

SSERC LIMITED
(A Company Limited by Guarantee)

REPORT AND ACCOUNTS
for the year ended 31 March 2024

Scottish Charity number SC017884

Company number SC131509

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SSERC LIMITED

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SSERC LIMITED

DIRECTORS' REPORT

Objectives and Activities

SSERC offers a broad portfolio of products and services to schools and Local Authorities in Scotland, principally in support of the STEM (Science, Technology, Engineering and Mathematics and including digital skills and computing science) areas of the curriculum. These services can be broken down into three main stands of activity:

- The Advisory Service for Local Authorities and other members.
- Provision of Professional Learning (PL) for childminders, early years, primary and secondary teachers and school and college technicians some of which is financed by various STEM industries.
- STEM engagement activities, including the operation of the STEM Ambassador Programme in Scotland, the Young STEM Leader Programme, the Nuffield Research Placement Programme, the Scottish STEM Placement Programme, and the ESERO Space Champion Programme in Scotland.

Advisory Service

It is important that risks are managed responsibly and sensibly. We believe that health and safety legislation should not be a barrier to providing valuable learning experiences for young people. As a result, we offer a range of training courses and guidance materials which discourage bureaucratic and overly complex methods of risk management. Our range of services includes:

- Specialist Health & Safety advice for schools and Local Authorities.
- Unlimited access to specialist advisors in Primary Science, Biology, Chemistry, Physics, Technology, Technician Services and Health and Safety.
- Guidance and compliance advice for Radiological Health & Safety legislation through our Radiation Protection Adviser.
- Free courses for curriculum leaders covering Health and Safety management. We also provide other specialist Health and Safety courses, including Radiological Protection, which are heavily subsidised or free.
- Access to the SSERC website (www.sserc.org.uk), which contains curriculum support materials, Health and Safety advice, and resources. This includes exemplar Risk Assessments for specific subjects and whole school activities.
- Professional development programmes for managers, teachers and technicians.
- Recommendations on equipment and design of specialist accommodation.
- Free consultancy and technical information.
- Apparatus testing for safety, performance and conformance with standards.

SSERC LIMITED

DIRECTORS' REPORT (continued)

Objectives and Activities (continued)

Professional Learning

SSERC works with various partners, including the Scottish Government, Education Scotland, STEM Learning, and the Primary Science Teaching Trust (PSTT). We deliver a STEM-focused experiential PL programme for early years, primary and secondary teachers, student teachers, and technicians.

Our professional learning offering includes online courses, twilight events and live broadcast SSERC Meets, as well as daytime face-to-face courses. Our curriculum coverage spans early years, primary and secondary sectors, and we offer events for education practitioners, teachers and technicians. Our varied portfolio includes:

- Courses for probationers and newly qualified teachers.
- Subject-specific courses for teachers and practitioners in the early years, as well as the primary and secondary sectors.
- Health and Safety courses for teachers and technicians.
- Design and manufacturing courses for technology teachers.
- Courses targeted at science and technology support staff (many of these courses are levelled and credit-rated by SQA within the Scottish Credit and Qualifications Framework).
- Leadership courses for Curriculum Leaders and Heads of Faculty.
- The annual Technician Conference.

STEM Ambassador Programme in Scotland

As a STEM Ambassador Partner, SSERC operates the STEM Ambassador Programme across Scotland on behalf of STEM Learning.

STEM Ambassadors work with young people to bring STEM subjects alive through real-life experiences. They are volunteers of 17 years and above, representing a vast range of STEM-related jobs across the UK. Our ambassadors include apprentices, zoologists, set designers, climate change scientists, engineers, farmers, geologists, nuclear physicists and architects. They help open the doors to a world of opportunities and possibilities that come from pursuing STEM subjects and careers. They not only inspire young people; they also support teachers in the classroom by explaining current applications of STEM in industry or research. STEM Ambassadors work with young people to bring STEM subjects alive through real-life experiences.

More information can be found on our dedicated website at www.stemambassadors.scot

Young STEM Leader Programme

The Young STEM Leader Programme (YSLP) is an exciting initiative funded by the Scottish Government. This development supports young people in both school and community settings to inspire each other to get involved with STEM. Working with various partners, the focus is on training and support for young people, enabling them to act as positive role models in STEM. We have also developed a framework of accreditation routes which provide formal recognition for programme participants. More information about the programme can be found at www.youngstemleader.scot

SSERC LIMITED

DIRECTORS' REPORT (Continued)

Achievements and Performance

With the return of assignments and projects for National 5, Higher and Advanced Higher science exams, there was a large demand from teachers on how to support learners in developing practical activities and managing their projects. SSERC put on low-cost one-day courses to support this need, which 161 teachers attended. In addition, online twilight sessions for biology assignments and projects saw over 530 viewers join our broadcast. We understand that some connections to these broadcasts had more than one teacher present, so the actual number of teachers who benefited is much higher than this official total of 530.

The 2023 SSERC Honorary Fellowship Award was awarded to Iain Hunter, Research Professor of Molecular Microbiology at the University of Strathclyde. Iain is an avid supporter of SSERC and has a strong interest in promoting STEM subjects. The Honorary Fellowship Award is given to individuals who have made an exceptional contribution to STEM learning and training in Scotland throughout their careers and demonstrate the values associated with SSERC. SSERC plans to award further Honorary Fellowships during the autumn of 2024.

Information about other specific activities and achievements of SSERC during the year can be found in our Annual Report, which is available on the SSERC website <https://www.sserc.org.uk/corporate/who-we-are/>

Financial Review

The level of unrestricted funds in the year increased by £166,103 (2023: decreased by £207,198) before other recognised gains or losses. After the £66,000 defined benefit pension scheme loss on re-measurements (2023: £ 2,217,000 gain), unrestricted funds carried forward at the year's end are £1,300,545 (2022: £1,200,442).

The FRS102 Actuarial Valuation for Accounting Purposes as of 31 March 2024 highlighted a net pension asset of £1,336,000 (2022: asset of £ 1,217,000). Theoretically, this asset represents SSERC's ability to reduce pension contributions to the Lothian Pension Fund in the future. However, there have been significant swings in the FRS 102 valuation in recent years, both negative and positive. This introduces a level of doubt as to whether SSERC will see any gain because of this valuation. As a result, the pension asset has been excluded from SSERC's reserves in both 2023 and 2024.

The level of restricted funds decreased by £62,830 (2023: decrease of £16,972), leaving restricted funds carried forward at the year-end of £51,755 (2023: £114,585).

Reserves Policy

SSERC has considered the reserves required, including all current and future liabilities. In previous years, the reserves policy was that free reserves must equate to at least six months of unrestricted charitable expenditure. Free reserves were defined as unrestricted funds less than 20% of the pension scheme liability.

Following many years of pension deficits, the Lothian Pension Fund accounting valuation saw a further positive movement in 2024, with the pension asset now standing at £1.336 million. SSERC does not recognise the pension asset in our reserves.

SSERC has taken this change as an opportunity to revisit our reserves policy. A desktop exercise has assessed the biggest financial risk to SSERC, which would be the loss of the Scottish Government Professional Learning grant. In such a scenario, SSERC estimates that the impact of such a loss, together with the time needed to restructure, would require reserves of £1 million. The balance of unrestricted funds at 31 March 2024 is £1,300,545, which is £300,545 higher than required under this reserves policy.

SSERC LIMITED

DIRECTORS' REPORT (Continued)

Loss of Professional Learning Grant from STEM Learning

Following a loss in UK Government funding, STEM Learning has ended its grant to support our Professional Learning Courses. In addition, STEM Learning has had to end the programme of Enthuse subsidies that supported teachers in attending our courses.

For the year to 31 March 2025, SSERC will lose £67,000 towards salary costs, and the loss of Enthuse subsidies will put at risk £93,000 of income from courses. In the year to 31 March 2026, the loss of support for salaries would rise to £101,000 and the loss of Enthuse subsidies would put at risk £139,000 of course income.

In response to this issue, the Board has approved the transfer of £110,000 into a designated fund for 2024/25 to support salaries and courses. This will give SSERC time to look for new sources of funding and to restructure courses, where necessary. This will allow staff to maintain the quality of our professional offering without the need for knee-jerk changes or redundancies.

Plans for the Future

Supported by Ocean Winds, SSERC has developed an expansion of the Young STEM Leader Programme to SCQF Level 7. This presents a unique opportunity for SSERC to build on the success of our existing offers, including the STEM Ambassador Programme and Education Industry Partnerships. In addition to providing the next step for YSLs in schools and community groups, it is hoped that the award will encourage more young people in colleges to consider becoming a Young STEM Leader. After a successful pilot, this new qualification will be formally launched in October 2024.

SSERC is developing a Leadership in Technical Support Course, which will be launched in the Autumn of 2024. We believe that this is an important step in continuing to raise the profile and importance of the technician profession, which supports so many aspects of STEM activity in schools and colleges. Initial indications are that, when launched, this course will be oversubscribed.

Structure, Governance and Management

Chair of Board

Alistair Wylie is the Interim Chair of the SSERC Board. Alistair has a career in education spanning 30 years and is currently Managing Director of Bell-Wylie Consulting, a multi-disciplinary education consulting company based in Scotland.

Governing Document

SSERC Limited is a charitable company limited by guarantee, incorporated on 29 April 1991 and registered as a charity at the same time. The Company was established under a Memorandum of Understanding, which establishes the objectives and powers of the charitable company and is governed by its Articles of Association. In the event of the Company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Directors

Under the Articles, Directors are appointed by the Board based on approval by a Nominations Committee (a sub-committee of the SSERC Board). Members may make suggestions to the Nominations Committee. The cap on the number of Directors is 20. The Board considers that a board of 20 persons is adequate for the Company's requirements; this cap has never proved an issue, and the Nominations Committee will seek to ensure that the board comprises individuals with appropriate skills and interests. The current Board of Directors and Trustees membership can be found at www.sserc.org.uk/corporate/who-we-are/

SSERC LIMITED

DIRECTORS' REPORT (Continued)

Director Induction and Training

Most Directors are familiar with the organisation's work before appointment, being, in the main, drawn from a local Authority or STEM Education background.

All new Directors receive training led by the Chief Executive Officer and supported by SSERC's solicitors, Morton Fraser MacRoberts, and other SSERC staff. They are also invited to discuss the organisation's workings with the Chief Executive Officer and encouraged to explore the company's website to familiarise themselves with its context.

Risk Management

The Senior Management Team reviews and updates the Risk Register before each meeting of the Audit & Risk Committee (a subcommittee of the SSERC Board). Internal controls ensure that risks are minimised by implementing procedures for authorising all transactions and projects. Procedures are also in place and regularly updated to ensure compliance with health and safety legislation and best practices.

Insurers underwrite some of the risks to the Company and its operations. The costs of such insurance, in particular professional indemnity (PI), employer's liability, and public liability, were maintained at a similar level to last year but remain substantial. For the next financial year, turnover and staff costs are expected to remain similar because of the organisation's involvement with grant-funded Professional Learning projects.

Organisational Structure

SSERC Limited has a Board of Directors of up to 20 members who meet at least quarterly. The Board, consisting of local authority officers and local and national politicians, is responsible for the strategic direction and policy of the organisation. There are three sub-committees of the Board:

- The Audit & Risk Management Committee examines and advises the whole Board, through the Risk Register, on the control of risks faced by SSERC.
- The Nominations Committee will review the board's structure, size, and composition and make recommendations about changes or succession planning.
- The Staff and Remuneration Committee will determine the framework for the remuneration of the Chief Executive Officer, the executive directors, and other members of the organisation as designated.

The Board delegates responsibility for the day-to-day provision of services to the Chief Executive Officer. Along with the senior management team, the Chief Executive Officer supervises the staff team and ensures that staff develop their skills and working practices in accordance with good practice.

SSERC LIMITED

DIRECTORS' REPORT (Continued)

Related Parties

Where complimentary to the organisation's objectives, SSERC Limited is guided by both local and National policy. SSERC, or individual staff members, are represented on or are invited to attend regular meetings of several organisations or interest groups, including:

- Association of Directors of Education-in Scotland (ADES)
- Association for Science Education (ASE) Health and Safety Group and Technicians Committee
- Education Scotland
- National STEM Learning Centre
- Scottish Government
- Primary Science Teaching Trust (PSTT)
- Scottish Technicians' Advisory Council (STAC)
- Skills Development Scotland (SDS)
- Scottish College STEM Partnerships
- The CLEAPSS Steering Committee
- The Microbiology in Schools Advisory Committee (MISAC)
- SQA
- Scottish Funding Council (SFC)

SSERC LIMITED

DIRECTORS' REPORT (Continued)

Reference and administrative details

Charity Name:	SSERC Limited
Scottish Charity Registration Number:	SC017884
Company Registration Number:	SC131509
Registered Office:	5 th Floor, Quatermile Two 2 Lister Square Edinburgh EH3 9GL
Principal Office:	2 Pitreavie Court, South Pitreavie Business Park Dunfermline KY11 8UU

Directors

H Coker, University of Dundee (Appointed 16 June 2023)	L Murtagh, Falkirk Council (Resigned 12 March 2024)
K Creighton, Dumfries & Galloway Council	S Naismith, Gartcosh Primary School (Appointed 16 June 2023)
G Dempster, Association of Head Teachers and Deputies in Scotland	H Phillips, Youthlink Scotland (Appointed 16 June 2023)
P Downie, Shawlands Academy (Appointed 16 June 2023)	J Reid, Larbert High School (Resigned 25 March 2024)
G Eaves, Fife Council	S Reynolds, Inverclyde Council
R Holme, University of Dundee	I Sinclair, Falkirk Council (Appointed 27 March 2024)
R Hunter, Stirling Council (Resigned 1 April 2024)	K Stewart MSP, Scottish Parliament
K Leslie, Fife Council	A Taylor, Perth and Kinross Council
D Maxwell, Dumfries and Galloway Council	K Tucker, Aberdeenshire Council (Resigned 22 March 2024)
E Maxwell, Stirling Council (Resigned 1 April 2024)	G Warren, School Leaders Scotland (Appointed 9 May 2024)
E McGowan, Aberdeen City Council	A Wylie, Ministry of Education, UAE
A McGuire, West Lothian Council	
K McNeill, ADES	
S Morrison, West Lothian College (Appointed 16 June 2023)	

Company Secretary

MFMAC Secretaries Limited
Quatermile Two, 2 Lister Square
Edinburgh EH3 9GL

Core Senior Management Team

A MacGregor	Chief Executive Officer
I Woodley	Director of Finance

Extended Senior Management Team

E Mitchell	Head of Early Years and Primary
C Lloyd	Head of Advisory Service
G Rough	Head of STEM Programmes

Auditors

MHA, Chartered Accountants
6 St Colme Street
Edinburgh EH3 6AD

SSERC LIMITED

DIRECTORS' REPORT (Continued)

Reference and administrative details (continued)

Bankers

Royal Bank of Scotland
52-54 East Port
Dunfermline KY12 7HB

Solicitors

Morton Fraser MacRoberts, Solicitors
Quatermile Two
2 Lister Square
Edinburgh EH3 9GL

Directors' Responsibilities Statement

The Directors (who are also Trustees of SSERC Limited for the purposes of Charity law) are responsible for preparing the Directors Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Statement of Disclosure to the Auditor

In so far as the directors are aware;

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- they have taken all the steps they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

SSERC LIMITED

DIRECTORS' REPORT (Continued)

Directors Responsibilities Statement (continued)

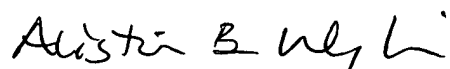
Auditors

Geoghegans resigned as auditors on 1 February 2024 following their merger with MHA, and MHA were appointed as auditors from that date. In accordance with the company's articles, a resolution proposing that MHA be reappointed as auditor of the company will be put to the Annual General Meeting.

Small Company Exemptions

This report has been prepared in accordance with the Statement of Recommended Practice — Accounting and Reporting by Charities (FRS 102) and the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the Board of Directors on 20 September 2024 and signed on its behalf by:



A Wylie
Director

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF SSERC LIMITED

Opinion

We have audited the financial statements of SSERC Limited (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024, and of the charitable company's incoming resources and application of resources, including the charitable company's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 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 directors' 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 directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF SSERC LIMITED (CONTINUED)

Other information

The other information comprises the information included in the directors' annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF SSERC LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors (who are also the trustees of the charitable company for the purposes of charity 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 directors 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 directors 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 directors 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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, outline above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of charity management and those charged with governance to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including the testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of the charity's activities and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF SSERC LIMITED (CONTINUED)

Use of 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, and to the charitable company's directors, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and directors 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, the charitable company's members as a body and the charitable company's directors as a body, for our audit work, for this report, or for the opinions we have formed.

MHA

Iain Binnie

Senior Statutory Auditor

For and on behalf of MHA

Statutory Auditor, 6 St Colme Street, Edinburgh, EH3 6AD

20 September 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313) and is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

SSERC LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
for the year ended 31 March 2024**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Income from:					
Charitable activities	3	1,199,118	1,387,825	2,586,943	2,595,758
Investment income	4	35,049	-	35,049	15,821
Other income	5	1,000	-	1,000	-
Total income		<u>1,235,167</u>	<u>1,387,825</u>	<u>2,622,992</u>	<u>2,611,579</u>
Expenditure on:					
Charitable activities	6	(1,069,064)	(1,450,655)	(2,519,719)	(2,780,749)
Other expenditure	5	-	-	-	(55,000)
Total expenditure		<u>(1,069,064)</u>	<u>(1,450,655)</u>	<u>(2,519,719)</u>	<u>(2,835,749)</u>
Net income/(expenditure)		166,103	(62,830)	103,273	(224,170)
Other recognised gains:					
Defined benefit pension scheme re-measurements	18	(66,000)	-	(66,000)	2,217,000
Net movement in funds		100,103	(62,830)	37,273	1,992,830
Reconciliation of funds:					
Total funds brought forward		<u>1,200,442</u>	<u>114,585</u>	<u>1,315,027</u>	<u>(677,803)</u>
Total funds carried forward	13/14/15	<u>1,300,545</u>	<u>51,755</u>	<u>1,352,300</u>	<u>1,315,027</u>

SSERC LIMITED

**BALANCE SHEET
as at 31 March 2024**

	Notes	2024 £	2023 £
Fixed assets			
Tangible assets	9	<u>94,303</u>	<u>94,697</u>
Current assets			
Debtors	10	90,635	142,949
Cash at bank and in hand		<u>1,390,896</u>	<u>1,311,989</u>
		1,481,531	1,454,938
Creditors: Amounts falling due within one year	11	<u>(193,534)</u>	<u>(213,608)</u>
Net current assets		<u>1,287,997</u>	<u>1,241,330</u>
		1,382,300	1,336,027
Provisions and liabilities	12	(30,000)	(21,000)
Defined benefit pension scheme asset/(liability)	18	-	-
		<u>1,352,300</u>	<u>1,315,027</u>
The funds of the charity:			
Unrestricted funds			
– <i>Unrestricted</i>	13	1,300,545	1,200,442
– <i>Pension reserve</i>	13	-	-
		<u>1,300,545</u>	<u>1,200,442</u>
Other funds – <i>Restricted</i>	14	<u>51,755</u>	<u>114,585</u>
	15	<u>1,352,300</u>	<u>1,315,027</u>

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved and authorised for issue of the Board of Directors on 20 September 2024 and signed on its behalf by:



A Wylie
Director

Company Registration Number: SC131509

SSERC LIMITED

**RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES
for the year ended 31 March 2024**

	Notes	2024 £	2023 £
Net income/(expenditure) for the year (per the SOFA)		103,273	(224,170)
Adjustments for:			
Actuarial gains		(66,000)	2,217,000
Depreciation		18,049	25,306
Investment income		(35,049)	(15,821)
Gain on disposal of fixed assets		(4,648)	-
Decrease/(increase) in debtors		52,314	(48,000)
Decrease in creditors and provisions		(11,074)	(20,101)
Decrease in defined benefit pension liabilities		-	(1,913,000)
Net cash provided by operating activities		<u>56,865</u>	<u>21,214</u>

**STATEMENT OF CASH FLOWS
for the year ended 31 March 2024**

		2024 £	2023 £
Cash flows from operating activities:			
Net cash provided by operating activities		<u>56,865</u>	<u>21,214</u>
Cash flows from investing activities:			
Investment income		35,049	15,821
Proceeds from disposal of fixed assets		4,648	-
Purchase of tangible fixed assets		(17,655)	(27,780)
Net cash flow from/(used) in investing activities		<u>22,042</u>	<u>(11,959)</u>
Change in cash and cash equivalents in the year	16	78,907	9,255
Cash and cash equivalents at the beginning of the year	16	<u>1,311,989</u>	<u>1,302,734</u>
Cash and cash equivalents at the end of the year	16	<u>1,390,896</u>	<u>1,311,989</u>

SSERC LIMITED

NOTES TO THE ACCOUNTS at 31 March 2024

1 Accounting policies

A summary of principal accounting policies, all of which have been applied consistently throughout the year and the preceding year is set out below.

Company status

SSERC Limited is a charitable company limited by guarantee, incorporated in Scotland. The address of the registered office is given in the charity information on page 6 of these financial statements.

Basis of preparation

The accounts have been prepared in accordance with the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 UK and Republic of Ireland (FRS102) issued in October 2019, the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102).

SSERC meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless stated in the relevant accounting policy note.

Going concern

The financial statements have been prepared on a going concern basis as the Directors believe that no material uncertainties exist. The Directors have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements.

The Lothian Pension Fund valuation continues to be volatile however as at 31 March 2024 showed an asset position of £1,336,000 (limited to £Nil per the Balance Sheet) and the budgeted income and expenditure remains sufficient with the level of reserves for the charitable company to be able to continue as a going concern.

Income

Income is recognised when the charitable company has entitlement to the funds, when it is probable that the income will be received and the amount can be measured reliably.

Income, including donations, gifts and legacies and grants that provide core funding or are of a general nature are recognised in the period in which they are receivable, which is when the charitable company becomes entitled to the resource.

Such income is only deferred when:

- The donor specifies that the grant or donations must only be used in future accounting years; or
- The donor has imposed conditions which must be met before the charitable company has unconditional entitlement.

Income from charitable activities includes income from subscriptions, conference and course income which is recognised when the charitable company has delivered goods or services and is therefore entitled to the income, receipt is probable and the income can be reliably measured.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company, which is normally upon notification of the interest paid or payable by the bank.

NOTES TO THE ACCOUNTS (CONTINUED)
at 31 March 2024

1 Accounting policies (continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and includes any irrecoverable VAT.

Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the audit fees and costs linked to the strategic management of the charitable company.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows :

Fittings and equipment	-	3 to 10 years
Computer equipment	-	3 to 10 years
Tenants' improvements	-	3 to 7 years
Motor vehicles	-	5 years

Minor fixed asset additions costing less than £1,500 are written off in the year of acquisition.

Debtors

Trade debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and cash 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.

Creditors and provisions

Creditors are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

NOTES TO THE ACCOUNTS (CONTINUED)
at 31 March 2024

1 Accounting policies (continued)

Financial instruments

The charitable company only has financial assets and 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.

Pensions

The charitable company is a member of the Lothian Pension Fund which is a multi-employer Local Government defined benefit pension scheme. The assets of the scheme are held separately from those of the company and pensions payable under the scheme are based on final pensionable salary. In accordance with the requirements of FRS 102 the operating costs of providing these benefits are recognised in the SOFA in the accounting year in which the benefits are earned by the employees and related financing and other costs are recognised in the year in which they arise.

The charitable company also operates a NEST defined contribution pension scheme. Contributions payable to the this pension scheme are charged to the SOFA in the period to which they relate.

Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity. Where designated, these are unrestricted funds set aside by the directors for specific future purposes or projects. Restricted funds are funds subject to specific restrictive conditions imposed by the donors.

Operating leases

Rentals payable under operating leases are charged on a straight line basis over the lease term.

SSERC LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)
at 31 March 2024

2 Net income and expenditure	2024	2023
<i>This is stated after charging :</i>	£	£
Directors' PII	1,000	1,000
Auditors' remuneration – audit	8,790	7,990
Auditor and its associates' remuneration – other services	3,760	3,425
Depreciation	<u>18,049</u>	<u>25,306</u>

3 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Local authority contributions	772,191	-	772,191	739,826
Grants receivable	7,000	1,387,825	1,394,825	1,504,672
Training courses	218,623	-	218,623	202,446
Wider STEM engagement activities	146,568	-	146,568	88,854
Subscriptions	25,733	-	25,733	23,537
Other charitable activities income	<u>29,003</u>	<u>-</u>	<u>29,003</u>	<u>36,423</u>
	<u>1,199,118</u>	<u>1,387,825</u>	<u>2,586,943</u>	<u>2,595,758</u>

Income from charitable activities in the year was £2,586,943 (2023: £2,595,758) of which £1,199,118 (2023: £1,095,352) was unrestricted and £1,387,825 (2023: £1,500,406) was restricted.

4 Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Interest received	<u>35,049</u>	<u>-</u>	<u>35,049</u>	<u>15,821</u>

Investment income was unrestricted in both the current and prior year.

5 Other income/(expenditure)

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Net interest on net assets/(liabilities) of defined benefit pension scheme	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>(55,000)</u>

Other income/(expenditure) was unrestricted in both the current and prior year.

SSERC LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)
at 31 March 2024

6	Analysis of expenditure on charitable activities	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
	Grants payable	17,386	1,992	19,378	21,886
	Staff costs (note 8)	472,311	1,162,799	1,635,110	1,958,432
	Property costs	180,301	42,093	222,394	204,461
	Supplies and services	170,155	139,688	309,843	289,945
	Other operating and administration costs	204,608	104,083	308,691	282,992
	Governance costs (note 7)	24,303	-	24,303	23,033
		<u>1,069,064</u>	<u>1,450,655</u>	<u>2,519,719</u>	<u>2,780,749</u>

Expenditure on charitable activities in the year was £2,519,719 (2023: £2,780,749) of which £1,069,064 (2023: £1,263,371) was unrestricted and £1,450,655 (2023: £1,517,378) was restricted.

7	Governance costs	2024 £	2023 £
	Audit and accounting fees	12,550	11,415
	Legal fees	-	350
	Staff costs (note 8)	<u>11,753</u>	<u>11,268</u>
		<u>24,303</u>	<u>23,033</u>

SSERC LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)
at 31 March 2024

8 Staff costs and numbers	2024	2023
	£	£
Salaries	1,259,301	1,265,440
Social security costs	132,861	138,016
Pension costs	319,701	317,244
Operating costs of defined benefit pension scheme	<u>(65,000)</u>	<u>249,000</u>
	<u>1,646,863</u>	<u>1,969,700</u>
<i>Allocated:</i>		
Charitable activities (note 5)	1,635,110	1,958,432
Governance costs (note 7)	<u>11,753</u>	<u>11,268</u>
	<u>1,646,863</u>	<u>1,969,700</u>
 Average number of employees (full time equivalents):		
Company employees	<u>33</u>	<u>34</u>

One employee received emoluments in the range £100,000 to £110,000 and one employee received emoluments in the range £60,000 to £70,000. In addition, pension benefits were accrued for these employees under a defined benefit arrangement. (2023: One employee received emoluments in the range £90,000 to £100,000 and one employee received emoluments in the range £60,000 to £70,000. In addition pension benefits were accrued for these employees under a defined benefit arrangement).

The total amount of employee benefits received by key management personnel is £235,070 (2023: £225,355). The key management personnel comprise the Chief Executive Officer and Director of Finance (2023: Chief Executive Officer and Director of Finance).

28 (2023: 33) of the company employees are members of the Lothian Pension Fund.

5 (2023: 4) of the company employees are members of the NEST Pension Scheme.

No travel costs were reimbursed to directors in the year (2023: None).

SSERC LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)
at 31 March 2024

9	Tangible fixed assets	Tenants' Improvements £	Motor Vehicles £	Fixtures & Equipment £	Computer Equipment £	Total £
	Cost					
	At 1 April 2023	510,947	10,835	164,737	171,323	857,842
	Additions	1,970	-	1,645	14,040	17,655
	Disposals	-	(10,835)	(1,474)	(7,508)	(19,817)
	At 31 March 2024	<u>512,917</u>	<u>-</u>	<u>164,908</u>	<u>177,855</u>	<u>855,680</u>
	Aggregate depreciation					
	At 1 April 2023	488,986	10,835	147,933	115,391	763,145
	Charge	9,454	-	3,120	5,475	18,049
	Disposals	-	(10,835)	(1,474)	(7,508)	(19,817)
	At 31 March 2024	<u>498,440</u>	<u>-</u>	<u>149,579</u>	<u>113,358</u>	<u>761,377</u>
	Net Book Value					
	At 31 March 2024	<u>14,477</u>	<u>-</u>	<u>15,329</u>	<u>64,497</u>	<u>94,303</u>
	At 31 March 2023	<u>21,961</u>	<u>-</u>	<u>16,804</u>	<u>55,932</u>	<u>94,697</u>
10	Debtors				2024 £	2023 £
	Due within one year					
	Trade debtors				25,009	70,325
	Prepayments and accrued income				59,261	65,526
	Other debtors				3,365	4,098
					<u>87,635</u>	<u>139,949</u>
	Due after one year					
	Prepayments and accrued income				<u>3,000</u>	<u>3,000</u>
					<u>90,635</u>	<u>142,949</u>
11	Creditors: Amounts falling due within one year				2024 £	2023 £
	Trade creditors				10,633	23,587
	Taxation and social security costs				32,881	33,589
	Accruals				68,540	61,606
	Deferred income				48,660	61,632
	Other creditors				32,820	33,194
					<u>193,534</u>	<u>213,608</u>

SSERC LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)
at 31 March 2024

11 Creditors: Amounts falling due within one year (continued)

Deferred income

2023/24	Balance 1 April 2023 £	Released in year £	Deferred in year £	Balance 31 March 2024 £
In Service Days for Moray Local Authority	5,468	(5,468)	-	-
EIP Partnership Glasgow	4,356	(4,356)	-	-
EIP Leidos Partnerships	1,685	(1,685)	9,202	9,202
EIP Ocean Winds	8,544	(8,544)	19,843	19,843
EIP Neptune Energy	7,993	(7,993)	-	-
ENTHUSE Leadership Course	2,666	(2,666)	4,280	4,280
ENTHUSE Supporting STEM Course	1,920	(1,920)	-	-
Ocean Winds Support for Young STEM Leaders	19,750	(14,254)	-	5,496
EIP Partnership Aramco	3,750	(3,135)	-	615
EIP Partnership Spectris	1,750	(1,634)	-	116
EIP Partnership Intergen	3,750	(2,500)	-	1,250
EIP Amazon	-	-	1,679	1,679
EIP APAX	-	-	2,500	2,500
BP Super Enthuse	-	-	3,679	3,679
	<u>61,632</u>	<u>(54,155)</u>	<u>41,183</u>	<u>48,660</u>

The above income has been deferred on the basis that it relates to 2024/25 SSERC activities.

SSERC LIMITED

NOTES TO THE ACCOUNTS (Continued)
at 31 March 2024

11 Creditors: Amounts falling due within one year (continued)

Deferred income

2022/23	Balance 1 April 2022 £	Released in year £	Deferred in year £	Balance 31 March 2023 £
Science for Secondary Probationers	3,680	(3,680)	-	-
In Service Days for Moray Local Authority	5,468	-	-	5,468
Technician Courses	1,200	(1,200)	-	-
Welding Skills (Fife)	400	(400)	-	-
Digital Skills Course	550	(550)	-	-
EIP Partnership Aberdeen	6,364	(6,364)	-	-
EIP Partnership Glasgow	11,500	(11,500)	4,356	4,356
EIP Leidos Partnerships	6,250	(6,250)	1,685	1,685
EIP Ocean Winds	17,502	(17,502)	8,544	8,544
EIP Neptune Energy	18,630	(18,630)	7,993	7,993
Residential Events	993	(993)	-	-
Practical Techniques for Biologists	1,760	(1,760)	-	-
ENTHUSE Leadership Course	-	-	2,666	2,666
ENTHUSE Supporting STEM Course	-	-	1,920	1,920
Ocean Winds Support for Young STEM Leaders	-	-	19,750	19,750
EIP Partnership Aramco	-	-	3,750	3,750
EIP Partnership Spectris	-	-	1,750	1,750
EIP Partnership Intergen	-	-	3,750	3,750
	<u>74,297</u>	<u>(68,829)</u>	<u>56,164</u>	<u>61,632</u>

The above income was deferred on the basis that it related to 2023/24 SSERC activities.

12 Provisions for liabilities	2024 £	2023 £
Dilapidation charge	<u>30,000</u>	<u>21,000</u>

The provision for lease dilapidation is in respect of ensuring the premises are returned to their original condition. This provision will come into effect on termination of lease with Fife Council.

13 Unrestricted funds

2023/24	At 1 April 2023 £	Income £	Expenditure £	(Losses) £	At 31 March 2024 £
General funds	1,200,442	1,234,167	(1,134,064)	-	1,300,545
Pension reserve	-	1,000	65,000	(66,000)	-
	<u>1,200,442</u>	<u>1,235,167</u>	<u>(1,069,064)</u>	<u>(66,000)</u>	<u>1,300,545</u>

SSERC LIMITED

NOTES TO THE ACCOUNTS (Continued)
at 31 March 2024

13 Unrestricted funds (continued)

2022/23	At 1 April 2022	Income	Expenditure	Gains	At 31 March 2023
	£	£	£	£	£
General funds	1,103,640	1,111,173	(1,014,371)	-	1,200,442
Pension reserve	<u>(1,913,000)</u>	-	<u>(304,000)</u>	<u>2,217,000</u>	-
	<u>(809,360)</u>	<u>1,111,173</u>	<u>(1,318,371)</u>	<u>2,217,000</u>	<u>1,200,442</u>

14 Restricted funds

2023/24	At 1 April 2023	Income	Expenditure	At 31 March 2024
	£	£	£	£
Scottish Government CLPL Science and Technology	-	780,582	(780,582)	-
PSTT Sustainability and Extension	15,090	7,500	(16,951)	5,639
PSTT Strategic Partnership	43,958	25,000	(68,958)	-
STEM Learning Course Management	15,921	110,060	(109,916)	16,065
Skills Development Scotland – Interactive e-learning	17	-	(17)	-
Scottish Metals	565	-	(565)	-
Young Stem Leader Programme	-	204,250	(204,250)	-
Royal Society of Biology (Scotland)	515	-	-	515
Biochemical Society	5,000	-	(5,000)	-
STEM Learning: STEM Ambassadors in Scotland Hub	8,508	184,316	(179,141)	13,683
Edina Trust	27,019	-	(27,019)	-
STEM Enrichment	(2,514)	69,717	(52,367)	14,836
Digital Xtra Fund	506	4,500	(5,006)	-
Digital Garden	-	1,900	(883)	1,017
	<u>114,585</u>	<u>1,387,825</u>	<u>(1,450,655)</u>	<u>51,755</u>

SSERC LIMITED

NOTES TO THE ACCOUNTS (Continued)
at 31 March 2024

14 Restricted funds (continued)

2022/23	At 1 April 2022 £	Income £	Expenditure £	At 31 March 2023 £
Scottish Government Professional Learning in Science & Technology	-	821,665	(821,665)	-
PSTT Sustainability and Extension	24,571	15,000	(24,481)	15,090
PSTT Strategic Partnership	60,678	50,000	(66,720)	43,958
STEM Learning Course Management	7,072	123,962	(115,113)	15,921
Skills Development Scotland – Interactive e-learning	1,580	-	(1,563)	17
Scottish Metals	1,565	-	(1,000)	565
Young Stem Leader Programme	8,939	215,000	(223,939)	-
Royal Society of Biology (Scotland)	1,445	-	(930)	515
Biochemical Society	5,000	-	-	5,000
STEM Learning: STEM Ambassadors in Scotland Hub	-	208,010	(199,502)	8,508
Edina Trust	2,749	32,000	(7,730)	27,019
STEM Enrichment	16,943	34,270	(53,727)	(2,514)
Digital Xtra Fund	1,015	499	(1,008)	506
	<u>131,557</u>	<u>1,500,406</u>	<u>(1,517,378)</u>	<u>114,585</u>

The purpose of each restricted fund is as follows:

Scottish Government Professional Learning in Science & Technology

Scottish Government grant to support Science & Technology education in Scotland through a programme of Professional Learning.

PSTT Sustainability and Extension

Grant provided by the Primary Science Teaching Trust to raise confidence and competency of primary school teachers in science and technology.

PSTT Strategic Partnership

Grant provided by the Primary Science Teaching Trust to provide staff to support the PSTT Sustainability and Extension programme above.

STEM Learning Course Management

Grant funding provided to support teacher and technician CPD.

Skills Development Scotland – Interactive e-learning

Grant to develop and deliver a package of Interactive e-learning sessions for teachers.

SSERC LIMITED

NOTES TO THE ACCOUNTS (Continued) at 31 March 2024

14 Restricted funds (continued)

Scottish Metals

Grant provided from the Scottish Association for Metals to support the attendance of delegates to the Engineering Bench Skills Course and the Scottish Universities Technology School.

Young Stem Leader Programme

Scottish Government grant for a new initiative supporting young people in both school and community settings to inspire each other to get involved in STEM.

Royal Society of Biology (Scotland)

This grant is to support the costs of future Royal Society of Biology (Scotland) annual teacher meetings.

Biochemical Society

This grant will support teacher placements in STEM industries.

STEM Learning: STEM Ambassadors in Scotland Hub

Funds received for SSERC to act as a STEM Ambassador Hub for Scotland.

Edina Trust

This grant funded resource boxes for schools participating in SSERC Meets.

STEM Enrichment

The STEM Enrichment fund co-ordinates Nuffield Research Placements within Scotland. These placements enable students to deepen their understanding of STEM and STEM-related subjects, skills, and research, and encourage them to pursue further studies and careers in STEM. The negative year end balance in 22/23 will be offset against further receipts due in 23/24.

Digital Xtra Fund

This funding, in furtherance of the VEX GO Robotics Challenge initiative, is to provide teacher training on incorporating robotics within STEM based lessons.

Digital Garden

The Digital Garden Fund is to provide a second space for the collaborative 'Digital Garden' programme between SSERC and King's Road Primary School in Rosyth.

SSERC LIMITED

**NOTES TO THE ACCOUNTS (Continued)
at 31 March 2024**

15 Analysis of net assets between funds

2023/24	Unrestricted £	Restricted £	Total 2024 £
Tangible fixed assets	94,303	-	94,303
Net current assets	1,236,242	51,755	1,287,997
Provisions	(30,000)	-	(30,000)
	<u>1,300,545</u>	<u>51,755</u>	<u>1,352,300</u>
2022/23	Unrestricted £	Restricted £	Total 2023 £
Tangible fixed assets	94,697	-	94,697
Net current assets	1,126,745	114,585	1,241,330
Provisions	(21,000)	-	(21,000)
Pension liability	-	-	-
	<u>1,200,442</u>	<u>114,585</u>	<u>1,315,027</u>

16 Analysis of changes in net debt

	At 1 Apr 2023 £	Cashflows £	At 31 Mar 2024 £
Cash in bank and in hand	<u>1,311,989</u>	<u>78,907</u>	<u>1,390,896</u>

17 Related Party Transactions

During the period, donations totalling £150 were donated by Bell-Wylie Limited, of which Alistair Wylie is a Director, towards the Digital Garden Project (2023: none).

18 Pension commitments

The charitable company operated a NEST defined contribution pension scheme on behalf of its employees in the year. Employer contributions of £6,441 (2023: £3,286) have been made during the year. At 31 March 2024 contributions amounting to £1,103 (2023: £337) are payable and are included in creditors.

NOTES TO THE ACCOUNTS (Continued)
at 31 March 2024

18 Pension commitments (continued)

The charitable company is also an employer member of the Lothian Pension Fund and provides benefits based on career average pensionable pay (although any benefits built up to 31 March 2015 are based on final pensionable pay). The assets of the Fund are held separately from those of the company and are controlled by independent trustees on behalf of the members. Contributions to the Fund are centrally calculated as a whole for all participating employers and they are determined by a qualified actuary on the basis of triennial valuations, the most recent valuation being as at 31 March 2023. Contributions to the Fund are charged to the Income and Expenditure Account and although centrally calculated provide a fair basis to spread the cost of pensions over the employees' average working lives with the company. The contributions of the company were 26.3% of pensionable salary during the year.

An allowance for full GMP equalisation was included within the 31 March 2023 funding valuation position and therefore the allowance is automatically included within the 31 March 2024 results. It is understood that any further GMP equalisation rulings are unlikely to be significant in terms of impact on the pension obligations of a typical Employer. As a result, there is no allowance for this made within the calculations.

An allowance for the estimated impact of the McCloud judgement was included within the 31 March 2023 valuation and has been carried forward in the 2024 results. No explicit additional adjustment for McCloud has been added to the current service cost for 2023/2024.

	2024	2023
	£	£
The LPF pension charge for the year	<u>248,353</u>	<u>562,958</u>

The main financial assumptions are as follows:	2024	2023
Pension increase rate	2.75%	2.95%
Salary increase rate	3.45%	3.45%
Discount rate	4.85%	4.75%

Mortality assumptions:

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2020 model, with a 0% weighting of 2020 data, standard smoothing (Sk7), initial adjustment of 0.50% and a long term rate of improvement of 1.5% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

Current pensioners	- male	22.3 years	19.9 years
	- female	24.3 years	22.9 years
Future pensioners*	- male	22.0 years	21.2 years
	- female	25.4 years	24.7 years

* Figures include members aged 45 as at last formal valuation date.

SSERC LIMITED

NOTES TO THE ACCOUNTS (Continued)
at 31 March 2024

18 Pension commitments (continued)

	2024	2023
	£000	£000
The total cost recognised in the year were as follows:		
Current and past service costs	248	562
Net interest expense	(1)	55
	<u>247</u>	<u>617</u>
Recognised in other (gains)/losses:		
Total remeasurements recognised in OCI	(1,270)	(3,434)
Asset ceiling adjustment	1,336	1,217
	<u>66</u>	<u>(2,217)</u>
Total loss / (gain) recognised	<u>313</u>	<u>(1,600)</u>
Amounts recognised in the balance sheet were as follows:		
	2024	2023
	£000	£000
Present value of funded obligations	(7,011)	(6,364)
Fair value of plan assets	8,347	7,581
Asset ceiling cap	(1,336)	(1,217)
	<u>-</u>	<u>-</u>
Changes in the present value of the defined benefit obligations were as follows:		
	2024	£000
Opening defined benefit obligation		(6,364)
Current service cost		(248)
Interest expense		(307)
Actuarial gains		(181)
Contributions by scheme participants		(81)
Benefits paid		170
		<u>(7,011)</u>
Changes in the fair value of the pension plan assets were as follows:		
	2024	£000
Opening plan assets		7,581
Interest income		366
Actual return on plan assets (excluding interest income)		176
Contributions by charity		313
Contributions by scheme participants		81
Benefits paid		(170)
		<u>8,347</u>

SSERC LIMITED

**NOTES TO THE ACCOUNTS (Continued)
at 31 March 2024**

18 Pension commitments (continued)

The amount that each major class of pension plan assets constitutes of the fair value of the total plan assets is split as follows:

	2024	2023
Equity instruments	71%	72%
Bonds	17%	15%
Property	8%	8%
Cash	4%	5%
	<u>100%</u>	<u>100%</u>

The return on plan assets was as follows:

	2024	2023
	£000	£000
Interest income	366	197
Actual return on plan assets (excluding interest income)	<u>105</u>	<u>(39)</u>
	<u>471</u>	<u>158</u>

19 Other financial commitments

	Equipment		Land and Buildings	
	2024	2023	2024	2023
	£	£	£	£
Total commitments under non-cancellable operating leases were as follows :				
Expiry Date :				
Within one year	6,353	6,353	140,000	140,000
Within two to five years	<u>11,342</u>	<u>17,695</u>	<u>93,800</u>	<u>233,800</u>

20 Capital commitments

There were contractual commitments for the remainder of the construction of the new website contracted but not provided for as at 31 March 2024 of £3,320. (2023: Contractual commitments for the CRM Dynamics implementation system contracted for but not provided in the financial statements of £4,352).

21 Taxation

As a charity, SSERC is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charitable company.