



SCHOOLS AND TEACHERS INNOVATING FOR RESULTS

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31st March 2020

Company Limited by Guarantee
Registration Number
08186440 (England and Wales)

Charity Registration Number
1149143

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REFERENCE AND ADMINISTRATIVE INFORMATION

Status	<p>Schools and Teachers Innovating for Results (STiR) 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	<p>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.</p>
Trustees	<p>Jonathan Owen (Chair)* Dr Amrita Bihari Ahuja Rachel Hinton John Austen Knight* Paulo Pisano 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	<p>Sharath Jeevan</p>
Senior Executives	<p>Anamika Srivastava – Global Director, Finance & Administration Jenny Willmott – Senior Director, Programme Delivery Nithyambika Gurukumar – Director, Donor Partnerships Reinier Terwindt – Director, Monitoring, Evaluation and Research John McIntosh – Director, Design and Programme Readiness Modern Musiimenta Karema – Uganda Country Director (Joined 7 Sept 2020) James Townsend – Chief Programme Officer (resigned Dec 2019) Tomos Davies – Chief Operating Officer (resigned May 2020) Shalini Sharma – India Country Director (resigned July 2020)</p>
Registered office	<p>68-80 Hanbury Street, Second Home Spitalfields, London, E1 5JL T: +44 (0)20 3870 1112 E: info@stireducation.org W: www.stireducation.org</p>
Principal office	<p>68-80 Hanbury Street, Second Home Spitalfields, London, E1 5JL T: +44 (0)20 3870 1112 E: info@STiReducation.org W: www.STiReducation.org</p>
Company registration number	<p>08186440 (England and Wales)</p>

Charity registration number	1149143
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Solicitor	Bates Wells Braithwaite 10 Queen Street Place London EC4R 1BE
Bankers	Lloyds Bank London 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 2020

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 2020.

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 21 to 23 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, prioritises 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 prioritised 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.

These core activities underpin everything that we do for teachers, school leaders and officials. They form the heart of our termly learning improvement cycles (LICs). Each LIC focuses on a different theme (e.g. the science of learning). First, district officials are introduced to the content for the next term in a three-day training meeting. Then they lead training sessions for school leaders to build their confidence and capability to lead teacher network meetings. Teachers will learn new practices to enable higher quality interactions with their children.

At each level, we introduce monthly coaching and support to enable high-quality feedback. And regular alignment meetings at district and state levels provide an opportunity for all stakeholders to analyse data, share learning and develop plans together to strengthen delivery.

These activities are reflected in STiR's achievements, developments and future plans, which are organised by strategic priorities in the following pages.

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	Appointed 11 May 2019
John Austen Knight	
David Rothschild	
Paulo Pisano	

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 £786 (2019 – £743) and provides cover of up to a maximum of £2m (2019 – £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.

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 sponsor relationship and has a signed multi-year Memorandum of Understanding agreement.

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. The India Country Director hiring is in process as the position became vacant from July 2020.

OBJECTIVES AND ACHIEVEMENTS

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

Cost – STiR has continued to improve financial monitoring and internal control systems whilst also reducing our cost per unit across all contexts. This was helped by the strategic changes in our programme model and partnering with governments, and improved financial planning, monitoring and reporting.

Governance – STiR reviewed the current approach to governance and completed a skills audit of the Finance Committee. The organisation also welcomed one new Finance Committee member and plans to further strengthen in the coming year ahead.

Finances – STiR's funding gaps for the year were successfully closed with particular attention focused on fundraising for the programmes in India and Uganda.

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.

STiR'S FUNDRAISING APPROACH

STiR Education is currently supported by 18 of the world's leading funding organisations. The fundraising activities are carried out by a core team of three 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.

ACHIEVEMENTS AND PERFORMANCE

As of March 2020, 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 five new districts in Karnataka, and three 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: every donor dollar now leverages \$20, and our cost per child has fallen to 50 cents per year in India.
- Developed a clear theory of change, with an emphasis on building the foundations of lifelong learning and a love of learning, through role-modelling and relationships. Through this theory of change, we hope to align with the core of many new national education plans, including India's New Education Policy, Uganda's National Teacher Policy, Indonesia's 2045 Vision and Ethiopia's new Education Roadmap. The theory of change has been positively received by our key stakeholders.
- Simple and clear measurement for learning: for the first time, with support from colleagues like J-PAL Affiliate Professor Rebecca Thornton, we were able to create new tools to measure these outcomes. Building on best-in-class tools like the World Bank's TEACH and Stallings, we have designed these to be as behavioural and observational as possible, to make them feel tangible and replicable to our partner governments. The first findings from our external longitudinal study in Uganda have confirmed the power of effective role-modelling. Two years into our partnership with the Ministry of Education and Sports, we are ahead of where we expected to be at this point.
- 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 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 also want to remain lean and agile even as we scale significantly.

COVID-19

Covid-19 continues to cause enormous disruption to education systems everywhere. Once we had ensured the safety and wellbeing of our team, our first instinct was to engage with our partner governments and identify areas where we could support with their wider response, while planning for the resumption of our programme. But as the scale of school closures has become clear, we have worked to find new ways to engage teachers and officials and add value to governments, and we are excited about the potential of our activities to have a very positive impact. The STiR team across all geographies is working with an approach which is based on building strong relationships and effective role-modelling at all levels of government systems, which we expect to develop gradually over five years. The STiR team has been working on being creative to enable this as much as possible through remote working in the year 2020-21.

As well as supporting our government partners during this ‘response’ phase, we are planning ahead for helping them to recover once schools are able to re-open. We are clear that while Covid-19 presents the most significant challenge to global education in a generation, this is part of a broader trend towards an increasingly uncertain future, including the climate crisis, increased inequality and rapid technological changes. It’s more important than ever to build the foundations of lifelong learning in children, to equip them to manage life in this world of ‘unknown unknowns’.

Back in March, we could never have predicted the scale of the disruption to our work. But we are so proud of our teams for the way in which they have thrown themselves whole-heartedly into the response, despite many challenges in working remotely themselves. We are confident that these efforts are making a difference to each system– and we hope that the impact will be seen through deeper engagement whenever we enter the recovery phase.

PLANS FOR 2020-21

Our objectives for the 2020-21 year are as follows:

- Maintain momentum with officials and teachers through the Covid-19 crisis, This means being able vary our delivery mechanisms across geographies. In Delhi, this looks closest to our traditional programme – all of our regular activities (including network meetings, coaching meetings and district alignment meetings) will continue to take place remotely, with the exception of classroom observations. We have seen great willingness of all system stakeholders to experiment with this new method of delivery, and feedback from teachers suggests that in many cases, this is offering them more flexibility to complete activities at a time that suits them. In Karnataka and Tamil Nadu, we are using new online learning platforms to virtually engage teachers and officials to maintain learning. We will be combining videos and reading, quizzes, field tasks, online discussion forums and group reflection meetings to continue to develop the professional capacity of all stakeholders. In Uganda this has meant offering radio CPD lessons broadcast across up to 16 different radio stations fortnightly focusing on strategies such as ‘the promotion of safety’ ‘building teacher belief in their ability to create change in these times’ etc.
- Continue to build the capacity of teachers and officials in the usage of technology in all Indian states.
- To engage key officials in sustainability planning to make progress towards the agreement of central learning partnerships in all geographies, which aim to ensure greater government leverage, the development of cultures of continuous improvement, and increased scale and efficiency for STiR. We are already seeing momentum on this with the impact of Covid-19 having given us some fantastic opportunities to innovate and try new approaches. Delivering content remotely makes it easier for us to scale to new districts within our existing geographies, as we do not need governments to commit to the significant costs of printing handbooks and holding network meetings. We are delighted that the government in Tamil Nadu has encouraged us to expand to seven new districts, and are making progress towards the implementation of a central learning partnership. A similar proposal to the government in Karnataka has also been made.
- 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.

- There has also been an impact on expansion to new geographies, however STiR is still launching its first project in Indonesia, with the first activities taking place in October-November 2020 and further expansion expected by the end of the year 2020-21. STiR has also deferred scoping work in Ethiopia to be launched later in the year, as government officials are fully occupied by their Covid response and unable to commit time to planning for our activities.

KEY CHALLENGES, PRINCIPAL RISKS AND UNCERTAINTIES

- Staff recruitment and retention: we have continued to improve the leadership capabilities through training and set up a career progression policy to mitigate these risks. We have also focused on values and culture across the organisation.
- Limited capacity for officials to take on additional responsibilities: we are working with the system leadership to create the conditions for success. Through our progress pathway and success indicators, this will be much more streamlined.
- 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 has added 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. But our pipeline is already working on the needs for the next year ensuring regular conversions and engagement with partners as we progress through this year. Despite the pandemic, STiR has built a strong funding pipeline and has even been able to arrange additional funding from the Peery Foundation to support the development of a custom app amidst the challenges that most charities across the globe are facing.
- Communications around approach and model: we have received feedback around a lack of clarity and common uniform message both internally and externally. Internally, we have created clear role descriptors and run sessions with our team to support their understanding. Externally, we have worked with a strategic communications consultancy to help us more accurately represent our brand and message and build consistency around it. We are continuing to build on feedback to sharpen our messaging and also contextualise it by geography.

INVESTMENT POLICY

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

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. The Board of Trustees and Executives are confident that at the current level of reserves policy, they would be able to continue the operating activities of the charity for three to four months in the event of significant challenge in funding.

Total funds stand at over £1.8m although £947K of this is restricted for specific projects. The balance of unrestricted reserves funds as at 31st March 2020 is £869K (2019 was £723K) amounting to the charity's free reserves, represents five months' current annual operating expenditure (which comprises of personnel costs and office operations globally).

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.

The Trustees' report was approved by the trustees and signed on their behalf by

A handwritten signature in blue ink, appearing to read 'Jonathan Owen', with a small comma at the end.

Trustee: Jonathan Owen

Approved by the trustees on: 3rd November, 2020

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 for the year ended 31 March 2020, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where 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 are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise

from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website 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 that reads "Buzzacott LLP".

Shachi Blakemore, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

12 November 2020

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020

		UNRESTRICTED FUNDS	RESTRICTED FUNDS	2020 TOTAL FUNDS	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2019 TOTAL FUNDS
NOTES	£	£	£	£	£	£	£
Income and expenditure							
Income from:							
. Donations and legacies	1	725,390	2,184,613	2,910,003	734,038	2,985,313	3,719,351
. Interest Income		10,714		10,714	10,112		10,112
. Other income		875		875	3,715		3,715
Total income		736,979	2,184,613	2,921,592	747,866	2,985,313	3,733,178
Expenditure on:							
. Charitable activities	2	591,072	2,597,019	3,188,091	264,812	2,709,515	2,974,327
Total expenditure		591,072	2,597,019	3,188,091	264,812	2,709,515	2,974,327
Net income (expenditure) for the year and net movement in funds	5	145,907	(412,406)	(266,499)	483,053	275,798	758,851
Reconciliation of funds							
Total funds brought forward		723,621	1,359,840	2,083,461	240,568	1,084,042	1,324,610
Funds balances carried forward		<u>869,528</u>	<u>947,434</u>	<u>1,816,962</u>	<u>723,621</u>	<u>1,359,840</u>	<u>2,083,461</u>

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

BALANCE SHEET AS AT 31 MARCH 2020

		2020	2020	2019	2019
	Notes	£	£	£	£
Current assets					
Debtors	9	372,366		785,606	
Cash at bank and in hand		1,701,725		1,556,597	
		2,074,091		2,342,203	
Creditors: amounts falling due within one year					
	10	(257,129)		(258,742)	
Net current assets and net assets			1,816,962	2,083,461	
The funds of the charity					
Restricted funds	11		947,434		1,359,840
Unrestricted funds					
. General fund			869,528		723,621
Total funds			1,816,962	2,083,461	

Approved by the trustees and signed on their behalf by:



Trustee: Jonathan Owen
Approved on: 3rd November, 2020

Company Registration No. 08186440 (England and Wales)
Charity Registration No.1149143

STATEMENT OF CASH FLOWS FOR THE YEAR TO 31 MARCH 2020

		2020	2019
		£	£
	Notes		
Cash flows from operating activities:			
Net cash provided by operating activities	A	134,414	597,782
Cash flows from investing activities:			
Interest received		10,714	10,112
Net cash provided by investing activities		10,714	10,112
Change in cash and cash equivalents in the year		145,228	607,895
Cash and cash equivalents at 1 April	B	1,556,597	948,702
Cash and cash equivalents at 31 March	B	1,701,725	1,556,597

NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR TO 31 MARCH 2020

	2020	2019
	£	£
A) Reconciliation of net (expenditure) income for the year to net cash provided operating activities		
Net (expenditure) income for the year (as per the statement of financial activities)	(266,499)	758,851
Adjustments for:		
Interest receivable	(10,714)	(10,112)
Decrease (increase) in debtors	413,240	(315,843)
(Decrease) increase in creditors	(1,613)	164,887
Net cash provided by operating activities	134,414	597,783
B) Analysis of changes in net debt		
Cash at bank and in hand	1,701,725	1,556,597

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 2020.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

BASIS OF PREPARATION

Schools and Teaching Innovating for Results is a charitable company incorporated on 21 August 2012 in England and Wales and as a registered charity on 28 September 2012. There are three areas of operation – the central governance, fundraising and support functions within the UK and operational activity in both Uganda and India – 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 amounts allocated to restricted funds;
- Determining the basis for the allocation of support and governance costs across the charitable activities as shown in note 3;
- Determining the fund balance carried forward to the next financial year on the basis of income recognised and expenditure allocated; and
- 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 2020, 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 £3.1mn 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.

Donations and legacies are recognised as income either upon receipt or where the charity has incurred expenditure which is to be reimbursed by a funder.

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 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

Provision for corporation tax is not necessary, as the company is a registered charity. No deferred tax provision is required.

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

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2020 TOTAL FUNDS
	£	£	£
Other donations	725,390	2,184,613	2,910,003
2020 total funds	725,390	2,184,613	2,910,003

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2019 TOTAL FUNDS
	£	£	£
Other donations	734,038	2,985,313	3,719,351
2019 total funds	734,038	2,985,313	3,719,351

2. EXPENDITURE

GLOBAL EXPENDITURE	UNRESTRICTED FUNDS	RESTRICTED FUNDS	GLOBAL TOTAL
	£	£	£
. India	-	955,446	955,446
. Uganda	-	1,180,683	1,180,683
. UK* (support costs- note 3)	591,072	460,889	1,051,961
Total Global Costs	591,072	2,597,019	3,188,091

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

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

2. EXPENDITURE (CONTINUED)

INDIA 2019	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2019 TOTAL FUNDS
	£	£	£
. Staff costs	-	472,309	472,309
. People development costs	-	33,012	33,012
. Office costs	-	103,126	103,126
. Monitoring and evaluation	-	109,266	109,266
. Programme training	-	142,462	142,462
. Travel and subsistence costs	-	3,242	3,242
. Equipment	-	17,976	17,976
. Meeting costs	-	9,873	9,873
. Support costs (note 3)	132,406	193,646	326,053
Total Expenditure 2019	132,406	1,084,912	1,217,319

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

UGANDA 2019	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2019 TOTAL FUNDS
	£	£	£
. Staff costs	-	377,553	377,553
. People development costs	-	19,305	19,305
. Office costs	-	72,708	72,708
. Monitoring and evaluation	-	89,927	89,927
. Programme training	-	556,124	556,124
. Equipment	-	11,070	11,070
. Meeting costs	-	2,623	2,623
. Support costs (note 3)	132,406	495,293	627,699
Total expenditure 2019	132,406	1,624,602	1,757,008

3. SUPPORT COSTS

SUPPORT COSTS 2020	INDIA	UGANDA	2020 TOTAL FUNDS
	£	£	£
Staff costs	336,445	411,210	747,655
Pension costs	24,030	29,369	53,399
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 2019	INDIA	UGANDA	2019 TOTAL FUNDS
	£	£	£
Staff costs	226,325	447,585	673,909
Pension costs	7,034	13,064	20,098
People costs	845	1,569	2,413
Office costs	32,356	54,683	87,039
Meeting costs	30,156	56,004	86,160
Equipment costs	499	926	1,425
Communications costs	10,681	19,836	30,517
Design costs	469	871	1,340
Governance costs (note 4)	8,174	15,181	23,355
Foreign exchange losses	9,624	17,873	27,496
Total support costs 2019	326,163	627,590	953,753

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

4. GOVERNANCE COSTS

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2020 TOTAL FUNDS
	£	£	£
Audit fees:			
. Buzzacott LLP	-	17,280	17,280
. Component auditors	-	4,364	4,364
2020 Total funds	-	21,644	21,644

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2019 TOTAL FUNDS
	£	£	£
Audit fees:			
. Buzzacott LLP	-	16,800	16,800
. Component auditors	-	6,555	6,555
2019 Total funds	-	23,355	23,355

5. NET INCOME FOR THE YEAR

This is stated after charging:

	2020 TOTAL FUNDS	2019 TOTAL FUNDS
	£	£
Staff costs (note 6)	1,740,091	1,543,870
Auditor's remuneration		
. UK statutory audit services		
.. Current year	17,280	16,800
. Component auditors	4,364	6,555
Operating lease rentals	94,384	49,188

6. STAFF AND EMPLOYEE COSTS

Staff costs during the period were as follows:

	2020	2019
	£	£
Wages and salaries	1,649,441	1,490,287
Social security costs	37,251	33,485
Other pension costs	53,399	20,098
Total staff cost	1,740,091	1,543,870

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

	2020	2019
	No.	No.
Charitable activities:		
India	44	47
Uganda	29	29
Indonesia*	1	0
Support and administration	8	10
Total staff	82	86

* Until office operations are set up in-country, the member of staff working on Indonesian activity has been contracted from the UK during the year ended 31 March 2020.

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:

	2020	2019
	No.	No.
£80,001 - £90,000	1	-
£100,001 - £110,000	1	2
£130,001 - £140,000	-	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; Chief Programme Officer; Chief Operating Officer; Global Director, Finance & Administration; Country Director (Uganda) and (India); Director, Donor Partnerships & Strategic Communication; Director, Strategy and Monitoring & Evaluation; 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 £689,880 (2019 – £599,835).

7. PAYMENTS IN RELATION TO TRUSTEES

No trustees were remunerated for the current or prior year. Out of pocket travelling and subsistence expenses amounting to £nil (2019 – £nil) were reimbursed to none trustees (2019 – 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

	2020	2019
	£	£
Amounts due from Ark	5,746	169,506
Accrued income	318,927	472,574
Other debtors	47,693	143,526
Total debtors	372,366	785,606

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	236,358	118,762
Accruals	17,280	23,355
Other creditors	3,491	116,625
Total creditors	257,129	258,742

11. RESTRICTED FUNDS

	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

	AT 1 APRIL 2018	INCOME	DIRECT COSTS	SUPPORT COSTS	AT 31 MARCH 2019
	£	£	£	£	£
Uganda	255,614	1,867,611	1,129,309	495,293	498,622
India	828,428	1,117,702	891,266	193,646	861,218
Total	1,084,042	2,985,313	2,020,575	688,939	1,359,840

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

Funds restricted to Uganda: These funds are restricted to funding the charity's operations in Uganda.

Funds restricted to India: These funds are restricted to funding the charity's operations in India.

Funds restricted to Ethiopia: These funds are restricted to funding the charity's new operations in Ethiopia.

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	RESTRICTED FUNDS	GENERAL FUND	2020 TOTAL FUNDS
Fund balances at 31 March 2020 are represented by:	£	£	£
Current assets	1,204,563	869,528	2,074,091
Current liabilities	(257,129)		(257,129)
Total net assets	947,434	869,528	1,816,962

	RESTRICTED FUNDS	GENERAL FUND	2019 TOTAL FUNDS
Fund balances at 31 March 2019 are represented by:	£	£	£
Current assets	1,359,840	723,621	2,083,461
Current liabilities	(258,742)		(258,742)
Total net assets	1,101,098	723,621	1,824,719

13. OPERATING LEASE COMMITMENTS

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

	LAND AND BUILDINGS	
	2020	2019
	£	£
Operating lease payments which fall due:		
Within one year	70,123	26,737
Between one and two years	-	51,174
Between two and five years	-	47,334
Total	70,123	125,246

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. On 1 April 2016, a one-off transfer of £631,330 was made of the assets, liabilities and activities of STIR Education to School and Teachers Innovating for Results. This amount has been drawn down since and a balance of £5,746 remains due from Ark at 31 March 2020 (2019 – £169,506).