our income in the future.
- Core to our values is being a learning organization – We will continue to do all we can to ensure we build autonomy, mastery and purpose amongst our team members and that we maintain a team culture which lives our values. Team members’ mental health and wellbeing has been an increasing area of focus during these difficult times and we will continue to ensure our teams are well supported.
- M&E: reshaping our longitudinal study – The past and this year’s programming has been so different and unique from our previous engagements, we felt it was important for the study to capture the impact of our COVID response. During COVID, our response was contextualised to each geography and their specific needs in alignment with the core aspects of our programme: action, feedback, and reflection. Hence, the plan is to continue with the second round of Longitudinal study, tailored to understand the impact of our COVID-response interventions in Karnataka, Tamil Nadu and Eastern Uganda that is in line with STiR’s focus on reigniting intrinsic motivation in teachers and officials in these education systems. This includes understanding the effects on role modelling and quality of coaching, reflection and feedback based on the stakeholders engagements with the STiR programme. We’d like to understand the association between motivation levels of our stakeholders to the role modelling of behaviours relating to foundations of lifelong learning across the levels in the system i.e. the relationship between intrinsic motivation of officials’ on officials teachers they support and similarly, teachers’ motivation on their peers and students.
- Build on the learning from our longitudinal study to understand and maximise the change that we are making in each geography, and identify opportunities to use technology to deepen how education officials and teachers work together – The current technology we are focussing on is a Whatsapp based chatbot. WhatsApp chatbot is a software program which runs on the encrypted WhatsApp platform. In the chatbot, your chat conversation will not be shared with any other person as it is a 1:1 conversation with the bot. It is available 24x7, you can start your chat anytime whenever you are available. From the first phase we learnt that the video messages are more impactful than text messages. In this phase of the WhatsApp pilot we would like to learn more about the changes in the behaviours through targeted video nudges based on reflections shared by the officials. The content will be in the local language and English for the officials to choose. A dashboard and a report will also be created for officials to access their data and insights of the previous months. This is to help them be more action oriented and focus on planning during their developmental conversations
- Strengthening the local legal infrastructure through independent STiR India entity for the purpose of implementing the programme and operations in India and raising local funding through Corporate Social Responsibility (CSRs).
- Strengthening local governance system and applying for Foreign Contribution Regulation Act (FCRA) registrations to ease out operations as required by the governing laws in India.



KEY CHALLENGES, PRINCIPAL RISKS AND UNCERTAINTIES

STiR currently sees the following as its key challenges and risks:

- Staff recruitment and retention: we have continued to improve the leadership capabilities through training and set up of a career progression policy to mitigate these risks. We have also focused on development and growth opportunities and working on a job evaluation process.
- Funding gap and local philanthropy: a focus on local philanthropy is now core to our funding strategy specifically in geographies where local philanthropy is prominent. But the space has been slow to show progress and the Covid-19 pandemic continues to add to these challenges. Largely this has been because of the slowing down of business within the local philanthropic space, and also a desire from these organisations to support, and rightly so, more immediate relief measures and post covid support. But our pipeline is already working on the needs for the next year ensuring regular conversations and engagement with partners as we progress through this year. Despite the pandemic, STiR has built a strong funding pipeline.
- Strategy and Sustainability: We are expecting some delays in getting the MoU signed specifically in Indonesia which has pushed the programme launch timelines. We are though pleased to having funding secured for implementation. We have found sustainability discussions in existing locations challenging which has slowed down currently due to diverse priorities and limitations in Government budgets. Review of strategy for the next three years is in progress and consultations internally and with the Board have shown positive signs of our approach though this continues to be challenging as Covid-19 has left very few opportunities as the risk remains high.

FINANCIAL REVIEW

Given the financial year 2020-21 has been a Covid year, both income and expenditure has been affected compared to previous years, despite adding new geographies to the work of the charity. The income during the year ended 31 March 2021 was £2,704k which is about 7% less compared to the previous year (£2,921k) with expenditure during the year being £1,927k which had reduced significantly (approximately 40% from £3,188k) due to the impact of Covid. However, net income had been positive at £777k with total funds as at the end of the year at over £2,593k of which £1,656k is restricted and the balance of £937k being unrestricted. The restricted funds carried forward are to be used for the financial year 2021-22 in accordance with respective grant agreements.

RESERVES POLICY AND GOING CONCERN

STiR's trustees have examined the requirements for reserves in light of the risks to the organisation. STiR continues to build reserves through planned operating surpluses to meet the working capital requirements of the charity, which is currently set at three to four months of operating activities (which comprises of personnel costs and office operations globally).

Total funds stand at over £2,593K although £1,656K of this is restricted for specific projects. The balance of unrestricted reserves funds as at 31 March 2021 is £937K (2020 was £869K) amounting to the charity's free reserves, which represents about six months' current annual operating expenditure. This is slightly over our reserves policy due to the challenges that the Covid pandemic has imposed and is continuing to impose for the foreseeable future. The trustees are consciously monitoring this to ensure there is financial sustainability during these challenging times across the globe.

The STiR donor partnership team has engaged its donors/partners during Covid-19 and had been able to secure funding to be able to sustain for the foreseeable future and the trustees continue to review and manage actively the reserves of STiR.

The Board of Trustees therefore believe that STiR is a going concern for at least 12 months from the date of approval of these financial statements and will continue to keep oversight of this based on the overall financial strategy and level of free reserves.

INVESTMENT POLICY

STiR does not hold any financial investments to date and is in the process of setting up an investment policy.

SAFEGUARDING POLICY

STiR Education is committed to promoting the rights of children and vulnerable adults including their right to be protected from harmful influences, abuse and exploitation. STiR does not work directly with children but this policy demonstrates its commitment to safeguarding children and vulnerable adults from harm and makes clear to everyone within the organisation of the behaviours and actions that are required of them when dealing with these stakeholders. As per our values, it is everyone's responsibility to protect the spirit of this policy. This policy applies to anyone working on behalf of STiR, including the board of trustees, paid and unpaid team members, including interns, volunteers, students and agency workers and any visitor who may come into contact with children through association with STiR. Where appropriate, STiR will make external stakeholders aware of its safeguarding policy. As an organization, we have conducted mandatory staff trainings to increase awareness and prevention and to ensure any cases are reported and responded.

EQUALITY DIVERSITY AND INCLUSION

STiR commits to creating a safe and physically comfortable working environment with a positive values driven, meritocratic and open culture across all levels. We aspire to create a culture that promotes excellence and innovation where our team has the opportunity to learn and develop their skills and professional practice. The charity is committed to providing equality, fairness and respect for everyone in the team whether in temporary, part-time or full-time employment. As an equal-opportunities employer we do not discriminate on the grounds of gender, sexual orientation, marital or civil partner status, pregnancy or maternity, gender reassignment, race, colour, nationality, ethnic or national origin, religion or belief, disability or age (protected characteristics).

STiR will oppose and avoid all forms of unlawful discrimination. It applies to all aspects of employment with us, including pay and benefits, terms and conditions of employment, dealing with grievances and discipline, termination and dismissal, redundancy, leave for parents, requests for flexible working, and selection for employment, promotion, training or other developmental opportunities. This applies in the workplace, outside the workplace (when dealing with customers, suppliers or other work-related contacts), and on work related trips or events including social events.

To ensure we have a safe space, the People and Culture team carries out pulse surveys at least twice a year and ensure there are clear action plans laid out to get back to the teams for their welfare and motivation. The team also ensures there are learning and development opportunities available across the organisation without any biases or discrimination or any kind.

The Trustees' Report was approved by the trustees on 8th November 2021 and signed on their behalf by

The signature page follows



Trustee: Jonathan Owen

Company registration number: 08186440 (England and Wales)

Charity registration number: 1149143

INDEPENDENT AUDITOR'S REPORT

OPINION

We have audited the financial statements of Schools and Teachers Innovating for Results (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Schools and Teachers Innovating for Results for the year ended 31 March 2021, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with management and representatives of those charged with governance and from our knowledge and experience of the sector in which the charity operates;
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Companies Act 2006, the Charities Act 2011, the Charities SORP, anti-bribery, employment, safeguarding principles. We considered the impact of the international nature of the charity's operations on its compliance with laws and regulations;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those and those responsible for legal and compliance procedures, charged with governance and review of minutes of trustees' meetings.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management and representatives of those charged with governance as to where they considered there was susceptibility to fraud,
- their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Identifying and testing journal entries, in particular any journal entries posted with unusual characteristics;
- Tested the authorisation of expenditure;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of trustees; and
- Enquiring of management and representatives of those charged with governance as to actual and potential litigation and claims.
- Enquiring of auditors of overseas components as to actual and potential non-compliance with significant laws and regulations.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

USE OF OUR REPORT

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

A handwritten signature in black ink, appearing to read "Shachi Blakemore".

Shachi Blakemore (Senior Statutory Auditor)

For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 22 November 2021

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	NOTES	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2021 TOTAL FUNDS	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2020 TOTAL FUNDS
		£	£	£	£	£	£
Income and expenditure							
Income from:							
. Donations and legacies	1	532,793	2,164,938	2,697,731	725,390	2,184,613	2,910,003
. Interest Income		5,958	-	5,958	10,714	-	10,714
. Other income		159	-	159	875	-	875
Total income		538,910	2,164,938	2,703,848	736,979	2,184,613	2,921,592
Expenditure on:							
. Charitable activities	2	471,219	1,456,032	1,927,251	591,072	2,597,019	3,188,091
Total expenditure		471,219	1,456,032	1,927,251	591,072	2,597,019	3,188,091
Net income (expenditure) for the year and net movement in funds	5	67,691	708,906	776,597	145,907	(412,406)	(266,499)
Reconciliation of funds							
Total funds brought forward		869,528	947,434	1,816,962	723,621	1,359,840	2,083,461
Funds balances carried forward		<u>937,219</u>	<u>1,656,340</u>	<u>2,593,559</u>	<u>869,528</u>	<u>947,434</u>	<u>1,816,962</u>

All of the charity's activities derived from continuing operations during the above two financial periods.

BALANCE SHEET AS AT 31 MARCH 2021

		2021	2021	2020	2020
	Notes	£	£	£	£
Current assets					
Debtors	9	476,491		372,366	
Cash at bank and in hand		2,191,846		1,701,725	
		2,668,337		2,074,090	
Creditors: amounts falling due within one year					
	10	(74,778)		(257,129)	
Net current assets and net assets			2,593,559		1,816,962
The funds of the charity					
Restricted funds	11		1,656,340		947,434
Unrestricted funds					
. General fund			937,219		869,528
Total funds			2,593,559		1,816,962

Approved by the trustees and signed on their behalf by:



Trustee: Jonathan Owen

Approved on: 8th November, 2021

Company Registration No. 08186440 (England and Wales)

Charity Registration No.1149143

STATEMENT OF CASH FLOWS FOR THE YEAR TO 31 MARCH 2021

		2021	2020
		£	£
	Notes		
Cash flows from operating activities:			
Net cash provided by operating activities	A	484,163	134,414
Cash flows from investing activities:			
Interest received		5,958	10,714
Net cash provided by investing activities		5,958	10,714
Change in cash and cash equivalents in the year		490,121	145,228
Cash and cash equivalents at 1 April	B	1,701,725	1,556,597
Cash and cash equivalents at 31 March	B	2,191,846	1,701,725

NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR TO 31 MARCH 2020			
		2021	2020
		£	£
A) Reconciliation of net (expenditure) income for the year to net cash provided operating activities			
Net income (expenditure) for the year (as per the statement of financial activities)		776,597	(266,499)
Adjustments for:			
Interest receivable		(5,958)	(10,714)
(Increase) decrease in debtors		(104,125)	413,240
(Decrease) increase in creditors		(182,351)	(1,613)
Net cash provided by operating activities		484,163	134,414
B) Cash at bank and in hand			
		2,191,846	1,701,725

Analysis of changes in net debt

The charity does not have any borrowings or lease obligations. Net debt consists therefore of the cash balance.

PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below. These financial statements have been prepared for the year to 31 March 2021 and are presented in sterling and are rounded to the nearest pound.

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

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

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

BASIS OF PREPARATION

There are three areas of operation of the charity – central governance, fundraising and support functions within the UK and operational activity in Uganda, India, Indonesia and Ethiopia – with a shared vision, mission and business model being adopted. The financial statements therefore incorporate all operations to show the activities of the entire organisation, but for the purposes of local laws, the Uganda and India operations have been separately incorporated.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Preparation of the financial statements requires the trustees to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- Determining the basis for the allocation of support and governance costs across the charitable activities as shown in note 3;
- The impacts of Covid-19 on estimating the future cash flows of the charity.

ASSESSMENT OF GOING CONCERN

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

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31 March 2022, the most significant issues that affect the carrying value of the assets held by the charitable company are the availability of grants and funding from institutions, family foundations and other agencies and general economic conditions on the level of commercial sources of income. STiR has been able to convert 90% of its renewals and is expecting to raise £2.8mn cash by the end of March 2022.

INCOME RECOGNITION

Income is recognised on an accrual basis in the year in which the charity is entitled to receipt, it is probable the charity will receive the income and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises interest receivable on cash held with the charity's bankers and donations and legacies.

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

EXPENDITURE RECOGNITION

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

All expenditure is accounted for on an accrual basis and is stated inclusive of irrecoverable VAT. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to expenditure on charitable activities.

All expenditure is incurred on the charity's primary charitable purposes as described in the trustees' report. It includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities and also any redundancy payments made. Such costs include direct and support costs including governance costs.

ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel, financial procedures, provision of office services and equipment and a suitable working environment.

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

Support costs (including governance costs) are allocated as described in note 3 to these financial statements.

DEBTORS

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

CASH AT BANK AND IN HAND

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

CREDITORS AND PROVISIONS

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

FUND STRUCTURE

Restricted funds comprise monies raised for, or which have their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

General funds are unrestricted funds and represent the net surplus made by the charity during its operations. They are available to be used for the objects of the charity at the discretion of the Trustees.

LEASED ASSETS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

FOREIGN CURRENCY

Transactions in foreign currencies are translated into sterling at the monthly average exchange rate incurred by the charity in the period. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the year-end date. All revaluation differences and foreign exchange differences are taken to the statement of financial activities.

TAXATION

The company is a charity under the Finance Act 2010 (schedule 6, paragraph 1) definition. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by the Corporation Tax Act 2010 (part 11, chapter 3) or the Taxation of Chargeable Gains Act 1992 (section 256), to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period.

PENSIONS

The charity contributes to pension arrangements on behalf of its employees. Contributions payable for the year are charged to the income and expenditure account.

NOTES TO THE FINANCIAL STATEMENTS

1. DONATIONS AND LEGACIES

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2021 TOTAL FUNDS	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2020 TOTAL FUNDS
	£	£	£	£	£	£
Grants from Trusts and Foundations	532,793	2,164,938	2,697,731	725,390	2,184,613	2,910,003
Total funds	532,793	2,164,938	2,697,731	725,390	2,184,613	2,910,003

2. EXPENDITURE

GLOBAL EXPENDITURE	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2021 GLOBAL TOTAL	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2020 GLOBAL TOTAL
	£	£	£	£	£	£
. India	-	482,137	482,137	-	955,446	955,446
. Uganda	-	557,463	557,463	-	1,180,683	1,180,683
. Indonesia	-	20,554	20,554	-	-	-
. UK* (support costs-note 3)	471,219	395,878	867,097	591,072	460,889	1,051,961
Total Global Costs	471,219	1,456,032	1,927,251	591,072	2,597,019	3,188,091

* Support costs (note 3) are UK costs allocated to India and Uganda

INDIA 2021	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2021 TOTAL FUNDS
	£	£	£
. Staff costs	-	414,049	414,049
. People development costs	-	6,319	6,319
. Office costs	-	53,675	53,675
. Monitoring and evaluation	-	1,652	1,652
. Programme training	-	6,227	6,227
. Meeting costs	-	215	215
. Support costs (note 3)	263,347	40,136	303,483
Total Expenditure 2021	263,347	522,273	785,620

2. EXPENDITURE (CONTINUED)

INDIA 2020	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2020 TOTAL FUNDS
	£	£	£
. Staff costs	-	500,630	500,630
. People development costs	-	3,193	3,193
. Office costs	-	107,984	107,984
. Monitoring and evaluation	-	249,617	249,617
. Programme training	-	83,026	83,026
. Equipment	-	259	259
. Meeting costs	-	10,737	10,737
. Support costs (note 3)	317,553	155,830	473,383
Total Expenditure 2020	317,553	1,111,276	1,428,829

UGANDA 2021	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2021 TOTAL FUNDS
	£	£	£
. Staff costs	-	424,210	424,210
. People development costs	-	381	381
. Office costs	-	51,003	51,003
. Monitoring and evaluation	-	658	658
. Programme training	-	74,841	74,841
. Equipment	-	577	577
. Meeting costs	-	5,792	5,792
. Support costs (note 3)	177,339	299,564	476,903
Total Expenditure 2021	177,339	857,0276	1,034,365

UGANDA 2020	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2020 TOTAL FUNDS
	£	£	£
. Staff costs	-	438,407	438,407
. People development costs	-	5,973	5,973
. Office costs	-	68,908	68,908
. Monitoring and evaluation	-	154,791	154,791
. Programme training	-	502,710	502,710
. Equipment	-	4,105	4,105
. Meeting costs	-	5,788	5,788
. Support costs (note 3)	273,519	305,060	578,579
Total Expenditure 2020	273,519	1,485,743	1,759,262

2. EXPENDITURE (CONTINUED)

INDONESIA 2021	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2021 TOTAL FUNDS
	£	£	£
. Staff costs	-	15,666	15,666
. Office costs	-	471	471
. Monitoring and evaluation	-	2,788	2,788
. Programme training	-	1,629	1,629
. Support costs (note 3)	30,533	56,177	86,710
Total Expenditure 2021	30,533	76,731	107,264

3. SUPPORT COSTS

SUPPORT COSTS 2021	INDIA	UGANDA	INDONESIA	2021 TOTAL FUNDS
	£	£	£	£
Staff costs	216,528	340,258	61,865	618,651
People costs	12,386	19,463	3,539	35,388
Office costs	7,932	12,465	2,266	22,663
Meeting costs	581	914	166	1,661
Communications costs	327	513	93	933
Design costs	1,254	1,972	359	3,585
Governance costs (note 4)	9,022	14,178	2,578	25,778
Foreign exchange losses	55,453	87,140	15,844	158,437
Total support costs 2021	303,483	476,903	86,710	867,096

SUPPORT COSTS 2020	INDIA	UGANDA	INDONESIA	2020 TOTAL FUNDS
	£	£	£	£
Staff costs	360,475	440,579	-	801,054
People costs	569	695	-	1,264
Office costs	25,566	31,248	-	56,814
Meeting costs	30,816	37,664	-	68,480
Communications costs	20,142	24,618	-	44,760
Design costs	4,720	5,769	-	10,489
Governance costs (note 4)	9,740	11,904	-	21,644
Foreign exchange losses	21,355	26,102	-	47,457
Total support costs 2020	473,383	578,579	-	1,051,962

Support costs are allocated on the basis of the direct costs incurred on each area.

4. GOVERNANCE COSTS

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2021 TOTAL FUNDS	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2020 TOTAL FUNDS
	£	£	£	£	£	£
Audit fees:						
. Buzzacott LLP	18,480	-	18,480	-	17,280	17,280
. Component auditors	7,298	-	7,298	-	4,364	4,364
Total funds	25,778	-	25,778	-	21,644	21,644

5. NET INCOME (EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2021 TOTAL FUNDS	2020 TOTAL FUNDS
	£	£
Staff costs (note 6)	1,472,576	1,740,091
Auditor's remuneration		
. UK statutory audit services		
.. Current year	18,480	17,280
. Component auditors	7,298	4,364
Operating lease rentals	60,326	94,384

6. STAFF AND EMPLOYEE COSTS

Staff costs during the period were as follows:

	2021	2020
	£	£
Wages and salaries	1,388,718	1,649,441
Social security costs	36,149	37,251
Other pension costs	47,709	53,399
Total staff cost	1,472,576	1,740,091

The average number of employees during the period, analysed by function, was as follows:

	2021	2020
	No.	No.
Charitable activities:		
India	39	44
Uganda	24	29
Indonesia*	1	1
Ethiopia*	1	-
Support and administration	6	8
Total staff	71	82

* Until the office operations are set up in-country, the member of staff working on Indonesian and Ethiopian activity has been contracted from the UK during the year ended 31 March 2021 (and the prior year for Indonesia).

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

	2021	2020
	No.	No.
£70,001 - £80,000	1	
£80,001 - £90,000	1	1
£100,001 - £110,000	1	1
£140,001 - £150,000	-	1

Contributions were made to a defined contribution pension scheme in respect to all the above employees.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees, the Chief Executive, and senior management team.

The senior management team comprises the following individuals: Chief Executive Officer; Global Director, Finance & Operations; Country Director (Uganda) and (India); Director, Donor Partnerships & Strategic Communication; Director, Design and Programme Readiness and the Senior Director for Programme Delivery.

The total remuneration (including taxable benefits, employer's pension and national insurance contributions) of the key management personnel for the year was £528,473 (2020 – £689,880).

7. PAYMENTS IN RELATION TO TRUSTEES

None of the trustees were remunerated for the current or prior year. Out of pocket travelling and subsistence expenses amounting to £ NIL (2020 – £nil) were reimbursed to NIL trustees (2020 – none).

8. TAXATION

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

9. DEBTORS

	2021	2020
	£	£
Amounts due from Ark (see note 15)	177,841	5,746
Accrued income	271,857	318,927
Other debtors	26,793	47,693
Total debtors	476,491	372,366

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	54,001	236,358
Accruals	18,480	17,280
Other creditors	2,297	3,491
Total creditors	74,778	257,129

11. RESTRICTED FUNDS

	AT 31 MARCH 2020	INCOME	DIRECT COSTS	SUPPORT COSTS	AT 31 MARCH 2021
	£	£	£	£	£
Uganda	241,396	1,342,728	557,464	299,564	727,095
India	676,039	432,999	482,137	40,136	586,765
Ethiopia	30,000	30,000	-	-	60,000
Indonesia	-	359,211	20,554	56,177	282,480
Total	947,434	2,164,938	1,060,155	395,877	1,656,340

	AT 31 MARCH 2019	INCOME	DIRECT COSTS	SUPPORT COSTS	AT 31 MARCH 2020
	£	£	£	£	£
Uganda	498,622	1,228,516	1,180,683	305,060	241,395
India	861,218	926,097	955,446	155,830	676,039
Ethiopia	-	30,000	-	-	30,000
Total	1,359,840	2,184,613	2,136,129	460,890	947,434

The specific purposes for which the funds were to be used are as follows:

Funds restricted to India, Uganda, Ethiopia and Indonesia are as stipulated within donor agreements for charitable work only.

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	RESTRICTED FUNDS	GENERAL FUND	2021 TOTAL FUNDS
Fund balances at 31 March 2021 are represented by:	£	£	£
Current assets	1,731,118	937,219	2,668,337
Current liabilities	(74,778)	-	(74,778)
Total net assets	1,656,340	937,219	2,593,559

	RESTRICTED FUNDS	GENERAL FUND	2020 TOTAL FUNDS
Fund balances at 31 March 2020 are represented by:	£	£	£
Current assets	1,204,563	869,527	2,074,090
Current liabilities	(257,129)	-	(257,129)
Total net assets	947,434	869,527	1,816,962

13. OPERATING LEASE COMMITMENTS

At 31 March, the charity had total commitments under non-cancellable operating leases as follows:

	LAND AND BUILDINGS	
	2021	2020
	£	£
Operating lease payments which fall due:		
Within one year	32,706	70,123
Between one and two years	1,655	-
Total	34,361	70,123

14. PENSION COMMITMENTS

The charity contributes to defined contribution pension arrangements on behalf of its employees. The pension cost for the year amounted to the figure shown in note 6.

15. RELATED PARTIES

Prior to 1 April 2016, STiR Education was part of Absolute Return for Kids (ARK), registered charity number 1095322, company number 04589451. Since then, some funders continue to pay Ark who then transfer the funds to STiR when required (hence the debtor balance in note 9) with a balance of £177,841 remaining due from Ark at 31 March 2021 (2020 – £5,746).