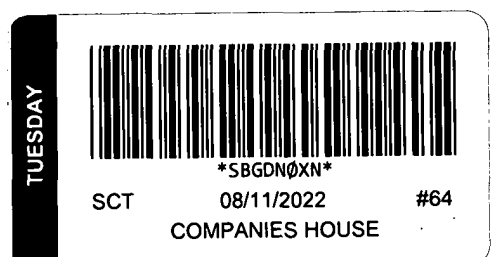


SSERC LIMITED
(A Company Limited by Guarantee)

REPORT AND ACCOUNTS
for the year ended 31 March 2022

Scottish Charity number SC017884

Company number SC131509



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.
- Wider STEM engagement activities, which includes: the coordination of the STEM Ambassador Programme across Scotland on behalf of STEM Learning; the Young STEM Leader Programme; and the Scottish STEM Placement Programme.

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), 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.

SSERC LIMITED

DIRECTORS' REPORT (continued)

Objectives and Activities (continued)

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.

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 and technicians. Our varied portfolio includes:

- Courses for probationers and newly qualified teachers.
- Subject specific courses for teachers in 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 from 1st April 2021, SSERC assumed responsibility for the new STEM Ambassador Hub, formed from the merger of the existing three Scottish hubs. This hub coordinates 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/>

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 continued to take a proactive approach to the problems caused by the Covid-19 outbreak, providing updated health and safety advice to Scotland's schools, colleges and local authorities.

In November 2021, we were formally awarded the GTCS Professional Learning Award for Organisations following a written submission and GTCS panel interview. The GCTS panel identified that SSERC's vision supports ambitious and creative approaches to professional learning that has been shaped by practitioners.

The newly formed STEM Ambassador in Scotland Hub at SSERC was awarded Investing in Volunteers Accreditation by Volunteer Scotland in November 2021. Investing in Volunteers is the UK quality standard for good practice in volunteer management and recognises organisations making outstanding contributions within the voluntary sector.

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 £308,880 (2021: decrease £113,388) before other recognised gains or losses. After the £1,281,000 defined benefit pension scheme gain on re-measurements (2021: £1,607,000 loss), unrestricted funds carried forward at the year end are negative £809,360 (2021: negative £1,781,480). This is made up of £1,103,640 (2021: £1,036,289) of general unrestricted funds plus £Nil (£3,231) of designated funds, less the £1,913,000 (2021: £2,821,000) defined benefit pension scheme liability.

There was a net decrease in the level of restricted funds in the year of £27,681 (2021: increase of £48,891) leaving restricted funds carried forward at the year end of £131,557 (2021: £159,238).

Reserves Policy

SSERC has considered the reserves required, including all current and future liabilities. SSERC has a significant pension fund deficit of £1,913,000 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 aware that the deficit in the Lothian Pension Scheme continues to be an ongoing issue. The financial markets continue to suffer the impact of the disruption caused by Covid-19 and the war in Ukraine. The Directors have decided to wait until the next Actuarial Valuation before deciding on SSERC's future participation in this pension scheme. Historically, a defined benefit pension scheme has been an important factor in attracting staff from teaching positions. However, in a move to develop more flexible remuneration packages, the Directors have approved the use of the NEST Workplace Pension for some staffing positions. SSERC have committed to employer contributions of 10% to all staff placed within the NEST Workplace Pension.

SSERC LIMITED

DIRECTORS' REPORT (Continued)

Reserves Policy (continued)

The balance of unrestricted funds at 31 March 2022 is £1,103,640. Free reserves are £721,040 which is approximately equivalent to 6.5 months of the unrestricted expenditure during 2021-22. The Directors aim to maintain free reserves around the 6 months target in the next year.

Plans for the Future

Although the restrictions relating to the Covid-19 crisis have now ended, we recognise that the teaching profession continues to face ongoing difficulties. We will continue to offer a blended approach within our programme of experiential professional learning to support teachers and technicians.

SSERC plans to offer two exciting new courses covering Leadership in STEM Excellence; one course will focus on Secondary Education and the other will focus on Early Years and Primary. Both courses will be designed at SCQF Level 11.

We have decided to move away from events aimed at STEM students who are studying at Scottish initial teacher education institutions. Instead, from August 2022, newly qualified teachers in Science and Technology will be offered a two-day residential professional learning course. The focus will be to support these new teachers to deliver safe, high quality learning experiences that will inspire young people to engage in STEM subjects.

Structure, Governance and Management

Chair of Board

Alan Nimmo, a councillor in Falkirk, has been a co-opted 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 (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 is comprised of individuals with appropriate skills and interests.

Director Induction and Training

Most Directors are familiar with the work of the organisation 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 (a sub-committee of the SSERC Board). 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 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, 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 organisation. 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

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

C Adamson MSP	S McGill, Stirling Council (resigned 13 May 2022)
G Dempster, Association of Head Teachers and Deputies in Scotland	A McGuire, West Lothian Council (appointed 17 August 2022)
D Dodds, West Lothian Council (resigned 5 May 2022)	K McNeill, ADES (appointed 14 September 2022)
J Hamilton, Stirling Council	L Murtagh, Falkirk Council (appointed 17 June 2022)
R Holme, University of Dundee	A Nimmo, Falkirk Council
N Inglis, Perth College	J Reid, Larbert High School
K Leslie, Fife Council	A Taylor, Perth and Kinross Council
D Maxwell, Dumfries and Galloway Council	K Tucker, Aberdeenshire Council (appointed 17 September 2021)
E Maxwell, Stirling Council (appointed 11 September 2022)	J Wilson, Association of Directors of Education in Scotland (resigned 13 June 2022)
E McGowan, Aberdeen City Council	A Wylie, Ministry of Education, UAE
C Macdonald, South Ayrshire Council (resigned 15 July 2021)	

Company Secretary

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

Core Senior Management Team

A MacGregor	Chief Executive Officer
G Steele	Director of Advisory Service (Resigned 31 March 2022)
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

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
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.

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.

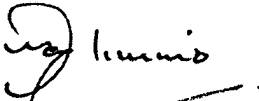
Auditors

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 28 October 2022 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 2022 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 2022, 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 Geoghegan, Statutory Auditor
6 St Colme Street, Edinburgh, EH3 6AD

28 October 2022

Geoghegan 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 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income from:					
Grant income – Covid-19	3	8,665	-	8,665	143,135
Charitable activities	4	974,680	1,488,522	2,463,202	2,169,880
Investment income	5	1,474	-	1,474	1,837
Total income		984,819	1,488,522	2,473,341	2,314,852
Expenditure on:					
Charitable activities	6	(1,233,699)	(1,516,203)	(2,749,902)	(2,353,349)
Other expenditure	7	(60,000)	-	(60,000)	(26,000)
Total expenditure		(1,293,699)	(1,516,203)	(2,809,902)	(2,379,349)
Net expenditure		(308,880)	(27,681)	(336,561)	(64,497)
Other recognised gains/(losses):					
Defined benefit pension scheme re-measurements	19	1,281,000	-	1,281,000	(1,607,000)
Net movement in funds		972,120	(27,681)	944,439	(1,671,497)
Reconciliation of funds:					
Total funds brought forward		(1,781,480)	159,238	(1,622,242)	49,255
Total funds carried forward	14/15/16	(809,360)	131,557	(677,803)	(1,622,242)

SSERC LIMITED

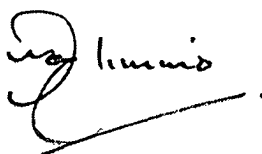
**BALANCE SHEET
as at 31 March 2022**

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	10	<u>92,223</u>	<u>86,106</u>
Current assets			
Debtors	11	94,949	94,959
Cash at bank and in hand		<u>1,302,734</u>	<u>1,237,658</u>
		1,397,683	1,332,617
Creditors: Amounts falling due within one year	12	<u>(236,709)</u>	<u>(201,965)</u>
Net current assets		<u>1,160,974</u>	<u>1,130,652</u>
		1,253,197	1,216,758
Provisions and liabilities	13	(18,000)	(18,000)
Defined benefit pension scheme liability	19	<u>(1,913,000)</u>	<u>(2,821,000)</u>
		<u>(677,803)</u>	<u>(1,622,242)</u>
The funds of the charity:			
Unrestricted funds			
– Unrestricted	14	1,103,640	1,036,289
– Pension reserve	14	(1,913,000)	(2,821,000)
– Designated	14	-	3,231
		(809,360)	(1,781,480)
Other funds – Restricted	15	<u>131,557</u>	<u>159,238</u>
	16	<u>(677,803)</u>	<u>(1,622,242)</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 28 October 2022 and signed on its behalf by:

A Nimmo
Director



Company Registration Number: SC131509

SSERC LIMITED

**RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES
for the year ended 31 March 2022**

	Notes	2022 £	2021 £
Net expenditure for the year (as per the SOFA)		(336,561)	(64,497)
Adjustments for:			
Actuarial gains/(losses)		1,281,000	(1,607,000)
Depreciation		28,427	38,080
Investment income		(1,474)	(1,837)
Decrease/(increase) in debtors		10	(55,978)
Increase/(decrease) in creditors and provisions		34,744	(752)
(Decrease)/increase in defined benefit pension liabilities		(908,000)	1,785,000
		<u>98,146</u>	<u>93,016</u>
Net cash provided by operating activities		<u>98,146</u>	<u>93,016</u>

**STATEMENT OF CASH FLOWS
for the year ended 31 March 2022**

		2022 £	2021 £
Cash flows from operating activities:			
<i>Net cash provided by operating activities</i>		<u>98,146</u>	<u>93,016</u>
Cash flows from investing activities:			
Investment income		1,474	1,837
Purchase of tangible fixed assets		(34,544)	(3,546)
		<u>(33,070)</u>	<u>(1,709)</u>
Change in cash and cash equivalents in the year	17	65,076	91,307
Cash and cash equivalents at the beginning of the year	17	<u>1,237,658</u>	<u>1,146,351</u>
Cash and cash equivalents at the end of the year	17	<u>1,302,734</u>	<u>1,237,658</u>

SSERC LIMITED

NOTES TO THE ACCOUNTS

at 31 March 2022

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 continuing to show net liabilities. However, this has reduced in the year largely due to another significant movement in the pension scheme valuation, with a £900k decrease in the value of the liability in the year to 31 March 2022. The Directors will continue to wait until the next valuation before deciding if any action should be taken with regards to the charitable company's position in the scheme. The Directors are however satisfied that SSERC has sufficient cash reserves to continue normal operations during 2022-23 and for the 12 months from authorising these financial statements.

In their assessment of going concern, the Directors have considered the implications of the Covid-19 pandemic. While the global economy experienced high levels of uncertainty, and this has significantly impacted on the charitable company's activities, the impact was reduced in 2022 and activities began to return to pre pandemic levels. 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.

SSERC LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

at 31 March 2022

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.

SSERC LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

at 31 March 2022

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.

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 2022

2 Net income and expenditure	2022	2021
<i>This is stated after charging :</i>	£	£
Directors' PII	1,000	1,000
Auditors' remuneration – audit	7,210	6,870
Auditor and its associates' remuneration – other services	3,265	3,091
Depreciation	<u>28,427</u>	<u>38,080</u>

3 Grant income - Covid-19

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
CJRS Grants	<u>8,665</u>	<u>-</u>	<u>8,665</u>	<u>143,135</u>

All grant income relating to Covid-19 was unrestricted in both the current and prior year.

4 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Local authority contributions	719,627	-	719,627	699,924
Grants receivable	11,086	1,488,522	1,499,608	1,320,725
Training courses	146,755	-	146,755	57,231
Wider STEM engagement activities	32,453	-	32,453	43,256
Subscriptions	21,549	-	21,549	20,102
Other charitable activities income	<u>43,210</u>	<u>-</u>	<u>43,210</u>	<u>28,642</u>
	<u>974,680</u>	<u>1,488,522</u>	<u>2,463,202</u>	<u>2,169,880</u>

Income from charitable activities in the year was £2,463,202 (2021: £2,169,880) of which £974,680 (2021: £849,155) was unrestricted and £1,488,522 (2021: £1,320,725) was restricted.

5 Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Interest received	<u>1,474</u>	<u>-</u>	<u>1,474</u>	<u>1,837</u>

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

SSERC LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

at 31 March 2022

6 Analysis of expenditure on charitable activities	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Grants payable	-	5,599	5,599	3,967
Staff costs (note 9)	872,501	1,100,059	1,972,560	1,615,269
Property costs	145,608	44,048	189,656	193,146
Supplies and services	71,635	227,003	298,638	237,359
Other operating and administration costs	121,073	139,494	260,567	278,365
Governance costs (note 8)	22,882	-	22,882	25,243
	<u>1,233,699</u>	<u>1,516,203</u>	<u>2,749,902</u>	<u>2,353,349</u>

Expenditure on charitable activities in the year was £2,749,902 (2021: £2,353,349) of which £1,233,699 (2021: £1,081,515) was unrestricted and £1,516,203 (2021: £1,271,834) was restricted.

7 Other expenditure

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Net interest on net assets/liabilities of defined benefit pension scheme	<u>60,000</u>	<u>-</u>	<u>60,000</u>	<u>26,000</u>

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

8 Governance costs	2022 £	2021 £
Audit and accounting fees	10,475	9,865
Staff costs (note 9)	<u>12,407</u>	<u>15,378</u>
	<u>22,882</u>	<u>25,243</u>

SSERC LIMITED**NOTES TO THE ACCOUNTS (CONTINUED)**

at 31 March 2022

9 Staff costs and numbers	2022 £	2021 £
Salaries	1,168,990	1,097,809
Social security costs	121,666	112,036
Pension costs	287,311	248,280
Pension strain costs of defined benefit pension scheme	94,000	-
Operating costs of defined benefit pension scheme	<u>313,000</u>	<u>152,000</u>
	1,984,967	1,610,125
Redundancy costs	<u>-</u>	<u>20,522</u>
	<u>1,984,967</u>	<u>1,630,647</u>
<i>Allocated:</i>		
Charitable activities (note 6)	1,972,560	1,615,269
Governance costs (note 8)	<u>12,407</u>	<u>15,378</u>
	<u>1,984,967</u>	<u>1,630,647</u>
 Average number of employees (full time equivalents):		
Company employees	<u>31</u>	<u>29</u>

One employee received emoluments in the range £90,000 to £100,000 and one employee received emoluments in the range £60,000 - £70,000. In addition, pension benefits were accrued for these employees under a defined benefit arrangement. (2021: 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).

The total amount of employee benefits received by key management personnel is £254,524 (2021: £244,394). The key management personnel comprise the Chief Executive Officer, the Director of Finance and The Director of Advisory Service.

35 (2021: 28) of the company employees are members of the Lothian Pension Fund.

1 (2021: None) of the company employees are members of the NEST Pension Scheme.

No travel costs were reimbursed to directors in the year (2021: None).

SSERC LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

at 31 March 2022

10	Tangible fixed assets	Tenants' Improvements £	Motor Vehicles £	Fixtures & Equipment £	Computer Equipment £	Total £
	Cost					
	At 1 April 2021	510,947	10,835	163,940	150,767	836,489
	Additions	-	-	7,802	26,742	34,544
	Disposals	-	-	(13,025)	(23,747)	(36,772)
	At 31 March 2022	510,947	10,835	158,717	153,762	834,261
	Aggregate depreciation					
	At 1 April 2021	468,905	10,835	156,378	114,265	750,383
	Charge	10,857	-	2,060	15,510	28,427
	Disposals	-	-	(13,025)	(23,747)	(36,772)
	At 31 March 2022	479,762	10,835	145,413	106,028	742,038
	Net Book Value					
	At 31 March 2022	31,185	-	13,304	47,734	92,223
	At 31 March 2021	42,042	-	7,562	36,502	86,106
11	Debtors				2022 £	2021 £
	Due within one year					
	Trade debtors				79,543	70,191
	Prepayments and accrued income				9,624	13,992
	Other debtors				2,782	7,776
					91,949	91,959
	Due after one year					
	Prepayments and accrued income				3,000	3,000
					94,949	94,959
12	Creditors: Amounts falling due within one year				2022 £	2021 £
	Trade creditors				26,917	25,251
	Taxation and social security costs				35,166	28,706
	Accruals				68,029	74,077
	Deferred income				74,297	49,175
	Other creditors				32,300	24,756
					236,709	201,965

SSERC LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

at 31 March 2022

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

Deferred income

2021/22	Balance 1 April 2021 £	Released in year £	Deferred in year £	Balance 31 March 2022 £
Science for Secondary Probationers	6,880	(6,880)	3,680	3,680
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)	-	-
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
EIP Leidos Partnerships	-	-	6,250	6,250
EIP Ocean Winds	-	-	17,502	17,502
EIP Neptune Energy	-	-	18,630	18,630
Residential Events	-	-	993	993
Practical Techniques for Biologists	-	-	1,760	1,760
	49,175	(43,707)	68,829	74,297

The above income has been deferred on the basis that it relates to 2022/23 SSERC activities.

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
	49,134	(43,666)	43,707	49,175

The above income was deferred on the basis that it related to 2021/22 SSERC activities.

SSERC LIMITED

**NOTES TO THE ACCOUNTS (Continued)
at 31 March 2022**

13	Provisions for liabilities	2022	2021
		£	£
	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

2021/22	At 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	At 31 March 2022 £
General funds	1,036,289	984,819	(917,468)	-	1,103,640
Pension reserve	(2,821,000)	-	(373,000)	1,281,000	(1,913,000)
Designated funds:					
Physics summer school	<u>3,231</u>	<u>-</u>	<u>(3,231)</u>	<u>-</u>	<u>-</u>
	<u>(1,781,480)</u>	<u>984,819</u>	<u>(1,293,699)</u>	<u>1,281,000</u>	<u>(809,360)</u>
2020/21	At 1 April 2020 £	Income £	Expenditure £	Losses £	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>-</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>

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

SSERC LIMITED

NOTES TO THE ACCOUNTS (Continued)

at 31 March 2022

15 Restricted funds	At 1 April	Income	Expenditure	At 31 March
2021/22	2021	£	£	2022
	£	£	£	£
Scottish Government Professional Learning in Science & Technology	-	821,655	(821,655)	-
PSTT Sustainability and Extension	42,752	15,000	(33,181)	24,571
PSTT Strategic Partnership	26,761	50,000	(16,083)	60,678
STEM Learning Course Management	41,131	92,909	(126,968)	7,072
Skills Development Scotland – Interactive e-learning	3,595	-	(2,015)	1,580
Scottish Metals	1,065	500	-	1,565
Young Stem Leader Programme	16,442	256,500	(264,003)	8,939
Scottish Government Digital Skills	3,524	-	(3,524)	-
Royal Society of Biology (Scotland)	1,445	-	-	1,445
Biochemical Society	5,000	-	-	5,000
STEM Learning: STEM Ambassadors in Scotland Hub	-	198,012	(198,012)	-
Edina Trust	17,403	20,300	(34,954)	2,749
Scotland Loves Local Award	120	-	(120)	-
STEM Enrichment	-	25,905	(8,962)	16,943
Digital Xtra Fund	-	4,491	(3,476)	1,015
Education Scotland Enhancing Professional Learning	-	3,000	(3,000)	-
Arnold Clark Community Fund	-	250	(250)	-
	159,238	1,488,522	(1,516,203)	131,557
2020/21	At 1 April	Income	Expenditure	At 31 March
	2020	£	£	2021
	£	£	£	£
Scottish Government Professional Learning in 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
STEM Learning Course Management	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 Leader Programme	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: STEM Ambassadors in Scotland Hub	-	88,436	(88,436)	-
Edina Trust	-	30,450	(13,047)	17,403
Scotland Loves Local Award	-	1,250	(1,130)	120
	110,347	1,320,725	(1,271,834)	159,238

SSERC LIMITED

NOTES TO THE ACCOUNTS (Continued) at 31 March 2022

15 Restricted funds (continued)

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.

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.

Scottish Government Digital Skills

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

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.

Scotland Loves Local Award

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

SSERC LIMITED

**NOTES TO THE ACCOUNTS (Continued)
at 31 March 2022**

15 Restricted funds (continued)

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.

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.

Education Scotland Enhancing Professional Learning

This grant is to fund online STEM equipment training sessions for school technicians.

Arnold Clark Community Fund

Grant provided by the Arnold Clark Community Fund for a digital garden.

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.

16 Analysis of net assets between funds

2021/22	Unrestricted £	Restricted £	Total 2022 £
Tangible fixed assets	92,223	-	92,223
Net current assets	1,029,417	131,557	1,160,974
Provisions	(18,000)	-	(18,000)
Pension liability	(1,913,000)	-	(1,913,000)
	<u>(809,360)</u>	<u>131,557</u>	<u>(677,803)</u>

2020/21	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>

17 Analysis of changes in net debt

	At 1 Apr 2021 £	Cashflows £	At 31 Mar 2022 £
Cash in bank and in hand	<u>1,237,658</u>	<u>65,076</u>	<u>1,302,734</u>

SSERC LIMITED

NOTES TO THE ACCOUNTS (Continued) at 31 March 2022

18 Related Party Transactions

There were no related party transactions in the year (2021: none).

19 Pension commitments

The charitable company operated a NEST defined contribution pension scheme on behalf of its employees in the year. Employer contributions of £68 (2021: £Nil) have been made during the year. At 31 March 2022 contributions amounting to £68 (2021: £Nil) are payable and are included in creditors.

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 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 2022 results. No explicit additional adjustment for McCloud has been added to the current service cost for 2021/2022.

	2022	2021
	£	£
The LPF pension charge for the year	<u>600,243</u>	<u>400,280</u>
The main financial assumptions are as follows:	2022	2021
Pension increase rate	3.20%	2.85%
Salary increase rate	3.70%	3.35%
Discount rate	2.70%	2.00%

SSERC LIMITED

NOTES TO THE ACCOUNTS (Continued)
at 31 March 2022

19 Pension commitments (continued)

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	20.3 years	20.5 years
	- female	23.1 years	23.3 years
Future pensioners*	- male	21.6 years	21.9 years
	- female	25.0 years	25.2 years

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

	2022	2021
	£000	£000
The total cost recognised in the year were as follows:		
Current and past service costs	597	401
Net interest expense	60	26
	<hr/>	<hr/>
Recognised in net income/expenditure	657	427
Recognised in other (gains)/losses	(1,281)	1,607
	<hr/>	<hr/>
Total (gain)/cost recognised	(624)	2,034
Amounts recognised in the balance sheet were as follows:		
	2022	2021
	£000	£000
Present value of funded obligations	(9,097)	(9,075)
Fair value of plan assets	7,184	6,254
	<hr/>	<hr/>
	(1,913)	(2,821)
Changes in the present value of the defined benefit obligations were as follows:		2022
		£000
Opening defined benefit obligation		(9,075)
Current service cost		(597)
Past service cost		-
Interest expense		(187)
Actuarial gains		717
Contributions by scheme participants		(82)
Benefits paid		127
		<hr/>
		(9,097)
		<hr/>

SSERC LIMITED

**NOTES TO THE ACCOUNTS (Continued)
at 31 March 2022**

19 Pension commitments (continued)

Changes in the fair value of the pension plan assets were as follows:	2022 £000
Opening plan assets	6,254
Interest income	127
Actual return on plan assets (excluding interest income)	564
Contributions by charity	284
Contributions by scheme participants	82
Benefits paid	<u>(127)</u>
	<u>7,184</u>

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

	2022	2021
Equity instruments	71%	73%
Bonds	13%	12%
Property	7%	7%
Cash	<u>9%</u>	<u>8%</u>
	<u>100%</u>	<u>100%</u>

The return on plan assets was as follows:

	2022 £000	2021 £000
Interest income	127	105
Actual return on plan assets (excluding interest income)	<u>564</u>	<u>1,461</u>
	<u>691</u>	<u>1,566</u>

20 Other financial commitments

	Equipment		Land and Buildings	
	2022	2021	2022	2021
	£	£	£	£
Total commitments under non-cancellable operating leases were as follows :				
Expiry Date :				
Within one year	6,353	12,665	140,000	140,000
Within two to five years	<u>24,048</u>	<u>24,010</u>	<u>373,800</u>	<u>513,800</u>

21 Capital commitments

Contractual commitments for the remainder of CRM Dynamics implementation system contracted for but not provided in the financial statements amounted to £21,760 (2021: £1,717 SSERC website).

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.