

COMPANY REGISTRATION NUMBER 03236201

**The Science Engineering Technology Mathematics
Network**

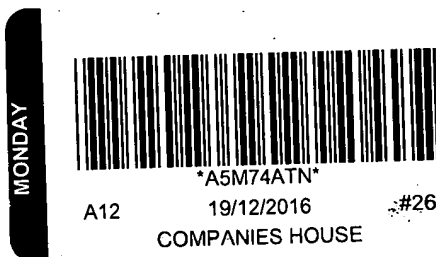
Company Limited By Guarantee

Financial Statements

For

31 March 2016

Charity Number 1058056



The Science Engineering Technology Mathematics Network Company Limited By Guarantee

Financial Statements

Year ended 31 March 2016

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The Science Engineering Technology Mathematics Network

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Reference and Administrative Details of the Charity, its Trustees and Advisers

Year ended 31 March 2016

Charity Number 1058056

Company Number 3236201

Registered Office 5th Floor
Woolgate Exchange
25 Basinghall Street
London EC2V 5HA

The Trustees Dr David Grant CBE, Chair (Appointed 9 December 2015)
Professor Julia Buckingham
Professor Matthew Harrison
Graham Love
Mrs Amanda Spielman
Riffat Wall
Julia Waters (Appointed 9 December 2015)
Philip Whiteman
Professor John Womersley

Chief Executive Ms Kirsten Bodley

Company Secretary Mrs Fiona Marchant

Accountants GP Financial Management Ltd
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Milton Keynes MK19 7ES

Auditors haysmacintyre
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Bankers Lloyds Bank Plc
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London W1A 4LN

Solicitors Penningtons Manches LLP
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London EC2V 8AR

Stone King LLP
Boundary House
91 Charterhouse Street
London EC1M 6HR

The Science Engineering Technology Mathematics Network

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Trustees Annual Report

Year ended 31 March 2016

The Trustees, who are also Directors for the purposes of the Companies Act, present their report and financial statements of the charity for the year ended 31 March 2016.

Governing Document

The Science, Engineering, Technology, Mathematics Network is a company limited by guarantee governed by its Articles of Association as amended on 13 December 2013. It is registered as a charity with the Charity Commission. Membership of the Company is open to individuals and organisations and currently there are 8 members each of which agrees to contribute £1 in the event of the charity winding up. The operating name (and registered trademark) of the company is STEMNET.

Appointment of Trustees

The members of the Board, excluding the Chief Executive, are deemed to be the Trustees. The Chief Executive is a Director of the Company. Directors are appointed in accordance with the Company's Articles of Association.

Trustee appointments are overseen by the Nominations Committee whose recommendations are referred to the STEMNET Board for approval. As set out in the Articles of Association, the Chair is appointed by the Directors for a period of up to three years and, subject to a maximum period of service of nine consecutive years, shall be eligible for re-appointment.

All non-executive Directors give their time freely and no remuneration was paid in the year. Details of non-executive directors' expenses reclaimed from the Charity are disclosed in Note 7 to the accounts. Trustees are required to disclose all relevant interests to the Chief Executive and withdraw from decisions where a conflict of interest arises.

Directors Induction and Training

New directors are provided with an Information Pack which includes details on their legal obligations under the charity and company law, the content of the Articles of Association, the decision making process, the business plan and recent financial performance of the charity. New directors are introduced to key employees and the other directors at an early opportunity.

Organisation

The Board of Directors administers the charity. The Board generally meets quarterly.

The STEMNET Board of Directors has in place committees with delegated specific functions: Nominations Committee, Remuneration Committee and Audit Committee.

- Nominations Committee – is responsible for the overall development of the Board of Directors of STEMNET. Its membership is composed of members of the Board as well as officers of the Company as appropriate. The Nominations Committee assesses the needs for Board composition, helps find new members, prepares guidance for members for Board elections and assists the Board as needed in the recruitment of expertise for special assignments and committees.
- Remuneration Committee – is responsible for setting the remuneration policy, including pension rights and compensation payments for key management personnel alongside other staff, reviewing salaries annually within the budget available. The Chief Executive is responsible for determining salaries for the STEMNET staff whilst providing such information to the Committee for review and due diligence purposes.

The salaries of the Chief Executive, Senior Management Team and all staff are reviewed annually and would normally be increased in accordance with average earnings to reflect a cost of living adjustment. In view of the nature of the charity, the Trustees benchmark against pay levels in other charities. The remuneration benchmark is the mid-point of the range paid for similar roles in similar charities and sizes

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Trustees Annual Report *(continued)*

Year ended 31 March 2016

- Audit Committee – provides an oversight of the financial reporting process, the audit process and considers the effectiveness of internal control functions and accounting procedures in discussion with the Chief Executive

The Trustees consider the Board of Trustees and the Senior Management Team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Charity on a day to day basis. All Trustees give of their time freely and no Director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 7 to the accounts.

A Chief Executive is appointed by the Directors to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has the delegated authority, within terms of delegation approved by the Directors, for operational matters.

STEMNET continues to successfully manage its national programmes with effective local delivery working with thousands of employers, schools and other partners right across the UK.

Objectives of the Charity

The principal objectives of the charity are:

- To promote, encourage and facilitate collaboration and networking between schemes and services by which promoters of resources, schemes and programmes support and enhance UK education and optimise students' career potential;
- To develop and maintain a collaborative and co-operative quality assured network committed to the continual improvement of STEM education and facilitate an exchange of good practice in STEM education between the Network and others through courses, lectures, displays, exhibitions, conferences and other activities;
- To co-operate and communicate with employers, professional institutions, educational institutions, government offices, other charitable organisations and promoters on educational standards, competencies and other issues; and
- To promote and develop the public understanding of STEM and related subjects and the role of education in this.

Public Benefit and Activities

The Directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing STEMNET's aims and objectives and in planning future activities.

STEMNET has focussed its efforts on the following areas of activity for the public benefit:

- To increase young people's choice and chances through science, technology, engineering and mathematics.

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Trustees Annual Report *(continued)*

Year ended 31 March 2016

- To be a recognised leader in enabling all young people to achieve their potential in STEM by:
 - Ensuring that all young people, regardless of background, are encouraged to understand the excitement and importance of science, technology, engineering and mathematics in their lives, and the career opportunities to which the STEM subjects can lead;
 - Encouraging businesses, organisations and individuals wanting to support young people in STEM to target their efforts and resources in a way that will deliver the best results for them and young people;
 - Helping all schools across the UK to understand the benefits of engaging with STEM and embedding it within curriculum planning.

STEMNET works with employers and other partners to create opportunities to inspire young people in Science, Technology, Engineering and Mathematics (STEM). This enables young people to develop their creativity, problem-solving and employability skills, widens their choices and supports the UK's future competitiveness. STEMNET helps encourage young people to be well informed about STEM, able to engage fully in debate, and make decisions about STEM related issues.

We do this by working with thousands of schools, colleges and STEM employers, to enable young people of all backgrounds and abilities to meet inspiring role models, understand real world applications of STEM subjects and experience hands-on STEM activities that motivate, inspire and bring learning and career opportunities to life.

STEMNET continues to support improved social mobility by successfully focusing on schools in disadvantaged circumstances and increasing their engagement with STEM through its programmes.

The Charity does this by:

- **Working with young people and teachers** – providing practical support to teachers in bringing the STEM curriculum to life and giving them access to the latest innovations in STEM and STEM's applications in the world beyond school.

STEMNET makes particular efforts to ensure that all schools, teachers and young people have information about and access to STEM support, providing a unique information and advisory service to help teachers and schools select the support which will benefit them and their students most. By working with local organisation experts in the field of business-education links, STEMNET can provide tailored advice and assistance quickly and easily to schools and colleges across the UK.

- **Employers inspiring young people** – STEMNET acts as a leading facilitator of engagement between education and the STEM business and research communities. It also provides young people with exposure to the wide range of exciting and challenging career opportunities afforded by STEM.

Review of Activities

STEMNET successfully delivers three increasingly interlinked national programmes. An independent evaluation carried out during the year showed extremely positive impacts for pupils and teachers as well as all other stakeholders.

- Most schools said that the STEM activities in their school would not have been possible without STEMNET support. 87% said the activities STEM Ambassadors had supported would not have been possible, 77% said that an increase or expansion of the STEM Clubs in their schools would not have been completely possible and 57% said that the SSAN had helped them to introduce new or expand existing STEM activities – STEMNET Independent Evaluation 2015-16

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Trustees Annual Report *(continued)*

Year ended 31 March 2016

It identified that the programmes offered are often viewed holistically, with both teachers and pupils frequently blurring the lines between the three core programmes.

The Charity's strategy is to continue to develop and extend the impact of these programmes for public benefit:

Schools STEM Advisory Network

Through the Schools STEM Advisory Network, funded by the Department for Business, Innovation and Skills, STEMNET ensures that all secondary schools across the UK are provided with an impartial advisory service that enables schools to understand the benefits of engaging with science, technology, engineering and maths enrichment and enhancement (STEM E&E) to be better informed about the support available to them and how best to access it. STEMNET Contract Holder organisations across the UK develop direct relationships across secondary school STEM departments. They offer a tailored advisory service, discussing individual schools' needs and progress to encourage teachers to access support for enhancing their students' STEM curriculum as well as supporting their own professional development.

STEMNET co-ordinates a network sub-regional Contract Holder organisations across the UK and aims to ensure that all schools can offer their pupils programmes which provide real-world context to the curriculum and are aware of the opportunities offered by further STEM education and training.

"The STEMNET Contract Holder was very helpful and showed me features of the STEMNET website including the resource bank. He explained how talks can be booked and showed me the range of talks available in addition to recommending some interesting topics and speakers. He provided me with a wide range of leaflets, posters and other information packs for a range of organisations and asked me about mine and the schools background so he could get to know what might suit us best. We arranged for a session for him to speak with other members of staff that are involved in STEM."

Science Teacher in Secondary School in Sheffield

"Jo has been working with [the Contract Holder] for a few years and meets with them at least once a year to review how things are going and to plan ahead. She receives regular emails about opportunities and values the Teacher/Ambassador and STEM Clubs networking meetings. She has had very successful STEM Ambassador engagements in the school and particularly mentioned the Nuclear Grads STEM Enrichment Programme and female engineers giving talks for NWED (National Women in Engineering Day). 'I don't have to spend hours looking for opportunities. [CH] are my 'go to shop' if I need anything STEM. Between the two of them they always know someone who can support our plans. They understand our circumstances so their suggestions are tailored to what we want and are able to access."

Acting Head of Science, Derbyshire

STEM Ambassadors Programme

The STEM Ambassadors Programme, funded by the Department for Business, Innovation and Skills, is the UK's largest science, technology, engineering and maths volunteering programme. Working with over 3,000 employers, it provides over 33,000 role models to help inspire the next generation of STEM qualified young people. STEM Ambassadors use their enthusiasm and commitment to encourage young people to enjoy STEM subjects; they open the doors to a world of opportunities and possibilities which come from pursuing STEM subjects and careers.

STEM Ambassadors not only inspire young people, they also support teachers to enhance their teaching with an understanding of world-of-work contexts by providing insights into current cutting-edge applications of STEM in industry and research.

"I have met with the Contract Holder the last time quite recently in September. When we first met she introduced me to a local company and a STEM Ambassador – we visited and had a tour and he has been explaining nuclear physics and how electricity is generated, students did a presentation on the visit and had to go away and do some research which was the hardest thing for them. The work with the STEM Ambassador has pushed them out of their comfort zone. The CH then emailed me confirming she could bring two more STEM Ambassadors into the school and I 'pounced on them!' The CH providing information and working with the STEM Ambassadors has been a catalyst for us and we are going to do more in the future."

Teacher Science Department, Secondary school, Norfolk

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Trustees Annual Report (continued)

Year ended 31 March 2016

"Meeting the Contract Holder was very helpful. Lots of discussion on how STEM Ambassadors can support the new maths qualification which is being taught in the sixth form (Core Maths) for which real life contexts would be very useful. Employer input for adding context to this teaching has been really beneficial. Meeting [the Contract Holder] was very helpful. Lots of discussion on how STEM Ambassadors can support the new maths qualification which is being taught in the sixth form (Core Maths) for which real life contexts would be very useful. Employer input for adding context to this teaching would be really beneficial. This teacher also runs the North Yorkshire Maths Hub and so he commented on how useful he found this and will pass the information about the positive impact that STEM Ambassadors can have in the maths classroom onto the network."

Head of Maths, Secondary School, North Yorkshire

STEM Clubs Programme

Through the STEM Clubs Programme, funded by the Department for Education, the Gatsby Charitable Foundation and the Scottish Government, STEMNET supports secondary schools throughout the UK to establish and maintain engaging science, technology, engineering and/or maths (STEM) clubs, offering a hands-on, practical and rewarding way to boost young people's STEM enjoyment and learning without the restrictions of the curriculum.

The National STEM Clubs Programme is delivered on a local level through STEMNET's network of Contract Holders, ensuring an operational delivery model that provides teachers with the level of support and advice, appropriate to their school needs, on setting up an engaging Club or developing an established one.

Achievements and Performance

In the period 1 April 2015 – 31 March 2016 the reach and impact of STEMNET's operations has continued to increase for young people, teachers, schools and employers. Feedback from all stakeholders has been highly positive as the programmes have expanded to support more young people in more schools especially focusing on young people in schools that are in disadvantaged circumstances. Sustained engagement of schools with STEM Ambassadors and STEM Clubs has also increased significantly.

The key achievements during the period 2015-2016 have been:

- Access to STEM guidance and impartial advice about the breadth and range of STEM enrichment and enhancement activities has been available to all schools across the UK over the year. As a result, during the period nearly 90% of secondary schools have benefited from an in-depth dialogue, enabling those schools to understand the benefits, to both the students and teachers, of engaging with STEM E&E.
 - 90% of teachers who had received advice and information through their Contract Holder and who had been personally involved with the SSAN found that the advice and guidance they had received had been useful - STEMNET independent Evaluation 2015-16
 - 76% found the Contract Holder's advice useful for increasing understanding of how enrichment and enhancement opportunities could enhance their pupils' learning - STEMNET independent Evaluation 2015-16
- STEMNET focussed on schools in more disadvantaged circumstances, specifically those with a high percentage of free school meals, low attainment, a poor Ofsted grade, a rural or coastal location and/or limited opportunities to engage with employers, whilst still engaging with all secondary schools. STEMNET Contract Holders developed a range of ways to address the barriers that prevent many such schools from engaging with STEM E&E opportunities, particularly the STEM Ambassadors Programme. As a result of this focused work the level of engagement of these schools increased substantially over the year.
- STEMNET has over 33,000 volunteers from business and industry who are excellent role models for young people's STEM learning pathways and careers opportunities.
- The STEM Ambassadors have worked with over 630,000 pupils and 21,000 teachers, which is an exceptional reach.
- Over 95% of UK secondary schools (over 3,880 secondary schools) have benefited from engaging with the STEM Ambassadors Programme over the last 12 months. Over 63% of UK secondary schools, having recognised the benefits of working with this programme, have had more sustained in-depth engagements with STEM Ambassadors.

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Trustees Annual Report *(continued)*

Year ended 31 March 2016

- Over 87% of STEM Ambassadors take part in at least one activity in a 12 months' period with many committing to supporting schools on a much more regular (often weekly) basis.
 - Over 90% of teachers rated all types of STEM Ambassador supported activities as effective in terms of having impact on pupils. STEM days were rated highest by teachers with 98% of teachers saying that these activities were effective – STEMNET Independent Evaluation 2015-16
- STEM Ambassadors are acknowledged by teachers, schools, industry and government as one of the most successful ways to demonstrate to young people that STEM careers are varied, exciting, interesting and achievable by all. STEM Ambassadors represent the diversity of people working in STEM with over 42% of STEM Ambassadors being female and over 61% under 35 years old.
 - 82% of teachers agreed that STEM Ambassadors had increased pupils' motivation to enter into STEM careers – STEMNET independent Evaluation 2015-16
- STEMNET engages with over 3,000 STEM employers from a wide range of sectors and from SMEs to large multi-national organisations.
- Through its Schools STEM Advisory Network, STEMNET has gathered comprehensive intelligence about secondary school engagement with STEM activities and support and this facilitates partnership with other STEM organisations such as STEM Learning Ltd, the British Science Association, Professional Institutions, Employers and Sector Skills Councils. STEMNET promotes a collaborative approach to STEM E&E.
- Over 85% of UK state-maintained secondary schools have one or more operational STEM Clubs.

The STEM Ambassadors Programme

During Spring 2015, a Request Management System was launched to streamline the process for requesting STEM Ambassadors by providing a single request form for teachers and STEM providers and saving time on administration and record-keeping. The monitoring and reporting of demand and impact has been improved. Additionally STEM Ambassadors are able to view requests from across the UK.

A teacher mentoring project took place during Autumn 2015 to explore the support that can be offered by STEM Ambassadors directly to teachers to further develop their subject knowledge for their own professional development and for STEMNET to understand good practice in teacher support.

Research commissioned by STEMNET into the extent to which participation in the STEM Ambassadors and STEM Clubs programmes improved the development of employability skills in young people highlighted that there is enormous strength in the diversity of STEMNET's programmes as they can substantially help young people develop a range of employability skills and associated competences. The study identified that activities involving STEM Ambassadors can more effectively raise awareness of the world of work through sustained and embedded engagement as well as more ad hoc, one-off or informal approaches. Findings show that:

- Teachers (92%) and pupils (90%) agree that STEMNET's programmes improve problem solving.
- Teachers (88%) and pupils (96%) agree that STEMNET's programmes improve team work.
- Teachers (91%) and pupils (94%) agree that STEMNET's programme improve communication and social skills

STEM Clubs Programme

By March 2016, over 85% of secondary schools across the UK had at least one operational STEM Club, 37% of which had more than one STEM Club.

- 77% of Teachers said that an increase or expansion of the STEM Clubs in their schools would not have been completely possible without STEM Clubs Programme support - STEMNET independent Evaluation 2015-16

STEMNET's independent evaluation also highlighted that 87% of teachers said that STEM Clubs had increased pupils' practical, transferable or leadership skills and had increased pupils' knowledge and understanding of STEM.

STEM Clubs Week took place 1 – 5 February 2016. The event promoted STEM Clubs in schools and raised the awareness of the positive outcomes from participating in a STEM Club.

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Trustees Annual Report (*continued*)

Year ended 31 March 2016

Partnership Working

Working in collaboration with a range of organisations STEMNET has successfully developed and facilitated the UK-wide school engagement of their projects through STEMNET's networks and programmes thereby raising awareness of the range of opportunities available in the IT, life sciences and chemical sciences industries.

- Cisco Little Big Awards is an annual competition organised by Cisco. To achieve their national goals and gain valuable insight and support in scaling up the Awards, Cisco engaged with STEMNET to promote the Awards through STEMNET's UK-wide network of sub-regional Contracts Holders and bring the Little BIG Awards to its first National Final.

Raising Awareness

STEMNET endeavours to raise awareness of its services and why STEM skills are so crucial for young people and in particular targets schools, employers and wider STEM business and industry as well as existing and prospective STEM Ambassadors. This has been achieved using the most cost effective methods including social media, traditional media, events, newsletters and partnerships.

To encourage volunteers, recruit new volunteers and to keep schools engaged and inspired to explore STEM subjects STEMNET aims to help raise the profile and importance of STEM for helping young people succeed.

In addition to core audiences STEMNET reaches out to help grow a wider society mandate for volunteers, teachers and other STEM advocates to thrive in. Over the last year STEMNET has

- spoken at a range of national conferences
- hosted visits for Ministers and senior Parliamentarians
- placed national and local press/broadcast/social media
- held awards to celebrate STEM Ambassador volunteers and contributors
- promoted a STEM Club awareness week in schools
- contributed to relevant Westminster and devolved nations' policy consultations
- supported and promoted relevant campaigns and initiatives
- sought to build and grow the support base amongst business
- kept a dialogue with Parliamentary and Whitehall decision makers
- cascaded messages and materials to partners and key multipliers
- built dialogue with international equivalents

Evaluating STEMNET's impact

"The programmes meant that students had more opportunities to meet people working in STEM industries and take part in hands on, practical activities. Without the programmes, teachers may not have the time, skills or resources to plan and execute these activities which excite and engage pupils. Teachers and senior leaders reported that meeting STEM Ambassadors impacts on students because it is a chance to engage with a new and different adult who has credible wider world experience and a different point of view" - STEMNET Independent Evaluation 2015-16

TNS-BRMB's independent evaluation drew from quantitative research with thousands of survey responses with pupils and teachers as well as interviews and qualitative case studies.

Key findings include:

- 87% of teachers said the activities STEM Ambassadors had supported would not have been possible without support from the STEM Ambassador Programme
- Teachers reported strong impacts of the STEM Ambassadors Programme on pupils:

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Trustees Annual Report (*continued*)

Year ended 31 March 2016

Increased practical. Transferable or leadership skills	87
Increased pupil knowledge and understanding of STEM	87
Increased awareness of STEM study options	75

- Over 90% of teachers rated ALL types of STEM Ambassador activities as effective in terms of having impact on pupils.
- Pupils who had seen a STEM Ambassador in the last term were significantly more likely to report that they intended to do an Apprenticeship, a degree or get a job in a STEM related field eg. A Level (83% compared to 61%)
- Girls were more likely than boys to say that the STEM Ambassador made them more likely to study STEM subjects after Year 11 (66% compared to 51%)
- More frequent interaction with STEM Ambassadors increases impact, eg. 80% of pupils who had seen a STEM Ambassador 2+ times in the last term agreed that it had increased their interest in Design and Technology, compared to 63% who had seen a STEM Ambassador once.

Pupils were highly positive about STEM Clubs:

- 89% of those attending saying that they enjoyed being part of the club
- 91% pupils reported that the STEM Club had increased their knowledge and understanding of Science

Plans for Future Periods

In order to maximise the opportunities in science, technology, engineering and mathematics (STEM) for all young people in the UK, the Boards of two of the country's most significant supporters of STEM education – STEM Learning Ltd, a not for profit organisation, and STEMNET, made the decision to merge their operations at a meeting of the Trustees held on 19 July 2016.

Between them, STEM Learning and STEMNET operate some of the most important, influential and internationally recognised programmes supporting STEM education and skills in the UK today. A merger will enable schools, colleges and others involved in education to more easily access the support they need. Crucially, it will also make it simpler for employers and individuals working in the STEM industries to get involved.

For more than a decade, both organisations have been working to improve young people's outcomes in STEM education, to grow the numbers studying STEM subjects and to make STEM careers an attractive choice. Combining their operations will allow STEM Learning and STEMNET to integrate their expertise, build on their research and utilise their networks to maximum benefit, helping to further address the UK's skills and productivity challenges, close the skills gap and develop the UK's science capital.

"STEMNET has a long and successful history of inspiring young people with the exciting opportunities available through STEM education and STEM careers. Much of this success is due to the commitment and enthusiasm of our 33,000 STEM Ambassador volunteers who work with teachers across the UK. STEMNET continually seeks ways of helping our STEM Ambassadors to be even more effective, and merger with STEM Learning gives us the opportunity to make a great resource have even greater impact."

Dr David Grant, Chair of STEMNET

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Trustees Annual Report (continued)

Year ended 31 March 2016

"The merger of STEM Learning and STEMNET will not only add to the offer of professional development (CPD) and STEM resources to schools and colleges but also provide teachers with a single route to all the two bodies have to offer. STEM Ambassadors and STEM Clubs are both highly regarded as is the CPD and STEM resources provided by STEM Learning. Through teachers having streamlined access to this support I hope we can increase yet further the interest of young people in careers in the STEM subjects."

Sir Mike Tomlinson, Chair of STEM Learning

It was agreed that the activities and funds of STEMNET would be transferred to STEM Learning over a period of time, with the first grant payment to that effect being made in August 2016. During the period of transfer, STEMNET will retain a monitoring obligation to ensure that the funds are used in accordance with STEMNET's own charitable objectives, the wishes of donors where applicable and the terms of the original grant funding agreements where such a commitment exists.

One of the foreseeable consequences of the merger was the need to reduce the size of the senior STEMNET team. Therefore the Chief Executive of STEMNET left the organisation on 10 June 2016. The entire STEMNET staff team that were in post on the date of the merger (1 August 2016) were transferred to the employment of STEM Learning Ltd. STEMNET Trustees are managing the activities of STEMNET going forward.

Quality Assurance

STEMNET's quality systems for the provision of education business support through grant assistance and advice were once again recognised as complying with ISO 9001:2008. The organisation continues to monitor and review its key business processes to meet the needs of STEMNET's operations.

Early in 2016 STEMNET was successful in achieving Cyber Essentials certification.

Financial

The end of the year saw a satisfactory financial result based on strong financial management and continued financial support from funding organisations keen to promote STEM. Overall costs were contained within budget and income figures were met. Incoming resources exceeded resources expended in the year by £67,278 (2015: £409,939).

The principal funding sources were BIS, DfE, the Gatsby Charitable Foundation and Cisco International Ltd, a significant proportion of this funding being restricted funding for activities in furtherance of the charity's objectives. In addition, funding was also secured from the Scottish Government and a range of employer organisations for specific STEM related projects.

Investment Powers and Policy

Under the Articles of Association, the charity has the power to invest in any way the trustees see fit.

The Directors, having regard for the liquidity requirements of operating the charity and to the reserves policy have operated a policy of keeping available funds in an interest bearing deposit account and seek to achieve a rate of deposit interest which matches or exceeds inflation as measured by the retail price index.

Reserves Policy

The Directors have established a level of reserves (that is those funds that are freely available) that the charity ought to have to provide financial stability and which should be sufficient to cover up to one year's administration and infrastructure costs. The STEMNET Directors have delegated the details of managing its reserves to the Chief Executive. The Directors have been involved in setting the principles of the policy, clearly understand the issues involved and take their responsibility seriously. The STEMNET Reserves Policy has been formally agreed by the Directors.

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Trustees Annual Report (continued)

Year ended 31 March 2016

The level of reserves is regularly monitored by the Chief Executive. The Board are presented with management accounts at each Board Meeting and these include details on the level of reserves held or expended during the period reported. A review of the Reserves Policy is undertaken by the Board annually at the same time as consideration is given to agreeing the STEMNET budget. Any adjustment to the level of reserves required in line with the operating costs of STEMNET will be agreed at this time.

Following the decision to transfer the activities of STEMNET to STEM Learning after the end of the financial year, the Trustees have revised their strategy for the future in relation to the required level of reserves held. As disclosed in note 16 to the financial statements, it is the intention that funds will be transferred over a period of time to STEM Learning by way of grant payments, the first tranche of which has already been paid over. It is planned for the transfer of activities and funds to occur over a time frame of approximately 2 years, and in the meantime the Trustees are confident that the level of funds it retains are sufficient for the charity to continue for the foreseeable future and that it remains a going concern.

Summary of Reserves

STEMNET's reserves total £3,931,182 which includes £2,593,366 in relation to funds which are restricted and not available for the general purpose of the charity.

The following table indicates amounts held on each reserve which are represented by tangible assets of the charity.

	Totals	Related to	Excluding
	£	tangible	tangible
		assets	assets
		£	£
Restricted	2,593,366	3,165	2,590,201
Unrestricted	1,337,816	61,251	1,276,565
Total Reserves Held	<u>3,931,182</u>	<u>64,416</u>	<u>3,866,766</u>

STEMNET has no designated funds and holds free reserves of £1,276,565 (2015: £1,299,634). Free reserves are at a level which the Board considers to be sufficient to cover the costs associated with the planned merger of operations with STEM Learning Ltd in 2016 which are estimated to be in the region of £75,000 to £100,000.

Principal Risks and Uncertainties

The board is responsible for the management of the business risks faced by the charity. Detailed considerations of business risks are delegated to the Chief Executive, who is assisted by the Senior Management Team. Business risks are identified, assessed and controls established throughout the year. A formal review of the charity's business risk management process is undertaken on a periodic basis.

The Charity has a formal risk management process through which the Chief Executive and Senior Management Team identify the major risks to which the organisation may be exposed and has ranked these by likelihood and impact, culminating in a risk control document which is updated on a regular basis. All significant risks, together with current mitigation actions, are reviewed regularly throughout the year by the Trustees. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

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Trustees Annual Report *(continued)*

Year ended 31 March 2016

The principal risks and uncertainties identified by the charity are as follows:

Risk identified	Action taken to mitigate the risk
Dependency on HMG and decreasing funding for the STEM landscape	Identified partner organisation to collaborate with STEMNET in delivering its ongoing programmes
Failure to deliver BIS contract and meet published performance targets	Review performance and address as required promptly. Keep funders updated on progress at review meetings.
Reliance on third party organisation for the delivery of programmes and ensuring funding providers requirements are met	Ongoing monitoring of activities during transitional period and address as required promptly.
Costs of merger and winding up	Appropriate legal advice taken throughout. Implementation of a staged transition to ensure sufficient free reserves remain available to support costs arising.
Failure in IT systems	Vital IT systems are stored on cloud and backed up daily. Security of data systems regularly reviewed. Cyber Essentials Certificate of Assurance achieved.

A significant proportion of STEMNET's income is derived from HMG which in the challenging political, economic and educational climate, carries clear risks. As indicated within the Trustees' report and the attached financial statements, following confirmation from BIS that funding would not be available to STEMNET beyond July 2016, the Trustees identified STEM Learning Ltd as a key partner organisation to take forward the activities of STEMNET. The charity will continue to work with STEM Learning during a transitional period to ensure that the wishes of original donors and terms of grant funding agreements continue to be met.

Responsibilities of the trustees

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Trustees Annual Report *(continued)*

Year ended 31 March 2016

Statement of disclosure of information to auditors

We, the trustees of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

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

Registered office:
5th Floor
Woolgate Exchange
25 Basinghall Street
London
EC2V 5HA

Signed by order of the trustees



Mrs Fiona Marchant
Company Secretary

Approved by the trustees on 16-12-16

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Independent Auditors' Report to the Members

Year ended 31 March 2016

We have audited the financial statements of The Science Engineering Technology Mathematics Network for the year ended 31 March 2016 as set out on pages 16 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 "The Financial Reporting Standards applicable in the UK and Republic of Ireland".

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and the auditors

The Trustees' (who are also the directors of The Science Engineering Technology Mathematics Network for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities on page 12.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion

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 2016, and of its net movement in funds, 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 Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Annual Report (including the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Independent Auditors' Report to the Members *(continued)*

Year ended 31 March 2016

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Richard Weaver
Senior Statutory Auditor

Haysmacintyre
26 Red Lion Square
London WC1R 4AG

Date: *19 December 2016*

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Statement of Financial Activities *(incorporating the income and expenditure account)*

Year ended 31 March 2016

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
<u>Income and endowments from:</u>					
Donations and legacies	1	1,594,623	-	1,594,623	1,599,241
Income from charitable activities	2	40,385	5,187,357	5,227,742	5,303,626
Investment income	3	7,071	-	7,071	7,473
Total income and endowments		1,642,079	5,187,357	6,829,436	6,910,340
<u>Expenditure on:</u>					
Raising funds	4	15,532	-	15,532	9,307
Expenditure on charitable activities	5	1,677,951	5,068,675	6,746,626	6,491,094
Total expenditure		1,693,483	5,068,675	6,762,158	6,500,401
Net incoming resources for the year before transfers		(51,404)	118,682	67,278	409,939
Transfers		15,675	(15,675)	-	-
Net movement in funds		(35,729)	103,007	67,278	409,939
<u>Reconciliation of funds:</u>					
Balances brought forward		1,373,545	2,490,359	3,863,904	3,453,965
Balances carried forward		1,337,816	2,593,366	3,931,182	3,863,904

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The accounting policies and notes on pages 19 to 27 form part of these financial statements.

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Balance Sheet

31 March 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	9	64,416	79,814
Current assets			
Debtors	10	1,724,178	1,799,835
Cash at bank		3,565,540	3,279,435
		<u>5,289,718</u>	<u>5,079,270</u>
Creditors: amounts falling due within one year	11	<u>1,422,952</u>	<u>1,295,180</u>
Net current assets		3,866,766	3,784,090
Total assets less current liabilities		3,931,182	3,863,904
Net assets		<u>3,931,182</u>	<u>3,863,904</u>
Funds			
Restricted	12	2,593,366	2,490,359
Unrestricted		1,337,816	1,373,545
TOTAL FUNDS	13	<u>3,931,182</u>	<u>3,863,904</u>

These financial statements were approved by the trustees on the 16.12.16 and are signed on their behalf by:


Dr David Grant
Chair

Company Registration Number: 03236201

The accounting policies and notes on pages 19 to 27 form part of these financial statements.

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Statement of Cash flows

Year ended 31 March 2016

	Note	2016 £	£	2015 £
Cash flow from operating activities		283,366		(2,024,946)
Cash flow from investing activities				
Interest received	7,071		7,473	
Payments to acquire tangible fixed assets	(4,332)		(75,976)	
Net cash flow from investing activities		2,739		(68,503)
Net increase/(decrease) in cash and cash equivalents		286,105		(2,093,449)
Cash and cash equivalents at 1 April 2015		3,279,435		5,372,884
Cash and cash equivalents at 31 March 2016		3,565,540		3,279,435
 Cash and cash equivalents consist of:				
Cash at bank and in hand		<u>3,565,540</u>		<u>3,279,435</u>
 Reconciliation of net income to net cash from operating activities				
		2016 £		2015 £
Net income for the year		67,278		409,939
Interest receivable		(7,071)		(7,473)
Depreciation		19,730		3,901
(Increase)/decrease in debtors		75,657		(269,908)
Increase/(decrease) in creditors		127,772		(2,161,405)
Net cash flow from operating activities		283,366		(2,024,946)

The accounting policies and notes on pages 19 to 27 form part of these financial statements.

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Accounting Policies

Year ended 31 March 2016

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), and the Companies Act 2006.

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

The charity adopted SORP (FRS102) in the current year and in preparing the accounts the trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS102 the restatement of comparatives was required.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability would have been recognisable for short-term compensated absence arising from employee entitlement to paid annual leave. The liability at the date of transition was £21,000 however in the opinion of the trustees does not represent a material change to the previously reported opening balances. Consequently there has been no restatement to comparatives figures. Full provision for liabilities in relation to employee remaining holiday entitlement as at 31 March 2016 has been included within creditors at the balance sheet date.

No other restatements were identified as being required following the implementation of FRS102.

Going concern

Prior to the year end, the charity received confirmation from the Department for Business Innovation & Skills (BIS) that it will terminate its grant funding to STEMNET with effect from the end of July 2016. Having considered a variety of options open to them, the Trustees of STEMNET consider that it is in the best interests of STEMNET's objects for its activities and assets to be transferred to an organisation with similar objects to its own.

The Trustees of STEMNET identified STEM Learning Limited (a not for profit organisation operating in the field of STEM education), as an appropriate organisation to whom STEMNET's activities and funds could be transferred, in order to ensure they continue to be used for the furtherance of STEMNET's own primary objectives. As disclosed in note 16, STEMNET and STEM Learning have, since the end of the year, entered into agreements for the sale of assets, transfer of activities and provision of grant funding from accumulated reserves to STEM Learning.

An orderly winding up of the charitable company will occur over the next 18 months to 2 years, as funds are monitored and disbursed to STEM Learning.

Income recognition

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations are recognised when the charity has received notification of the amount being donated and a settlement date. Where there are conditions attached to the receipt that requires a level of performance, then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Accounting Policies *(continued)*

Year ended 31 March 2016

- Income from government and other grants, is recognised when the charity has entitlement to funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be reliably measured and is not deferred.
- Investment income is included when receivable.
- Income that the charity receives in respect of sundry services and goods provided, is recognised upon performance or delivery.

Expenditure recognition

Expenditure is accounted for on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the allocated support costs associated with the application and monitoring of core grant funding.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities, and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular activities they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources, using one of the following bases as appropriate:

Time spent: Time spent by individuals in administering each function/activity as a proportion of their total time

Project duration: Individual project length as a proportion of the aggregate duration of all projects.

Grant making activities

Grants payable are payments to third parties in the furtherance of the charitable objectives of the company. The charitable company receives funding at a national and local level specifically for the purpose of distributing to its UK-wide network of Contract Holders and other institutions. The charity accounts for grants payable at the same time that it is entitled to receipt of the related grant income from the awarding bodies.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to the restrictions on their expenditure imposed by the donor.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Premises improvements	- 20% on cost
Office furniture & equipment	- 20% on cost
Computer equipment	- 33.3% on cost

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Accounting Policies *(continued)*

Year ended 31 March 2016

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The charity makes available to its employees a defined contribution stakeholder pension scheme. The annual contributions payable are charged to the statement of financial activities as they become due.

Taxation

No provision has been made for taxation as the company's charitable status renders it exempt from UK direct taxation.

Free reserves

Details of the charity's free reserves policy are set out within the Trustee's report on pages 10 and 11.

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Notes to the Financial Statements

Year ended 31 March 2016

1. Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
BIS core funding	1,586,175	-	1,586,175	1,589,802
Donations	8,448	-	8,448	9,439
	<u>1,594,623</u>	<u>-</u>	<u>1,594,623</u>	<u>1,599,241</u>

2. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
STEM Ambassadors programme	-	4,455,852	4,455,852	4,438,570
Schools & student support projects	-	343,613	343,613	280,558
Other	40,385	387,892	428,277	584,498
	<u>40,385</u>	<u>5,187,357</u>	<u>5,227,742</u>	<u>5,303,626</u>

3. Investment income

All of the charity's investment income arises from money held on interest bearing deposit accounts.

4. Raising funds

	<i>Basis of allocation</i>	Voluntary income £	Total 2016 £	Total 2015 £
Staff costs	<i>Time spent</i>	15,532	15,532	9,307
		<u>15,532</u>	<u>15,532</u>	<u>9,307</u>

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Notes to the Financial Statements

Year ended 31 March 2016

5. Analysis of expenditure on charitable activities

	Direct Costs £	Support Costs £	Total 2016 £	Total 2015 £
2016				
STEM Ambassadors	4,436,982	396,451	4,833,433	4,669,023
Schools and Student Support	342,526	112,200	454,726	416,755
Regional Operations	694	975,226	975,920	910,370
Other	288,473	194,074	482,547	494,946
	5,068,675	1,677,951	6,746,626	6,491,094

The charity undertakes certain of its charitable activities through the making of grants to a wide body of institutions. These institutions are either education establishments or departments thereof and include all Contract Holders. In the opinion of the Trustees it is impracticable to include a detailed list of grants within the financial statements. However, a full list of grants payable for the year is available upon request from the registered office address.

6. Analysis of support costs by activity

	Basis of allocation	STEM Ambassadors £	Schools & student support £	Regional Operations £	Other £	Total 2016 £	Total 2015 £
Governance	<i>Time spent</i>	11,359	1,678	38,280	6,962	58,279	144,936
Staff, contractors & travel	<i>Combination</i>	276,047	56,000	827,901	155,308	1,315,256	1,084,262
Premises	<i>Project duration</i>	87,214	43,607	87,214	25,437	243,472	189,362
Legal and professional	<i>Project duration</i>	10,294	5,147	10,294	3,002	28,737	75,203
Other	<i>Project duration</i>	11,537	5,768	11,537	3,365	32,207	23,874
		396,451	112,200	975,226	194,074	1,677,951	1,517,638

7. Employee costs

The aggregate payroll costs were:

	2016 £	2015 £
Wages and salaries	1,355,214	1,262,068
Social security costs	146,253	137,710
Other pension costs	62,130	67,807
	1,563,597	1,467,585

The above costs include payments totalling £13,449 (2015: Nil) on termination of employment contracts.

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Notes to the Financial Statements

Year ended 31 March 2016

7. Employee costs *(continued)*

Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to:

	2016 No	2015 No
Administration and Management	33	31
Chief Executive	1	1
	<u>34</u>	<u>32</u>

The number of employees, included in the above, whose emoluments, excluding pension contributions, fell within the following ranges, were:

	2016 No	2015 No
£60,001 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1
	<u>1</u>	<u>1</u>

The number of employees within the above ranges accruing benefits under contributions to money purchase schemes was 2 (2015: 2)

The key management personnel of the charity comprise the Trustees, the Chief Executive Officer and the supporting Senior Management Team. The total employee benefits of the key management personnel were £322,012 (2015: £288,585)

No Trustee received remuneration during the year (2015: Nil), however 2 Trustees received reimbursed expenses totalling £2,560 (2015: £4,152) in respect of travel and subsistence costs incurred.

8. Net incoming resources

Net incoming resources for the year are stated after charging:

	2016 £	2015 £
Depreciation	19,730	3,901
Auditors' fees		
- Audit services	11,760	9,800
Operating lease rentals:		
- Premises	<u>224,281</u>	<u>109,663</u>

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Notes to the Financial Statements

Year ended 31 March 2016

9. Tangible assets

	Premises Improvements £	Office equipment £	Total £
Cost			
At 1 April 2015	52,917	119,412	172,329
Additions	-	4,332	4,332
At 31 March 2016	<u>52,917</u>	<u>123,744</u>	<u>176,661</u>
Depreciation			
At 1 April 2015	-	92,515	92,515
Charge for the year	10,583	9,147	19,730
At 31 March 2016	<u>10,583</u>	<u>101,662</u>	<u>112,245</u>
Net book value			
At 31 March 2016	<u>42,334</u>	<u>22,082</u>	<u>64,416</u>
At 31 March 2015	<u>52,917</u>	<u>26,897</u>	<u>79,814</u>

10. Debtors

	2016 £	2015 £
Sundry debtors	99,674	66,976
Prepayments	81,063	29,506
Accrued income	1,543,441	1,703,353
	<u>1,724,178</u>	<u>1,799,835</u>

11. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	277,499	276,838
Accruals	1,145,453	1,018,342
	<u>1,422,952</u>	<u>1,295,180</u>

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Notes to the Financial Statements

Year ended 31 March 2016

12. Restricted funds

	Balance at 1 Apr 2015 £	Movement in resources:			Balance at 31 Mar 2016 £
		Net incomings £	Net outgoings £	Transfers £	
STEMPOINT brokerage	320,561	-	-	-	320,561
STEM Ambassadors programme	1,054,865	4,455,852	(4,436,980)	-	1,073,737
Schools & student support	305,642	343,613	(342,527)	(15,675)	291,053
Regional operations	476,058	-	(694)	-	475,364
Other	333,233	387,892	(288,474)	-	432,651
	<u>2,490,359</u>	<u>5,187,357</u>	<u>(5,068,675)</u>	<u>(15,675)</u>	<u>2,593,366</u>

The restricted funds of the charity are made up of monies received as grants to facilitate collaboration between organisations in the regions who are involved in increasing awareness of careers in science, engineering and technology.

Each project grant received by the charity is subject to specific restrictions imposed by the relevant funding body. For clarity of presentation and reporting purposes the individual restricted funds are grouped together in the above activity categories. A detailed breakdown of the above activities by fund is available upon written request from the registered office address.

Purposes of Restricted Funds

STEMPOINT brokerage – to provide a UK wide infrastructure for STEM assistance

STEM Ambassadors programme – the support of teachers and engagement of pupils in the continuing study of science with the development of local Ambassadors

Schools & student support – focused support designed to improve the delivery of course programmes across schools

Regional operations – the strengthening of regional co-ordination, giving clarity and focus to science initiatives operating on local and national levels.

Others – furtherance of the overall charitable objectives of STEMNET as outlined in the Trustees Report.

The transfer between funds represents funding costs being supported by the charity's accumulated reserves.

The Science Engineering Technology Mathematics Network

Company Limited By Guarantee

Notes to the Financial Statements

Year ended 31 March 2016

13. Analysis of net assets (between restricted and unrestricted funds)

	Tangible fixed assets £	Other net assets £	Total £
Restricted Income Fund	3,165	2,590,201	2,593,366
Unrestricted funds	61,251	1,276,565	1,337,816
	<u>64,416</u>	<u>3,866,766</u>	<u>3,931,182</u>

14. Operating leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2016 £	2015 £
Not later than one year	240,000	-
Later than one and not later than five years	783,261	-
	<u>1,023,261</u>	<u>-</u>

15. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under FRS102 (effective January 2015).

16. Post Balance Sheet Events

Following discussions with funders and a review of future strategy for the continued progress of the STEMNET model, a meeting of the Trustees held on 19 July 2016 agreed in principle to an offer to be made to STEM Learning, a not for profit company carrying out very similar activities to STEMNET, that it would transfer current funding arrangements by way of grant and that STEMNET would retain a monitoring obligation to ensure that the funds were used in accordance with the wishes of the original donors. The agreement was formalised in a contract dated 29 July 2016. The Charity Commission were notified of the decision on 8 August 2016. As the irrevocable decision occurred more than three months post year end, no additional costs of the strategic decision have been provided for in these accounts.

To date, STEMNET has provided one such grant and has developed a strategy for the future for the remainder of the restricted funds it holds on trust, and for its own unrestricted funds. The Trustees are confident that with the current level of funds it has available it can continue for the foreseeable future and remains a going concern.

17. Company limited by guarantee

The company is limited by guarantee and has no share capital. The liability of the members in the event of a winding up is limited to £1.

The company has obtained the consent of the Registrar of Companies to be exempt from the requirement to use the word "Limited" in its name.