



stem4TM

stem4 Annual Report and Accounts

YEAR TO 30 SEPTEMBER 2025

The mission to secure a mentally healthy future for our children and young people is at a crossroads and the fight for their future has never been more urgent.

Thank you for your support.

Too many children and young people still cannot access the support they need when they need it. Life with anxiety, depression, an eating disorder or trauma is getting harder.

Funding for youth mental health support falls far short of demand. And inequalities, whether from racism, poverty, disability, or identity-based discrimination, mean that access to help is anything but fair.

stem4 refuses to give up on children and young people, their families and schools and colleges. In 2024/25, guided by young people's voices, we fought harder than ever for every step forward. It has not been an easy year, but we have never walked away from the hard moments. We're here, every day, fighting for a future where every young person can grow up with the mental health support they deserve.

Here is what we achieved together in 2024/25.



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Letter from our CEO

Dear Supporter,

As we look back over the past year, we are pleased that stem4 has continued to strengthen its role as a leading provider of early, accessible, evidence-based mental health support for children and young people across the UK. The need for timely intervention has never been greater. With rates of anxiety, low mood, self-harm, and body image issues continuing to rise, young people face mounting pressures at a time when traditional services remain stretched. In this context, our digital tools and resources have once again provided vital, immediate support for many who may otherwise have gone without help.

This year has been one of steady consolidation and meaningful progress. We have continued to refine our focus, prioritising high-impact, clinically validated digital tools while extending our reach through schools, families, and broader community networks. Our suite of apps has remained central to our mission, offering accessible and effective support at scale. We are proud that our tools remain free at the point of use and that, every single day and night, they place essential help directly into the hands of the children and young people who need it most.

A particular recent highlight has been the continued growth of Clear Fear, winner of 'Most Innovative Mental Health Intervention' at the Mental Health Awards 2025 which took place shortly after the year end.

As anxiety becomes one of the most significant challenges facing young people today, schools are increasingly looking for practical, preventative tools that can be embedded into everyday life. Early insights from our in-app measurement work demonstrate Clear Fear's potential to equip students with the skills to manage anxiety independently, reducing reliance on already overstretched school staff. We are excited by the strong foundations laid this year and look forward to expanding our Clear Fear for Schools programme further over the

years ahead, ensuring that early, preventative mental health support becomes a routine part of school provision.

Alongside programme development, we have worked hard to build a stronger financial footing for stem4 in what remains an uncertain economic environment. Through careful cost management, diversification of income, and multi-year funding commitments, we are entering the new financial year from a more stable and resilient position. We have reported a healthy financial surplus and ever-strengthening financial reserves, demonstrating the increasing resilience of the charity. This improved footing is crucial as it enables us not only to maintain our existing support for young people but also to invest in the innovation and infrastructure needed for long-term impact.

Our continued progress and renewed stability is a direct result of the dedication and belief of so many people. I would like to extend my heartfelt thanks to our supporters, funders, partners, and trustees for standing with us during a period of both challenge and opportunity. Most of all, I want to thank our passionate and committed staff team. Their expertise, creativity, and unwavering focus on young people's needs ensure that stem4 remains a trusted, forward-thinking charity delivering meaningful change every day.

As we move into a new financial year, we are doing so from a position of strength. Our strategy is clear, our financial foundations are solid, and the need for our work continues to grow. With your support, we will build on this year's progress, expand our reach across schools and communities, and continue to provide accessible, evidence-based digital tools that empower young people to take control of their mental health. Together, we can ensure that every child and young person has the support they need not only to cope, but to thrive.

Dr Nihara Krause MBE
Founder and CEO

About stem4

stem4 is the UK's leading digital mental health charity for children and young people, specialising in prevention and early intervention through clinically validated digital tools



What we do



Award-winning mental health apps



Clinically informed website



National education & awareness programmes

Who we support



Children and young people



Parents and carers



Educators and health professionals

How we make a difference



Early intervention can drastically change outcomes. Our digital-first, clinically grounded approach continues to grow in reach and impact, ensuring young people can access support whenever they need it

Mission and Values



Vision

A world where every child and young person is empowered with the tools and knowledge to support their mental health, enabling them to lead happy, healthy, and resilient lives

Mission

To provide scalable, evidence-based digital mental health solutions that foster awareness, prevention, and early intervention. We equip children and young people, families, educators, and health professionals with clinically validated tools that are accessible, effective, and genuinely empowering

Values

Informative: Clinically accurate, solution-focused, and educational

Positive: A strengths-based approach that promotes resilience and change

Accessible: Digital-first, inclusive, and available to all, particularly vulnerable and disadvantaged communities

Collaborative: Working with young people, professionals, and partners to drive impact

Innovative: Using technology to create sustainable, scalable mental health support

Effective: Committed to measurable impact and continuous improvement

Aims

Increase Early Awareness: Providing engaging mental health education to start conversations and reduce stigma

Deliver Accessible, Digital-First Support: Ensuring young people can access proven mental health tools anytime, anywhere

Empower Self-Management: Helping young people build resilience, coping strategies, and mental well-being skills

Strengthen Evidence-Based Intervention: Developing and refining digital tools with clinical research and real-world impact measurement

Scale Reach Through Strategic Partnerships: Working with schools, healthcare providers, and digital health leaders to broaden access and deepen impact

Ensure Sustainability and Growth: Building financial and operational stability to secure long-term support for young people



Our Commitment to Sustainability

Sustainability sits at the heart of stem4's mission. Our focus is not only on meeting the urgent mental health needs of young people today, but also on building a stable, resilient organisation capable of supporting future generations.

Over the past year, we have strengthened our strategic and financial foundations, consolidating our core digital offerings while ensuring that our most impactful tools remain free and accessible. By prioritising high-value initiatives, refining our operational model, and expanding multi-year funding partnerships, we are laying the groundwork for long-term security and sustained impact.

Our commitment to sustainability extends across every area of our work. From continuous improvement of our clinically validated digital tools, to investment in robust data security and clinical safety, to the growth of Clear Fear for Schools, we are focused on building scalable, evidence-based solutions that are both effective and enduring.

By aligning our resources with our mission and planning for the future with care and ambition, we are ensuring that high-quality mental health support remains available to every child and young person who needs it today, tomorrow, and in the years ahead.

The State of Children and Young People's Mental Health



1.43 million

children affected by a probable mental health disorder in England alone¹



1 in 5

children/young people have a probable mental health disorder² (20% in 2023, up from 13% in 2017)



Anxiety

is the most common reason for mental health referrals to NHS Children and Young People's Mental Health Services (CYPMHS)¹

Services cannot keep up with rising demand¹



1 million

children had an active referral to NHS CYPMHS in 2023/24



4 months

average wait for treatment



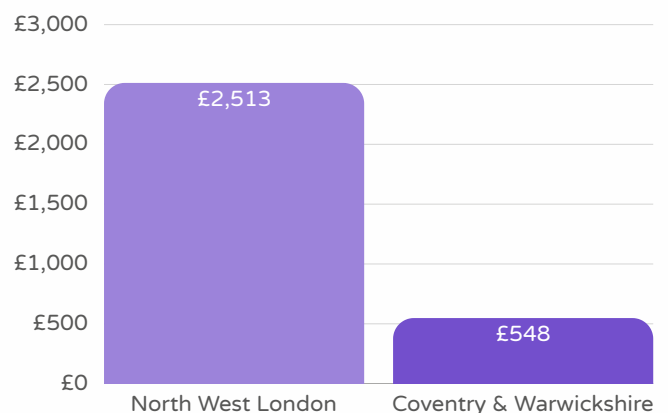
24%

of the estimated number of children with a mental health need accessed NHS treatment

"Years of brief and precious childhoods wasted."
Children's Commissioner, 2025

Where a child lives determines the support they get¹

Per-Child Mental Health Spending
2023-24



Support is only available once problems escalate



Children must meet ever-higher thresholds to qualify for help



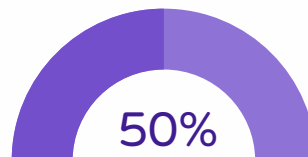
Early signs are often dismissed or unsupported



Many children are turned away or their referrals are closed before care begins

"We must stop asking children to prove they are unwell enough to deserve help."
Children's Commissioner, 2025

Digital prevention reaches children before crisis



of stem4 app users receive no other professional mental health support³



Provides **immediate support** when young people might otherwise receive none



Bridges the **gap** between demand and available services through scalable, digital tools



Empowers **early self-management**, helping young people understand and manage their mental health before crisis

Impact Review

This year, stem4 continued to deliver high-impact, clinically grounded digital mental health support to children and young people across the UK. As demand for timely, accessible solutions grows, our apps, tools, and school programmes have played a vital role in bridging the gap for those unable to access, or not needing to access, traditional services. Building on last year's progress, we strengthened our evidence base, enhanced our digital platforms, and prepared Clear Fear for Schools for wider, more sustained impact.

At the heart of our impact is the belief that every young person should have access to high-quality, early-intervention support wherever and whenever they need it. Over the last twelve months, that commitment has reached hundreds of thousands of young people and families across the country.

A Year of Meaningful Reach

450,000

young people engaged with stem4 this year across all interventions

280,000

app downloads, bringing us to an all-time total of 5.7 million downloads worldwide

1 million

total Clear Fear app downloads reached in January 2025

220,000

active app users this year

33,890

hours of support delivered through our apps, the equivalent of four hours of support for every hour throughout the year

£1.27

total annual cost per active app user

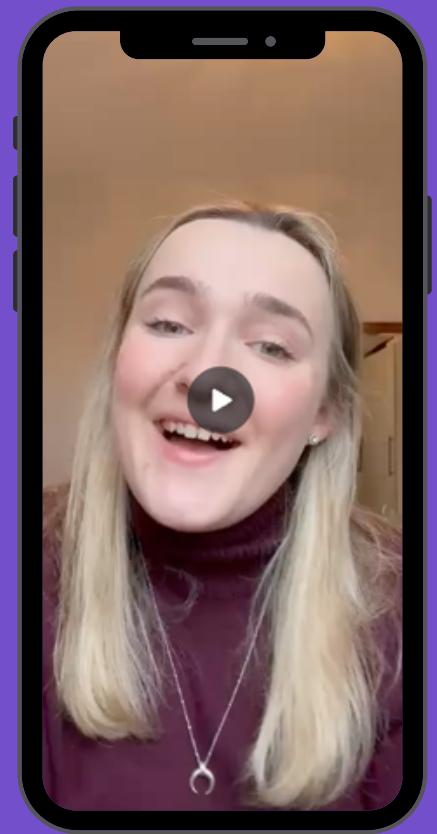
India's Story

How stem4's apps supported her mental health

India began using stem4's apps as a teenager and continued to rely on them for seven years. During moments of anxiety and distress, the apps helped her to feel calm, understand her mental health, and feel supported when she needed it most.

What India values most is knowing that the support is always there: accessible anytime, anywhere. She says she doesn't know what she would have done without the apps during her teenage years.

Watch India's testimonial [here](#).



Our tools continued to demonstrate consistent effectiveness this year, with 91% of engagements reported as helpful by users. Young people used our apps to:



Reduce

60,600 self-harm urges

Calm Harm



Complete

38,160 mindfulness exercises

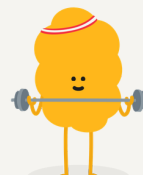
Calm Harm Clear Fear



Rationalise

15,860 anxious thoughts

Clear Fear



Accomplish

8,360 positive action tasks

Move Mood



Reframe

1,289 negative body image thoughts

Worth Warrior



Provide

1,390 instances of immediate support to friends and family

Combined Minds

These numbers represent more than statistics; they represent lives supported, crises averted, and young people empowered to build strength and resilience in moments of difficulty

Strengthening Our Evidence Base

This year marked significant progress in demonstrating the real-world impact of our digital tools



Clear Fear Study

Our landmark Clear Fear study was accepted and published in the Journal of Medical Internet Research's sister journal, JMIR Formative Research, in March 2025. The peer-reviewed research showed statistically significant reductions in symptoms of anxiety and depression, reinforcing Clear Fear as an evidence-based tool suitable for large-scale preventative use. The journal also issued a press release highlighting the app's potential to transform early intervention for young people.



Clinical Safety and Governance

We continued to strengthen the clinical safety and governance of all our apps over the year. Full clinical safety reviews were completed for Clear Fear, Move Mood, Worth Warrior, and Calm Harm, ensuring that each tool meets the highest standards of safety, risk management, and therapeutic integrity. At the same time, we enhanced our in-app impact questions and anonymous analytics, enabling more robust insights into how young people engage with and benefit from our digital tools.



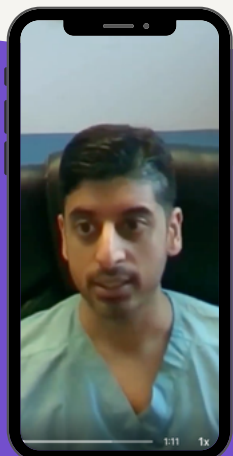
Worth Warrior Recognition

Worth Warrior was selected as one of only three technologies included in the National Institute for Health and Care Excellence (NICE) Digital Self-Help for Eating Disorders: Early Value Assessment. This national recognition underscores the Worth Warrior app's clinical relevance and its potential to support young people experiencing early symptoms of eating disorders. Alongside this external validation, our internal research and development continued, with the Worth Warrior study finalised and submitted for peer review. Additional case studies and deeper analyses are underway to further strengthen future funding, partnership, and NHS engagement.



Commitment to Evidence

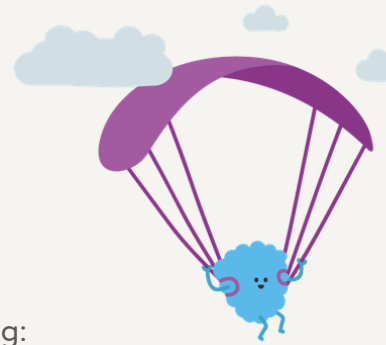
Our commitment to evidence is central to stem4's strategy. Each new study, clinical review, and outcome metric brings us closer to building a digital mental health system that is not only accessible, but demonstrably effective at scale. By continuously validating our digital tools and ensuring clinical rigour, we are providing young people with interventions that work, supporting prevention, and reinforcing the role of technology in early mental health care.



NHS GP Dr Amit Seyan

"I recommend stem4's suite of apps because they offer evidence-based, accessible mental health tools that young people can use between appointments or when waiting for specialist care. What gives me real confidence as a clinician is knowing that these apps have been developed by a mental health professional, using evidence-based approaches and knowledge."

Enhancing School-Based Anxiety Support and Resilience Building

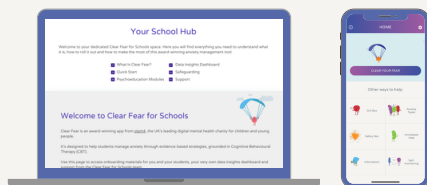


Schools remain a critical setting for prevention and early mental health support, and this year we made significant strides towards embedding Clear Fear within school systems through our developing Clear Fear for Schools (CFS) programme.



With anxiety continuing to rise among students and school staff under increasing pressure to respond, the need for accessible, preventative tools has never been greater. Our work this year focused on building a solution in collaboration with teachers, young people and parents or carers, that is both clinically robust and operationally practical for busy school environments.

Throughout 2024/25, we conducted extensive user testing across a number of participating schools and piloted a range of new features designed specifically for educational settings. This included the development of staff and student psychoeducation modules, data insight dashboards, in-app measurement tools, and school hub functionality. Together, these components form the backbone of a scalable, whole-school approach to early intervention, ensuring that Clear Fear for Schools can be delivered affordably and effectively across diverse educational environments.



Our pilot programme reached 195 students, offering rich, real-world insights into how digital tools can reduce students' anxiety symptoms and ease pressure on overstretched teachers, wellbeing leads and school counsellors. Anonymous feedback captured through embedded in-app analytics has played an important role in shaping the programme's development and future direction.

Early results are promising:

8 in 10 of students reported reduced anxiety symptoms

8 in 10 said the Clear Fear app reduced their need for professional support, whether from a teacher, school counsellor, or health professional

These findings reinforce the programme's potential to provide safe, evidence-based support at scale and to give students timely strategies they can use independently, before their symptoms escalate.

Building the foundations for long-term sustainability was also a priority this year. We enhanced the programme's infrastructure by developing digital data insights for schools, refining staff-facing content, improving onboarding and safeguarding pathways, and preparing the system for future expansion. As a result, Clear Fear for Schools is now ready for broader rollout, equipped with the tools schools need to implement early-intervention mental health support confidently and consistently.

With strong early evidence, a scalable framework, and growing enthusiasm from schools, the coming year represents an exciting opportunity to expand Clear Fear for Schools and ensure that thousands more students can access immediate, clinically validated anxiety support exactly when they need it.

LINKS TO LEARN MORE:

- [Clear Fear for Schools website](#)
- [Promotional video](#)
- [Mailing list signup](#)

Digital Reach and Awareness

Alongside our clinically validated apps, stem4's digital ecosystem continues to provide reliable mental health information and practical support. Our websites, campaigns, and resource platforms act as key entry points, helping young people, families, and educators understand, manage, and improve mental wellbeing.

This Year's Digital Reach



200,000

Website visitors



Thousands accessed blogs, self-help guides, school resources, and awareness-day content



Redesigned navigation, clearer signposting, and expanded mailing list opportunities strengthened engagement and retention

Campaign Highlights



5,600 visitors

Youth Mental Health Day website



4,000 visitors

Parent Mental Health Day website



Campaigns spark national conversations and practical action for wellbeing



Education & Schools



122 teachers

Registered for stem4's Head Ed mental health literacy programme this year



3,818 students

Supported with structured mental health lessons this year



Curriculum-aligned, digital-first content ensures stem4 is a trusted partner for schools

Digital Reach & Engagement



373,000 people

Reached across social media channels



30,000 followers

on Instagram, TikTok, X (Twitter), Facebook, LinkedIn



11,800 interactions

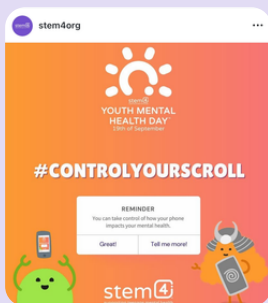
across posts and campaigns



Mailing list subscribers grew by **35%**, far above sector average

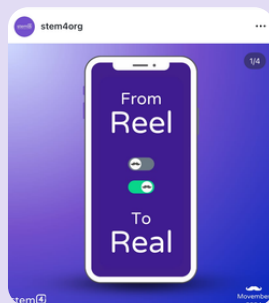
[Sign-up here](#)

Campaign Highlights



Youth Mental Health Day 2024

Reached tens of thousands nationally, sparking conversations about online wellbeing. Schools, influencers, and partners promoted positive digital habits to young people and their communities.



Movember 2024

Focused on supporting boys and young men, promoting open dialogue, early help, and accessible digital resources for male mental wellbeing.



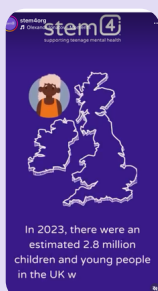
Parent Mental Health Day 2025

Launched our Screen Smart Parenting training, providing families with guidance on digital wellbeing. Thousands engaged online via #stem4PMHD, strengthening early support at home.



Self-Harm Awareness Day 2025

Generated the year's deepest engagement through relatable stories and practical coping strategies, empowering young people to seek support.



Winter Appeal 2024 and Big Give 2025

These campaigns achieved our strongest email engagement of the year, using compelling storytelling and clear impact reporting to inspire donations. The generosity of supporters helped fund stem4's outreach, educational programmes, and digital tools, ensuring more young people and families can access vital mental health support.

Follow stem4:



Innovation and Development

Behind every hour of support delivered through our apps lies ongoing innovation, technical development, and rigorous clinical oversight. This year, we made substantial progress in ensuring our tools remain safe, effective, responsive to emerging needs, and fit for the future.

A key focus was further strengthening clinical safety, with comprehensive safety reviews completed for Clear Fear, Move Mood, Worth Warrior, and Calm Harm. These reviews ensure every app adheres to best practice, mitigates potential risks, and remains aligned with updated clinical guidance. Alongside this, we also enhanced anonymous user analytics (while maintaining our strict commitment to user privacy) and introduced more refined in-app impact questions, enabling us to capture greater insight into how young people engage with our support, the outcomes they achieve, and what works best.

Our commitment to innovation extended to building out new areas of digital content. We progressed work on our training platform with the development of the Screen Smart Parenting and Reel to Real courses, tools designed to support the adults around young people in navigating digital life, emotional well-being, and online safety.



We were delighted that our focus on innovation and progressive development was rewarded, with Clear Fear named 'Most Innovative Mental Health Intervention' at the Mental Health Awards 2025, demonstrating its great potential for supporting young people across the UK with proactive, resilience-building activities to stem the onset of anxiety symptoms. This recognition underscores stem4's leadership in the digital mental health space and provides confidence in the power of our newest programme, Clear Fear for Schools.

Our commitment to innovation is not simply about adding new features but about ensuring that every tool we provide is safe, clinically sound, technologically resilient, and capable of delivering real benefit to young people today and for years to come.

Strategic Priorities

As the mental health needs of children and young people continue to rise, stem4's strategy for the years ahead continues to focus on strengthening our foundations while scaling the impact of our most effective, accessible, and evidence-based solutions. Building on the progress made this year, our three core strategic priorities remain and will continue to guide our work as we move into next year and beyond.

These priorities reflect our commitment to prevention, digital innovation, financial resilience, and delivering measurable outcomes for young people across the UK.

* Technological Innovation

Driving forward high-quality, clinically safe digital tools to meet growing demand.

We remain committed to ensuring our digital solutions evolve with the needs of young people, schools, and families. Over the coming years, we aim to:

- Enhance user experience across our apps, with a particular focus on Clear Fear and its school-based implementation.
- Invest in technological upgrades, infrastructure stability, and strengthened data security.
- Develop new features and in-app measurement tools that help young people track their progress and self-manage their mental health.
- Ensure ongoing excellence in clinical safety, safeguarding, and compliance as our digital reach grows.

* Evidence-Based Impact

Demonstrating outcomes that drive system-wide change.

Our commitment to rigorous evaluation continues to underpin all of our work. As stem4 grows, our focus will be on strengthening the evidence base and ensuring measurable, meaningful impact. We aim to:

- Expand real-world data collection across our digital tools, particularly Clear Fear for Schools.
- Produce robust evidence demonstrating how early digital interventions reduce pressure on teachers, pastoral staff, and traditional NHS pathways.
- Strengthen our Theory of Change and embed impact measurement into programme design.
- Conduct further evaluations and economic analysis demonstrating the cost-effectiveness of digital-first, preventative mental health support.
- Share insights with educators, clinicians, policymakers, and funders to influence wider system adoption.

* Financial Sustainability

Building a stable foundation that supports long-term growth and free access for young people.

In a challenging economic climate, financial resilience is essential to maintaining and expanding our support. Our strategy is centred on balancing cost control with sustainable income growth. We aim to:

- Continue diversifying income across grants, partnerships, earned income and philanthropy.
- Grow multi-year funding commitments to provide financial predictability and operational stability.
- Further develop Clear Fear for Schools into a key earned-income stream, whilst enabling subsidised access for state schools and sponsored access for disadvantaged schools.
- Further strengthen reserves in line with our policy of 3-6 months of operating expenditure.
- Ensure resources are focused on high-impact, scalable digital interventions that reach the greatest number of young people.

Funding

In another challenging year for the charity sector, we are incredibly grateful for the generosity and commitment of the individuals, schools, companies, charitable trusts, and foundations who have supported stem4. Their contributions have enabled us to continue providing free, evidence-based mental health support to thousands of young people, while strengthening our financial footing for the years ahead.

We have made important progress in diversifying our income, expanding partnerships, and securing grants that recognise the value and impact of our digital-first approach. As demand for early intervention continues to grow, the backing of our supporters has played a vital role in sustaining our work and helping us prepare for future expansion.

Our sincere thanks go to every donor, fundraiser, partner, and champion of stem4. Your support is directly improving the lives of young people who might otherwise go without help.

Support from Charitable Trusts and Foundations

We continue to be deeply grateful for the backing of charitable trusts and foundations who strongly believe in stem4's mission. This year, we received significant support from a range of organisations including reputable funders in the mental health space and across the local community, such as the Stone Family Foundation, Wimbledon Community Foundation, and the Prudence Trust. Their commitment reflects a shared belief in the power of early intervention, digital innovation, and accessible preventative support for children and young people.

These funders have enabled us to strengthen our digital platforms, expand school-based work, and improve the sustainability of our operations. We extend our sincere thanks to all charitable trusts and foundations who have supported us throughout the year.

Corporate Partnerships

Our work is made possible by the engagement and generosity of our corporate partners, whose contributions extend far beyond financial support. This year we were pleased to continue working with long-standing partners such as Diespeker & Co and Terra Ferma Media, while deepening emerging relationships with organisations including the TK Maxx Foundation, the Co-Op Local Community Fund, and Tesco via its Stronger Starts programme.

These collaborations have supported a range of activities across the organisation, from digital development to campaign engagement. We are grateful to every company that has chosen to support stem4 and champion young people's mental health across their teams and communities.

Commercial Income

This year marked the final year of our partnership with Good Thinking, following national NHS funding changes. We remain proud of the work delivered through this collaboration, which provided London-focused mental health support available to all young Londoners, and continue to explore sustainable income opportunities that align with our mission to provide accessible, clinically validated digital tools for young people.

Looking ahead, we are increasingly focusing our commercial efforts on the education sector, where there is significant need for early, preventative mental health support. By developing sustainable school-based income streams that keep our tools free at the point of use for young people, we aim to strengthen the charity's long-term financial foundation while ensuring that every student can access high-quality support when they need it most.

School & Community Fundraising

Across the year, communities, schools, and individuals came together to fundraise for stem4 in creative, energetic, and meaningful ways. Their passion and commitment have been inspiring, and we are pleased to share some highlights.



Running & Endurance Events

Supporters took part in a range of endurance events, including the Royal Parks Half Marathon, the Malta Marathon, and the London Marathon. We are especially grateful to long-term runners such as John Krause, as well as individuals including Amy-Louise Kelly, who ran in memory of her cousin, and Troy Broughton, who successfully completed a monumental year-long challenge. Together, these efforts raised essential funds and awareness for our work.

School Fundraising

Local schools and community groups played a vital role this year. Ursuline High School organised a Christmas fair stall; Rutlish School delivered three creative fundraising activities through the First Give programme; and Tiffin School students raised funds through a student-led initiative. Many other schools also supported us during Youth Mental Health Day.



Creative Fundraising

Zumba fundraising events in November and again during Youth Mental Health Day brought energy and community spirit to our fundraising calendar, with supporters coming together to raise funds in joyful, inclusive ways.

Appeals & Campaigns

Our Winter Appeal raised valuable funds to support ongoing delivery, and the Big Give Small Charity Week appeal was another significant moment of generosity through both public donations and match funding. Individual supporters, including people such as Chloe Gibbons and others across the year, continued to champion stem4 with personal fundraising pages and initiatives.



We remain deeply grateful for everyone who chose to support stem4 this year and who advocate for our work within their communities

The stem4 Team

The strength of stem4 lies in the people who bring our mission to life every day. Our staff, clinicians, trustees, and volunteers work tirelessly to ensure that young people have access to high-quality, evidence-based mental health support whenever they need it. Their commitment, compassion, and expertise continue to drive our progress and shape the future of our organisation.

Core Team

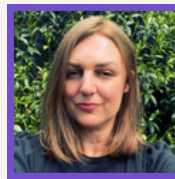
This year, our highly dedicated team continued to deliver and develop the digital tools, clinical expertise, and operational infrastructure that underpin stem4's impact.



Dr Nihara Krause MBE
CEO & Chief
Clinical Officer



Ollie Head
Commercial Director



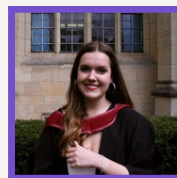
Katie Donnell
Digital Lead



Rita Nagy
Project Manager



Rachel Edwards
Digital Insights
Analyst



Zoe Peters
Senior
Communications
Coordinator



Geraldine Hellings
Finance Manager

We also recognise and thank the staff who moved on from stem4 this year. We are immensely grateful to Philippa Beeson, Dr Richard Graham, and Yvette Nieslony for their invaluable contributions to our work during their time with us, and we wish them every success in their future roles.

Trustees

Our trustees provide essential guidance, governance, and strategic oversight, helping to ensure that stem4 remains effective, accountable, and sustainable. Their expertise spans education, health, digital innovation, policy, and charity leadership.

This year has seen a number of new faces, in line with our aim to ensure a healthy balance of deep understanding of stem4 and fresh ideas on our Board. We are grateful to our Board members:

- Dr Nihara Krause MBE, Chair
- Serkan Girgin
- Andrew Sales
- Sthen Wiseman
- Dr Amit Seyan
- Alan Kelly - joined this year
- Andrea Sparke - joined this year
- Richard Elks - joined this year

Our new trustees bring a strong blend of legal expertise, financial leadership, digital transformation and charity experience to the Board. Their backgrounds span nearly 30 years in financial services, senior leadership in global technology and digital transformation, and extensive public-sector experience shaping children's services at local authority level. Each Trustee also brings valuable personal insight as parents who have seen firsthand the growing pressures facing young people today, strengthening stem4's commitment to early help, better signposting, and accessible, evidence-based support.

We would also like to extend our sincere thanks to Debbie Ward and Franz Ranero, who stepped down from the Board this year. We appreciate the considerable time, insight, and unwavering commitment they brought to stem4's development and governance.

Strategic, Operational and Financial Review

Resilience Strengthened

We are delighted with the charity's performance in what remain challenging circumstances, with FY25 another year shaped by financial uncertainty across the sector. Rising demand for mental health support, increased competition for grants, and reduced opportunities for commercial income in historically strong markets, such as the NHS, created a challenging external environment. Alongside this, national reorganisation and budget constraints within healthcare meant that several routes previously available for funding digital mental health tools were no longer viable or were considerably more difficult to obtain.

Against this backdrop, stem4 undertook a continued process of consolidation, refining our focus to ensure that resources were directed towards the most impactful and cost-effective digital interventions.

This included prioritising development of innovative programmes addressing school-based anxiety and resilience, and making strategic decisions to phase out initiatives no longer sustainable in the current climate, such as our Online Safety First Aid (OSFA) Training Portal and in-person school-based work.

These decisions were taken carefully and deliberately to safeguard the charity's long-term mission and ensure that effective support for young people could be delivered at scale.

Despite the challenges, FY25 was a year in which stem4's resilience strengthened considerably. Our Trustees and Management Team maintained disciplined oversight, enabling us to operate confidently and strategically during a period of ongoing sector turbulence.

A Strategic and Sustainable Approach

Throughout the year, stem4 focused on maximising impact from a streamlined, sustainable set of offerings rooted in clinical integrity and digital scalability. This approach allowed us to continue delivering national-level support while maintaining strict cost control and ensuring that every pound was directed where it could make the greatest difference. In this vein, our total cost per active app user during FY25 was just £1.27.

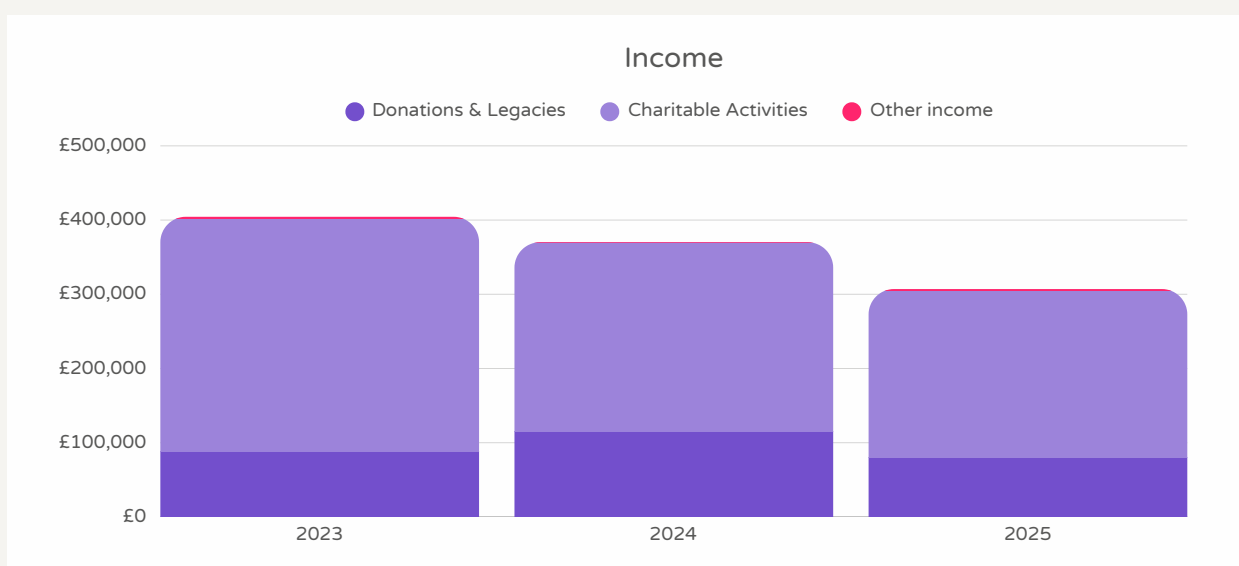
This strategic focus also shaped our future-facing work, particularly in relation to Clear Fear and the emerging Clear Fear for Schools programme. While early in its commercial development, Clear Fear for Schools represents a promising opportunity to diversify income in a way that maintains equity of access for young people. Alongside this, we laid the groundwork for a significant redevelopment of the Clear Fear app in FY26, with funding secured shortly after the close of FY25. These investments will strengthen the app's long-term sustainability, impact and commercial potential.

Strengthened Financial Position

In a challenging external environment, we are pleased to report a financial surplus of £22,514, marking a significant turnaround from the previous two years and representing the charity's strongest financial performance in the last three years. Total income for FY25 was £307,035, with expenditure of £284,521, reflecting continued careful management of costs and a disciplined approach to allocating resources.

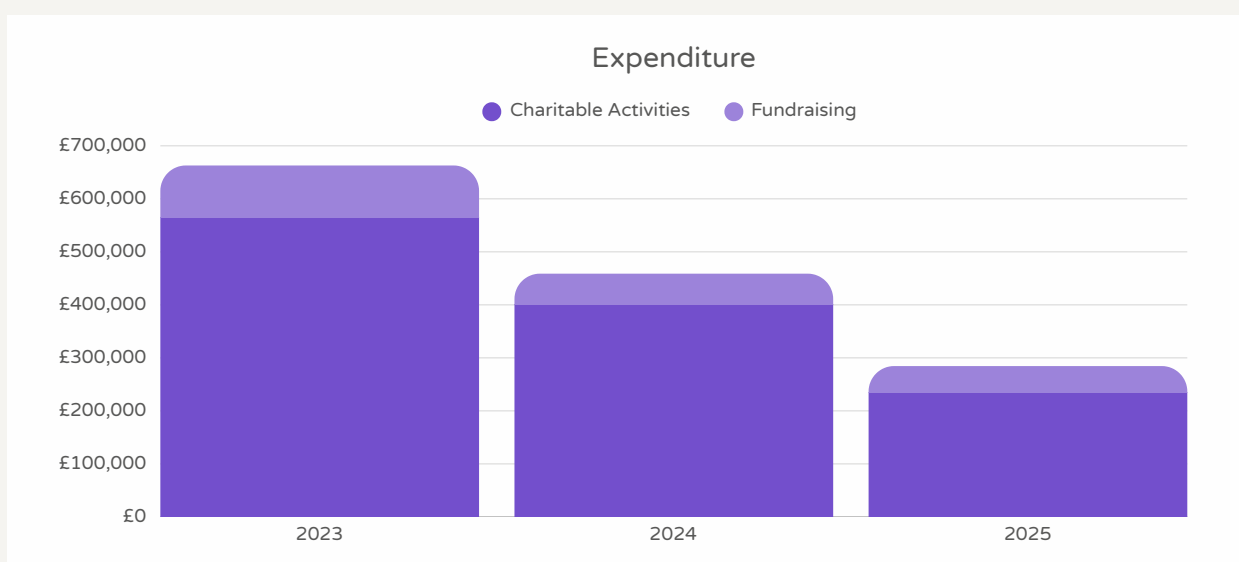
Income

Income during the year decreased as expected, reflecting the well-publicised economic challenges. Our multi-year partnerships provided invaluable stability and enabled long-term planning. Complemented by support from one-off funders, this helped offset the reduction in overall grant income experienced by many small charities in the current funding climate.



Expenditure

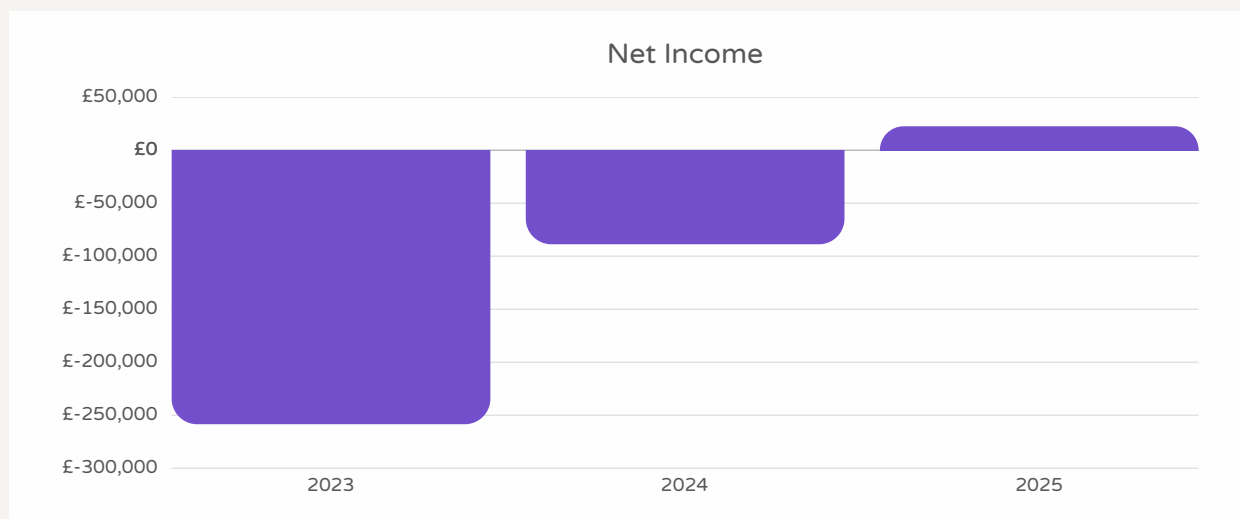
Over the past two years, we have reduced overall expenditure by 57%, ensuring stem4's financial structure is aligned with our long-term strategy and capacity. These reductions have been driven by strategic decisions to focus on the most cost-effective and scalable resources, streamline staffing, phase out initiatives that require unsustainable investment, and adopt more efficient operational models.



Net Income

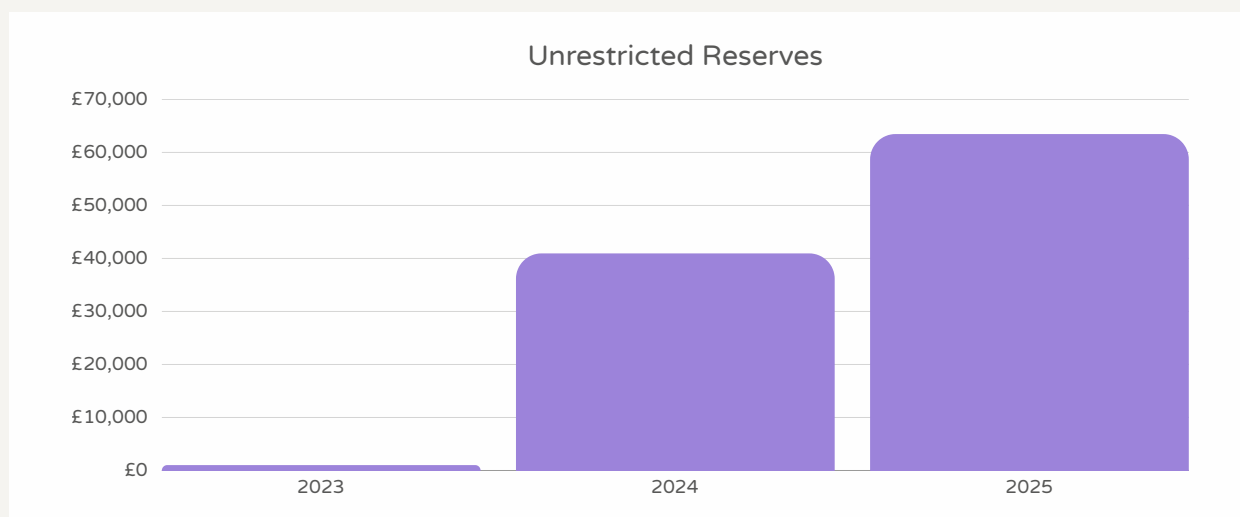
This financial discipline, alongside targeted investment in high-impact digital interventions, has positioned stem4 on a stable foundation from which to meet increasing demand while maintaining flexibility to adapt to an evolving funding environment.

The positive direction of travel in terms of net income initiated last year has continued and reflects stem4's return to a more positive, stable financial position.



Reserves

Our reserves closed the year at £63,465, all held as unrestricted funds. This places the charity marginally below its reserves policy target of maintaining between three and six months' operating expenditure. Given the scale of improvement achieved during the year, the trustees view this as a significant step forward and a strong indicator of the charity's improving financial resilience.



We are pleased that stem4's secure and reliable financial position should lend confidence to funders and partners in our ability to invest prudently and deliver sustained impact. Regular financial reviews continue to play a central role in maintaining oversight, enabling us to respond quickly to emerging opportunities as well as any new pressures. It is with this foundation that stem4 enters FY26 in a healthier financial position than at any point in the last three years.

Operational Management

Operational efficiencies have been central to our success this year. We adopted a remote-first working model, reducing overheads and ensuring that a greater proportion of funding is directed towards delivery and digital development. The organisation also integrated responsible use of artificial intelligence tools into several workflows, allowing us to automate routine tasks, improve productivity, and maintain high output despite a streamlined structure.

We focused resources on maintaining and enhancing our most scalable digital tools, including Clear Fear and Calm Harm. With grant opportunities narrowing and commercial routes in certain markets becoming less viable, we made the strategic decision to scale back activities that required significant upfront investment without corresponding funding. This approach has enabled us to sustain high reach and impact for young people while operating from a more efficient and resilient base.

Looking Ahead

As we move into FY26, we do so with cautious optimism. Our priority is to maintain a surplus position, continue operating within our reserves policy, and further strengthen financial resilience through diversified income streams. A strong pipeline of prospective funding opportunities, including core funding, for redevelopment of the Clear Fear app, and for the commercial development of Clear Fear for Schools, provides confidence as we look to expand our impact.

We will continue to pursue multi-year and core funding wherever possible, while developing income pathways that balance sustainability with equitable access. Clear Fear for Schools will remain a focus, offering long-term potential for commercial income that supports the charity's future while ensuring the programme remains free at the point of use for young people.

These financial and operational decisions align directly with our long-term strategy: to consolidate our most effective offerings, invest in scalable innovation, and ensure that stem4 can continue to meet the rising mental health needs of children and young people with stability and confidence.

The Trustees remain confident in stem4's direction, the strength of its financial management, and the solid foundations on which the charity enters FY26.



Risks and Compliance

At stem4, effective risk management is central to delivering safe, scalable, and clinically robust digital mental health support. As the organisation continues to evolve, we have strengthened our systems, enhanced our digital safeguards, and maintained a disciplined approach to compliance. This ensures that our tools remain trustworthy, secure, and fit for purpose while supporting long-term organisational resilience.

This year, our risk management work focused on two core areas:

1. Maintaining operational sustainability through strategic resource optimisation
2. Strengthening cybersecurity, data protection, and regulatory compliance across all digital products and systems.

These efforts reinforce stem4's commitment to delivering high-quality, evidence-based mental health support for young people.

Principle Risks:

1. Resourcing and Operational Capacity

Meeting rising demand against a backdrop of continued sector-wide financial pressures has required disciplined operational decision-making. In FY25, we continued the consolidation begun in the prior year, driven by a reduction in income, constrained grant opportunities, and a difficult commercial market in traditional income streams such as NHS programmes.

Key mitigations included:

- Streamlining operations to focus on our most cost-effective, scalable digital interventions.
- Reducing staff capacity in areas dependent on non-recurring or unsustainable funding, including in-person school-based work.
- Reducing non-essential overheads, such as office-related costs.
- Phasing out initiatives requiring significant upfront investment, such as the Training Portal, where external funding no longer materialised.
- Prioritising digital delivery, ensuring that the majority of resources directly enhance our core apps and digital tools.

These measures have enabled stem4 to remain financially healthy, strengthen reserves, and ensure operational continuity while maintaining high-impact support for young people. The Trustees continue to review risk and resource allocation regularly, ensuring that the organisation remains agile and resilient in the face of external pressures.

2. Managing Our Data and Cyber Security

With the increasing prevalence of cyber threats across the charity sector, safeguarding user data remains a high priority.

During FY25 we:

- Achieved Cyber Essentials recertification (June 2025), reaffirming our robust cybersecurity foundations.
- Implemented multi-factor authentication (MFA) across all websites and systems, significantly strengthening system security and closing a key risk identified in the prior year.
- Embedded a culture of secure practice by encouraging strong passwords and establishing a process for regular reviews of backend access permissions.
- Engaged a third-party IT support provider from July 2025, providing enhanced technical oversight and incident response capacity.
- Decommissioned Salesforce and our Online Safety First Aid (OSFA) Training Portal in September 2025, reducing complexity and removing systems no longer aligned with our strategic focus.

These steps ensure that stem4 continues to meet high standards of digital security while protecting the privacy and trust of our users.

Compliance & Quality Standards:

Ensuring the Clinical Safety of Our Apps (DCB0129)

All stem4 apps continue to be developed and maintained in line with NHS clinical safety standards under DCB0129, supported by rigorous risk assessments, an up-to-date Hazard Log, and ongoing clinical oversight to identify and mitigate emerging risks.

Digital Technology Assessment Criteria (DTAC)

Our digital products continue to follow DTAC-aligned processes, providing assurance that stem4 meets expectations for clinical safety, data protection, cyber security, usability, and technical stability.

Data Security and Protection Toolkit (DSPT)

The annual DSPT self-assessment is currently underway and remains a core component of our data governance framework, ensuring compliance with the National Data Guardian's data security standards.

Age Appropriate Design Code (AADC)

While we have paused our annual external audit due to cost constraints, our apps and systems remain fully compliant with the AADC and continue to prioritise privacy and safety for children and young people. No personally identifiable data is collected in any app.

Quality and Information Security Management

ISO-aligned documentation continues to guide our quality and information security processes.

- ISO9001 (Quality Management) documentation is maintained in Confluence;
- ISO27001 (Information Security Management) documentation is also maintained in Confluence and reviewed whenever organisational or regulatory changes occur.

PCI Compliance

Following the introduction of new PCI requirements in April 2025 for any organisation handling website-based monetary transactions, stem4 completed its PCI Self-Assessment Questionnaire on time. The documentation is stored securely on the Shared Drive, and a formal process has been established to review PCI compliance annually.

Maintaining Strong Governance and Forward Planning

Risk management continues to be overseen by the Board of Trustees, with individual risk ownership assigned to ensure accountability and scrutiny. No major compliance or audit-related pressures were identified during the year. Through strengthened digital safeguards, responsible financial management, and the consolidation of our operational structure, stem4 is well positioned to maintain stability and support future growth.

As we move into FY26, we remain committed to maintaining a strong compliance posture, safeguarding our users, and ensuring that our digital mental health solutions for young people continue to meet the highest standards of safety, security, and clinical integrity.

Get in Touch



Website

<https://stem4.org.uk/>

Email

enquiries@stem4.org.uk

Address

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133-137 Alexandra Road
Wimbledon, SW19 7JY

Charity number: 1144506
Company Registration No 07779151

Charity registration number 1144506 (England and Wales)

Company registration number 07779151

STEM4

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

STEM4

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr N S Krause MBE	
	Mr A G Sales	
	Ms S E Wiseman	
	Mr A J Kelly	
	Dr A S Seyan	
	Ms A L Craig	(Appointed 2 June 2025)
	Mr R Elks	(Appointed 1 September 2025)
Charity number	1144506	
Company number	07779151	
Registered office	Connect House 133-137 Alexandra Road London United Kingdom SW19 7JY	
Independent examiner	Azets Audit Services Ashcombe Court Woolsack Way Godalming Surrey United Kingdom GU7 1LQ	

STEM4

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TRUSTEES REPORT (INCLUDING DIRECTOR'S REPORT) FOR THE YEAR ENDED 30 SEPTEMBER 2025

Introduction

The trustees present their annual report and financial statements for the year ended 30 September 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 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 (FRS 102)" (effective 1 January 2019).

All members of the Trustee Board are Directors of the Charitable Company, and this report represents a Directors' report as required by s417 of the Companies Act 2006.

Within the Trustee Report are the following sections for Companies Act reporting requirements: Achievements and Performance, Financial Review and Principal Risks and Uncertainties.

Objectives and activities

stem4 is a charity that promotes the early detection and intervention of teenage mental health conditions through the provision of accessible, evidence-based mental health education, digital tools, and resources. Our mission is to equip young people, their families, and those who support them with clinically-validated tools that empower early intervention, reduce mental health symptoms, and build long-term resilience.

Our key aims during this financial year have been to:

- **Deliver Accessible, Early-Intervention Support:** We continue to prioritise the development and dissemination of digital tools that provide young people with immediate, evidence-based support for anxiety, self-harm, depression, and eating disorders. This is primarily achieved via the ongoing maintenance of and investment in our suite of five apps: Clear Fear, Calm Harm, Combined Minds, Move Mood, and Worth Warrior, as well as our schools programme, Clear Fear for Schools.
- **Strengthen Education and Awareness:** Through initiatives like Youth Mental Health Day, we have driven targeted campaigns to raise awareness, reduce stigma, and encourage help-seeking behaviours among young people, families, and professionals.
- **Support Frontline Professionals and Carers:** We remain committed to equipping those in close contact with young people—teachers, parents, and health professionals—with resources and training that enhance their ability to identify, support, and respond to emerging mental health challenges.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

In reviewing stem4's aims and objectives, the Trustees remain firmly focused on the charity's mission to provide accessible, evidence-based mental health support to young people, their families, and those who work with them.

The delivery of public benefit is achieved through stem4's suite of five clinically-validated digital mental health apps, educational resources, and targeted awareness campaigns.

Over the past year, we have continued to prioritise early intervention and prevention, ensuring that young people have access to support regardless of background, location, or financial circumstances.

The Trustees have kept the principles of public benefit at the forefront of all strategic and operational planning, ensuring that all of stem4's activities serve to improve the mental health and well-being of young people across the UK.

TRUSTEES REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

Achievements and performance

Strategic Focus and Operational Impact

Throughout the financial year ending 30 September 2025, stem4 has strategically concentrated on its core strengths: digital innovation, scalability, and clinical validation.

Amidst escalating demand for youth mental health services and increasingly strained NHS resources, we have intensified efforts to provide cost-effective, accessible and evidence-based digital support, ensuring that young people can access vital mental health tools wherever they are.

1. Digital Solutions at Scale: Our suite of five clinically-validated apps, Calm Harm, Clear Fear, Move Mood, Combined Minds, and Worth Warrior, continues to play a pivotal role in early intervention and preventative mental health support across the UK.

- During the year, our apps were downloaded 280,000 times and we supported 220,000 active users, bringing total lifetime downloads to 5.7 million worldwide. As in previous years, 50% of users reported receiving no other professional mental health support, demonstrating stem4's role in reaching those who might otherwise go without help.
- stem4 strengthened its impact measurement within Clear Fear and piloted Clear Fear for Schools, reaching 195 students. Early findings show more than 8 in 10 reported reduced anxiety symptoms and a reduced need for professional or in-school support, informing plans to expand the programme within educational settings and help relieve pressure on overstretched school staff.

2. Educational Outreach and Awareness Campaigns: Amidst ongoing economic challenges and increased online use, we have reinforced our commitment to mental health literacy and digital safety through targeted educational outreach.

- Through national awareness campaigns and digital outreach, stem4 continued to strengthen mental health literacy and digital wellbeing. Across social media channels, 373,000 people were reached, supported by 11,800 interactions and a 35% increase in mailing list subscribers, significantly above sector average.
- Youth Mental Health Day and Parent Mental Health Day acted as key entry points to support, with 5,600 visitors to the Youth Mental Health Day website and 4,000 visitors to the Parent Mental Health Day website. Alongside this digital reach, stem4 supported schools directly, with 3,818 students receiving structured mental health lessons.

3. Financial Resilience and Organisational Adjustment: In response to the economic climate, we have completed another year of successful consolidation aligned with long-term sustainability, focussing on the most cost-effective, scalable digital interventions.

- Delivery during the year remained highly cost-effective, with total annual costs equivalent to £1.27 per active app user, demonstrating strong value for money at scale.
- Operational adjustments included maintaining a low level of non-core overheads, stabilising income streams and focussing on partnerships with significant or multi-year funders.
- Trustees approved the phased closure of activities no longer sustainable in the current funding environment, including the Online Safety First Aid Training Portal and in-person school delivery, to ensure resources were focused on scalable, high-impact digital support.
- Despite continued inflationary cost increases, we have successfully maintained significant depth and breadth in terms of our digital mental health support, enabling us to sustain service delivery while building financial stability.
- This financial discipline has been balanced with targeted investment in key areas, including cybersecurity, data protection, clinical safety, and digital impact measurement, ensuring that our services remain robust and effective.

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TRUSTEES REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

4. Recognition and Awards: Our work in supporting youth mental health through clinically-validated digital solutions continues to be recognised at a national level:

- Clear Fear was named *Most Innovative Mental Health Intervention* at the Mental Health Awards 2025, recognising its clinically grounded, preventative approach to supporting anxiety in children and young people.
- stem4's Clear Fear study was accepted and published in *JMIR Formative Research* in March 2025, demonstrating statistically significant reductions in anxiety and depression symptoms and reinforcing the organisation's evidence-based credentials.
- The Worth Warrior app was selected as one of only three technologies included in NICE's Digital Self-Help for Eating Disorders: Early Value Assessment, reflecting national recognition of its clinical relevance and potential to support early intervention.

Financial Review

stem4's financial situation has improved significantly on almost every metric. We are pleased with our ability to continually operate under challenging financial circumstances, with FY25 signalling both financial stability and another significant step towards long-term sustainability.

By adapting quickly and proactively to the new financial circumstances we have found ourselves in over the last few years, the Trustees and Management Team have been able to ensure not just stability, but the continued innovation that has been integral to success of the charity over the years.

High costs and increased competition for grant and fundraising income have continued to necessitate careful cost control, strategic targeting of resource-efficient income streams and a continued focus on work to facilitate longer-term financial sustainability.

The finances we have reported evidence stem4's ability to react to quickly-changing circumstances, prioritise effectively and build towards the long-term.

Income and Expenditure

stem4's total income for the year was £307,035 (FY24: £370,083), reflecting the increased competition for funding. Total expenditure decreased significantly in line with our strategy of consolidation, to £284,521 (FY24: £458,842).

stem4's strengthening trends both organisationally and financially were also demonstrated by net income significantly improving to £22,514 (FY24: -£88,759).

Reserves

The Trustees review the reserves policy at least annually, with the aim to maintain unrestricted reserves equivalent to at least three months of operational costs.

This reserves policy aims to achieve the following:

- The option to develop new services or expand current ones in line with the changing needs of the community;
- To ensure that delays in the receipt of expected income does not interrupt services or cause serious financial difficulty for the charity; and
- The ability to survive unexpected setbacks and problems arising from internal or external causes.

Unrestricted reserves increased to £63,465 (FY24: £40,951), continuing the positive trajectory established in recent years. At the time of publication, three months of operational expenditure equates to £73,800. While reserves therefore remain marginally below the Trustees' target range, the continued strengthening of reserves during the year represents a significant achievement, particularly in the context of sustained economic pressures across the charity sector. The Trustees remain committed to further strengthening reserve levels over the year ahead in line with the charity's reserves policy, which has been evidenced post year-end.

STEM4

TRUSTEES REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

Looking Forward

As we move into the next financial year, stem4 will build on the progress made in 2024/25 by scaling its most effective digital interventions and strengthening their integration within schools and communities. Priorities include further developing Clear Fear for Schools for future expansion, deepening partnerships that support early intervention, and continuing to use robust impact data to inform delivery and investment decisions. Preparatory work has also been undertaken to support the planned redevelopment of the Clear Fear app in FY26, with funding secured, to strengthen long-term sustainability and impact.

With improved financial stability, a strengthened evidence base, and a clear focus on clinically validated, scalable solutions, stem4 is well placed to respond to rising need and to extend access to high-quality, evidence-based mental health support for children and young people across the UK.

Risk Management

Risks are reviewed regularly by the Trustees, with ownership of specific risks assigned to individual Trustees for oversight. This structured approach ensures that emerging risks are identified early and managed effectively.

1. Financial Stability:

Funding volatility remains a significant risk, particularly in a challenging economic environment. We actively manage this through regular financial reviews, prudent cost management, developing longer-term commercial income streams and the development of multi-year funding agreements to provide greater financial predictability.

2. Data and Cybersecurity:

As a digital-first charity, protecting user data and maintaining robust security systems is paramount. We have achieved Cyber Essentials recertification, implemented ongoing staff training, and maintain stringent data protection protocols in line with the Age Appropriate Design Code and GDPR guidelines.

3. Compliance and Product Safety:

Ensuring that our digital products remain clinically safe and technically secure is critical. Regular risk assessments are conducted on all apps, and our in-house clinical safety team continues to monitor and mitigate emerging risks.

4. Safeguarding:

Safeguarding those we support and our staff remains a priority. Our Dedicated Safeguarding Officer works closely with the safeguarding trustee to review safeguarding protocols regularly. All staff undergo safeguarding training, with senior leadership completing safer recruitment training.

5. Sustainable Growth:

Operational adjustments have been made to align with a more streamlined and cost-effective model, ensuring that stem4 remains agile and able to adapt to external pressures without compromising on impact.

Structure, governance and management

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association. Trustees meet regularly to review strategy and oversee operational delivery. Delegated authority is given to the Chief Executive and senior leadership team for day-to-day operations.

We are governed by our Board of Trustees which meets formally at least 4 times a year. The Board approves the charity's strategy and is responsible for ensuring that our broad policies and strategies are in keeping with our mission. They provide guidance on initiatives.

STEM4

TRUSTEES REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr N S Krause MBE	
Mr F J Ranero	(Resigned 25 March 2025)
Mr A G Sales	
Ms D V Ward	(Resigned 16 June 2025)
Ms S E Wiseman	
Mr S Girgin	(Resigned 5 January 2026)
Mr A J Kelly	
Dr A S Seyan	
Ms A L Craig	(Appointed 2 June 2025)
Mr R Elks	(Appointed 1 September 2025)

Recruitment and appointment of trustees

Trustee recruitment and selection is made by an annual skills audit and managed through Board recruiters, by a series of interviews and a nomination process. Our articles of association allow up to 9 Trustees on the Board.

Trustees are appointed for an initial 5-year term and may be re-appointed for up to 2 further terms at a time.

All Trustees have an induction programme and receive guidance outlining their responsibilities. They complete Mandatory Safeguarding and Prevent training and for those on the interview committee, Safer Recruitment Training.

They are provided with the stem4 policies and procedures handbook and social media guidance.

During the year, we welcomed Ms Andrea Craig (Andrea Sparke) and Mr Richard Elks, bringing senior leadership, public service, legal and lived experience to stem4.

Organisational Structure

Our Trustees are all volunteers and have a wide range of experience. They come from across the country, from diverse backgrounds, and all of them have personal experience of the mental health difficulties the charity represents.

The Chief Executive is responsible to the Board of Trustees for the day-to-day running of the charity and for delivering the organisational strategy and policies. We ensure that our governance structure, documents and practices are aligned with relevant Charity Commission guidance, including the Charity Governance Code.

We have a conflict of interest policy which requires us to identify and record any conflicts of interest held by Trustees. Any conflicts arising are formally recorded at meetings of the Board. Once a year, the Board and management team members have a special Board meeting to review strategy and to discuss changes in the operating environment. The Board meets quarterly without the Chair to review and satisfy any potential conflicts of interest by the dual role. Future direction includes an intention to appoint a CEO equivalent to the management committee.

STEM4

TRUSTEES REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

The Future

In 2025/26, stem4 will build on the progress achieved during the year ended 30 September 2025, with a continued focus on scalable, clinically validated digital interventions and long-term organisational sustainability. The charity's priorities for the coming year are to:

- Expand evidence-based digital support, with a particular focus on widening access for disadvantaged and underrepresented groups. This will include the continued development and expansion of Clear Fear for Schools, informed by pilot learning and in-app outcome data gathered during 2024/25.
- Strengthen financial sustainability by further diversifying income streams, including the continued development of school-based licensing through Clear Fear for Schools, alongside a focus on securing additional multi-year funding partnerships to improve financial predictability.
- Invest in technological stability and resilience, ensuring that core digital infrastructure, cybersecurity, and data protection arrangements remain robust as reach and usage continue to grow.
- Strengthen impact measurement and evidence generation by expanding outcome data collection across all digital tools, supporting evaluation of both clinical effectiveness and cost efficiency, and enabling clearer articulation of impact to partners, funders, and system stakeholders.
- Deepen partnerships and collaborations, particularly within education and related systems, to support wider and more consistent adoption of stem4's digital tools, maximise the benefits of early intervention, and reduce pressure on overstretched frontline services.

The Trustees report was approved by the Board of Trustees.



.....
Dr N S Krause MBE

Date: 23rd March 2026

STEM4

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF STEM4

I report to the trustees on my examination of the financial statements of stem4 (the charity) for the year ended 30 September 2025.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Debra Saunders
FCA
Azets Audit Services
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ
United Kingdom

Dated: 10 April 2026

STEM4

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2025

Current financial year

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	3	79,976	-	79,976	114,695
Charitable activities	4	133,879	91,000	224,879	254,571
Investments and bank interest	5	318	-	318	817
Other income	6	1,862	-	1,862	-
Total income		<u>216,035</u>	<u>91,000</u>	<u>307,035</u>	<u>370,083</u>
<u>Expenditure on:</u>					
Raising funds	7	(50,080)	-	(50,080)	(58,792)
Charitable activities	8	(143,441)	(91,000)	(234,441)	(400,050)
Total resources expended		<u>(193,521)</u>	<u>(91,000)</u>	<u>(284,521)</u>	<u>(458,842)</u>
Net income/(expenditure) for the year/ Net movement in funds		22,514	-	22,514	(88,759)
Fund balances at 1 October 2024		<u>40,951</u>	<u>-</u>	<u>40,951</u>	<u>129,710</u>
Fund balances at 30 September 2025		<u><u>63,465</u></u>	<u><u>-</u></u>	<u><u>63,465</u></u>	<u><u>40,951</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

STEM4

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Prior financial year

		Unrestricted funds general 2024 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	3	114,695	-	-	114,695
Charitable activities	4	153,345	-	101,226	254,571
Investments	5	817	-	-	817
Total income		268,857	-	101,226	370,083
<u>Expenditure on:</u>					
Raising funds	7	(58,792)	-	-	(58,792)
Charitable activities	8	(206,476)	-	(193,574)	(400,050)
Total resources expended		(265,268)	-	(193,574)	(458,842)
Gross transfers between funds		36,344	(37,376)	1,032	-
Net income/(expenditure) for the year/ Net movement in funds		39,933	(37,376)	(91,316)	(88,759)
Fund balances at 1 October 2023		1,018	37,376	91,316	129,710
Fund balances at 30 September 2024		40,951	-	-	40,951

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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BALANCE SHEET

AS AT 30 SEPTEMBER 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	14		1,334		3,499
Investments	15		100		100
			<u>1,434</u>		<u>3,599</u>
Current assets					
Debtors	16	1,244		19,756	
Cash at bank and in hand		74,310		48,620	
		<u>75,554</u>		<u>68,376</u>	
Creditors: amounts falling due within one year	17	(13,523)		(31,024)	
Net current assets			62,031		37,352
Total assets less current liabilities			<u>63,465</u>		<u>40,951</u>
Income funds					
Restricted funds	15		-		-
Unrestricted funds			63,465		40,951
			<u>63,465</u>		<u>40,951</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2025.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 23rd March 2026



Dr N S Krause MBE
Trustee

Company Registration No. 07779151

STEM4

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

1 Accounting policies

Charity information

stem4 is a private company limited by guarantee incorporated in England and Wales. The registered office is Connect House, 133-137 Alexandra Road, London, SW19 7JY, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 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 (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees consider that it is appropriate to prepare the financial statements on a going concern basis.

The going concern assumption is based on the charity's business model which shows strong visibility of expected income streams over the coming year. The charity has its lowest overheads in the past six years and foresight of sufficient funds for the next six-nine months in line with the charity's reserves policy.

The current year has been better than expected and the charity continues to apply for funding on a continuous basis. Based on previous experience we would expect a proportion of our grant applications to be successful and, together with regular monthly donations from our supporters, we are optimistic about the charity's future. In addition, the Trustees and Management Team continue to develop opportunities to enhance the long-term sustainability of the charity.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Costs of raising funds include fundraising events and production of goods for resale.

Expenditure on charitable activities includes delivery of projects including provision of mental health education and development of software applications.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises and other overheads have been allocated on the same basis.

A review of support cost allocation was completed during the 2025 year end. The Trustees believe a more appropriate split would be 80% to charitable activities and 20% to fundraising costs.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	25% per annum, straight-line basis
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

Creditors

Creditors are recognised where the charity 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 or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

3 Donations and legacies

	2025 £	2024 £
Donations and gifts (all unrestricted)		
Donations received	64,744	109,961
Gift aid received	15,232	4,734
Other	-	-
	<u>79,976</u>	<u>114,695</u>

4 Charitable activities

	2025 £	2024 £
Analysis by fund - activities for generating funds		
Unrestricted funds - general	133,879	153,345
Restricted funds	91,000	101,226
	<u>224,879</u>	<u>254,571</u>

5 Investments

	Unrestricted funds general 2025 £	Unrestricted funds general 2024 £
Bank interest	<u>318</u>	<u>817</u>

6 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net gain on disposal of tangible fixed assets	<u>1,862</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

7 Raising funds

	Unrestricted funds general 2025 £	Unrestricted funds general 2024 £
<u>Fundraising and publicity</u>		
Staging fundraising events	480	2,906
Other fundraising costs	1,212	1,103
Support costs	48,388	54,783
	<hr/>	<hr/>
Fundraising and publicity	50,080	58,792
	<hr/>	<hr/>

8 Expenditure on charitable activities

	Charitable activities 2025 £	Charitable activities 2024 £
Direct costs		
Charitable activities	32,833	36,281
Share of support and governance costs (see note 9)		
Support	193,551	355,384
Governance	8,057	8,385
	<hr/>	<hr/>
	234,441	400,050
	<hr/>	<hr/>
Analysis by fund		
Unrestricted funds	143,441	206,476
Restricted funds	91,000	193,574
	<hr/>	<hr/>
	234,441	400,050
	<hr/>	<hr/>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

9 Support costs allocated to activities

	2025 £	2024 £
Staff costs	185,953	274,966
Depreciation	2,166	2,976
Computer expenses	14,550	14,393
Telephone	847	1,326
Other support costs	20,800	64,800
Sundry expenses	204	157
Printing, stationary and postage	634	2,346
Travel and subsistence	-	152
Advertising	639	751
Insurance	3,709	3,339
Office rent costs	8,896	37,266
Other staff costs	3,541	7,695
Governance costs	8,057	8,385
	<u>249,996</u>	<u>418,552</u>
Analysed between:		
Fundraising	48,388	54,783
Charitable activities	201,608	363,769
	<u>249,996</u>	<u>418,552</u>

	2025 £	2024 £
Governance costs comprise:		
Independent examination fees	2,100	1,200
Professional fees	5,775	6,706
Other governance costs	182	479
	<u>8,057</u>	<u>8,385</u>

10 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	2,100	1,200
Depreciation of owned tangible fixed assets	2,166	2,976
Profit on disposal of tangible fixed assets	(1,862)	-
	<u></u>	<u></u>

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration, benefits or expenses from the charity during the year and prior year.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

12 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Employees	6	9
Employment costs	2025	2024
	£	£
Wages and salaries	173,564	253,583
Social security costs	8,394	15,707
Other pension costs	3,995	5,676
	185,953	274,966

There are no employees who received total employee benefits (excluding employer pension costs) of more than £60,000 per annum (2024 - none).

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

	Office equipment £
Cost	
At 1 October 2024	23,795
Disposals	(20,556)
At 30 September 2025	3,239
Depreciation and impairment	
At 1 October 2024	20,295
Depreciation charged in the year	2,166
Eliminated in respect of disposals	(20,556)
At 30 September 2025	1,905
Carrying amount	
At 30 September 2025	1,334
At 30 September 2024	3,499

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

15 Fixed asset investments

	Other investments £
Cost or valuation	
At 1 October 2024 & 30 September 2025	100
Carrying amount	
At 30 September 2025	100
At 30 September 2024	100

	2025 £	2024 £
Other investments comprise:		
Investments in subsidiaries	100	100

16 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	-	850
Other debtors	-	7,800
Prepayments and accrued income	1,244	11,106
	1,244	19,756

17 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	3,846	14,677
Other creditors	4,697	6,147
Accruals and deferred income	4,980	10,200
	13,523	31,024

18 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	3,995	5,676

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

18 Retirement benefit schemes

(Continued)

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

19 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

20 Subsidiaries

Details of the charity's subsidiaries at 30 September 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
stem4 wellbeing CIC	England and Wales	Community Interest Company	Ordinary Shares	100.00	

stem4 wellbeing CIC donates all of its income to stem4 and was incorporated on 12 October 2020. For the year ended 30 September 2025, Stem4 Wellbeing CIC remained dormant.