



# **SCHOOLS AND TEACHERS INNOVATING FOR RESULTS ANNUAL REPORT AND FINANCIAL STATEMENTS**

**Year Ended 31<sup>st</sup> March 2023**

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 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)*          Louise Marie Henbest          John Austen Knight*          Bijoya Banerjea          Sarah Washington          *Members 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>Jenny Willmott – Senior Director, Programme Delivery          Anamika Srivastava – Global Director, Finance &amp; Operations          John McIntosh – Director, Learning and Impact          Nancy Clark - Director, Donor Partnerships and Strategic Communications (Maternity Cover)          Modern Musiimenta Karema – Uganda Country Director          Swaha Sahoo– India Country Director          Vijaylaxmi Iyer – Associate Director, Monitoring, Evaluation and Research          Neha Gehlot – Associate Director – Programme Design and Readiness          Nithyambika Gurukumar – Director, Donor Partnerships and Strategic Communications (on Maternity)</p>
Registered office	<p>Second Home Spitalfields          68-80 Hanbury Street          London          E1 5JL          E: <a href="mailto:info@stireducation.org">info@stireducation.org</a>          W: <a href="http://www.stireducation.org">www.stireducation.org</a></p>
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 2023

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 2023.

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 27 to 29 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).

### STiR'S VISION AND VALUES

#### OUR REASON FOR BEING

*Education systems today must prepare every child, everywhere, to thrive in an increasingly complex world.*

Many children are in school, but not learning. Covid-19 presented the biggest challenge to Education in decades. But this trends also includes the climate crisis, increased inequity and rapid technological changes. All children will need to learn and adapt throughout their lives. So, Education system must prepare them for these challenges to set them and on the path to achieve social justice challenge inequalities and build healthy resilient and prosperous societies.

We recognise that intrinsic motivation has a key role to play in addressing education challenges. Teachers in government education systems have the power to transform education if they are intrinsically motivated, and working in supportive environments. Global evidence has shown that effective professional development equips teachers with the skills to help more children to learn. Presently, many teachers receive either ineffective professional development, or none at all (GPE). A lack of support from systems is causing them to fall out of love with teaching.

STiR is uniquely positioned to focus on re-igniting intrinsic motivation. For just over a decade, STiR has worked across whole education systems in partnerships with Government with the aim to change behaviours at every level and ensure that these are sustained and contributing to achieving Sustainable Development Goal 4 of quality education for all.

#### OUR MISSION

STiR has shown that it is possible to reignite intrinsic motivation sustainably and at scale within education systems. Since 2012, we've expanded from 25 teachers in Delhi to reaching more than 200,000 teachers and 6 million children across three states in India (Delhi, Karnataka and Tamil Nadu) and the national education system in Uganda and Indonesia. We are guided by our strategy which was articulated in October 2021 entitled '*Innovate, Advocate, Motivate*' which demonstrates how we plan to create an education ecosystem of intrinsically motivated learners across our geographies by 2025.

**Our mission statement:** We support education systems to reignite intrinsic motivation so that every child, teacher and official is motivated to learn and improve.

#### 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 focus on improving learning outcomes for all children by increasing the abilities of their teachers in classrooms, and improving their interactions with students. We partner with governments to improve their support for teachers and reignite their passion for teaching.

The heart of our approach is the teacher network meeting. In our networks, groups of 20-30 teachers meet monthly within a school or across local schools – just like our very first 25 teachers in Delhi back in 2012. In the meetings, teachers learn new practices (such as effective checking for understanding) to enable higher quality engagement with their children. This is reinforced through monthly coaching calls and development-focused peer observations 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.

We're now operating more than 5,000 network meetings every month across all geographies. And by involving governments and school leaders in this process, we're enabling a more holistic approach towards change. No NGO intervention can (or should) last forever, so government ownership is essential for our long-term sustainability. Since 2018, our model has evolved to establish deep learning partnerships with governments. We align our aims with their strategies and priorities, and build the capacity of local government officials to co-design and deliver the programme. Our model is highly scalable because we contextualise our activities to utilise existing staff and structures in every geography.

Over time, we expect to see officials and school leaders developing their intrinsic motivation. They will spend more time in schools supporting and understanding teachers, and recognise their crucial role in driving improvements. Teachers will intentionally improve their classroom practice and fall back in love with teaching. And ultimately, children will be motivated by learning and improvement, developing the knowledge and skills they need to thrive.

## **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. Officials are supported to lead training sessions for school leaders, who then lead network meetings for teachers.

This year as well, our work has continued to look a little different to that of previous years as we have adjusted our work to navigate the specific circumstances, needs, priorities and context in each geography. As a learning organisation we will continue to learn and evolve our work.

## STIR'S WORK IN DIFFERENT GEOGRAPHIES

### OUR REACH IN FY 2022/23

The following table provides estimates for the numbers of districts, schools, teachers and children reached in each geography over the past financial year. We note that these estimates are based on the best available data, but our actual reach is likely to be higher in every geography.

#### 2022-23

GEOGRAPHY	DISTRICTS	SCHOOLS	TEACHERS	CHILDREN
Delhi	13	1,047	59,752	1,594,635
Karnataka	35	49,578	227,610	4,207,178
Tamil Nadu	38	37,567	192,785	3,442,845
<b>India</b>	<b>86</b>	<b>88,192</b>	<b>480,147</b>	<b>9,244,658</b>
Uganda	79	5,681	74,569	2,919,228
Indonesia	17	518	4,111	72,826
<b>TOTAL</b>	<b>182</b>	<b>94,391</b>	<b>558,827</b>	<b>12,236,712</b>

*We have reached 79% additional beneficiaries in 2023-24 and implemented programme in one additional geography in 2022-23*

#### 2021-22

GEOGRAPHY	DISTRICTS	SCHOOLS	TEACHERS	CHILDREN
Delhi	9	1,024	39,936	1,357,824
Karnataka	8	12,198	43,058	550,566
Tamil Nadu	13	12,612	47,352	1,126,290
<b>India</b>	<b>30</b>	<b>25,834</b>	<b>130,346</b>	<b>3,034,680</b>
Uganda	78	3,857	83,990	2,305,486
<b>TOTAL</b>	<b>108</b>	<b>29,691</b>	<b>214,336</b>	<b>5,340,166</b>

## INDIA

In India, STiR's top priority is to realise sustainable and systemic behaviour change. Our programme works and we want to reach **12 million children across India by 2025**. We're worried about growing inequity in education, with a particular impact on girls, so we are focusing explicitly on this area in the coming years. We also have significant experience of the critical role of intrinsic motivation in improving learning outcomes, so we are advocating for a different way to look at strengthening education systems. By investing in intrinsic motivation, we can make a cost-effective, equitable and sustainable impact for millions of children around the world.

Over the past decade, we have grown to reach more than **180,000 teachers and 4.7 million children** (cumulatively) across India with our partners Delhi State Council of Educational Research and Training, Karnataka Department of State Educational Research and Training, and Samagra Siksha Tamil Nadu.



The India team conducted three conferences in Delhi, Karnataka and Tamil Nadu to strengthen our advocacy and visibility in India. In Delhi, this event was attended by Ms. Atishi, the Education minister of Delhi along with other key NGO partners.

## DELHI



The Teacher Development Coordinator (TDC) programme has been a highlight in Delhi, which we deliver alongside the State Council of Educational Research and Training (SCERT). The programme aims to enhance teaching and learning outcomes in government secondary schools across the state, under the Department of Education. We were invited to expand our work in all the municipal primary schools across Delhi.

We are proud to share that the Delhi state government has supported us in communicating the sustainability plan across Delhi schools which reached about 35000 teachers across 1024 schools where we work. This is an important step to make it easier for STiR team to step back as the system owns the programme completely.

This was more evident with Delhi state announcing INR 10 million for the implementation of TDC programme for the financial year 2023-24.

### **KARNATAKA**

The government in Karnataka has been extremely concerned about the severe learning losses experienced due to the Covid-19 pandemic, so they developed a learning recovery programme entitled ‘Kalika Chetarike’. We have agreed to support the delivery of this programme in partnership with the Department of State Educational Research and Training (DSERT) under the Programme Management Unit (PMU) of the state government. The focus was to support student learning through a restructured curriculum that revolves around the National Education Policy's core principles of team work and critical thinking. A survey of teachers and education officials was conducted during the year by our team to understand the outcome of our support to the state’s learning recovery programme in 2022-23 which was very positively responded by 2,992 officials and 53,633 teachers.”

To renew our long-term partnership, a 3-year proposal for a new MoU was being discussed which will be focused on supporting the state in implementation of India’s National Education Policy 2020, specifically Professional Development of Teachers and Officials.

### **TAMIL NADU**

STiR partnered with Samagra Shiksha in the state to support teacher professional development as a knowledge, implementation and management partner. The aim was for teachers to learn and implement new classroom strategies, build peer reflection platforms and enable district officials to reflect on programme improvement parameters.



Our continued efforts in building relationships within the state government resulted with the signing of a 4-year MOU with the Tamil Nadu School Education Department. STiR has played a role to strengthen the quality of teacher professional development programmes planned by the state. The state officially introduced STiR to the District Coordinators of all 38 districts across the state.

### **UGANDA**

For Uganda, our top priority is to realise sustainable and systemic behaviour change. By 2025, we will be able to reach every secondary school in Uganda with our partners in the Ministry of Education and Sports (MoES) and Association of Secondary School Head teachers of Uganda (ASSHU) taking the lead on programme design and delivery. We are also exploring how we can expand more widely in East Africa using a regional hub approach. STiR Education started in Uganda in 2014 with 684 teachers and 35,000 students. Over the last eight years, STiR has grown to reach more than 60,000 teachers and 2.1 million students in 79 districts and 35 municipalities. We have exciting plans to scale our work in primary, led by government as well as begin working in refugee settlements.

We hosted two state ministers in our national bootcamps which was very helpful in advocacy and visibility and also to show our work across primary and secondary schools. STiR Uganda was presented at the Quality Education Conference and we had an opportunity to pitch our programme to the chair of the Education Policy Review Commission that is working on the Education White Paper for Uganda. This is a further step towards our move to the policy level. We have been successful in showing the following progress and impact in Uganda:



- Failure rates in Uganda have dropped from around 27% to less than 5% annually.
- 99% of teachers reported that the support given by school leaders was useful to their planning and practice.
- An external review by Education Development Trust (commissioned by the Mastercard Foundation) found that our programme directly supports the government’s priorities for teaching and learning.
- Our external longitudinal study data suggests that students taught by STiR teachers had high levels of grit and determination, were engaged and participated meaningfully in classroom activities.

## INDONESIA



STiR Education launched its programme in Indonesia in 2022 in partnership with Yayasan Bakti Pendidikan Unggul (YBPU). The programme operations kicked off successfully in Kota Kediri (3 districts) and Kabupaten Lumajang (14 Districts) in East Java. STiR has been in discussions with the Ministry of Education, Culture, Research and Technology (MoECRT) with expansion plans for Indonesia. The team, along with YBPU is in the process of signing a three year MOU with MOECRT. One of the key priorities is to ensure alignment with national priorities to amplify Emancipated Learning (Merdeka Belajar). There has been very productive exchange of ideas and information in the district coordination meetings which indicates high motivation and involvement of district champions in the programme.

## ETHIOPIA

STiR started to set up operations and a programme launch in Ethiopia in 2022. In the past year we have been able to register STiR as an International NGO by the Authority of Civil Society Organizations (ACSO) and have signed a five year Memorandum of Understanding with the Ministry of Education as well as operational agreements with the South Nations, Nationalities and People Region (SNNPR), where we will launch our programme in the second half of 2023.. We have built relationships with Government and other partners with support from our team member leading

(based in Addis Ababa) and have prepared fully for the programme launch. We have also been able to set up a small programme team by hiring a district lead to be based in SNNPR towards the end of the year.

## **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	Resigned 27 July 2022
Dr Rachel Hinton	Resigned 6 Dec 2022
John Austen Knight	
David Rothschild	Resigned 3 April 2023
Louise Marie Henbest	
Bijoya Banerjea	Appointed 4 Aug 2022
Sarah Washington	Appointed 24 Aug 2022

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 £1,549 (2022 – £1,212) and provides cover of up to a maximum of £2m (2022 – £2m).

## STRUCTURE

The Chief Executive and Executive Team 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 supported 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. STiR has also set up operations in Indonesia and is incubated by Yayasan Bakti Pendidikan Unggul (YBPU) with a fiscal relationship. STiR has signed a Memorandum of Understanding for two years as of now with YBPU. STiR is registered as an International Non-Profit entity in Ethiopia.

## 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 our objectives over the past year (April 2022- March 2023):

**Programme:** In 2022-23, globally we have transitioned to complete in-person delivery. We have been successful in getting our MOU signed with the Ministry of Education in Ethiopia and continuing to have our discussions with the Ministry of Education, Culture, Research and Training in Indonesia. In India, we been pursuing new MOU with the Karnataka State governments and have successfully signed the MOU with Tamil Nadu State Government. Our strategy has increased focus on contextualisation, which will enable us more clearly align with government priorities.

**Cost:** STiR has continued to improve financial monitoring and internal control systems whilst also being cost effective across all contexts. This was successfully achieved with strategic changes in our budgeting model which was programme-based, partnering with governments and improved financial planning, monitoring and reporting. A regular budget reforecasting mechanism has helped us to proactively manage the savings and work closely with the Donor Partnerships team to engage with the donors.

**Governance:** STiR continually reviews its approach towards governance and regularly seek direction and advice from the Board.

As well as our Board, we have continuously engaged our Finance Committee with our plans, progress and performance. The Finance Committee (Fin Co) is responsible for monitoring and supervising the current and future financial risks and operational functions of STiR to provide assurance to the Board that:

- it has a robust control environment in place for all financial and operational functions
- it operates with appropriate financial, accounting, and operational policies
- It assesses the financial performance of STiR and ensuring STiR is financially sound
- it adheres to statutory requirements for all jurisdictions it operates in, including oversight of internal and external audit arrangements
- it monitors STiR's general operations including staffing matters, technology, facilities and legal and
- it takes decisions where Board has delegated such authority to the committee

The Finance Committee comprises the following individuals:

- John Austen Knight (Chair) – Trustee
- Jonathan Owen - Trustee
- Deepa Sharma
- Matthew Reeves
- Philip Rand
- Vicky Lockie

We also strengthened our **Global Council** with increased engagement and support. This group of seven esteemed individuals have been supporting STiR's work by providing their expert advice and insights in support of our 2025 objectives, especially in the areas of strategy and impact. We hope that the support of the Global Council will enable STiR to magnify our national and international advocacy, forge meaningful connections with influencers and decision-makers, and increase global awareness of the need for intrinsic motivation at all levels of education systems. The Global Council is convened by STiR's Chair Jonathan Owen and comprises the following individuals:

- Alberto Lidji
- Asyia Kazmi
- Carolyn Kandusi
- Kate Adams

- Larry Cooley
- Vikas Pota
- Rachel Hinton
- Pratik Dattani

The Board has also set up a **Nominations Committee** this year for skill mapping and recruiting new Board members.

The members of this committee are:

- Louise Henbest
- Sarah Washington
- Bijoya Bannerjea

**Finance:** STiR's funding gaps for the year were successfully closed with particular attention on fundraising for the programmes in India and Uganda. We have successfully raised funds for Indonesia and for initial stages for Ethiopia and unrestricted funds.

We have also initiated the plans for an Internal Review/Internal Audit which will be executed from 2023/24 on annual basis as a part of operating rhythm. An Internal review committee has been constituted which is chaired by the member of Finance Committee nominated as the chair along with other executive members. This committee will oversee and support the Internal review team to execute the internal audits in all geographies in a phased manner.

## **FUNDRAISING STRATEGY**

The organisation has further revised fundraising strategy this financial year to reflect the current fundraising situation and in context of geographical needs. We sought to maximise our strengths, including deep government partnerships, our strong team, our ambitious scaling objectives and our rigorous monitoring and evaluation, and address or minimise our biggest weaknesses, including our often complex messaging, over-reliance on single sources of funding and our complicated legal structure specifically in India.

Our new strategy identifies a few priority areas:

- Diversification of funding – broadening our fundraising channels with an increased focus on high-net-worth individuals and corporate partnerships.
- Domestic fundraising – investing in growing the team in India in order to better focus on attracting CSR funding from within the country, and increasing the profile of our India entity.
- Stakeholder engagement – identifying key stakeholders within global education and attracting high-profile ambassadors to support with influencing and fundraising activities.
- Clear and simple messaging – working to simplify our theory of change, clarifying the links between different aspects of our messaging and ensuring that team members have the necessary confidence to explain our work and position our fundraising asks.
- Initiating Advisory Services – Offering technical advice and support to national organisations and governments in countries that we work in and beyond to amplify our approach and raise income through a fee-for-service model.

Our current fundraising strategy does not target members of the public. We fundraise from grant giving organisations, businesses and individuals known to us. We do not run fundraising advertisements. Where we approach high net worth individuals (HNIs), it is always through an existing relationship that the individual has with the Charity's Board or team members. STiR has always complied with sound fundraising practices.

STiR Education has never received complaints about its fundraising practices to the Charity Commission. All fundraising team members are trained in complaint fundraising practices, due diligence and identifying vulnerable behaviour in potential donors to ensure we do not accept donations from vulnerable members of society.

## **REVENUE STREAMS**

The majority of our funding comes from institutional sources (in the form of grants). Until recently, we also had a significant proportion of bilateral funding. Of our current grants, only three are unrestricted, with the rest tied to specific geographies or thematic areas (such as monitoring and evaluation).

## **PLANS FOR 2023-24 AND BEYOND**

### **1. REALISING SUSTAINABLE SYSTEMIC BEHAVIOUR CHANGE**

- Articulate our learning on sustainability from each of the geographies to identify what we have achieved and where the gaps are so that these can be embedded in our design & delivery approaches, including our approach to government partnerships, for greater impact
- For each geography, have a clear mapping and a plan for how the core principles on sustainability are embedded and what are the context-specific principles being taken forward with specific reference to intrinsic motivation and behaviour change
- Develop and implement a clear sustainability & exit plan for 'matured geographies' (Delhi, first cohort of 38 districts in Uganda); have a clear sustainability plan for TN and KT especially in terms of the next phase of the partnership building on year 1 of the state level MoU
- Finalise country strategy for Indonesia that articulates its plan for sustainability and agree sustainability principles with government
- Develop clarity on our expansion & scaling up plans that embed our sustainability approach at a global and within the countries we work
- Set up a fully functional regional hub in India, Uganda and the global level with each RH having launched at least one collaboration / partnership that generates income

### **2. DRIVING EQUITY**

- For each geography, develop a clear plan for integrating gender equity in design & delivery; where relevant, identify other key areas of equity that need to be considered & integrated
- Ensure that our M&E framework for each geography and globally has fully integrated our equity considerations that are then tracked
- Capture our learning on our experience of integrating equity (with focus on gender) with at least 2 case studies from each geography (i.e. Uganda and 3 Indian states)
- Ensure that each geography has tested context specific blended delivery approaches that uses technology, in a manner that provides equitable access to all participants and supports learning behaviour changes
- Work with a research partner to gain evidence & insights on our experience of integrating gender equity in our programmes and publish at least 2 papers
- Articulate our thinking about how our programme responds to and supports key social justice issues that affect children's learning - including gender, equity and climate change, deepen our understanding on the intersectionality of these factors that impact education systems

### **3. ADVOCATING FOR CHANGE WITHIN THE EDUCATION SECTOR**

- Identify our advocacy priority/priorities at the global and national levels (for India and Uganda), alongside key messages around teacher professional development & its importance for student outcomes

- Develop clear advocacy plans including key targets, stakeholders and events at global and national levels (focussing on India and Uganda, but, where feasible, to consider opportunities in Indonesia & Ethiopia)
- Ensure that there are compelling communication collaterals backed by evidence at the global and national level to pursue advocacy, tailor our research agenda to support effective advocacy and fundraising especially around the change we see at the level of teachers and students
- Participate in & contribute to at least 3 key global events for advocacy around intrinsic motivation & behaviour change, and its impact at the level of teachers and students
- In partnership with others, run or participate in a series of webinars (at least 4) at the global level and publish an equal number of blogs around the role of teachers in promoting student outcomes, integrating concepts of gender & equity where relevant

#### **4. STRENGTHENING AUTONOMY, MASTERY AND PURPOSE AT ALL LEVELS OF THE ORGANISATION**

- Strengthen the India Leadership Team (ILT) and Uganda Leadership Team (ULT) to be able to play a more visible & collective leadership role, including in building on external engagements
- Develop leadership teams in Indonesia and Ethiopia
- Ensure that there is targeted support to leadership teams for their development through trainings, line manager sessions and peer groups
- Review our induction processes and ensure these are strengthened, with specific emphasis on ensuring that all staff have a good understanding on EDI/equity issues
- Track key People & Culture data to identify gaps and undertake specific measures to redress that especially around staff retention and staff development
- Deepen understanding on mental health and provide necessary support to the mental wellbeing support groups
- Review our Equity, Diversity & Inclusion policy, ensure that it is relevant for the specific geographies & support line managers in implementing them
- Implement the recommendations in the [Mastery principles paper](#) with a focus on embedding and developing our existing mechanisms which enable team members to learn and develop.

#### **5. DIVERSIFY, FUNDRAISING AND STRENGTHEN COMMUNICATIONS**

- Achieve fundraising income across all geographies to the value of £3 million with a potential stretch target £5 million
- Diversify income sources working to: 60% grants and trusts 20% corporate funding and 20% major and individual donors
- Increase unrestricted income: restricted income ratio from 90:10 to 70:30
- Create clear processes within the organisation board and GC to prioritise contact mapping and foster a culture of philanthropy
- Strengthen and mentor fundraising team in India and work towards shared goal of CIM independence
- Secure one new funder from an 'audacious proposal that creates funding in a new area e.g. not programme funding but income for scale or tech
- Refine or redefine the story we want to tell donors about STiR /CIM Create boilerplate language and terms for both CIM and STiR.

#### **KEY CHALLENGES, PRINCIPAL RISKS AND UNCERTAINTIES**

STiR monitors the key challenges and risks regularly. Currently these are:

**1. Funding gap and local philanthropy** - It has been a challenging time on the funding scenario across the globe. At STiR we have focussed on local philanthropy as core to our funding strategy specifically in geographies where local philanthropy is prominent. But the space has been slow to show progress post pandemic with shifting priorities of

fundraising and the landscape moving to other aspects of education which can show immediate impact. However, we had further invested in adding resources to fundraising teams locally and diversifying the approach including High Net worth Individuals (HNIs) and exploring regional hub opportunities. We have built a strong pipeline and the team is continuously working on the needs for the next year ensuring regular conversations and engagement with partners as we progress through this year. Staff attrition in the team in India had slowed the space though we are making every possible effort to support locally.

**2. Managing government expectations** - As we work with an increasing number of governments with different priorities, the risk is that we struggle to fully meet their expectations, with the given funding available. This is mitigated by having deep understanding of the government partner's priorities and honest and open discussion about where we can support including the funding, we have thus leading to having Memorandum of Understanding with clear terms and roles. We have also developed programme driven funding strategies and priorities so we are able to respond to the government priorities. We have also been regularly scanning external environments, so we can get better at anticipating where governments might shift policies and priorities and how that might impact us. Stakeholder mapping and other such strategies are being developed.

**3. Regional Hub/Advisory Services being delayed due to in country regulations:** As part of STiR's revised funding strategy to raise unrestricted income and sustainability plans, Regional hub/Advisory services set up discussions have been created however, given each country has different regulations which makes it difficult and cumbersome to set this up. This delay can lead to missing any opportunities that might have supported in generating unrestricted income.

## FINANCIAL REVIEW

Financial year 2022-23 had been a positive with an increase in net income even though there were funding challenges and both income and expenditure have been affected as compared to previous years. The income during the year ended 31 March 2023 was £2.0 million (more compared to the previous year of £0.96 million (+108%)), with expenditure during the year being £2.39 million (21% more than the previous year's figure of £1.97 million). This has resulted in a net deficit of £0.38 million compared to a net deficit of £1.01 million in 2022 with total funds as at the end of the year of £1.2 million, of which £0.42 million is restricted and the balance of £0.77 million being unrestricted. The restricted funds carried forward are to be used for the financial year 2023/24 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 just under £1.2 million, although £0.4 million of this is restricted for specific projects. The balance of unrestricted reserves funds as at 31 March 2023 is £0.77 million (2022 was £0.93 million) amounting to the charity's free reserves, which represents about five months' current annual operating expenditure. This is slightly over our reserves policy and the trustees are consciously monitoring this to ensure there is financial sustainability during these challenging times across the globe.

The STiR Donor Partnerships team has engaged its donors/partners regularly. The team 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 exploring options and 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, students and agency workers and any visitor who may come into contact with children through association with STiR. STiR as of now does not work with or use any volunteers. Where appropriate, STiR will make external stakeholders aware of its safeguarding policy. As an organisation, we have conducted mandatory staff trainings to increase awareness and prevention and to ensure any cases are reported and responded.

## EQUITY, DIVERSITY AND INCLUSION

STiR commits to creating a safe and physically comfortable working environment with a positive value 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. This 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 of any kind.

As an organisation, we recognise our responsibility towards the environment and the sustainability of the planet. We are committed to minimising the impact of our work on the environment and are mindful of this in our planning and delivery like encouraging use of digital options than printing and being prudent on the air travel. We also have an internal working group which focusses on environmental issues, so we can keep this issue under review and improve as needed.

The Trustees' Report was approved by the trustees on 25<sup>th</sup> September 2023 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

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 2023 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 2023 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

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, 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**

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. 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](http://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

Date: 22 November 2023

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

INCOME AND EXPENDITURE	NOTES	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2023 TOTAL FUNDS	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2022 TOTAL FUNDS
		£	£	£	£	£	£
Income and expenditure							
<b>Income from:</b>							
. Donations and legacies	1	302,408	1,701,640	2,004,048	484,462	471,068	955,530
. Interest Income		3,403	-	3,403	2,011	-	2,011
. Other income		605	-	605	319	-	319
<b>Total income</b>		<b>306,416</b>	<b>1,701,640</b>	<b>2,008,056</b>	<b>486,792</b>	<b>471,068</b>	<b>957,860</b>
<b>Expenditure on:</b>							
. Charitable activities	2	621,995	1,768,401	2,390,396	351,625	1,619,013	1,970,638
<b>Total expenditure</b>		<b>621,995</b>	<b>1,768,401</b>	<b>2,390,396</b>	<b>351,625</b>	<b>1,619,013</b>	<b>1,970,638</b>
<b>Net (expenditure) income for the year and net movement in funds</b>	<b>5</b>	<b>(315,579)</b>	<b>(66,761)</b>	<b>(382,340)</b>	<b>135,167</b>	<b>(1,147,945)</b>	<b>(1,012,778)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		1,072,385	508,396	1,580,781	937,218	1,656,341	2,593,559
<b>Funds balances carried forward</b>		<b><u>756,806</u></b>	<b><u>441,635</u></b>	<b><u>1,198,441</u></b>	<b><u>1,072,385</u></b>	<b><u>508,396</u></b>	<b><u>1,580,781</u></b>

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

## BALANCE SHEET AS AT 31 MARCH 2023

		2023	2023	2022	2022
	Notes	£	£	£	£
<b>Current assets</b>					
Debtors	9	312,922		306,774	
Cash at bank and in hand		1,277,528		1,674,421	
<b>Total</b>		<b>1,590,450</b>		<b>1,981,195</b>	
<b>Creditors: Amounts falling due within one year</b>					
	10	(392,009)		(400,414)	
<b>Total</b>		<b>(392,009)</b>		<b>(400,414)</b>	
<b>Net current assets and net assets</b>			<b>1,198,441</b>	<b>1,580,781</b>	
The funds of the charity					
Restricted funds	11		441,635		508,396
Unrestricted funds					
. General fund			756,806		1,072,385
<b>Total funds</b>			<b>1,198,441</b>		<b>1,580,781</b>

Approved by the trustees and signed on their behalf by:



Trustee: Jonathan Owen

Approved on: 25 September 2023

Company Registration No. 08186440 (England and Wales)

Charity Registration No. 1149143

## STATEMENT OF CASH FLOWS FOR THE YEAR TO 31 MARCH 2023

		2023	2022
		£	£
	Notes		
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	(400,296)	(519,436)
<b>Cash flows from investing activities:</b>			
Interest received		3,403	2,011
Net cash provided by investing activities		3,403	2,011
Change in cash and cash equivalents in the year		(396,893)	(517,425)
Cash and cash equivalents at 1 April	B	1,674,421	2,191,846
Cash and cash equivalents at 31 March	B	1,277,528	1,674,421

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

#### A) Reconciliation of expenditure for the year to net cash used in operating activities

	2023	2022
	£	£
Net (expenditure) for the year (as per the statement of financial activities)	(382,340)	(1,012,778)
Adjustments for:		
Interest receivable	(3,403)	(2,011)
(Decrease) increase in creditors	(8,405)	325,636
(Increase) decrease in debtors	(6,148)	169,717
<b>Net cash used in operating activities</b>	<b>(400,296)</b>	<b>(519,436)</b>

#### B) Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash at bank and in hand	1,277,528	1,674,421

#### 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 2023 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 only item in the financial statements where these judgements and estimates have been made are in respect of determining the basis for the allocation of support and governance costs across the charitable activities as shown in note 3.

### **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. With regard to the next accounting period, the year ending 31 March 2024, 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, individual donors and other agencies and general economic conditions on the level of commercial sources of income. STiR has been able to secure grant commitments for approximately £ 2million up until March 2025.

## **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.

## FINANCIAL INSTRUMENTS

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Charity and their measurement basis are as follows:

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

*Cash at bank* – classified as a basic financial instrument and is measured at face value.

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

## 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	2023 TOTAL FUNDS	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2022 TOTAL FUNDS
	£	£	£	£	£	£
Trusts and Foundations	302,408	1,701,640	2,004,048	484,462	471,068	955,530
<b>Total</b>	<b>302,408</b>	<b>1,701,640</b>	<b>2,004,048</b>	<b>484,462</b>	<b>471,068</b>	<b>955,530</b>

### 2. EXPENDITURE

GLOBAL EXPENDITURE	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2023 GLOBAL Total	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2022 GLOBAL Total
	£	£	£	£	£	£
. India	-	615,185	615,185	-	456,545	456,545
. Uganda	-	865,275	865,275	-	673,805	673,805
. Indonesia	-	70,197	70,197	-	22,482	22,482
. Ethiopia	-	27,850	27,850	-	24,146	24,146
. UK* (support costs-note 3)	621,995	189,894	811,889	351,624	442,036	793,660
<b>Total Global Costs</b>	<b>621,995</b>	<b>1,768,401</b>	<b>2,390,396</b>	<b>351,624</b>	<b>1,619,014</b>	<b>1,970,638</b>

\* Support costs (note 3) are UK costs allocated to India, Uganda, Indonesia and Ethiopia

INDIA 2023	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2023 TOTAL FUNDS
India	£	£	£
. Staff costs	-	440,521	440,521
. People Development Costs	-	4,179	4,179
. Office costs	-	63,606	63,606
. Monitoring and evaluation	-	17,337	17,337
. Programme training	-	62,549	62,549
. Equipment Costs	-	8,119	8,119
. Meeting costs	-	15,012	15,012
. Other costs	-	3,862	3,862
<b>Sub Total</b>	-	<b>615,185</b>	<b>615,185</b>
. Support costs (note 3)	177,030	114,543	291,573
<b>Total</b>	<b>177,030</b>	<b>729,728</b>	<b>906,758</b>

INDIA 2022	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2022 TOTAL FUNDS
India	£	£	£
. Staff costs	-	342,188	342,188
. People Development Costs	-	5,909	5,909
. Office costs	-	62,705	62,705
. Monitoring and evaluation	-	18,055	18,055
. Programme training	-	25,478	25,478
. Meeting costs	-	151	151
. Other costs	-	2,059	2,059
<b>Sub Total</b>	-	<b>456,545</b>	<b>456,545</b>
. Support costs (note 3)	95,211	182,570	277,781
<b>Total</b>	<b>95,211</b>	<b>639,115</b>	<b>734,326</b>

## 2. EXPENDITURE (CONTINUED)

UGANDA 2023	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2023 TOTAL FUNDS
	£	£	£
<b>Uganda</b>			
. Staff costs	-	415,400	415,400
. People Development Costs	-	2,512	2,512
. Office costs	-	54,723	54,723
. Monitoring and evaluation	-	983	983
. Programme training	-	374,189	374,189
. Equipment	-	3,974	3,974
. Meeting costs	-	11,717	11,717
. Other costs	-	1,777	1,777
<b>Sub Total</b>	-	<b>865,275</b>	<b>865,275</b>
. Support costs (note 3)	389,108	-	389,108
<b>Total</b>	<b>389,108</b>	<b>865,275</b>	<b>1,254,383</b>

UGANDA 2022	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2022 TOTAL FUNDS
	£	£	£
<b>Uganda</b>			
. Staff costs	-	374,258	374,258
. People Development Costs	-	6,552	6,552
. Office costs	-	51,028	51,028
. Monitoring and evaluation	-	198	198
. Programme training	-	233,082	233,082
. Equipment	-	3,135	3,135
. Meeting costs	-	3,443	3,443
. Other costs	-	2,109	2,109
<b>Sub Total</b>	-	<b>673,805</b>	<b>673,805</b>
. Support costs (note 3)	217,120	219,393	436,513
<b>Total</b>	<b>217,120</b>	<b>893,198</b>	<b>1,110,318</b>

INDONESIA 2023	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2023 TOTAL FUNDS
	£	£	£
<b>Indonesia</b>			
. Staff costs	-	47,888	47,888
. Office costs	-	30	30
. Programme training	-	3,566	3,566
. Monitoring and evaluation	-	1,896	1,896
. Programme training	-	16,817	16,817
<b>Sub Total</b>	-	<b>70,197</b>	<b>70,197</b>
. Support costs (note 3)	23,772	49,121	72,893
<b>Total</b>	<b>23,772</b>	<b>119,318</b>	<b>143,090</b>

## 2. EXPENDITURE (CONTINUED)

INDONESIA 2022	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2022 TOTAL FUNDS
	£	£	£
<i>Indonesia</i>			
. Staff costs	-	20,120	20,120
. Office costs	-	375	375
. Programme training	-	1,987	1,987
<b>Sub Total</b>	-	<b>22,482</b>	<b>22,482</b>
. Support costs (note 3)	23,421	40,072	63,493
<b>Total</b>	<b>23,421</b>	<b>62,554</b>	<b>85,975</b>

ETHIOPIA 2023	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2023 TOTAL FUNDS
	£	£	£
. Staff costs	-	23,959	23,959
. Office Costs	-	3,355	3,355
. Programme training	-	536	536
<b>Sub Total</b>	-	<b>27,850</b>	<b>27,850</b>
. Support costs (note 3)	32,085	26,230	58,315
<b>Total</b>	<b>32,085</b>	<b>54,080</b>	<b>86,165</b>

ETHIOPIA 2022	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2022 TOTAL FUNDS
	£	£	£
. Staff costs	-	22,552	22,552
. Programme training	-	753	753
. Equipment	-	841	841
<b>Sub Total</b>	-	<b>24,146</b>	<b>24,146</b>
. Support costs (note 3)	15,873	-	15,873
<b>Total</b>	<b>15,873</b>	<b>24,146</b>	<b>40,020</b>

## 3. SUPPORT COSTS

SUPPORT COST 2023	INDIA	UGANDA	INDONESIA	ETHIOPIA	2023 TOTAL FUNDS
	£	£	£	£	£
Staff costs	200,040	266,955	50,010	40,008	557,013
Pension costs	18,262	24,370	4,565	3,652	50,849
People costs	131	175	33	26	365
Office costs	7,353	9,813	1,838	1,471	20,475
Meeting costs	14,239	19,003	3,560	2,848	39,650
Equipment Costs	13,885	18,530	3,471	2,777	38,663
Monitoring and evaluation costs	1,376	1,837	344	276	3,833
Communications costs	10,392	13,868	2,598	2,079	28,937
Design Costs	6,392	8,529	1,598	1,278	17,797
Governance costs (note 4)	11,042	14,736	2,761	2,208	30,747
Foreign exchange losses	8,461	11,292	2,115	1,692	23,560
<b>Total</b>	<b>291,573</b>	<b>389,108</b>	<b>72,893</b>	<b>58,315</b>	<b>811,889</b>

### 3. SUPPORT COSTS (CONTINUED)

SUPPORT COST 2022	INDIA	UGANDA	INDONESIA	ETHIOPIA	2022 TOTAL FUNDS
	£	£	£	£	£
Staff costs	198,655	312,172	45,407	11,352	567,586
Pension costs	17,568	27,607	4,016	1,004	50,195
People Costs	487	765	111	28	1,391
Office costs	6,363	9,999	1,454	364	18,180
Meeting costs	32,708	51,398	7,476	1,869	93,451
Monitoring and evaluation costs	28,931	45,462	6,613	1,653	82,659
Communications costs	3,076	4,833	703	176	8,788
Governance costs (note 4)	9,666	15,189	2,209	552	27,616
Foreign exchange losses (gains)	(19,673)	(30,912)	(4,496)	(1,125)	(56,206)
<b>Total</b>	<b>277,781</b>	<b>436,513</b>	<b>63,493</b>	<b>15,873</b>	<b>793,660</b>

Note: The charity's support costs are all incurred in the UK. These are apportioned across each country of operation proportionately to the level of direct spend incurred in each country..

### 4. GOVERNANCE COSTS

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2023 TOTAL FUNDS	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2022 TOTAL FUNDS
	£	£	£	£	£	£
Audit fees:						
. Buzzacott LLP	22,000	-	22,000	19,200	-	19,200
. Component auditors	8,747	-	8,747	8,417	-	8,417
<b>Total funds</b>	<b>30,747</b>	<b>-</b>	<b>30,747</b>	<b>27,617</b>	<b>-</b>	<b>27,617</b>

### 5. NET (EXPENDITURE) INCOME FOR THE YEAR

This is stated after charging:

	2023 TOTAL FUNDS	2022 TOTAL FUNDS
	£	£
Staff costs (note 6)	1,535,630	1,376,899
Auditor's remuneration		
. UK Statutory audit services		
.. Current year	22,000	19,200
. Component auditors	8,747	8,417
Operating lease rentals	57,030	56,150

### 6. STAFF AND EMPLOYEE COSTS

Staff costs during the period were as follows:

	2023	2022
	£	£
Wages and salaries	1,454,950	1,294,809
Social security costs	29,830	31,895
Other pension costs	50,850	50,195
<b>Total</b>	<b>1,535,630</b>	<b>1,376,899</b>

## 6. STAFF AND EMPLOYEE COSTS (CONTINUED)

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

	2023	2022
	No.	No.
<b>Charitable activities:</b>		
India	34	29
Uganda	17	18
Indonesia*	4	2
Ethiopia*	2	2
Support and administration	5	4
	62	55

\* Until the office operations are set up in-country, the member of staff working in Indonesia and Ethiopia have been contracted from the UK during the year ended 31 March 2023.

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:

	2023	2022
	No.	No.
£60,001 - £70,000	1	-
£70,001 - £80,000	1	2
£130,001 - £140,000	1	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 Directors (Uganda) and (India); Director, Donor Partnerships & Strategic Communication; Donor Partnerships & Strategic Communication; Director (Maternity cover), Director, Learning and Impact; Senior Director for Programme Delivery, Associate Director of Monitoring and Evaluation and the Associate Director of Programme Design and Readiness.

The total remuneration (including taxable benefits, employer's pension and national insurance contributions) of the key management personnel for the year was £659,555 (2022 – £612,783).

## 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 (2022 – £nil) were reimbursed to no trustees (2022 – 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

	2023	2022
	£	£
Amounts due from Ark	270,310	270,310
Accrued income	-	310
Other debtors	42,612	36,154
<b>Total</b>	<b>312,922</b>	<b>306,774</b>

## 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	20,073	100,134
Accruals	17,738	19,200
Other creditors	2,810	96,087
Deferred Income	351,388	184,993
	<b>392,009</b>	<b>400,414</b>

Deferred income relates to funding received in advance for project work in the 2023/24 financial year.

## 11. RESTRICTED FUNDS

	AT 31 MARCH 2022	INCOME	DIRECT COSTS	SUPPORT COSTS	AT 31 MARCH 2023
	£	£	£	£	£
Uganda	(46,960)	632,912	865,275	-	(279,323)
India	242,469	781,032	615,185	114,543	293,773
Ethiopia	35,855	140,000	27,850	26,230	121,775
Indonesia	277,032	147,696	70,197	49,121	305,410
	<b>508,396</b>	<b>1,701,640</b>	<b>1,578,507</b>	<b>189,894</b>	<b>441,635</b>

	AT 31 MARCH 2021	INCOME	DIRECT COSTS	SUPPORT COSTS	AT 31 MARCH 2022
	£	£	£	£	£
Uganda	727,097	119,142	673,805	219,393	(46,960)
India	586,765	294,820	456,546	182,570	242,469
Ethiopia	60,000	-	24,145	-	35,855
Indonesia	282,480	57,106	22,482	40,072	277,032
	<b>1,656,342</b>	<b>471,068</b>	<b>1,176,978</b>	<b>442,035</b>	<b>508,396</b>

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. The deficit in Uganda is due to a timing issue and will be resolved in the next financial year.

## 12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	RESTRICTED FUNDS	GENERAL FUND	2023 TOTAL FUNDS
	£	£	£
Fund balances at 31 March 2023 are represented by:			
Current assets	833,644	756,806	1,590,450
Current liabilities	(392,009)	-	(392,009)
<b>Total net assets</b>	<b>441,635</b>	<b>756,806</b>	<b>1,198,441</b>

	RESTRICTED FUNDS	GENERAL FUND	2022 TOTAL FUNDS
	£	£	£
Fund balances at 31 March 2022 are represented by:			
Current assets	908,810	1,072,385	1,981,195
Current liabilities	(400,414)	-	(400,414)
<b>Total net assets</b>	<b>508,396</b>	<b>1,072,385</b>	<b>1,580,781</b>

## 13. OPERATING LEASE COMMITMENTS

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

	LAND AND BUILDINGS	
	2023	2022
	£	£
Operating lease payments which fall due:		
Within one year	41,497	12,772
Between one and two years	-	1,339
<b>Total</b>	<b>41,497</b>	<b>14,111</b>

## 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 £270,310 remaining due from Ark at 31 March 2023 (2022 – £270,310).