

**SSERC LIMITED**  
(A Company Limited by Guarantee)

**REPORT AND ACCOUNTS**  
**for the year ended 31 March 2021**

Scottish Charity number SC017884

Company number SC131509



COMPANIES HOUSE

**16 DEC 2021**

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**SSERC LIMITED**

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## **SSERC LIMITED**

### **DIRECTORS' REPORT**

#### **Objectives and Activities**

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

- The Advisory Service for Local Authority and other members.
- Provision of Professional Learning (PL) for childminders, early years, primary and secondary teachers and school and college technicians.
- Lead Coordination role for STEM Ambassadors in Scotland, responsibility for SAE@SSERC (the STEM Ambassador Hub for the East of Scotland) and wider STEM engagement activities including the Young STEM Leader and the Scottish STEM Placement Programmes.

#### **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 the provision of valuable learning experiences for young people. As a result, we offer a range of training courses and guidance materials which discourage bureaucratic and over complex methods of risk management. Our range of services include:

- 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 the management of Health & Safety. We also provide other specialist Health & Safety courses, including Radiological Protection, which are heavily subsidised or free.
- Access to the SSERC website ([www.sserc.scot](http://www.sserc.scot)), which contains curriculum support materials and Health & Safety advice and resources. This includes exemplar Risk Assessments for both specific subject 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.

#### **Professional Learning**

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

## **SSERC LIMITED**

### **DIRECTORS' REPORT (continued)**

#### **Objectives and Activities (continued)**

##### **Professional Learning (continued)**

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 both the primary and secondary sectors and we offer events for teachers, trainee teachers and technicians. Our varied portfolio includes:

- Courses for probationers and newly qualified teachers.
- Subject specific courses for teachers in primary and secondary sectors.
- A range of transition courses to promote enhanced interaction between primary and secondary practitioners.
- The annual Scottish Universities Science School and Scottish Universities Technology School.
- 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 Liaison Lead in Scotland**

SSERC, on behalf of STEM Learning, has historically worked in partnership with the three Scottish STEM Ambassador Hubs to ensure a seamless offering to support the education community. From 1 April 2020, SSERC also assumed responsibility for the STEM Ambassador hub for the East of Scotland.

STEM Ambassadors work with young people to bring STEM subjects alive through real life experiences. They are volunteers from 17-70 years old, 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 to open the doors to a world of opportunities and possibilities which 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.

##### **Young STEM Leader Programme**

The Young STEM Leader (YSL) programme 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 participants of the programme. More information about the programme can be found at <https://www.youngstemleader.scot/>. The Young STEM Leader Annual Report can be found at: <https://www.sserc.org.uk/annual-reports/>.

## **SSERC LIMITED**

### **DIRECTORS' REPORT (Continued)**

#### **Achievements and Performance**

SSERC's advisory service took a proactive approach to the problems caused by the coronavirus outbreak, providing updated health and safety advice to Scotland's schools, colleges and local authorities throughout the Covid-19 lockdowns. The twelve months to 31 March 2021 did bring a significant reduction in activity and income, forcing SSERC to furlough a large proportion of its staff. We were able to support staff salaries by accessing grants through the UK Government's Coronavirus Job Retention Scheme (CJRS). Unfortunately, the uncertainty as to whether the CJRS scheme would continue beyond September 2020 did force SSERC to reduce staff headcount during the year. Three staff were made redundant and three leavers were not replaced (equivalent to 4.9 FTE).

However, despite the significant challenge caused by the Covid-19 crisis, SSERC staff adapted a number of courses to be delivered over a combination of live online sessions, guided self-study and 'Gap Tasks.' This enabled SSERC to continue a programme of experiential professional learning even during periods of lockdown.

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/annual-reports/>).

#### **Financial Review**

There was a net decrease in the level of unrestricted funds in the year of £113,388 (2020: decrease £349,597) before other recognised gains or losses. After the £1,607,000 defined benefit pension scheme loss on re-measurements (2020: £303,000 gain), unrestricted funds carried forward at the year end are negative £1,781,480 (2020: negative £61,092). This is made up of £1,036,289 (2020: £971,677) of general unrestricted funds plus £3,231 (£3,231) of designated funds, less the £2,821,000 (2020: £1,036,000) defined benefit pension scheme liability.

There was a net increase in the level of restricted funds in the year of £48,891 (2020: decrease of £20,904) leaving restricted funds carried forward at the year end of £159,238 (2020: £110,347).

#### **Reserves Policy**

SSERC has considered the reserves required, including all current and future liabilities. SSERC has a significant pension fund deficit of £2,821,000 resulting from membership of a defined benefit pension operated by Lothian Pension Scheme.

This deficit does lead to a Balance Sheet position that shows net liabilities. However, this full liability of the pension scheme will not crystallise within the next 12 months. If SSERC decided to exit the Lothian Pension Scheme then payment would be negotiated to take place over a longer period, which the Directors have prudently assumed to be 5 years. As a result, the Board defines free reserves as unrestricted funds less 20% of the pension scheme liability. The SSERC Reserves Policy is that free reserves must equate to at least six months of unrestricted charitable expenditure. The Directors consider this enough to ensure that operational and governance costs are covered.

The Directors are concerned that the Balance Sheet is now showing net liabilities. However, there was a significant movement in this year's pension scheme valuation, with a £1.8 million reduction partly due to the impact of Covid-19 on the financial markets which directly impacted the asset share and obligation values in the scheme. In addition, the real discount rate fell as compared to 2020 which resulted in a significant loss on the Employers Balance Sheet. As a result, the Directors will wait until the next valuation before deciding if any action should be taken. Hopefully, the Covid-19 crisis will start to stabilise, enabling the Directors to get a clearer vision of the long-term impact of the pension scheme's valuation on SSERC. SSERC has sufficient cash reserves to continue normal operations during 2021-22.

## **SSERC LIMITED**

### **DIRECTORS' REPORT (Continued)**

#### **Reserves Policy (continued)**

With £3,231 allocated to the Physics Summer School, the balance of unrestricted funds is £1,036,289. Free reserves are £472,089 which is approximately equivalent to 5 months of the unrestricted expenditure during 2020-21. The Directors aim to rebuild free reserves towards the 6 months target in the next year.

#### **Plans for the Future**

The Covid-19 crisis continued to be a major challenge to SSERC's activities in the new financial year with face-to-face courses only resuming in May 2021. However, given the ongoing difficulties faced by the teaching profession, there has been a varied take-up of our course offering. We will continue to offer a blended approach within our programme of experiential professional learning to support teachers and technicians within these difficult circumstances.

As from 1st April 2021, SSERC will assume responsibility for the new STEM Ambassador Hub, formed from the merging of the existing three Scottish hubs. This hub will now coordinate the STEM Ambassador Programme across Scotland on behalf of STEM Learning. The combined team has ambitious plans for the STEM Ambassador programme in Scotland, building on the achievements of the three individual hubs. More information can be found on our dedicated website at <https://www.stemambassadors.scot/>

We will continue to seek additional STEM enrichment project activity which can add value to the current SSERC offering.

### **Structure, Governance and Management**

#### **Chair of Board**

Alan Nimmo, a councillor in Falkirk, has been a director of the SSERC Board for over 5 years. He was appointed Chair of the Board in December 2017.

#### **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 under 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. 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 is comprised of individuals with appropriate skills and interests. We welcomed 6 new members to the Board in December 2020, with 3 resignations in the year.

#### **Director Induction and Training**

Most Directors are familiar with the work of the charity prior to appointment being, in the main, drawn from a local Authority or STEM Education background.

All new Directors are provided with training led by the Chief Executive Officer, supported by SSERC's solicitors, Morton Fraser, and other SSERC staff. They are also invited to discuss the workings of the organisation with the Chief Executive Officer and encouraged to explore the company's website in order to familiarise themselves with the context within which it operates.

## **SSERC LIMITED**

### **DIRECTORS' REPORT (Continued)**

#### **Risk Management**

The Risk Register is reviewed and updated by the Senior Management Team before each meeting of the Audit & Risk Committee. Internal controls ensure that risks are minimised by the implementation of procedures for the authorisation of all transactions and projects. Procedures are also in place, and regularly updated, to ensure compliance with health and safety legislation and best practice.

Insurers underwrite some 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, it is expected that turnover and staff costs will remain at a similar level 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 charity. There are three sub-committees of the Board:

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

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 is responsible for supervision of the staff team and ensuring that staff develop their skills and working practices in line with good practice.

#### **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 a number of organisations or interest groups including:

- Association of Directors of Education in Scotland
- Association for Science Education Safeguards in Science
- Education Scotland
- National STEM Learning Centre
- Scottish Government
- Primary Science Teaching Trust
- The Scottish Childminding Association
- Scottish Technicians' Advisory Council
- Skills Development Scotland
- Scottish College STEM Partnerships
- The CLEAPSS Steering Committee
- The Microbiology in Schools Advisory Committee (MISAC)
- SQA

## **SSERC LIMITED**

### **DIRECTORS' REPORT (Continued)**

#### **Reference and administrative details**

<b>Charity Name:</b>	SSERC Limited
<b>Scottish Charity Registration Number:</b>	SC017884
<b>Company Registration Number:</b>	SC131509
<b>Registered Office:</b>	5 <sup>th</sup> Floor, Quatermile Two 2 Lister Square Edinburgh EH3 9GL
<b>Principal Office:</b>	2 Pitreavie Court, South Pitreavie Business Park Dunfermline KY11 8UU
<b>Directors</b>	
C Adamson MSP	E McGowan, Aberdeen City Council (appointed 11 December 2020)
P Allison, School Leaders Scotland (resigned 18 September 2020)	C Macdonald, South Ayrshire Council (resigned 15 July 2021)
G Dempster, Association of Head Teachers and Deputies in Scotland	S McGill, Stirling Council
D Dodds, West Lothian Council	A Nimmo, Falkirk Council
J Hamilton, Stirling Council (appointed 11 December 2020)	J Reid, Larbert High School (appointed 11 December 2020)
R Holme, University of Dundee (appointed 11 December 2020)	M Shaw, East Renfrewshire Council (resigned 18 September 2020)
N Inglis, Fife College (appointed 11 December 2020)	A Taylor, Perth and Kinross Council
K Leslie, Fife Council	J Vickers, Aberdeenshire Council (resigned 11 December 2020)
D Maxwell, Dumfries and Galloway Council	J Wilson, Association of Directors of Education in Scotland
	A Wylie, Scottish Qualifications Authority (appointed 11 December 2020)

#### **Company Secretary**

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

#### **Senior Management Team**

A MacGregor	Chief Executive Officer
G Steele	Director of Advisory Service
I Woodley	Director of Finance



## **SSERC LIMITED**

### **DIRECTORS' REPORT (Continued)**

#### **Reference and administrative details (Continued)**

##### **Auditors**

Geoghegans  
Chartered Accountants  
6 St Colme Street  
Edinburgh EH3 6AD

##### **Bankers**

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

##### **Solicitors**

Morton Fraser, Solicitors  
Quartermile 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.

**SSERC LIMITED**

**DIRECTORS' REPORT (Continued)**

**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.

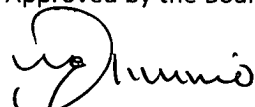
**Auditors**

A resolution proposing the re-appointment of Geoghegans, as auditor of the charitable company, will be placed at the forthcoming 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 10/11 2021 and signed on its behalf by:



**A Nimmo**  
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 2021 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 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 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.

### 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.

## **INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF SSERC LIMITED (continued)**

### **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 the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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.

### **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 identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures to respond to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

## **INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF SSERC LIMITED (continued)**

### **Auditor's responsibilities for the audit of the financial statements (continued)**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we consider the following:

- The nature of the industry, control environment and business performance of the charitable company
- The requests of our enquires with management and Directors about their own identification and assessment of the risks of irregularities
- The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we consider the opportunities and incentives that may exist within the charitable company for fraud. In common with all audits under ISAs (UK), we perform specific procedures to respond to the risk of management override and inappropriate income recognition.

We also obtain an understanding of the legal and regulatory environment in which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements and those which may be fundamental to the charitable company's ability to operate. The key laws and regulations we considered in this context included the Companies Act 2006, the Statement of Recommended Practice: Accounting for Charities FRS 102 (2019), the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended).

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: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, 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.



**Iain Binnie**

Senior Statutory Auditor

*For and on behalf of Geoghegans, Statutory Auditor*

6 St Colme Street, Edinburgh, EH3 6AD

**10 December 2021**

*Geoghegans 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 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<b>Income from:</b>					
Grant income – Covid-19	3	143,135	-	143,135	-
Charitable activities	4	849,155	1,320,725	2,169,880	2,407,851
Investment income	5	1,837	-	1,837	5,998
<b>Total income</b>		<u>994,127</u>	<u>1,320,725</u>	<u>2,314,852</u>	<u>2,413,849</u>
<b>Expenditure on:</b>					
Charitable activities	6	(1,081,515)	(1,271,834)	(2,353,349)	(2,757,350)
Other expenditure	7	(26,000)	-	(26,000)	(27,000)
<b>Total expenditure</b>		<u>(1,107,515)</u>	<u>(1,271,834)</u>	<u>(2,379,349)</u>	<u>(2,784,350)</u>
<b>Net (expenditure)/income</b>		(113,388)	48,891	(64,497)	(370,501)
<b>Other recognised (losses)/gains:</b>					
Defined benefit pension scheme re-measurements	19	(1,607,000)	-	(1,607,000)	303,000
<b>Net movement in funds</b>		(1,720,388)	48,891	(1,671,497)	(67,501)
<b>Reconciliation of funds:</b>					
Total funds brought forward		(61,092)	110,347	49,255	116,756
<b>Total funds carried forward</b>	14/15/16	<u>(1,781,480)</u>	<u>159,238</u>	<u>(1,622,242)</u>	<u>49,255</u>

**SSERC LIMITED**

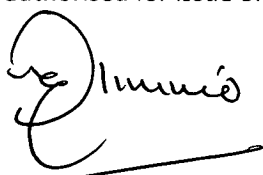
**BALANCE SHEET  
as at 31 March 2021**

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	10	<u>86,106</u>	<u>120,640</u>
<b>Current assets</b>			
Debtors	11	94,959	38,981
Cash at bank and in hand		<u>1,237,658</u>	<u>1,146,351</u>
		1,332,617	1,185,332
<b>Creditors: Amounts falling due within one year</b>	12	<u>(201,965)</u>	<u>(202,717)</u>
<b>Net current assets</b>		<u>1,130,652</u>	<u>982,615</u>
		1,216,758	1,103,255
<b>Provisions and liabilities</b>	13	(18,000)	(18,000)
<b>Defined benefit pension scheme liability</b>	19	<u>(2,821,000)</u>	<u>(1,036,000)</u>
		<u>(1,622,242)</u>	<u>49,255</u>
<b>The funds of the charity:</b>			
<b>Unrestricted funds</b>			
– Unrestricted	14	1,036,289	971,677
– Pension reserve	14	(2,821,000)	(1,036,000)
– Designated	14	<u>3,231</u>	<u>3,231</u>
		(1,781,480)	(61,092)
Other funds – Restricted	15	<u>159,238</u>	<u>110,347</u>
	16	<u>(1,622,242)</u>	<u>49,255</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 *14th* 2021 and signed on its behalf by:

A Nimmo  
Director



Company Registration Number: SC131509

**SSERC LIMITED**

**RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES  
for the year ended 31 March 2021**

	Notes	2021 £	2020 £
<b>Net expenditure for the year (as per the SOFA)</b>		(64,497)	(370,501)
<b>Adjustments for:</b>			
Actuarial (losses)/gains		(1,607,000)	303,000
Depreciation		38,080	28,030
Investment income		(1,837)	(5,998)
(Decrease)/increase in debtors		(55,978)	410,570
(Decrease) in creditors and provisions		(752)	(806,515)
Increase in defined benefit pension liabilities		1,785,000	27,000
<b>Net cash provided by/(used in) operating activities</b>		<u>93,016</u>	<u>(414,414)</u>

**STATEMENT OF CASH FLOWS  
for the year ended 31 March 2021**

		2021 £	2020 £
<b>Cash flows from operating activities:</b>			
<i>Net cash provided by/(used in) operating activities</i>		<u>93,016</u>	<u>(414,414)</u>
<b>Cash flows from investing activities:</b>			
Investment income		1,837	5,998
Purchase of tangible fixed assets		<u>(3,546)</u>	<u>(52,937)</u>
<b>Net cash flow (used in) investing activities</b>		<u>(1,709)</u>	<u>(46,939)</u>
<b>Change in cash and cash equivalents in the year</b>	17	91,307	(461,353)
Cash and cash equivalents at the beginning of the year	17	<u>1,146,351</u>	<u>1,607,704</u>
Cash and cash equivalents at the end of the year	17	<u>1,237,658</u>	<u>1,146,351</u>



**NOTES TO THE ACCOUNTS**  
**at 31 March 2021**

**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 budgeted income and expenditure is sufficient with the level of reserves for the charitable company to be able to continue as a going concern.

The Directors are conscious that the Balance Sheet is now showing net liabilities. There was a significant movement in this year's pension scheme valuation, with a £1.8 million reduction partly due to the impact of Covid-19 on the financial markets which directly impacted the asset share and obligation values in the scheme. In addition, the real discount rate fell as compared to 2020 which resulted in a significant loss on the Employers Balance Sheet. As a result, the Directors will wait until the next valuation before deciding if any action should be taken. The Directors are however satisfied that SSERC has sufficient cash reserves to continue normal operations during 2021-22 and for the 12 months from authorising these financial statements.

In their assessment of going concern, the Directors have also considered more generally the implications of the Covid-19 pandemic. While the global economy is experiencing high levels of uncertainty, and this has significantly impacted on the charitable company's activities, steps were taken following lockdown to furlough staff, thus reducing costs and helping to maintain cashflow. Hence, the Directors do not believe it will have a material impact on the charitable company's going concern status.

**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.

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**at 31 March 2021**

**1 Accounting policies (continued)**

**Income (continued)**

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.

**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 7 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.

**NOTES TO THE ACCOUNTS (CONTINUED)**  
at 31 March 2021

**1 Accounting policies (continued)**

**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.

**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.

**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 2021

<b>2</b>	<b>Net income and expenditure</b>	2021	2020
	<i>This is stated after charging :</i>	£	£
	Directors' PII	1,000	1,000
	Auditors' remuneration – audit	6,870	6,670
	Auditor and its associates' remuneration – other services	3,091	2,998
	Depreciation	<u>38,080</u>	<u>28,030</u>

**3 Grant income - Covid-19**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
CJRS Grants	<u>143,135</u>	<u>-</u>	<u>143,135</u>	<u>-</u>

All grant income relating to Covid 19 is unrestricted.

**4 Income from charitable activities**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Local authority contributions	699,924	-	699,924	683,917
Grants receivable	-	1,320,725	1,320,725	1,390,153
Training courses	57,231	-	57,231	250,633
Activity related to STEM Ambassadors	43,256	-	43,256	49,965
Subscriptions	20,102	-	20,102	19,535
Other charitable activities income	<u>28,642</u>	<u>-</u>	<u>28,642</u>	<u>13,648</u>
	<u>849,155</u>	<u>1,320,725</u>	<u>2,169,880</u>	<u>2,407,851</u>

Income from charitable activities in the year was £2,169,880 (2020: £2,407,851) of which £849,155 (2020: £1,017,698) was unrestricted and £1,320,725 (2020: £1,390,153) was restricted.

**5 Investment income**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Interest received	<u>1,837</u>	<u>-</u>	<u>1,837</u>	<u>5,998</u>

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

**SSERC LIMITED**

**NOTES TO THE ACCOUNTS (CONTINUED)**

at 31 March 2021

6	<b>Analysis of expenditure on charitable activities</b>	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
	Grants payable	-	3,967	3,967	58,981
	Staff costs (note 9)	760,760	854,509	1,615,269	1,871,471
	Property costs	137,724	55,422	193,146	199,139
	Supplies and services	22,602	214,757	237,359	320,255
	Other operating and administration costs	135,186	143,179	278,365	282,860
	Governance costs (note 8)	25,243	-	25,243	24,644
		<u>1,081,515</u>	<u>1,271,834</u>	<u>2,353,349</u>	<u>2,757,350</u>

Expenditure on charitable activities in the year was £2,353,349 (2020: £2,757,350) of which £1,081,515 (2020: £1,346,293) was unrestricted and £1,271,834 (2020: £1,411,057) was restricted.

**7 Other expenditure**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Net interest on net assets/liabilities of defined benefit pension scheme	<u>26,000</u>	<u>-</u>	<u>26,000</u>	<u>27,000</u>

Other expenditure was unrestricted in both the current and prior years.

**8 Governance costs**

	2021 £	2020 £
Audit and accounting fees	9,865	9,668
Staff costs (note 9)	15,378	14,316
Legal fees	-	660
	<u>25,243</u>	<u>24,644</u>

SSERC LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)  
at 31 March 2021

9 Staff costs and numbers	2021	2020
	£	£
Salaries	1,097,809	1,197,054
Social security costs	112,036	118,433
Pension costs	248,280	258,764
Operating costs of defined benefit pension scheme	<u>152,000</u>	<u>303,000</u>
	1,610,125	1,877,251
Redundancy costs	20,522	-
Seconded and other contract staff	<u>-</u>	<u>8,536</u>
	<u>1,630,647</u>	<u>1,885,787</u>
<i>Allocated:</i>		
Charitable activities (note 6)	1,615,269	1,871,471
Governance costs (note 8)	<u>15,378</u>	<u>14,316</u>
	<u>1,630,647</u>	<u>1,885,787</u>
 Average number of employees (full time equivalents):		
Company employees	<u>29</u>	<u>33</u>

One employee received emoluments in the range £90,000 to £100,000. In addition, pension benefits were accrued for this employee under a defined benefit arrangement. (2020: One employee received emoluments in the range £80,000 to £90,000 and two employees 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 £244,394 (2020: £346,609). The key management personnel comprise the Chief Executive Officer, the Director of Finance and The Director of Advisory Service. (2020: Chief Executive Officer, the Director of Finance, The Director of Professional Learning and The Director of Advisory Service).

28 (2020: 35) of the company employees are members of the Lothian Pension Fund.

No travel costs were reimbursed to directors in the year (2020: None).

SSERC LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)  
at 31 March 2021

10	Tangible fixed assets	Tenants' Improvements £	Motor Vehicles £	Fixtures & Equipment £	Computer Equipment £	Total £
	<b>Cost</b>					
	At 1 April 2020	510,947	10,835	162,015	172,896	856,693
	Additions	-	-	1,925	1,621	3,546
	Disposals	-	-	-	(23,750)	(23,750)
	At 31 March 2021	510,947	10,835	163,940	150,767	836,489
	<b>Aggregate depreciation</b>					
	At 1 April 2020	454,720	10,835	151,456	119,042	736,053
	Charge	14,185	-	4,922	18,973	38,080
	Disposals	-	-	-	(23,750)	(23,750)
	At 31 March 2021	468,905	10,835	156,378	114,265	750,383
	<b>Net Book Value</b>					
	At 31 March 2021	42,042	-	7,562	36,502	86,106
	At 31 March 2020	56,227	-	10,559	53,854	120,640
11	<b>Debtors</b>				2021 £	2020 £
	<b>Due within one year</b>					
	Trade debtors				70,191	22,350
	Prepayments and accrued income				13,992	13,631
	Other debtors				7,776	-
					91,959	35,981
	<b>Due after one year</b>					
	Prepayments and accrued income				3,000	3,000
					94,959	38,981
12	<b>Creditors: Amounts falling due within one year</b>				2021 £	2020 £
	Trade creditors				25,251	14,881
	Taxation and social security costs				28,706	37,791
	Accruals				74,077	72,805
	Deferred income				49,175	49,134
	Other creditors				24,756	28,106
					201,965	202,717

SSERC LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)  
at 31 March 2021

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

Deferred income

2020/21	Balance 1 April 2020 £	Released in year £	Deferred in year £	Balance 31 March 2021 £
Science for Secondary Probationers	11,600	(11,600)	6,880	6,880
Local Authority Contributions	21,391	(21,391)	-	-
Leadership	4,800	(4,800)	-	-
Super Science, Terrific Technology Primary Course	5,875	(5,875)	-	-
In Service Days for Moray Local Authority	5,468	-	-	5,468
Advanced Higher Chemistry	-	-	3,680	3,680
Meet Micro:bit Course	-	-	320	320
Practical Techniques for Recent Biologists Course	-	-	960	960
Income from Fife Council for garden work	-	-	700	700
Wellcome Trust Contract	-	-	31,167	31,167
	<u>49,134</u>	<u>(43,666)</u>	<u>43,707</u>	<u>49,175</u>

The above income has been deferred on the basis that it relates to 2021/22 SSERC activities.

2019/20	Balance 1 April 2019 £	Released in year £	Deferred in year £	Balance 31 March 2020 £
Science for Secondary Probationers	10,080	(10,080)	11,600	11,600
Scottish Childminding Association	2,700	(2,700)	-	-
STEM Learning	6,210	(6,210)	-	-
ROB Grant	1,639	(1,639)	-	-
Local Authority Contributions	653,266	(653,266)	21,391	21,391
Leadership	-	-	4,800	4,800
Super Science, Terrific Technology Primary Course	-	-	5,875	5,875
In Service Days for Moray Local Authority	-	-	5,468	5,468
	<u>673,895</u>	<u>(673,895)</u>	<u>49,134</u>	<u>49,134</u>

The above income has been deferred on the basis that it relates to 2020/21 SSERC activities.



SSERC LIMITED

NOTES TO THE ACCOUNTS (Continued)  
at 31 March 2021

13	<b>Provisions for liabilities</b>	2021 £	2020 £
	Dilapidation charge	<u>18,000</u>	<u>18,000</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.

14 **Unrestricted funds**

<b>2020/21</b>	At 1 April 2020 £	Income £	Expenditure £	Losses £	Transfers £	At 31 March 2021 £
General funds	971,677	991,768	(927,156)	-	-	1,036,289
Pension reserve	(1,036,000)	-	(178,000)	(1,607,000)	-	(2,821,000)
Designated funds:						
Physics summer school	<u>3,231</u>	<u>2,359</u>	<u>(2,359)</u>	-	-	<u>3,231</u>
	<u>(61,092)</u>	<u>994,127</u>	<u>(1,107,515)</u>	<u>(1,607,000)</u>	-	<u>(1,781,480)</u>
<b>2019/20</b>	At 1 April 2019 £	Income £	Expenditure £	Gains £	Transfers £	At 31 March 2020 £
General funds	900,963	1,016,696	(1,016,695)	-	70,713	971,677
Pension reserve	(1,009,000)	-	(330,000)	303,000	-	(1,036,000)
Designated funds:						
Physics summer school	4,515	7,000	(8,284)	-	-	3,231
Unit 1 running costs	<u>89,027</u>	-	<u>(18,314)</u>	-	<u>(70,713)</u>	-
	<u>(14,495)</u>	<u>1,023,696</u>	<u>(1,373,293)</u>	<u>303,000</u>	-	<u>(61,092)</u>

Physics Summer School – These funds reflect the surplus on this annual event and are available to support future Physics events.

Unit 1 running costs – Funds were designated to meet the unfunded annual running costs. During 2019/2020 the decision was taken to transfer the designated fund back to general funds.

**SSERC LIMITED**
**NOTES TO THE ACCOUNTS (Continued)**  
**at 31 March 2021**

15 Restricted funds 2020/21	At 1 April			At 31 March
	2020	Income	Expenditure	2021
	£	£	£	£
Scottish Government CLPL Science & Technology	-	765,000	(765,000)	-
PSTT Sustainability and Extension	16,119	32,500	(5,867)	42,752
PSTT Strategic Partnership	13,934	50,000	(37,173)	26,761
NSLC Course Management Support	3,428	91,089	(53,386)	41,131
Skills Development Scotland – Interactive e-learning	7,747	-	(4,152)	3,595
Scottish Metals	803	1,000	(738)	1,065
Young Stem Leaders	25,104	261,000	(269,662)	16,442
Scottish Government Digital Skills	13,313	-	(9,789)	3,524
Royal Society of Biology (Scotland)	1,445	-	-	1,445
Biochemical Society	5,000	-	-	5,000
Scottish Government Cyber Resilience and Internet Safety (CRIS)	23,454	-	(23,454)	-
STEM Learning – Ambassador Hub	-	88,436	(88,436)	-
Edina Trust	-	30,450	(13,047)	17,403
Scotland Loves Local Award	-	1,250	(1,130)	120
	<u>110,347</u>	<u>1,320,725</u>	<u>(1,271,834)</u>	<u>159,238</u>
<b>2019/20</b>	<b>At 1 April</b>			<b>At 31 March</b>
	2019	Income	Expenditure	2020
	£	£	£	£
Scottish Government CLPL Science & Technology	-	865,000	(865,000)	-
PSTT Sustainability and Extension	31,563	25,000	(40,444)	16,119
PSTT Strategic Partnership	13,934	50,000	(50,000)	13,934
PSTT Researcher	-	14,134	(14,134)	-
NSLC Course Management Support	4,232	89,302	(90,106)	3,428
NSLC Primary Cluster CPD	23,923	-	(23,923)	-
Skills Development Scotland – Interactive e-learning	29,336	-	(21,589)	7,747
Scottish Metals	329	1,500	(1,026)	803
Young Stem Leaders	1,606	300,000	(276,502)	25,104
Scottish Government Digital Skills	22,817	-	(9,504)	13,313
Education Scotland – Enhancing Professional Learning	3,511	5,766	(9,277)	-
Royal Society of Biology (Scotland)	-	1,639	(193)	1,445
Biochemical Society	-	5,000	-	5,000
Chance to Study	-	2,813	(2,813)	-
Scottish Government Cyber Resilience and Internet Safety (CRIS)	-	30,000	(6,546)	23,454
	<u>131,251</u>	<u>1,390,153</u>	<u>(1,411,057)</u>	<u>110,347</u>

**NOTES TO THE ACCOUNTS (Continued)**  
**at 31 March 2021**

**15 Restricted funds (continued)**

The purpose of each restricted fund is as follows:

*Scottish Government CLPL Science & Technology*

Scottish Government grant to support Science & Technology education in Scotland through the CLPL project.

*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.

*PSTT Researcher*

Grant provided by the Primary Science Teaching Trust to provide a researcher in Education based at SSERC.

*NSLC Course Management Support*

Grant funding provided to support teacher and technician CPD.

*NSLC Primary Cluster CPD*

Grant received from the Enthuse charity for a Cluster programme for teachers in Scotland.

*Skills Development Scotland – Interactive e-learning*

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

*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 Leaders*

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.

*Scottish Government Digital Skills*

Scottish Government grant to purchase IT equipment and infrastructure to support the education of digital skills within the CLPL project.

*Education Scotland – Enhancing Professional Learning*

A grant to develop and deliver a package of STEM courses for technicians.

*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.

**SSERC LIMITED**

**NOTES TO THE ACCOUNTS (Continued)**  
**at 31 March 2021**

**15 Restricted funds (continued)**

*Chance to Study*

This grant purchased Chromebooks which are being loaned out to families to assist children's digital learning.

*Scottish Government Cyber Resilience and Internet Safety (CRIS)*

This program is to produce well trained individuals in watch Local Authority that can support the development for Cyber Resilience and Internet Safety in all services used by young people within that Authority.

*STEM Learning – Ambassador Hub*

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

*Edina Trust*

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

*Scotland Loves Local Award*

This grant from Scotland's Towns Partnership funded a local community project.

**16 Analysis of net assets between funds**

<b>2020/21</b>	Unrestricted £	Restricted £	Total 2021 £
Tangible fixed assets	86,106	-	86,106
Net current assets	971,414	159,238	1,130,652
Provisions	(18,000)	-	(18,000)
Pension liability	(2,821,000)	-	(2,821,000)
	<u>(1,781,480)</u>	<u>159,238</u>	<u>(1,622,242)</u>
<b>2019/20</b>	Unrestricted £	Restricted £	Total 2020 £
Tangible fixed assets	120,640	-	120,640
Net current assets	872,268	110,347	982,615
Provisions	(18,000)	-	(18,000)
Pension liability	(1,036,000)	-	(1,036,000)
	<u>(61,092)</u>	<u>110,347</u>	<u>49,255</u>

**17 Analysis of changes in net debt**

	At 1 Apr 2020 £	Cashflows £	At 31 Mar 2021 £
Cash in bank and in hand	<u>1,146,351</u>	<u>91,307</u>	<u>1,237,658</u>

**NOTES TO THE ACCOUNTS (Continued)**  
**at 31 March 2021**

**18 Related Party Transactions**

There were no related party transactions in the year (2020: none).

**19 Pension commitments**

The company is 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 2019. 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 19.5% of pensionable salary during the year.

An allowance for full GMP equalisation was included within the 31 March 2020 funding valuation position and therefore the allowance is automatically included within the 31 March 2021 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 2020 valuation and has been carried forward in the 2021 results. No explicit additional adjustment for McCloud has been added to the current service cost for 2020/2021.

	2021	2020
	£	£
The pension charge for the year	<u>400,280</u>	<u>561,764</u>

**The main financial assumptions are as follows:**

	2021	2020
Pension increase rate	2.85%	1.9%
Salary increase rate	3.35%	3.5%
Discount rate	2.00%	2.3%

**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 0.5% 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	20.5 years	21.7 years
	- female	23.3 years	24.3 years
Future pensioners*	- male	21.9 years	24.7 years
	- female	25.2 years	27.5 years

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

SSERC LIMITED

NOTES TO THE ACCOUNTS (Continued)  
at 31 March 2021

19 Pension commitments (continued)

	2021 £000	2020 £000
The total cost recognised in the year were as follows:		
Current and past service costs	401	563
Net interest expense	26	27
	<u>427</u>	<u>590</u>
Recognised in net income/expenditure	427	590
Recognised in other losses/(gains)	1,607	(303)
	<u>2,034</u>	<u>287</u>
Total cost recognised		
Amounts recognised in the balance sheet were as follows:	2021 £000	2020 £000
Present value of funded obligations	(9,075)	(5,520)
Fair value of plan assets	6,254	4,484
	<u>(2,821)</u>	<u>(1,036)</u>
Changes in the present value of the defined benefit obligations were as follows:		2021 £000
Opening defined benefit obligation		(5,520)
Current service cost		(401)
Past service cost		-
Interest expense		(131)
Actuarial losses		(3,068)
Contributions by scheme participants		(75)
Benefits paid		120
		<u>(9,075)</u>
Changes in the fair value of the pension plan assets were as follows:		2021 £000
Opening plan assets		4,484
Interest income		105
Actual return on plan assets (excluding interest income)		1,461
Contributions by charity		249
Contributions by scheme participants		75
Benefits paid		(120)
		<u>6,254</u>

**SSERC LIMITED**

**NOTES TO THE ACCOUNTS (Continued)  
at 31 March 2021**

**19 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:

	2021	2020
Equity instruments	73%	75%
Bonds	12%	11%
Property	7%	8%
Cash	8%	6%
	<u>100%</u>	<u>100%</u>

The return on plan assets was as follows:

	2021	2020
	£000	£000
Interest income	105	109
Actual return on plan assets (excluding interest income)	<u>1,461</u>	<u>(299)</u>
	<u>1,566</u>	<u>(190)</u>

**20 Other financial commitments**

	Equipment		Land and Buildings	
	2021	2020	2021	2020
	£	£	£	£
Total commitments under non-cancellable operating leases were as follows :				
Expiry Date :				
Within one year	12,665	12,300	140,000	140,000
Within two to five years	24,010	34,851	513,800	560,000
Greater than five years	<u>-</u>	<u>-</u>	<u>-</u>	<u>93,800</u>

**21 Capital commitments**

Contractual commitments for an addition to the SSERC website contracted for but not provided in the financial statements amounted to £1,717 (2020: £1,152).

**22 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.