



**STAND  
BY me**

**Annual Report  
& Accounts  
December 2020**





Ahmad and Grace.

## Message from the Executive Director

When I look back over 2020 and reflect on the many challenges faced by *Stand by Me*, I am astounded by all that we have achieved together, and I am delighted to share with you our Annual Report and Financial Accounts for 2020. The Annual Report is small testimony to the transformation our kids have experienced thanks to God's faithfulness and the generosity of our supporters.

In March, the Covid pandemic hit and our children were ordered to stay home to stop the spread of the virus whilst here in the UK, fear spread across the nation as we experienced the worst economic recession in living memory. In the middle of uncertainty, what weighed heavily on my mind was that our children, without being able to attend our schools for their daily meals, could starve.

So we turned to God in prayer, knowing that what we faced was beyond our comprehension, but not beyond His. We could never let our children go hungry, so in faith we sent money. Encouraged by our commitment, our amazing staff around the world mobilised teams who, despite the worry of the virus, made sure that every family in our care had access to food, soap and sanitiser.

Despite the bleak news of financial downturn, we have been able to provide over 1500 families with essential food during their time of need. Amazingly, we've also provided 295 beds for our children through "February on the Floor", received incredible Grade 8 exam results in Ethiopia and also celebrated a huge milestone of rescuing and caring for children for 25 years.

None of this would be possible without the incredible generosity of our supporters and sponsors whose kindness has enabled us to have our largest annual income ever of £2,453,070. This amazing sum has enabled our children to receive the care they need to thrive and it is impossible to put into words the gratitude I feel towards each and every one of you.

As we marvel at how God has sustained *Stand by Me* this year, we cannot forget the amazing protection he has provided to our staff and our children. Although the challenges ahead are huge, we walk into 2021 knowing that we have a faithful God whose provision will sustain us.

Ahmad Ayoubi  
Executive Director





# What we do

We are a child care charity motivated to follow Jesus' example to rescue kids from terrible circumstances. We then do whatever it takes to provide the care, love and attention they need to thrive.

## Rescuing and raising kids

We care for over 4000 kids across the world, from Myanmar to Colombia to Ethiopia. No two are the same so we take care to understand and meet each of their individual needs, from food and healthcare, to loving parents and a quality education. We help them reach their full potential, stand on their own two feet and change their futures. Over the last 25 years we've transformed thousands of kids' lives, and we are only just getting started.

## Helping society's most disadvantaged

Our kids come from terrible backgrounds. Some are orphaned, some abused and some abandoned – the things you never want for your children, or anyone's children. They were born into the poorest communities, written off by society. But beyond their sadness we see their potential. We don't walk past them; we pick them up, dust them off and help them get on their feet. We stand by them.



Lomi, Ethiopia.

## Our child-centred care

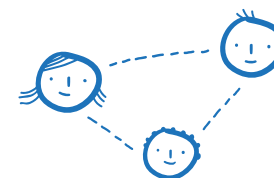
We tackle each and every obstacle our kids face, enabling them to access a life-changing education.

We're in no rush; we're in this for the long term, to help them become everything God intended them to be. We know our approach works because we've seen our kids succeed time and time again.



## Great education

We build schools and run education programmes to equip kids with the skills they need to rise above their circumstances and change their communities.



## Caring relationships

It's incredibly important to each child's sense of value and stability that they're raised by parents and teachers who care about them. Child sponsorship supports this further by giving our kids a relationship with a sponsor who loves them and helps them feel part of a wider family.



## Loving care

We get to know each child – their hopes, history, needs and dreams. We delight in our children and want the best for them. We invest our time, love and attention raising them to know that they're loved and accepted for who they are.



## Tailored healthcare

We go the extra mile to make sure no disability or illness prevents our kids from enjoying their childhood or getting a great education.



## Dedicated, loving staff

Our local experts allow us to respond to challenges in an effective and culturally appropriate way, giving us unparalleled levels of child care where we work.



## Love and acceptance, regardless of belief

It is our aim to make lasting improvements to children's lives, caring for them as Jesus would, but we are not here to impose religion on children. We respect our children's identity and we will never coerce them to change their beliefs. We take this very seriously. We are here to care for children who need our help, no matter what their belief, ethnicity and social status.



## Strong families

We work hard to keep families together and reduce dependency on child labour. In the absence of a stable family, we provide children with loving parents.



# Caring for over 4000 kids worldwide

**Colombia** Providing care and psychological support to children overwhelmed by abuse, family breakups, neglect and poverty.

**Dominican Republic** Educating children exposed to poverty, high unemployment and poor educational opportunities. Providing a loving home for orphaned and at risk children.


**Romania** Supporting those children and their families living in overwhelming poverty in the community through the provision of free education, daily food and family support. Caring for girls rescued from neglect.

**Ethiopia** Offering an education to children living in poverty, loving families for orphaned children, a programme for those living with HIV and extensive healthcare for children and their family members. We also have self-sufficiency projects for families.

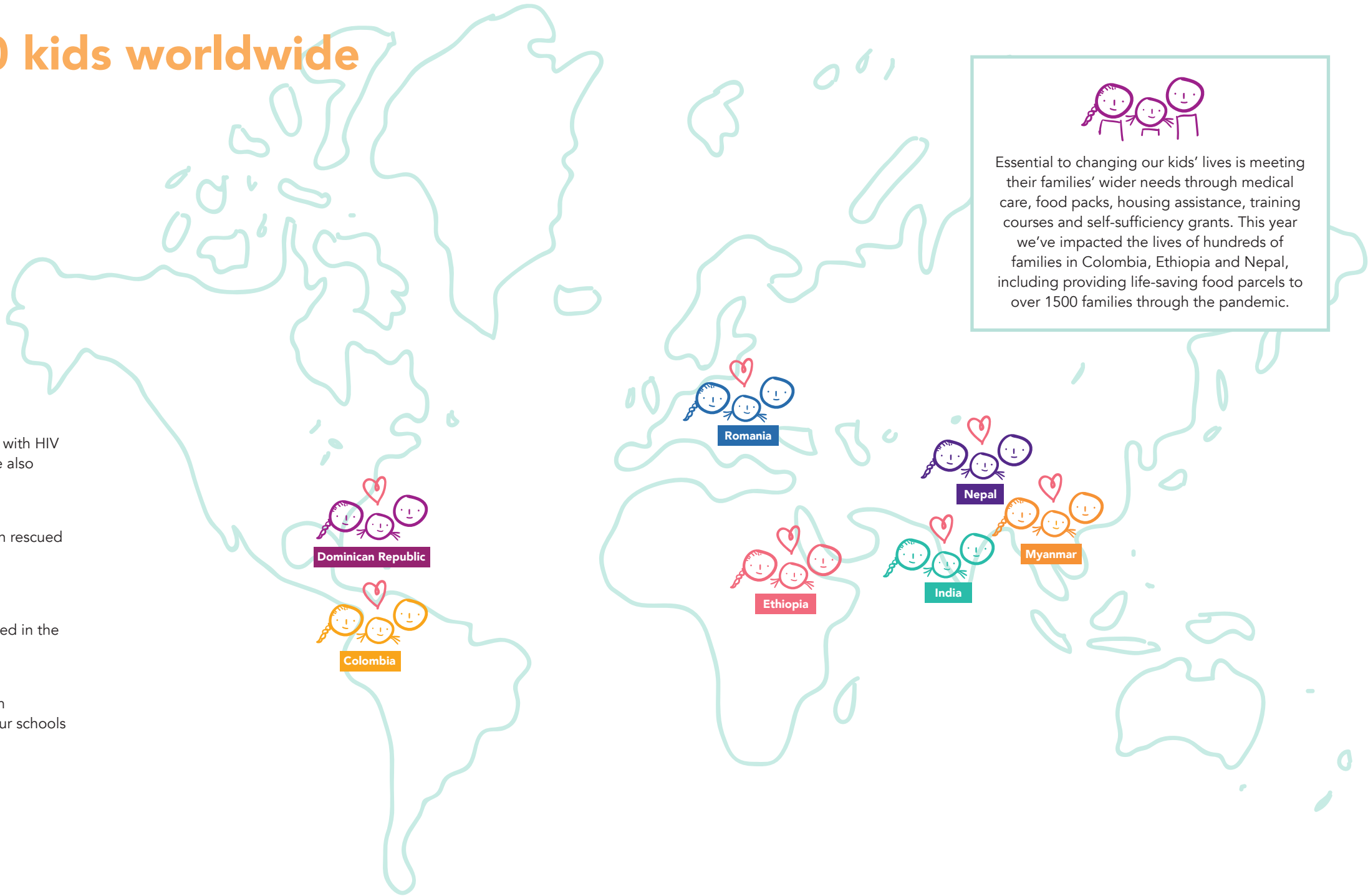
**India** Providing loving care and an education to ‘forgotten’ children rescued from a life of civil unrest, violence and child trafficking.

**Nepal** Providing a loving family environment to children deemed ‘untouchable’ by society while bringing education to children isolated in the remote mountainous region and supporting their families.

**Myanmar** Offering a loving family home to orphaned children from persecuted minorities, and providing an education for children in our schools so that they can rise above their difficult circumstances.



Essential to changing our kids’ lives is meeting their families’ wider needs through medical care, food packs, housing assistance, training courses and self-sufficiency grants. This year we’ve impacted the lives of hundreds of families in Colombia, Ethiopia and Nepal, including providing life-saving food parcels to over 1500 families through the pandemic.







# Our programmes

Each child is unique but like all children they need unconditional love and acceptance. Because they come from complex backgrounds, we have developed four key care programmes to meet their individual needs.



## Children's Homes

Our children's homes are just like any family home should be – comfortable, safe and filled with love. Our house parents love our kids like they are their own children, giving them all the support they need to thrive. As they grow we equip them to become independent young adults. But even when they do grow up and leave our homes, they will always be our kids.



## Schools

Our schools provide a quality education for children from our homes and the surrounding communities. Children who once had no educational opportunities are today transforming communities and achieving great things.



## Care Centres

Our care centres bridge the gap for children who have families but need extra love and care. We provide children with tutoring, meals, clothes, medical care and a safe place to build relationships and have fun. We offer counselling for children with troubled backgrounds and help their parents through parenting courses and skills training.



## Family Support

We know that providing children with an education without tackling social, medical and family needs is futile. To help reduce parents' dependency on child labour, we provide families with food packs, help with rent, medical care and small business grants, enabling them to stand on their own feet and in time, rise out of poverty.

## Building local and investing in communities

We've achieved high standards of care in our schools, homes and care centres, established at the centre of needy areas. We employ skilled and dedicated local people as we know they are the most motivated to transform their communities. This allowed us to respond to challenges in a quick and culturally appropriate way, giving us unparalleled levels of child care wherever we work.



# Our Impact and Key Achievements

In our projects around the world, our kids are growing healthier, thanks to regular food and medical care, and learning new skills, thanks to a great education. This year we have welcomed 272 new children into our family worldwide. From Colombia, to Ethiopia, to Myanmar, we're bringing loving care and life-changing support to over 4000 kids.



David.

## Celebrating 25 years of rescuing and caring for kids

This year *Stand by Me* celebrated its 25th birthday. Over 1000 of our amazing supporters joined us for a special online event where we reflected on the amazing generosity of our supporters over the years and shared our stories of hope, of God's intervention and of real transformation in our children's lives.

We looked back to see how far we have come since the remarkable story of how *Stand by Me* started with one man, David Spurdle, who took a dangerous but life-altering trip to Beirut during the Lebanon civil war.

"It was July 1983 when I first visited war torn Lebanon as the leader of a relief team, intent on caring for 60 boys in an orphanage. The children were traumatised by war, violence, neglect and abandonment, but we were determined to share with them the love of Jesus.

Danger lurked on every corner as the different factions fought each other, violence continued unabated and even our minibus took a direct hit, yet I had peace knowing this was where God wanted me to be.

On my return home, I assumed I would continue with my teaching career, but I was restless after witnessing the tremendous needs. Over the next few years and numerous trips to Lebanon, in 1995, I took a step of faith, committed to finding a sponsor for each of the boys, resigned my position of Head Teacher and started *Stand by Me* in my garden shed.

*"25 years ago I never imagined that today we would be caring for thousands of kids in 7 countries. God has taken us into places no one wanted to go, and yet we have known his blessing on our work and on the children and families who we support. It's been an amazing 25 years walking step by step with a faithful God who I believe will continue to bless this work into the future."*

**David Spurdle, Founding Director**

Since our small beginnings in a shed in David's garden, a lot has changed. But today we still have the same values and the same mission to change the lives of children and reach out and rescue more. Over the past 25 years, many small steps of faith have led to thousands of children being rescued and countless lives transformed.



David in Lebanon.

Beirut.



## Meeting our kids' individual needs

All our kids have had a difficult start to life, born into the poorest communities and written off by society. So we tackle each and every obstacle they face in order to help them reach their potential. Through tailored healthcare, daily nutritious food as well as ensuring every child has a family to care for them, we are enabling our children to become who they were created to be.

### Khup's story

Khup was barely old enough to remember losing his father. Without her husband, Khup's mum had to move her family from their home in the town to live with her elderly parents. But for Khup, life wasn't any easier living with his four siblings, mother and grandparents in the isolated village surrounded by rice fields, crammed into one basic hut, washing in the nearest stream and cooking on a wood fire.

Khup's mother worked hard in the fields from dawn until dusk but it was never enough. She felt sad when her children were hungry and even more hopeless that they couldn't attend school.

But she heard about a better life for her children – the *Stand by Me* Children's Village. A place where her children could live with good food every day, comfortable beds and even toys and books for them to enjoy. Best of all, they would receive an education and have a future full of opportunity.



Watch  
Khup's film  
[www.standby.me/  
khup](http://www.standby.me/khup)

Khup and his siblings moved to the children's village where their lives have changed drastically. At first the home felt strange, it was a different world full of everything they had ever dreamed of, an enormous contrast from the bamboo hut in their village. At school Khup and his siblings have learnt quickly and love their lessons.

As Khup plays football at the children's village, shouts of joy erupt from him and his siblings. Like all children who have had a tough start, they can now thrive through the support of child-centred care.

## Lifting our kids off the floor and into their first bed

We want the best for our children and do all we can to improve their circumstances. But many of them remain living in difficult conditions and go home to sleep on the cold ground every night.



This year we launched "February on the Floor", a fundraising event with the goal of making a huge difference to the lives of our amazing *Stand by Me* children and their families.

In February 2020, 30 supporters signed up to sleep on the floor for a week and raise funds through sponsorship in order to help lift our children and their families off the floor and into their very own first bed!

Our first ever "February on the Floor" was a phenomenal success and raised sufficient funds to purchase 295 beds with mattresses, duvets and pillows. Children as young as 3 years old to adults in their seventies all joined in, enabling our staff the joy of delivering 295 beds to delighted families bringing happiness, a sense of worth and improved health.



Family sleeping on the floor.

### Gemechu's story

Gemechu lives in a small makeshift mud hut home which provides little cover from the elements and at the end of each day he would lie down on a sack filled with grass to sleep. But without a bed, Gemechu's sleep was disrupted and uncomfortable.

Gemechu now has a bed which provides him and his family with somewhere comfortable to sit and also a place to complete his homework. He now knows that he will be safe and warm, able to enjoy an incredible night's sleep every night.

A good night's sleep makes a huge difference for Gemechu and ensures that when he arrives at school the next day, he is refreshed and ready to learn.

Not only will these beds help our kids be better prepared for a day of learning but also gives them dignity and greatly improved health.

This year, thanks to our amazing fundraisers and all who generously donated to "February on the Floor", there are 295 children like Gemechu and their families who are no longer sleeping on the floor but instead are being tucked up into a warm, cosy bed.



Watch  
Gemechu's film  
[www.standby.me/  
beds](http://www.standby.me/beds)

Gemechu.



## Providing life-saving food parcels

In March 2020 we received the news that Covid-19 had arrived in the towns and villages where we work. On advice from the authorities we closed our schools to safeguard our kids and their families, many of whom have underlying health issues.

But we knew that without our schools, our kids would go without food for days on end and face malnutrition and even starvation. We knew that we had to act. So we sent money in faith for our staff on the ground to buy food to ensure that no child went hungry.

The provision of food parcels has been life-saving, providing regular meals for families who would struggle to scrape by even at the best of times. Consisting of pasta, oil, flour, eggs, vegetables and other essentials, the food parcels have sustained families through the toughest months, each one showing God's love in action from Colombia, to Romania to Ethiopia.

## Yolinder's story

For families like Yolinder's in Colombia the food parcels have been vital. Yolinder has been cared for by her older sister since the death of their parents, Yolinder's sister shared with us what the food parcels meant to her:

*"The day that the people from the Care Centre called us to give us the voucher to receive the food parcel we had nothing to eat. I was worried, thinking what I was going to do to solve the food for that day and for those days ahead, my husband works but his salary is very little and with this coronavirus, prices have risen and the money received is not enough to buy food. Thank you for this benefit, thank you for having welcomed my sister in this programme, I feel happy and grateful to all of you".*

Yolinder's sister

We have heard firsthand the anxiety that our families have been facing but have also heard their thankfulness to God for sending people to support them in their hour of need. The food parcels have brought health, security and joy to hundreds of vulnerable families and we will continue to stand by them for as long as they need us.

Yolinder and her family.



Feeding  
**1,500**  
families  
each month



Food parcels in Ethiopia.



**The opportunity for an excellent education**

We care for over 1000 children in Ethiopia, where we equip them with the skills and knowledge they need to reach their potential.

This September, at the Bethany School and the Abdi Academy, our Grade 8 students sat their national exams. These exams determine if they are able to progress on to High School and we are immensely proud to announce that all students passed, a 100% pass rate!

Along with many schools around the world, our schools were closed for much of the year due to Covid. Studying at home was a particular challenge for our students as they do not have the internet to access online resources, most of their parents did not reach this level of education and so cannot help with home schooling, and, in many cases, a lack of electricity for lighting limits their ability to study. For every Grade 8 student to pass their exams despite these obstacles and, during such an uncertain year, is a huge achievement and we cannot be more proud of them for their hard work and determination.

On top of this fantastic news, five of our students received very high marks and were able to apply to an advanced school. One of these students is Mohammed who has always been a bright and hardworking student.

**Mohammed's story**

Sadly, after losing his father at just 14 years old, Mohammed felt responsible for his sister and he considered leaving school to work in order to support her.

To keep Mohammed in school and give him and his sister a bright future, we supported them with the costs of their daily food and rent. With the security of a home and food, Mohammed and his sister could continue their schooling and pursue their dreams.

This year, Mohammed passed his exams with a score of 88%, placing him in the top 99.3 percentile of the country and allowing him to attend one of Ethiopia's advanced schools. Mohammed's hard work combined with the support and care of *Stand by Me* and the love of his sponsors is enabling him to move one step closer to his dream of becoming a doctor.

Our kids are overcoming obstacles and working hard at their education. Children like Mohammed, who once had no educational opportunities, are today on their way to becoming doctors, nurses, pastors, engineers, teachers and everything that God created them to be.

Watch our Grade 8 film  
[www.standby.me/grade8](http://www.standby.me/grade8)

*Grade 8s studying.*



*Mohammed, Ethiopia.*



# How did we do it?

In our 25 years we have experienced amazing growth, not only in the number of children we care for, but also in the involvement of committed people who have joined us to meet our kids' complex needs. Even though the challenges are vast and our office team is small, we are encouraged and excited about the future because we are supported by incredible like-minded people who share their skills, resources and time to change the lives of desperately needy kids worldwide.

## A family in the UK

We are grateful this year that a further 538 individuals became proud parents to our kids through our sponsorship programme. Child Sponsorship is a fantastic way to impact a child's life. It's so much more than a monthly donation providing for a child's food, clothes, medical care and education; it means a child feels loved, cared for and part of a family.

The generosity of sponsors also meant that a total of £62,415 was donated to purchase gifts for our children.

Regular sponsorship donations make up 43% of *Stand by Me's* income. This committed giving allows us to commit to the children, plan ahead, budget and reach out and rescue more. We thank our sponsors who make it possible for us to continue to provide world-class childcare.

## Visiting our kids

*Stand by Me* organised volunteer team trips, allowing supporters to pack up their belongings along with their unique skill sets, love and talents to make a lasting impact and play a key role in encouraging and supporting our staff to provide the best care possible for our children. Despite being unable to send teams for the majority of the year due to Covid, 36 individuals were able to go on team trips during the first quarter of 2020 and in total they raised £14,731 in addition to trip costs which they donated to the projects, greatly benefitting the children.

## Emergency Appeal

Emergency appeals allow us to respond to our children's urgent needs. Our Emergency Covid Food Appeal raised an incredible £280,745 helping us provide life-saving food parcels to our children and their families. We are incredibly thankful to our supporters who responded so generously to enable us to stand by families during the pandemic.

## Shoe Appeal

Our Shoe Appeal raised a fantastic £42,231 to help us reach our goal of providing a new pair of shoes for every child in our care, protecting their feet from harm and restoring their confidence.

## Alternative Gift Catalogue

Our Gift Catalogue raised a fantastic £46,791 from supporters who purchased school uniforms, books, medical care, food packs, underwear, toys and other daily necessities and treats to help our children fulfil their potential.

## Legacy and in memoriam gifts

Our children are unlikely to ever be included in anyone's inheritance, so legacy and in memoriam gifts mean so much and allow us to continue to make lasting improvements in children's lives.

## Greatest Need donations

Unrestricted giving allows us to meet the needs of children and communities around the world as and when they arise. We value every donation from the smallest to the largest and pride ourselves on thanking and updating our amazing supporters, ensuring they know exactly where their money is used and how it is making a difference to our children.



New shoes.

## Spreading the word

We spoke in schools and churches throughout the year, often online or through video. New speaking opportunities and our existing relationships with schools and churches resulted in more children being sponsored as well as one-off donations.

## Fundraising

We introduced a new fundraising event, "February on the Floor", which raised an amazing £41,601 to provide beds for children who were sleeping on the floor. "February on the Floor" was also shortlisted in the category of Fundraising Event of the Year at the National Fundraising Awards 2020.

## Trusts

We would like to thank the 17 Charitable Trusts who have together contributed to our projects this year.

**We are incredibly grateful to the many generous individuals who have contributed financially to our work throughout the year, who, for privacy reasons, are not mentioned by name here.**



Food parcel.



# Message from the Chair of the Board of Trustees



When I reflect on 2020, I see things happening previously unprecedented in our time. After the world as we know was impacted by Covid-19, on March 23rd UK businesses were ordered to become shuttered for what turned out to be an undefined period. Most of what happened next will pass into history, but what is without question an astonishing testament to the love, care and support you give *Stand by Me* is that we received our largest ever income in our history. This has enabled our amazing team to continue to provide comprehensive care for our children including essential food during the crisis, 295 new beds to raise children off the floor and an excellent education with some great results in Ethiopia.

As sponsors and supporters of *Stand by Me*, together we can transform the lives of children like Mohammed who attends the Bethany School and achieved fantastic results in his Grade 8 national exams. Sadly, Mohammed lost both parents and consequently felt responsible to support his sister. *Stand by Me* has helped them both which has meant he has been able to continue his studies, achieve such great grades and now wants to become a doctor. This is just one of the amazing stories of love and support which you, with God's grace, have made possible.

As we look towards an uncertain future as the world continues to wrestle with Covid, we must also look back at how many lives have been changed over the last 25 years and thank God for the vision He gave to David Spurdle all those years ago and to His faithfulness towards the work of *Stand by Me*. We look for God's guidance into the future as *Stand by Me* continues to grow and develop.

As Chairman of *Stand by Me*, I want to thank you for your constant generosity and loyalty to the children in our care at a time when I am sure many of you have had your own pressures and financial challenges. I am sure with your continued support and God's goodness, *Stand by Me* can go from strength to strength in 2021.

Lastly, as Chairman and on behalf of the Board, I would like to thank Ahmad, the team in the UK and also the family of *Stand by Me* staff worldwide for all your hard work, long hours and the love you show for the children in your care.

A handwritten signature in dark ink, appearing to read 'Mark Clayden'.

**Mark Clayden**  
Chair of the Board of Trustees

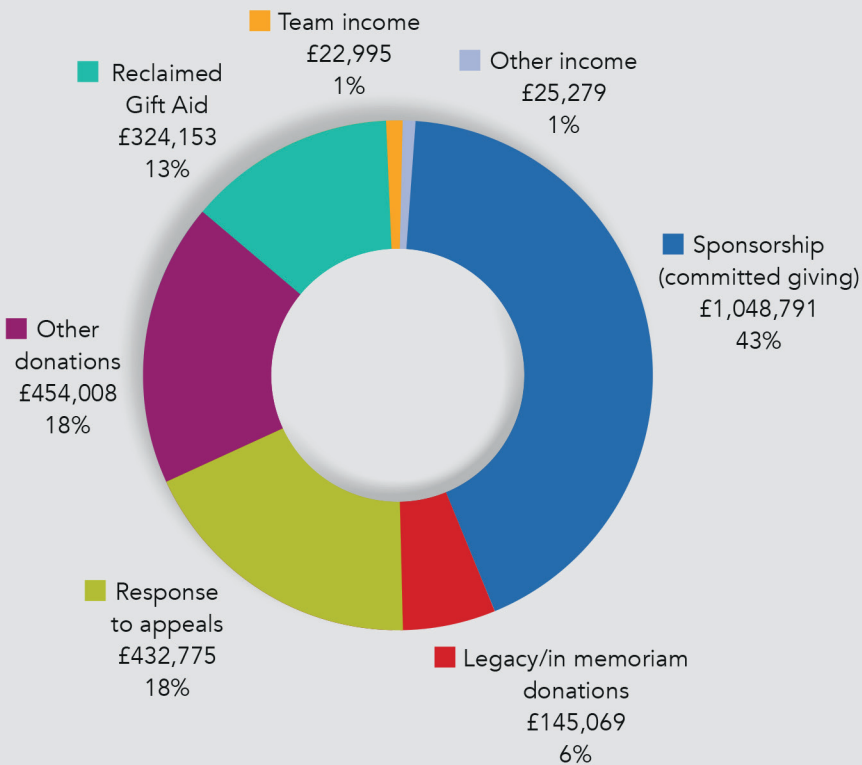


# Financial Summary

Charity is a tool that we use to meet the needs of children, but we're not here to just run a charity. We're here to change the lives of the children in our care, then we reach out and rescue more. When we spend money, it's because it's the best way to make a difference in our kids' lives. Our trusted staff use money wisely to provide the best care possible for our children and through our annual budgets, audits and frequent monitoring visits, we make sure that the money is spent prudently.

**Income 2020**

We are incredibly grateful to everyone who has supported our work over the past year enabling us to raise £2,453,070 our largest income to date.

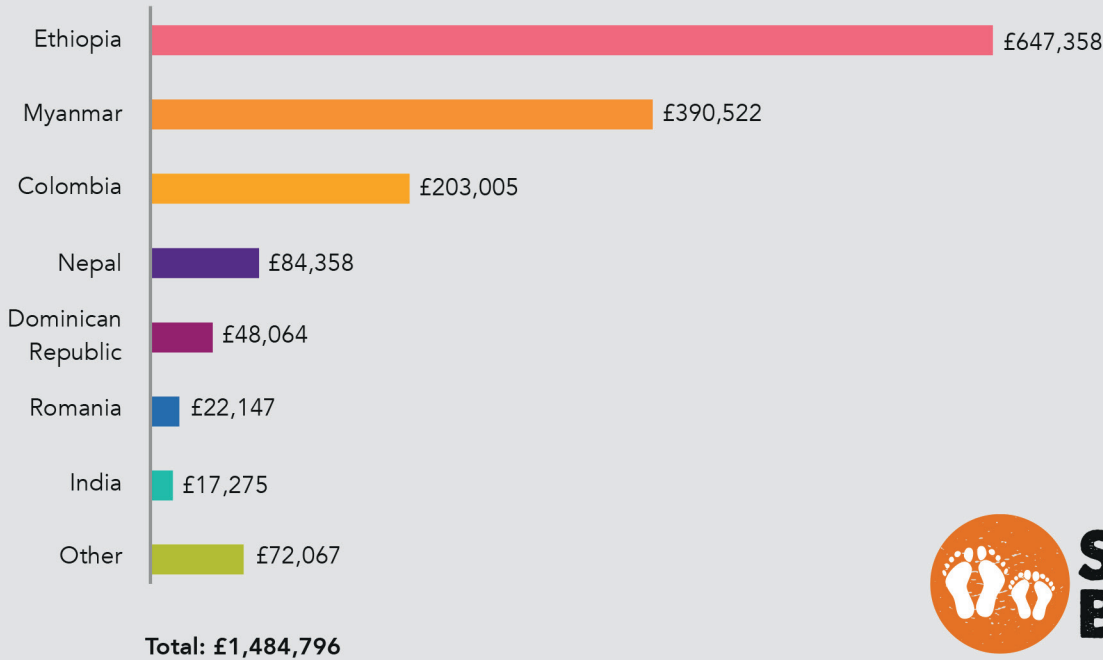


**Expenditure 2020**

Total expenditure delivered in year was £1,936,608. 95% of expenditure was on charitable activities with fundraising and governance costing just 5%.



## What we spent directly on each country





# Looking forward

## Aims overseas

- **Rescuing children:** We will rescue more children who need support by increasing the capacity of our projects around the world. In addition, we will begin to look to further increase the number of children in our care by exploring the possibility of adopting the projects of likeminded organisations.
- **Quality care:** We will continue to deliver the highest standard of child care possible for all the children in our care whilst addressing every obstacle hindering them reaching their potential. We will improve and enhance the way we respond to complex challenges in meeting children's needs and adapt our care to meet the changing needs of children as a result of the Covid pandemic. Key to achieving this goal is employing the best quality, most compassionate staff in our projects and ensuring they adhere to our child care standards and governance policies.
- **Training, skills and expertise:** To ensure our local staff work efficiently and effectively we will continue to provide regular management and skills training. This will include online training by specialists, skilled professionals and *Stand by Me* staff to ensure the highest standards of care in our projects around the world. In addition to regular training, staff will receive additional training to ensure our projects are Covid secure.
- **Education:** We are providing an excellent education in our schools around the world. To ensure our children get the most out of the opportunity of an education and have the best start to their time at school, we will review our Kindergarten (early years) education and improve the resources to help staff enrich the learning environment.

We are reaching our target of educating children to High School level and wish to see every one of them complete their High School education successfully. As our children

exceed expectations and achieve high standards in their education, we wish to provide longer term care for more children and support more children at University, so that they can fulfil their potential.

In Ethiopia, to ensure our older children can transition well into independence and be in the best position to thrive as an adult, we will begin to develop a "Finishing Well" programme, ensuring they have a good foundation for adult life whilst equipping them with relevant Life Skills.

- **Improved infrastructure and resources:** In order to continue to provide excellent standards of care, safety, security and facilities we will improve our project sites around the world. In the next 2 years we plan to build a High School centre at one of our sites in Ethiopia so as to provide a hub for High School students to come to for their regular food, healthcare, support and private study. We will also begin work on team accommodation and two children's homes at our second project in Ethiopia in order to meet the needs for a safe family home for orphaned and abandoned children and hence greatly enhance the project.
- **Community support:** We will continue to meet the complex needs of our children who remain living with their family through housing assistance, income generating grants and medical help. In Ethiopia, we will continue to fund home repairs for the families of our children, making vital renovations to the poorest housing.

Our current focus is to continue to help our children's families throughout the pandemic to ensure all of our children around the world have sufficient food and care at home. In 2021 we will continue to provide vital food parcels to families, giving them the nutrition and security they need to stay safe and healthy throughout the pandemic and beyond.

To further improve the living conditions of children and families who continue to sleep on the floor. This we will do by building on the success of 2020's "February on the Floor" which enabled us to purchase 295 beds for families in Ethiopia. Our aim in 2021 through "February on the Floor" is to raise sufficient funds for every one of our families in Ethiopia to have a bed.



Grace, Ethiopia.

## Aims in the UK

- **Adapting to the current climate:** We will continue to adapt to the current challenges of the pandemic, this includes assessing new income sources to replace areas that are currently not viable such as team trips and speaking engagements. Our focus to bring new child sponsors remains and we will ensure we maintain a high standard in all our communications making sure our current supporters are kept informed on the incredible difference they are making in children's lives.
- **Online Profile:** To continue to increase our online profile through digital advertising by maximising existing areas and testing new areas to reach new audiences across the UK leading to an increase in new sponsors and supporters. We will make improvements to our Child Sponsorship webpage to make it more effective in communicating who we are, sharing our children's stories and encouraging new sponsors.
- **New database:** Introduce a new Customer Relationship Management (CRM) database to enable greater efficiency as an organisation.
- **Fundraising:** To build on the success of "February on the Floor" and grow the number of participants in the challenge and increase awareness of *Stand by Me's* brand to a new audience.
- **Policies:** As part of our review of policies, this year we will review our Child Protection Policy, Communications Policy and Child Sponsorship processes to ensure the highest standards of safeguarding in all of *Stand by Me's* work.
- **Expanding our team:** We will look to expand the *Stand by Me* team in our Northern Ireland office and our England office to bring additional skills and capacity in the areas of Schools, Churches, Advocates and Sponsorship.
- **School and Church resources:** To create engaging resources for Schools and Churches to use to inform their audiences about the work of *Stand by Me*, the circumstances of our children and how they can impact our kids' lives.



# Structure, governance and management

## Registered Charity

*Stand by Me* is a registered charity in England and Wales. The charity is a Charitable Incorporated Organisation. Its governing document is a Constitution dated 2nd September 2019. The charity is governed by a Board of Trustees which is responsible for approving strategic decisions having taken advice from the Executive team.

## Going concern

After appropriate research, the Trustees have a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

## Method of appointment & training of Trustees

New Trustees are appointed by the Board and approved at a meeting of the Trustees. *Stand by Me* Trustees are expected to be pro-active in supporting the work

of the charity. Trustee recruitment is achieved through a blend of professional associations, local networks and prospective members being individually identified and approached. A periodic review of existing skills and expertise is undertaken and an assessment made as to what is required to meet the strategic needs of the charity. This shapes the recruitment and selection of prospective Trustees along with evidence of their motivation and support for the vision and mission of the charity.

## Remuneration policy

The Board of Trustees annually reviews the remuneration of the charity's key management personnel. The Board is well aware that these individuals are paid below the benchmark criteria or "norm" for other similar charities and are therefore grateful that the current staff, conscious of the great needs of our children, are satisfied with their present level of remuneration.

## Public benefit

The Trustees have considered the Charity Commission guidance on public benefit and continue to be satisfied the charity is acting in the public benefit, as stated in our objectives, and believe this report contains the explanation of the significant activities undertaken during the year which confirms this.

## Reserves

The Board of Trustees considers the key measure of sustainability for *Stand by Me* to be current and future liquidity cover, rather than the surplus or deficit accounting position. Consequently Trustees have set an appropriate reserves policy which is reviewed annually relating to liquidity, based on the relationship between readily realisable assets and the cash required to meet obligations to ministries overseas and sustain the charity's operations in England and Northern Ireland.

Trustees have decided that *Stand by Me* should at all times maintain



Children at the Denisa Care Centre, Romania.



cash and readily realisable assets (being regarded as restricted funds) sufficient to fund between not less than 6 and not more than 12 months of forecast cash outflow directed towards overseas ministries. At 31 December 2020 that liquidity cover stands at 6 months. Alongside this, Trustees have also decided that, at all times, cash and realisable assets should be maintained to finance a minimum of 3 months and not more than 12 months of forecast operating costs. At 31 December 2020 that liquidity cover stands at 4 months.

This reserves policy, which focuses on liquidity, represents a revision of the policy agreed by the trustees of the former unincorporated trust.

**Restricted funds**

Restricted funds are funds subject to specific conditions imposed by donors. The costs of raising and administering such funds are charged against the specific fund. In accordance with the Reserves Policy set by the Trustees, *Stand by Me* aims to hold sufficient balances in all funds to cover 50-100% of budgeted expenditure in the year ahead, plus any donations previously received for specific projects scheduled to take place in the subsequent years. At the end of the period total restricted funds were

£1.155m (at 31 December 2019: £968k) all of which is dedicated to specific projects. For each fund, *Stand by Me*'s assets are available and adequate to fulfil its obligations.

**Investment Policy and Performance**

The Trustees have the power to invest in such assets as they see fit. Our objective is to maintain high liquidity while ensuring maximum security. To achieve this *Stand by Me* invests with institutions with a high security rating in fixed-term or call deposits. During the year *Stand by Me*'s sterling deposits achieved an average rate of interest of 1.3 percent (2019: 1 percent) compared with an average bank base rate for the same period of 0.22 percent (2019: 0.67 percent).

**Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Principal risks considered can be categorised as follows:-

- Financial risks – potential reduction in the level of public

voluntary donations leading to inadequate reserves.

- External risks – (a) poor public perception, albeit that Trustees consider this to be an extremely low risk, with consequent damage to the charity's reputation and (b) turbulent economic or political environment.
- Safeguarding risks – failure to adequately protect our beneficiaries and staff around the world.

There are four basic strategies that can be applied to manage an identified risk:

- Transferring the financial consequences to third parties, or sharing it, usually through insurance or outsourcing;
- Avoiding completely the activity giving rise to the risk, for example by not taking up a contract or stopping a particular activity or service;
- Management or mitigation of risk;
- Accepting or assessing it as a risk that cannot be avoided if the activity is to continue i.e. where the Trustees recognise that a core activity carries a risk but take steps to mitigate it.

Our reputation as a world class child care organisation is intertwined with our most important concern and the area we constantly monitor i.e. the protection of our children. Our comprehensive Child Care Standard document is our global standard for all the charity's projects which includes policies common to all our work around the world, is how we manage this risk. Also each member of staff is given our Staff Handbook which has, as its first section, the highest standards of behaviour expected in all dealings with children and fellow members of staff.

Another key strategic risk identified was our additional funding needs. This is due to the fluctuation of sterling in political and economic uncertainty, combined with meeting the costs of the increasing number of our children attending further education. To mitigate this we will maximise our key strengths and look to diversify our fundraising portfolio.

**Overseas monitoring**

Our Executive Director and Founding Director regularly visit the projects and work with our in-country boards as they report against objectives and abide by policies set out for each of our homes, care centres and schools. Each country we work in has at least one director who is responsible for overseeing the day to day work



Pramila, Nepal.



taking place and they have regular meetings with the Executive Director to discuss how the projects are progressing and any current issues that need addressing.

On an individual child level we monitor the progress of every child, physically, emotionally and academically throughout the year to meet any needs as they arise and ensure they are able to do well.

By having teams visit regularly, many with professional members such as doctors, dentists and teachers, we encourage them to provide professional reports to aid our work as we seek to improve our effectiveness, efficiency and awareness of future challenges

### Organisational structure & decision making

The Board of Trustees meets quarterly, subject to travel commitments, and is responsible for the overall strategic direction and policy of the charity. The Executive Director has delegated responsibility for the day-to-day leadership and management of the charity, implementing strategy and providing overall leadership to ensure that the core values of the charity are maintained. The Board has reserved to itself certain important decisions including changes to the charity's governing document and approval of the long term objectives and strategy.

The key responsibilities of Trustees are set out in the statement on page 33.

### Fundraising ethos

Whether a long standing supporter or someone hearing about *Stand by Me* for the first time, we endeavour to inspire people to get involved in rescuing children from extreme circumstances and providing the opportunities they need to thrive.

In our 25 year history we have always focused on building long term relationships with our supporters, exemplified by the foundation of regular sponsors and donors who know the tangible difference their support is making.

We allow our supporters to choose the ways in which they wish to be involved as well as where they would like their money used, as we understand how important ownership and choice can be for our supporters.

The following principles guide our fundraising strategy and operations:

- We aim to inspire people to donate or raise money for *Stand by Me*.
- We thank supporters appropriately and demonstrate the tangible difference their money is making to the children around the world.

- When we contact our supporters it's because we think they will be interested to hear how our children are thriving through their support. We listen to supporters and act on their communication requests.
- We keep our supporters' data secure and never pass their personal information on to any other company or charity and we don't buy or sell data.
- Fundraising and marketing is only carried out by our staff so that we are in control of the standards employed. This ensures that supporters and the wider public do not feel pressured to give and are treated with respect at all times, with a particular focus on the protection of vulnerable people.

*Stand by Me's* fundraising activities and compliance with fundraising regulations and best practice are closely scrutinised by the Board of Trustees.



Children at the Bethany School, Ethiopia.



Reference and administrative details of the charity, its trustees and advisers for the 16 month period ended 31 December 2020

The Trustees present their report together with the audited financial statements of *Stand by Me* (the charity) for the 16 month period ended 31 December 2020.

The Trustees confirm the report and financial statements of the charity comply with the current statutory requirements which are contained within the Charities Statement of Recommended Practice (SORP) (FRS 102) issued on 16 July 2014.

**Trustees**  
Mark Clayden, Chairman  
Edward Carpenter  
James Laing  
Nathania MacGregor  
Sharon Seymour  
Elizabeth Staniforth,  
John Tillett

**Secretary to the Trustees**  
Fay Garrett

**Executive Director**  
Ahmad Ayoubi

**Founding Director**  
David Spurdle

**Charity registered number**  
1185124

**Independent auditor**  
Robert J Baxter FCCA  
Chartered Certified Accountants  
Statutory Auditor  
Cooper & Co  
9 Palmers Avenue  
Grays  
Essex  
RM17 5TX

<b>Bank</b> Lloyds Bank Market Place Romford Essex RM1 3AA	Danske Bank PO Box 183 Donegall Square West Belfast BT1 6JS
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<b>Offices</b> England Office 630 Upper Brentwood Road Romford Essex RM2 6HS	Ireland Office 16 West Street Carrickfergus Co. Antrim BT38 7AR
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Stand by Me (Charity Registered number 1185124)  
Trustees' Report for the 16 month period ended 31 December 2020

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

This report was approved by the Trustees on \_\_\_\_\_ and signed on their behalf by:

<b>Mark Clayden</b> Trustee	<b>Edward Carpenter</b> Trustee
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OPINION

We have audited the financial statements of *Stand By Me* (the 'charity') for the 16 month period ended 31 December 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources for the period 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 Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to 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 charity'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, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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 financial statements which 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.



Stand by Me  
Independent Auditor’s Report to the Trustees of Stand by Me (continued)

In preparing the financial statements, the Trustees are responsible for assessing the charity'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 charity 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 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Robert J Baxter FCCA

Chartered Certified Accountants  
Statutory Auditor

Cooper & Co, 9 Palmers Avenue, Grays, Essex, RM17 5TX

Date:

Robert J Baxter FCCA is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Stand by Me  
Statement of Financial Activities for the 16 month period ended 31 December 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 16 mths to 31 Dec 2020 £	Total funds 9 mths to 31 Dec 2019 £
<b>INCOME FROM:</b>					
Donations and legacies	2	732,791	1,694,934	2,427,725	1,613,737
Investments	3	25,345	-	25,345	12,654
<b>TOTAL INCOME</b>		<b>758,136</b>	<b>1,694,934</b>	<b>2,453,070</b>	<b>1,626,391</b>
<b>EXPENDITURE ON:</b>					
Raising funds	4	94,682	-	94,682	63,218
Other charitable activities		499,353	1,337,281	1,836,634	1,427,931
Governance costs	7	5,292	-	5,292	4,020
<b>TOTAL EXPENDITURE</b>	8	<b>599,327</b>	<b>1,337,281</b>	<b>1,936,608</b>	<b>1,495,169</b>
<b>NET INCOME BEFORE TRANSFERS</b>		<b>158,809</b>	<b>357,653</b>	<b>516,462</b>	<b>131,222</b>
Transfers between Funds	16	170,660	(170,660)	-	-
<b>NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>329,469</b>	<b>186,993</b>	<b>516,462</b>	<b>131,222</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>329,469</b>	<b>186,993</b>	<b>516,462</b>	<b>131,222</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		716,592	968,053	1,684,645	1,553,423
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,046,061</b>	<b>1,155,046</b>	<b>2,201,107</b>	<b>1,684,645</b>

The notes on pages 41 to 55 form part of these financial statements.



**Stand by Me**  
**Balance Sheet as at 31 December 2020**

	<b>Note</b>	<b>£</b>	<b>2020 £</b>
<b>FIXED ASSETS</b>			
Tangible assets	12		<b>826,680</b>
<b>CURRENT ASSETS</b>			
Debtors	13	<b>335,389</b>	
Cash at bank and in hand		<b>1,413,878</b>	
		<b>1,749,267</b>	
<b>CREDITORS:</b> amounts falling due within one year	14	<b>(74,840)</b>	
<b>NET CURRENT ASSETS</b>			<b>1,674,427</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>2,501,107</b>
<b>CREDITORS:</b> amounts falling due in more than one year	15		<b>(300,000)</b>
<b>NET ASSETS</b>			<b>2,201,107</b>
<b>CHARITY FUNDS</b>			
Restricted funds	16		<b>1,155,046</b>
Unrestricted funds	16		<b>1,046,061</b>
<b>TOTAL FUNDS</b>			<b>2,201,107</b>

The financial statements were approved by the Trustees on

and signed on their behalf by:

**Mark Clayden**  
Trustee

**Edward Carpenter**  
Trustee

The notes on pages 41 to 55 form part of these financial statements.

**Stand by Me**  
**Statement of Cash Flows for the 16 months ended 31 December 2020**

	<b>Note</b>	<b>16 months to 31 December 2020 £</b>	<b>9 months to 31 December 2019 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	18	<b>1,122,131</b>	<b>(228,286)</b>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<b>(835,030)</b>	-
<b>Net cash used in investing activities</b>		<b>(835,030)</b>	-
<b>Change in cash and cash equivalents in the year</b>		<b>287,101</b>	<b>(228,286)</b>
Cash and cash equivalents brought forward		<b>1,126,777</b>	<b>1,355,063</b>
<b>Cash and cash equivalents carried forward</b>	19	<b>1,413,878</b>	<b>1,126,777</b>

The notes on pages 41 to 55 form part of these financial statements.





**Stand by Me**  
**Notes to the Financial Statements for the 16 months ended 31 December 2020**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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 notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

*Stand By Me* constitutes a public benefit entity as defined by FRS 102.

**1.2 Income**

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.



1. ACCOUNTING POLICIES (continued)

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.4 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	1% of cost on a straight line basis
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1.5 Interest receivable

Interest on funds held on deposit 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.

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Cash at Bank and in hand

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

1.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.



**1. ACCOUNTING POLICIES (continued)****1.9 Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.10 Pensions**

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

**1.11 Fund accounting**

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

**2. INCOME FROM DONATIONS AND LEGACIES**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from supporters	385,708	1,694,934	2,080,642	1,273,669
Gift aid tax recovered	324,153	-	324,153	193,230
Exchange rate differences	(65)	-	(65)	(743)
Income from teams	22,995	-	22,995	147,581
Total donations and legacies	732,791	1,694,934	2,427,725	1,613,737
Total 2019	573,915	1,039,822	1,613,737	

**3. INVESTMENT INCOME**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income - local investment properties	15,956	-	15,956	-
Investment income - local cash	9,389	-	9,389	12,654
	25,345	-	25,345	12,654
Total 2019	12,654	-	12,654	



## Stand by Me

### Notes to the Financial Statements for the 16 months ended 31 December 2020

#### 4. COSTS OF RAISING FUNDS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Marketing - website	8,070	-	8,070	3,708
Marketing - merchandise	1,099	-	1,099	1,532
Marketing - fundraising costs	23,060	-	23,060	13,634
Marketing - consultancy	1,139	-	1,139	810
Marketing - publications	5,161	-	5,161	2,088
Fundraising staff costs	56,153	-	56,153	41,446
	<b>94,682</b>	<b>-</b>	<b>94,682</b>	<b>63,218</b>

#### 5. DIRECT COSTS

	Charitable Activities £	Total 2020 £	Total 2019 £
Travel, field visits and volunteer costs	2,983	2,983	22,450
Funds and resources sent to ministries	1,443,793	1,443,793	1,059,420
Team expenses	(2,793)	(2,793)	96,036
Wages and salaries	40,813	40,813	27,407
	<b>1,484,796</b>	<b>1,484,796</b>	<b>1,205,313</b>

## Stand by Me

### Notes to the Financial Statements for the 16 months ended 31 December 2020

#### 6. SUPPORT COSTS

	Charitable Activities £	Total 16 mths to 31 Dec 2020 £	Total 9 mths to 31 Dec 2019 £
Sundry office expenses	153	153	-
Communications costs	3,254	3,254	1,779
Computer costs	32,495	32,495	12,098
Printing, postage and stationery	26,169	26,169	16,977
Training	60	60	68
Insurance	1,627	1,627	847
Bank charges	13,592	13,592	6,162
Light, heat and services	8,727	8,727	2,231
Rent and rates	5,196	5,196	2,880
Office equipment and leasing	8,740	8,740	1,554
Building maintenance	4,916	4,916	110
Wages and salaries	200,369	200,369	150,623
National insurance	24,788	24,788	17,416
Pension cost	13,402	13,402	9,873
Depreciation	8,350	8,350	-
	<b>351,838</b>	<b>351,838</b>	<b>222,618</b>

During the year ended 31 December 2020, the charity incurred the following Governance costs

£NIL (2019 - £NIL) included within the table above in respect of Charitable Activities

£NIL (2019 - £NIL) included within the table above in respect of Investment Income.



**Stand by Me**  
**Notes to the Financial Statements for the 16 months ended 31 December 2020**

**7. GOVERNANCE COSTS**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Auditors' remuneration	4,620	-	4,620	3,900
Legal fees	672	-	672	120
	<u>5,292</u>	<u>-</u>	<u>5,292</u>	<u>4,020</u>

**8. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE**

	Staff costs 2020 £	Depreciation 2020 £	Other costs 2020 £	Total 2020 £	Total 2019 £
Expenditure on raising voluntary income	<u>56,153</u>	<u>-</u>	<u>38,529</u>	<u>94,682</u>	<u>63,218</u>
<b>Costs of raising funds</b>	<b>56,153</b>	<b>-</b>	<b>38,529</b>	<b>94,682</b>	<b>63,218</b>
Charitable Activities	<b>279,370</b>	<b>8,350</b>	<b>1,548,912</b>	<b>1,836,632</b>	1,427,931
Expenditure on governance	<u>-</u>	<u>-</u>	<u>5,292</u>	<u>5,292</u>	<u>4,020</u>
	<b>335,523</b>	<b>8,350</b>	<b>1,592,733</b>	<b>1,936,606</b>	<u>1,495,169</u>
Total 2019	<u>246,765</u>	<u>-</u>	<u>1,248,404</u>	<u>1,495,169</u>	

**Stand by Me**  
**Notes to the Financial Statements for the 16 months ended 31 December 2020**

**9. NET INCOME**

This is stated after charging:

	16 months to 31 December 2020 £	9 months to 31 December 2019 £
Depreciation of tangible fixed assets:		
- owned by the charity	8,350	-
Auditor's remuneration - audit	<u>4,620</u>	<u>3,900</u>

During the year, no Trustees received any remuneration (2019 - £NIL).

During the year, no Trustees received any benefits in kind (2019 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2019 - £NIL).

**10. AUDITORS' REMUNERATION**

The Auditor's remuneration amounts to an Audit fee of £4,620 (2019 - £3,900).

**11. STAFF COSTS**

Staff costs were as follows:

	16 months to 31 December 2020 £	9 months to 31 December 2019 £
Wages and salaries	297,334	219,476
Social security costs	24,788	17,416
Other pension costs	13,401	9,873
	<u>335,523</u>	<u>246,765</u>

The average number of persons employed by the charity during the year was as follows:

	16 months to 31 December 2020 No.	9 months to 31 December 2019 No.
Management	3	3
Administration and support	<u>9</u>	<u>8</u>
	<b>12</b>	<b>11</b>

No employee received remuneration amounting to more than £60,000 in either year.



**Stand by Me**  
**Notes to the Financial Statements for the 16 months ended 31 December 2020**

**12. TANGIBLE FIXED ASSETS**

	Freehold Property
	£
<b>Cost</b>	
Additions	<b>835,030</b>
At 31 December 2020	<b>835,030</b>
<b>Depreciation</b>	
Charge for the year	<b>8,350</b>
At 31 December 2020	<b>8,350</b>
<b>Net book value</b>	
At 31 December 2020	<b>826,680</b>

**13. DEBTORS**

	2020 £	2019 £
Other debtors	<b>334,746</b>	974,536
Prepayments and accrued income	<b>643</b>	168
	<b>335,389</b>	974,704

**Stand by Me**  
**Notes to the Financial Statements for the 16 months ended 31 December 2020**

**14. CREDITORS: Amounts falling due within one year**

	2020 £	2019 £
Other loans	<b>50,000</b>	50,000
Trade creditors	<b>5,455</b>	-
Other taxation and social security	<b>7,881</b>	7,528
Other creditors	<b>2,984</b>	-
Accruals and deferred income	<b>8,520</b>	9,308
	<b>74,840</b>	66,836

Other loans relate to an interest free loan of £400,000 given to Stand By Me in September 2019, from which the Charity is being released over a number of years.

**15. CREDITORS: Amounts falling due in more than one year**

	2020 £	2019 £
Other loans	<b>300,000</b>	350,000



**Stand by Me**  
**Notes to the Financial Statements for the 16 months ended 31 December 2020**

**16. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
General Funds - all funds	<b>716,592</b>	<b>758,136</b>	<b>(599,327)</b>	<b>170,660</b>	<b>1,046,061</b>
<b>Restricted funds</b>					
Restricted Funds - all funds	<b>968,053</b>	<b>1,694,934</b>	<b>(1,337,281)</b>	<b>(170,660)</b>	<b>1,155,046</b>
Total of funds	<b>1,684,645</b>	<b>2,453,070</b>	<b>(1,936,608)</b>	<b>-</b>	<b>2,201,107</b>

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2019 £
<b>Unrestricted funds</b>					
General Funds - all funds	666,803	586,569	(534,225)	(2,555)	716,592
<b>Restricted funds</b>					
Restricted Funds - all funds	886,620	1,039,822	(960,944)	2,555	968,053
Total of funds	1,553,423	1,626,391	(1,495,169)	-	1,684,645

**Stand by Me**  
**Notes to the Financial Statements for the 16 months ended 31 December 2020**

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Tangible fixed assets	<b>826,680</b>	-	<b>826,680</b>
Current assets	<b>594,221</b>	<b>1,155,046</b>	<b>1,749,267</b>
Creditors due within one year	<b>(74,840)</b>	-	<b>(74,840)</b>
Creditors due in more than one year	<b>(300,000)</b>	-	<b>(300,000)</b>
	<b>1,046,061</b>	<b>1,155,046</b>	<b>2,201,107</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Current assets	1,133,427	968,053	2,101,480
Creditors due within one year	(66,835)	-	(66,835)
Creditors due in more than one year	(350,000)	-	(350,000)
	716,592	968,053	1,684,645



## Stand by Me

### Notes to the Financial Statements for the 16 months ended 31 December 2020

#### 18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31 December 2020 £	9 months to 31 December 2019 £
Net income for the year (as per Statement of Financial Activities)	516,462	131,222
<b>Adjustment for:</b>		
Depreciation charges	8,350	-
Decrease / (increase) in debtors	639,315	(763,831)
(Decrease)/increase in creditors	(41,996)	404,323
<b>Net cash provided by/(used in) operating activities</b>	<b>1,122,131</b>	<b>(228,286)</b>

#### 19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31 December 2020 £	31 December 2019 £
Cash in hand	1,413,878	1,126,777
Total	1,413,878	1,126,777

## Stand by Me

### Notes to the Financial Statements for the 16 months ended 31 December 2020

#### 20. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £13,402 (9 months to Dec 2019 - £9,873).

#### 21. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

#### 22. TRANSFER FROM UNINCORPORATED CHARITY TO CHARITABLE INCORPORATED ORGANISATION

In 1995, *Stand by Me* was established as a Charitable Trust with a Declaration of Trust as a governing document. The advantages of a Charitable Trust is its simplicity to set up as a charity and to administer. The principle disadvantage is that a Charitable Trust is not recognised as a corporate body meaning it does not have the protection of limited liability. A particular shortcoming is that any property, contracts and agreements must be held personally by the Charity Trustees.

The trustees took the view at the beginning of 2019, because the Hornchurch office lease was due to expire in May 2020, that the Charity needed to have a change of structure in order to have the opportunity of entering into contracts – specifically relating to property. The trustees decided that *Stand by Me* should become a Charitable Incorporated Organisation (CIO).

To achieve this objective, the following steps were taken:

- *Stand by Me* as a UK Charitable Incorporated Organisation No.1185124 was established on 2nd September 2019.
- *Stand by Me* Charitable Trust Charity No 1045430 was wound up and its assets transferred to the CIO on 31 December 2019.

The income and expenses reported for 16 months to 31 December 2020 therefore all relates to the period from 1 January 2020 to 31 December 2020.





**STAND**  
**BY me**

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Stand By Me is a registered Charitable  
Incorporated Organisation in the UK  
(No. 1185124)