

Company number: 03485236

Charity number: 1078832

National Space Centre

Report and financial statements

For the period ended 26 December 2021

Contents

For the period ended 26 December 2021

Reference and administrative information	1
Trustees' annual report	3
Independent auditor's report	19
Consolidated statement of financial activities	24
Balance sheets	25
Consolidated statement of cash flows	26
Notes to the financial statements	27

National Space Centre

Reference and administrative information

For the period ended 26 December 2021

Company number 03485236
Country of incorporation United Kingdom

Charity number 1078832
Country of registration England & Wales

**Registered office
and operational address** National Space Centre
Exploration Drive
Leicester
LE4 5NS

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Prof Sir M Sweeting	Chair of Trustees
N P Siesage	
Prof D J Southwood	
Prof S M Sharma	
A M Kapur	Chair of NSSC Operations Limited
C SH Bishop	Chief Executive of NSSC Operations Limited
G Moss	
Prof E Yeoman	
K Thomas	
J Fry	
J Wheeler	
V Hancock	
WA Haley	
G Turnock	
P Coates	
M Cannon	
P S Bate	(appointed 2 November 2021)

Company Secretary J Barnacle

Bankers Yorkshire Bank
29 Horsefair Street
LEICESTER
LE1 5BL

National Space Centre

Reference and administrative information

For the period ended 26 December 2021

Solicitors

Nelsons
Provincial House
37 New Walk
LEICESTER
LE1 6TU

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The trustees, who are also directors of the charitable company for the purposes of the Companies Act, submit their annual report and the strategic report and the financial statements for the period ended 26 December 2021.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors report as required under company law and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Purpose, Aims and Charitable Activities of Public Benefit

Vision – Space for Everyone

Mission – To get people excited about space and help develop the next generation of scientists and engineers

Aims

- To run a sustainable charity with the very best ethics, values, reputation and standards of behaviour
- To deliver a high-quality experience to 300,000 visitors per annum of whom 80,000 are students aged 8–13 in formal school groups
- To deliver curriculum-focussed STEM workshops to 40,000 students aged 8–13
- To deliver intensive programmes to 10,000 GCSE and A level (and equivalent) students and 1,000 teachers
- To deliver full time post-16 courses in Space Engineering and Immersive Development & Design for 30 students per annum

Charitable Activities of Public Benefit

The Trustees consider that they have complied with their duties under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit in deciding which activities the charity should undertake.

The National Space Centre aims to advance the education of space and planetary science, astronomy and technology and their significance to life on Earth. Since its inception in 2001, it has attracted around 4.5m visitors, including 1.2m school children, to its attraction site in Leicester.

The Charity, through its subsidiary NSSC Operations Limited, runs three business units; all of which help it achieve its aims and objectives.

- (a) The National Space Centre visitor attraction gets people excited about space and is highly educational and informative. It promotes the work of the Discovery and Creative teams to showcase, education and develop visitors' awareness and appreciation of space, the technologies and opportunities for people to get involved.
- (b) NSC Discovery delivers education (both formal and informal) and space communications programmes across the UK and overseas. NSC Discovery runs the National Space Academy, the purpose of which is to boost student and teacher attainment in STEM subjects and enhance the size and quality of the UK science & engineering skills pool.

National Space Academy programmes are aimed at secondary, FE and higher education students and teachers and are delivered by a team of 6 full time employees based at the National Space Centre and a network of 35 seconded teachers, research scientists and industrial engineers across the UK. Delivery is locally, regionally nationally and internationally.

The NSC Education and Space Communications teams focus on informal and primary education as well as public understanding of space science. Delivery is at the National Space Centre, in local schools and in community partnership events and there is a total of 18 full-time and 5 part-time and University members of both these teams.

- (c) The NSC Creative team deliver a range of products and services covering licenced planetarium shows at a national and international level and developing bespoke immersive content to attract further visitor volumes for both in house and client exhibition requirements. There are 13 members in the team, who work across the following 5 key areas:
- Developing new intellectual property (IP) with return via licensing and direct to consumer sales. This is most successfully demonstrated with the creation of space themed planetarium shows that since 2002 have been licensed to 1000+ venues across 70+ countries. There are new IP opportunities being explored in the emerging VR (Virtual Reality) and AR (Augmented Reality) markets.
 - Work for hire client commissions of immersive content. Chosen based on commercial return and benefits to R&D.
 - In-house exhibition and community engagement content for the continued development of the National Space Centre experience on and off-site.
 - Sales and integration of dome hardware solutions to UK clients.
 - A new addition for 2021 is the formation of a new Immersive Academy with plans to deliver a post-16 qualification in Immersive Design and Development via a partnership with Leicester College in 2022. This will broaden the academic pathways offered by the charity to include the creative and software development industries. It is also tied into a virtuous cycle of feeding the community engagement activities with fresh immersive content, made by the community for the community.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

Structure, Governance and Management

Nature of governing document

National Space Centre became a registered charity in England and Wales (charity number 1078832) on 10 January 2000. It is a charitable company with no issued share capital being limited by guarantee. Its governing instrument is its Articles of Association dated 18th December 1997. There are 3 members, – Leicester City Council, University of Leicester and East Midlands Chamber of Commerce. Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up.

The charity's object as stated in the Articles of Association is:

The advancement of education for the public benefit, in particular but not exclusively, in relation to space & planetary science, astronomy and technology and their significance to life on Earth.

National Space Centre Group Structure

Parent

- National Space Centre

This is the registered charity and company limited by guarantee.

Subsidiaries

- NSSC Operations Limited

This company was established to deliver the objectives of the charity including running the visitor attraction, educational and community outreach programmes and developing creative content in furtherance of raising awareness of space science.

- NSSC Property Limited (Dormant)

This company was established to raise finance for the construction of the National Space Centre. It has remained dormant since 2001 when the Centre construction was completed, and operational management was handed over to NSSC Operations Limited.

Board of Trustees

The National Space Centre is led by a diverse and experienced Board of Trustees who are also directors of the charitable company for the purposes of the Companies Act. The total number of trustees as at 26th December 2021 was 17.

The Board of Trustees has delegated the charity groups' operational activities to the Board and in particular, its executive directors, of its operating subsidiary, NSSC Operations Limited, to support the delivery of the charity groups' objectives and aims.

Recruitment and appointment of Trustees

The trustees are appointed by the members of the company. They can either be nominated representatives of the members of the company or can be co-opted in recognition of their special expertise being valuable to the work of the Board.

The Memorandum and Articles of Association provide that one third of the trustees retire by rotation at each annual general meeting and may offer themselves for re-appointment. The following are nominating members and, as such, have the right to a number of nominations, such nominations to be of their choice are appointed to act as trustee:

- Leicester City Council
- University of Leicester
- East Midlands Chamber of Commerce

Each nominating member has the right to replace from time to time its nominated trustees. In addition, the Board may appoint and remove additional trustees.

Qualifying indemnity provision is in place for the benefit of all trustees of the charity.

Induction and Training

As part of its strategic planning activities, the Charity's needs are identified and where there are gaps against current trustee skills, then the Charity will seek to make an appointment using its existing trustee network or through an interview and selection process. The Charity continues to consider putting in place succession arrangements for the ongoing development of the Board.

All new Board members are inducted by the Chairman, who is assisted by other trustees and the executive directors of the subsidiary company to ensure that each trustee understands their role on the Board and their responsibilities as Board members.

Governance and Decision-Making Arrangements

The Board of Trustees have overall responsibility for the following:

- the formulation and implementation of strategy
- overseeing the implementation of the strategy through annual operating plans and budgets • monitoring progress
- accepting ultimate responsibility for the sound professional, legal and financial management of the charity.

Matters not reserved for decision by the Board of Trustees are delegated to NSSC Operations Limited, its subsidiary company, to manage. The company board is composed of trustees, non executive directors and operational executive team. It is led by Mike Kapur, Chairman and 5 Non Executive Directors including a Trustee representative, who make up the NSSC Operations Ltd Board. They are supported by the executive team of Mr C St H Bishop, Chief Executive, Mrs A McNamee*, Finance Director and Prof A Ojha, NSC Discovery Director.

*Mr Bipon Bhakri was appointed as Finance Director on 28th March 2022. Angela McNamee retired on 14th April 2022.

The charity's governance is kept under review by a number of committees, to ensure that the Board of Trustees, its Operating Vehicle (NSSC Operations Limited) and governance structures and procedures are fit for purpose as the charity and the environment evolves. The Board will review the Charity Governance Code and will consider the impact and timing of full compliance during the year.

The remit of the committees includes:

1. Finance Committee: overseeing, monitoring and keeping under review the financial position of the charity and its subsidiaries to ensure long and short-term viability, having regard to the Charity's overall strategy and risk tolerance parameters.
2. Audit Committee: ensuring the integrity, balance and transparency of published financial information and related and supporting narrative information. Ensuring effective internal control and risk management systems and that the organisation is operating within approved policies and the law. Review of insurance requirements and adequacy. It also approves the appointment of auditors.
3. Capital Projects Committee: overseeing the approach to generating sufficient and sustainable income and the delivery plans to meet its needs today, and in the future. The committee will meet to consider capital projects over a value of £25,000 or otherwise in need of expert opinion. Projects will be analysed through the various stages of adoption, procurement, contract award and delivery to ensure that all appropriate controls are in place.

4. National Space Academy Steering Group: consider programme strategy and opportunities relating to the Education and Academy activities. Group comprises of relevant stakeholder groups.
5. Remuneration Committee: ensuring that the remuneration of members of the Executive Team and other employees are responsibly managed and are consistent with the achievement of the charity's strategic objectives and in accordance with National Space Centre Ethos and Values.

Pay Policy

The Remuneration Committee meets at least once a year. Members of the committee are the Chair of NSSC Operations Ltd, two further NSSC Operations Ltd non-executive Directors and a Trustee from the Parent Charity. The Committee's main responsibilities are to consider pay policy for all staff including the Executive Directors and to agree the basis for any annual increases in pay.

The aim of our pay policy, which applies to all employees, is to offer remuneration that is fair and appropriate for the roles they perform and the responsibilities they undertake to deliver our charitable aims. The key management personnel of the charity comprise the trustees and all of the Directors of NSSC Operations Ltd.

In setting remuneration for all staff, including senior staff, a number of criteria are used including consideration of the nature and responsibilities of specific roles, local and national sector averages and other market factors.

Related Parties and cooperation with other organisations

Remuneration of trustees is contrary to general charity law. Approval has been obtained from the Charity Commission under Section 198 of the Charities Act 2011, since such remuneration is considered to be in the best interests of the charity. Both the Chief Executive and the Chair of NSSC Operations Limited, who are also trustees of the charity were remunerated for their services provided to the charity's subsidiary company, NSSC Operations Limited. Any remuneration paid or expenses reclaimed from the charity are set out in note 8 to the accounts.

As stated previously, NSSC Operations Limited carries out the day-to-day activities of the charity. It will remit any accumulated profit it generates to the charity by way of gift aid. A summary of the trading results is shown in note 15 of the accounts.

The charity's other wholly owned subsidiary NSSC Property Limited remained dormant throughout the year.

In order to best deliver its objectives, the charity is committed to working in partnership with a range of organisations from the public, private and charity sectors, in particular, the University of Leicester has assisted the charity in fulfilling its objectives.

As a recognised partner and contributor in the field of space and science education and awareness, the charity is a proud member of UK Association for Science & Discovery Centres.

The Charity has several related party relationships, which are discussed in note 11.

Strategic report

Achievements and performance

National Space Centre Visitor Attraction

The Centre had 128,222 visitors in 2021, compared to 110,202 in 2020, an increase of 16%. This performance was driven by higher family volumes of nearly 23,000 compared to 2020, and on 7 months opening, with the centre being reopened from May 2021, as Covid-19 restrictions were lifted. The 2021 and 2020 visitor volumes are still considerably lower than 2019, which was the last full year of pre pandemic operation. In 2019, the centre received over 326,000 school and family visitors.

The visitor volume cap that was introduced in 2021, has been well-received in that it offers a consistent quality of experience: The net promoter score (a core key performance indicator) has risen to a high of 77 against a target of 70. Tickets are sold on-line in advance which reduces the impact of the weather.

School volumes were lower by 18% on 2020 volumes, driven by enforced cancellation arising from the impact of the pandemic on available schoolteacher resources to enable visits to occur.

National Space Centre Discovery

In 2021, despite the loss of the majority of the year due to lockdowns and also restrictions placed by schools on external visits even when both Centre and schools were open, we have seen a very healthy initial recovery with 202 workshops, 200 other activities and a number of new initiatives introduced for schools' visitors. Over 9,000 students participated in activities and the team is confident of a recovery to levels exceeding 2019 levels by the end of 2022.

To contextualise 2021 performance, then in 2019, (which is the last full year pre pandemic for which comparative figures are meaningful) the NSC Discovery Education team ran more than 550 workshops and 250+ other activities for students visiting the Centre, with a total of 28,858 students participating, equal to 33% of total schools' visitors that year (88 000).

Community engagement programmes were suspended throughout the pandemic and are therefore not included in the 2021 analysis. There are no meaningful pre-pandemic figures as the Community Engagement programme was scheduled to begin delivery in March 2020. Initial

estimates as of the time of writing (April 2022) are that the appetite and interest for the team's programmes is high for the remainder of 2022.

The National Space Academy team had one of its busiest years ever in the 2018–19 academic year – the last academic year for which comparative figures are meaningful. Please note that due to the tight focus of Academy programmes with the UK school academic curriculum and calendar, metrics for Academy programmes focus on the academic rather than calendar year.

In 2020–21, all in-person Academy delivery ceased due to the pandemic, with the exception of the Space Engineering Course which had 35 students during that timeframe. Initial indications as of the time of writing are that Academy delivery should be back to the 2018–19 levels of delivery by December 2022. (2018/19 is the meaningful comparative year, which saw over 8,000 UK secondary school pupils participate in over 500 masterclasses, 550 students attended careers events held at the National Space Centre and 771 UK teachers attended Space Academy training programmes, 445 international students engaged on Academy programmes)

National Space Centre Creative

The impact of the pandemic continued to affect NSC Creative operations, with 30% reduction in show licensing revenue in 2021 due to planetarium operators closing their sites in response to legal requirements around COVID19. Uncertainty around the future impact of the pandemic has also resulted in some film contract renewals being deferred by customers.

NSC Creative led the creation of the new Tetrastar Spaceport experience as part of the Extended Reality for New Audiences project. The build aspect of it was completed in November 2021 with initial user testing providing a "world class" net promoter score of 84.

The VR experience Vestige originally created in 2018 was selected for UKRI's best of British immersive showcase in 2021. It was the first national collection of 12 of the best examples of virtual reality (VR) and 360 experiences created in the UK between 2000 and 2020.

New Developments

2022 sees the launch of (1) the TetraStar Spaceport, which will run simulated space missions for family and school audiences, (2) the Home Planet gallery, which will present the health of planet Earth and the use of satellite applications and (3) the We Are Guardians planetarium show that will cover the specifics of climate change. Also new are the Changing Places facility for disabled visitors, a centre-wide audio-visual system and three new workshop spaces for school groups in the re-purposed POD (Place Of Discovery).

These projects have been affected by pandemic-related disruption and all open later than planned but will achieve their original ambition. Project management performance has been reviewed to consider what lessons might be learned for future developments.

Education & Community Engagement Impact

The POD will help grow the proportion of school groups receiving a formal workshop as part of their visit from 33% to 50%: a core charitable output given the proven impact on confidence and academic performance.

NSC Discovery's Community Engagement work re-started in the second half of 2021 as a core output of the Extended Reality for New Audiences project supported by the Inspiring Science Fund. The pilot project has been extended to December 2022 whilst further long term funds are sought. The ambition is to extend programme delivery from five target disadvantaged communities to ten of which two could be rural, engaging a target of 3,600 young people and their families each year. A number of target audience members have helped with the co-creation of TetraStar Spaceport or otherwise visited site as a reward for completing project work.

In parallel, recruitment is underway for the post-16 Immersive Design & Development course that will be run in partnership with Leicester College from September 2022.

It is hoped that it has the success of the post-16 Space Engineering course run in partnership with Loughborough College that has now put 77 students into university and 12 onto apprenticeship programmes out of the 99 who have completed it. Of these students, the majority are from Widening Participation backgrounds – with no family history of progression into Higher Education. The Space Engineering course is co-led with Loughborough College by the in-house National Space Academy team which uses space as a teaching context and has previously taught approximately 10,000 GCSE, A level and BTEC students and 1,000 teachers per year via its UK network of 35 teachers and engineers. Most National Space Academy programmes, with the exception of the Space Engineering course and some virtual events, could not be delivered during closure: renewed efforts in 2022 will return the National Space Academy to its former volumes with a return to pre-pandemic levels of delivery anticipated by the end of the year.

Beneficiaries of our services

The most visible manifestation of the education charitable impact of the Centre's work is through the work of NSC Discovery. Through its suite of informal, formal and community education programmes – which are aimed at students, teachers and family communities, the work of NSC Discovery has been shown to:

- Boost student attainment – especially in students from less educationally privileged background – in examination subjects which have a high educational currency value when considered as a measure for future workforce selection and career opportunities.
- Enhance teacher effectiveness through teacher training programmes – allowing teachers to add new effective educational activities and methodologies to their “educational toolkits

- Give students greater awareness of how to find and navigate to career opportunities in the science and engineering sectors
- Give students more confidence and boost their interest in science through the informal education programmes run by the Centre
- Allow parents and communities to have a greater understanding of the opportunities for science as career routes aspirationally and operationally through the Centre's Community Engagement programmes.

Delivery against Objectives

There has been considerable progress by the team in delivering against its objectives. This has included 7,610 secondary school students attending careers focussed conferences.

Over 6,500 UK teachers have been trained on space science related material as part of their educational toolkits.

99 students have completed the two-year Space Engineering course with the majority (55%) coming from Widening Participation backgrounds with no family history of progression into Higher Education. More than 75% of students have then gone on to university courses.

Financial review

Charity Group Performance

The Group's net assets at 26 December 2021 were £24,689,508 compared to £24,125,494 at the start of the year. This positive net movement was achieved, despite the continuing financial impact of the pandemic on the charity. The close monitoring of costs, complemented by the success of several applications for funding helped reverse the prior negative movement.

Our total income at £6,290k was more than last year (£5,415k) even though the charity was impacted by the Covid pandemic. £686k was received from furlough and other Covid grants. While several income sources were down on the prior year, grant funding was secured which ensured a respectable financial outcome together with £52k income received in return for use of our overflow car parking area. Grants funded two major projects, with significant input from internal resources & totalled £2,204k (2020 £1,670k).

Details are listed in notes 3 & 4 of the accounts and include Lloyds Register Foundation £168,061, UK Space Agency £40,140, Wellcome Trust £717,631, Leicester & Leicestershire Enterprise Partnership £462,195, Kirby Laing Foundation £100,000, Garfield Weston Foundation £500,000, Cultural Recovery Fund £78,000, Severn Trent Community Fund £99,944.

Total expenditure at £5,726k showed a decrease on last year (£5,979k) as the impact of the 2020 redundancies and the closure of the Visitor Centre for 20 weeks had a significant impact on payroll and electricity costs. The charity also saw a reduction in travel and office costs as a result of the pandemic regulations.

In 2021, the Group expended £920k on fixed assets, mainly on Mission Space in the exhibition.

Operating Subsidiary Financial Performance

NSSC Operations Ltd made a profit of £369k (2020 deficit £130k). The Visitor Attraction opened post pandemic on 22 May 2021 and had the most August visitors in its history. Spend per head was at record levels, thanks partly to the reduction in VAT on admissions and catering. Initial opening was for weekends only until the summer holidays when opening reverted to 7 days a week. Capacity was capped at 1,200 per day. This improved the visitor experience and feedback was very positive as a result. Schools demand was subdued to start with and remains capped at 500 students per day.

Payroll was subsidised by a number of projects funded under the Project Marble umbrella which were managed and executed inhouse. Mission Space project funding also covered payroll for NSC Creative's management of a new interactive gallery and the creation of the NSC Creative Academy.

Principal risks and uncertainties

Trustees review the major risks faced by the charity as part of their annual cycle of business.

Systems of internal financial control have been put in place, which are designed to safeguard the charity's assets, ensure that proper accounting records are maintained and provide reliable and timely financial information.

Trustees are satisfied with these arrangements and a detailed risk register has been established, covering the key areas of:

- Premises
- Financial control
- Operating environment
- Operational risks
- Strategy and management
- Personnel
- New project development
- Funding

This risk register is updated by the Chief Executive and the management team and reviewed by the audit committee on a regular basis. The likelihood of risks occurring is evaluated along with an assessment of any impacts arising. Safeguards are identified and a plan of action is implemented in respect of all manageable risks where the likelihood of occurrence and the financial or operational impact are assessed as high.

A Strategic Issues Register is updated monthly to guide the operating company in its most pressing decision-making areas and keep Trustees informed of its actions.

The major risks recognised by The Charity relate to the funding of, and likely return from, capital and programmatic developments. There are growth aspirations in both cases, including the intention to address capacity issues on-site through the introduction of new gallery space and a building extension for live presentations, workshops, temporary exhibitions and corporate events.

The objective is to deliver a better visitor experience and new surpluses. The National Space Academy and NSC Creative are also the focus of attention in this regard as the Charity seeks to spread its risk across a broader range of funders and income-generating opportunities. The arrival of the University of Leicester's Space Park on adjacent land also offers opportunities for joint programme development.

Reserves and the position at the end of the year

It is the intention of the Trustees that surplus funds, will be retained to further the objects of the Charity as an inclusive, science educational resource, for the renewal of the exhibits and to maintain the visitor attraction site to a safe, efficient standard.

Total funds at year end were £24.7m (2020: £24.1m) which includes £1.3m restricted funds and £20.8m restricted funds and £1.2m unrestricted funds relating to fixed assets which could only be realised by disposing of the tangible fixed assets, which are the basis on which we operate.

The Trustees recognise the updated guidance on Charity Reserves issued by the Charity Commission in January 2016, which describes the required disclosure of the needs of the Charity to build resilience in reserves, the level of reserves needed by the Charity, the steps taken to establish reserves and the arrangements for reviewing the policy.

The Trustees intention is to have reserves appropriate to the level of activity and financial risks of the Charity. In light of the new post Covid financial risks, reserves will need to be sufficient to cover unexpected revenue shortfalls, significant increases in costs and the impact across the emerging 3 year business planning period.

The Trustees will look to use reserves to keep responding to evolving community needs, invest in refreshing our exhibitions and our building in line with our capital plan. Over the next 3 years, the Charity has budgeted £2.1m of estates and digital capital expenditure outside of the annual operational budget. The Trustees have therefore established a target whereby the unrestricted funds not invested in tangible fixed assets (the free reserves) should be £1.1m. Free reserves are currently £0.7m. The Charity Group will continue to develop its income wherever possible while keeping its costs under control to achieve its targeted free reserves level. As 2022 will be the first full recovery year after re-opening, this policy and the target amount of free reserves will be reviewed as part of the annual business planning activity in Quarter 4, 2022.

Going Concern

Given the impact of COVID19 on our finances in 2020 and 2021, along with uncertainties relating to the post-pandemic global economic outlook and cost-of-living increases, our assessment of the Group as a going concern has been arrived at following a thorough review of the business environment and our financial resilience.

We have prepared detailed financial projections to forecast the Group's financial performance and cash flow position under a variety of possible scenarios, all of which indicate that we should have adequate cash balances to be able to continue to trade as a going concern for at least 12 months following the date of this report.

We will continue to closely monitor the impact of government decision making on our operations and the economic recovery on our operations and activities. Whilst uncertainty exists, the Trustees believe that this does not pose a material uncertainty that would cast doubt on the charity's ability to continue as a going concern.

The last 18 months has been as good a test of our resilience as we have faced in recent history and the way we have responded as an organisation, gives a great deal of confidence in this assertion. The trustees, therefore, consider it appropriate for the accounts to be prepared on a going concern basis

Financial Instruments

The Charity does not currently invest charity funds in stocks or shares and Trustees review this policy on an annual basis. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. The trustees do not consider any other risks attaching to the use of financial instruments to be material to an assessment of its financial position or performance.

Fundraising Strategy

The National Space Centre continues to pursue strategies to sustain and enhance existing funding streams, so that it can get people excited about space. The charity approach is to look to bid for grant support from a range of bodies, including government agencies, foundation and community trusts. These funds ensure we are able to deliver a high quality visitor attraction and also support our educational and outreach programmes to engage and inspire young people to learn more about Space.

In terms of fundraising success, it's been an excellent year with the following significant funding commitments secured:

- £462,195 from the Leicester & Leicestershire Enterprise Partnership to help complete two projects: Extended Reality for New Audiences and Project Marble

- £500,000 from Garfield Weston Foundation to support the return to operations after lockdown and help rebuild the education and space communications teams
- £100,000 from Kirby Laing Foundation to help complete Project Marble
- £99,944 from the Severn Trent Community Fund to help complete Project Marble (specifically the Home Planet gallery)
- £717,631 from the Wellcome Trust to help complete the Extended Reality for New Audiences project

All fundraising is undertaken by internal staff, with no professional fundraisers or commercial participators. National Space Centre has observed the Fundraising Regulator's Code and uses the Code's principles to guide ethical considerations in relation to fundraising. As usual, there have been no complaints regarding fundraising activity this year.

Policy for employment of disabled persons

Staff Communication meetings are held on a quarterly basis for presentations and discussion of key areas including business updates and projects. These have been increased during lockdown (from March 2020 onward) via Live online briefings and Question & Answer sessions.

The National Space Centre have a number of policies and procedures in relation to all personnel matters including:

- Equal Opportunities; and
- Health & Safety

In 2021 it has introduced Equality, Diversity & Inclusion training for all employees. The recruitment and training of staff is undertaken in accordance with the charity's equal opportunities policy and in line with the Equality Act 2010.

Plans for the future

National Space Centre is a forward looking organisation that is focused on sustainability. Its strategy, Vision 2030, was completed in 2021 and sets the long term ambition. It incorporates a reflection on how the National Space Centre should behave as a place to work, to visit, as a provider of trusted information and with whom to do business. Its Space for Everyone philosophy is being freshly articulated and its adherence to low carbon and employee wellbeing programmes is embedded in its business plan. It focuses on the quality and growth of activities on site but also the ability of the organisation to live up to its national brand positioning through an expansion of its education network; possibly with newly established regional offices if sufficient stakeholder support can be secured.

The National Space Centre is unique as a science centre in providing pathways for young people that include formal in-house courses. The intention is to ensure that young people from disadvantaged communities have the same opportunity as everybody else to follow these pathways into further and higher education and into the world of work.

The launch of the University of Leicester's Space Park Leicester in close proximity sheds a light on the wider development of the site and the partnerships' contribution as a UK centre of excellence for space skills development via pathway programmes. Several negotiations to deliver programmes on behalf of Government and industry are in train. The Lloyds Register Foundation supports the National Space Academy's aspirations in China, the UAE, South Africa and Brazil but attempts to travel have been aborted and a patient approach is being taken.

On-site capital developments will include the redevelopment of the Into Space (2024) and Gas Giants (2026) galleries which are both dated. The former must accommodate how the likely humankind return to the Moon in circa 2025 is portrayed.

Pick Everard has been employed to research prospects for replacement of the Rocket Tower protective covering in circa 2030. Annual inspections suggest that recent repairs are holding well, but replacement at some point is inevitable and it is ten years since an estimated cost of £2.0m was presented to help inform the creation of a sinking fund. A new cost estimate will re-establish this need.

Statement of responsibilities of the trustees

The trustees (who are also directors of National Space Centre for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report which includes the strategic report has been approved by the trustees on 5 July 2022 and signed on their behalf by

Prof Sir M Sweeting
Chairman

Opinion

We have audited the financial statements of National Space Centre (the 'parent charitable company') and its subsidiaries (the 'group') for the period ended 26 December 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 26 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the period then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on National Space Centre's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial period for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

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

- We enquired of management and the audit committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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

Independent auditor's report

To the members of

National Space Centre

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

22 July 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

National Space Centre

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the period ended 26 December 2021

	Note	Unrestricted £	Restricted £	Capital restricted funds £	Period ended 26 December 2021 £	Unrestricted £	Restricted £	Capital restricted funds £	Period ended 27 December 2020 £
Income from:									
Donations	2	–	–	–	–	–	6,020	–	6,020
Charitable activities:	3								
Admissions		1,547,604	–	–	1,547,604	1,127,098	–	–	1,127,098
Gift Aid		247,854	–	–	247,854	156,839	5	–	156,844
Grants		686,036	1,449,652	717,631	2,853,319	1,201,568	819,787	784,848	2,806,203
Space Academy		57,113	–	–	57,113	54,095	–	–	54,095
Other trading activities:	4								
Retail		407,513	–	–	407,513	247,427	–	–	247,427
Catering/corporate		704,479	–	–	704,479	362,365	–	–	362,365
Creative services		434,905	–	–	434,905	589,522	–	–	589,522
Sponsorship		25,510	11,625	–	37,135	–	65,435	–	65,435
Total income		4,111,014	1,461,277	717,631	6,289,922	3,738,914	891,247	784,848	5,415,009
Expenditure on:									
Raising funds		(1,239,871)	–	–	(1,239,871)	(900,019)	–	–	(900,019)
Charitable activities		(2,823,672)	(1,111,760)	(550,605)	(4,486,037)	(3,880,483)	(540,994)	(657,370)	(5,078,847)
Total expenditure	6	(4,063,543)	(1,111,760)	(550,605)	(5,725,908)	(4,780,502)	(540,994)	(657,370)	(5,978,866)
Net movement in funds		47,471	349,517	167,026	564,014	(1,041,588)	350,253	127,478	(563,857)
Reconciliation of funds:									
Total funds brought forward		2,613,745	907,966	20,603,783	24,125,494	3,655,333	557,713	20,476,305	24,689,351
Total funds carried forward		2,661,216	1,257,483	20,770,809	24,689,508	2,613,745	907,966	20,603,783	24,125,494

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 23 to the financial statements.

As at 26 December 2021

	Note	The group 2021 £	2020 £	The charity 2021 £	2020 £
Fixed assets:					
Tangible assets	13	20,496,306	20,437,415	19,216,293	19,047,233
Heritage assets	14	5,349,607	5,349,607	5,349,607	5,349,607
Investments	15	–	–	2	2
		25,845,913	25,787,022	24,565,902	24,396,842
Current assets:					
Stock	17	91,571	95,987	–	–
Debtors	18	275,907	682,539	1,904,293	1,450,269
Investments		527,318	525,628	–	–
Cash at bank and in hand		2,961,854	2,191,460	76,240	85,446
		3,856,650	3,495,614	1,980,533	1,535,715
Liabilities:					
Creditors: amounts falling due within one year	19	(1,088,312)	(890,764)	–	(3,495)
Net current assets		2,768,338	2,604,850	1,980,533	1,532,220
Total assets less current liabilities		28,614,251	28,391,872	26,546,435	25,929,062
Creditors: amounts falling due after one year	21	(3,924,743)	(4,266,378)	(2,115,000)	(2,115,000)
Net assets	22	24,689,508	24,125,494	24,431,435	23,814,062
Capital funds					
Restricted funds		20,770,809	20,603,783	20,770,809	20,603,783
Income funds					
Restricted funds		1,257,483	907,966	1,257,483	907,966
Unrestricted income funds					
General funds		2,403,145	2,302,315	2,403,143	2,302,313
Non-charitable subsidiary funds		258,071	311,430	–	–
Total unrestricted funds		2,661,216	2,613,745	2,403,143	2,302,313
Total funds	23	24,689,508	24,125,494	24,431,435	23,814,062

Approved by the trustees on 5 July 2022 and signed on their behalf by

Prof Sir M Sweeting
Chairman

Consolidated statement of cash flows

For the period ended 26 December 2021

	Note	2021 £	£	2020 £	£
Cash flows from operating activities					
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		564,014		(563,857)	
Interest receivable		(1,693)		(4,276)	
Interest payable		33,880		35,577	
Depreciation of tangible fixed assets		860,408		977,926	
Loss on disposal of fixed assets		409		–	
Decrease in stocks		4,416		24,762	
Decrease in debtors		406,632		316,269	
Increase/(decrease) in creditors		77,433		(257,918)	
Net cash provided by operating activities		1,945,499		528,483	
Cash flows from investing activities:					
Dividends, interest and rents from investments		1,693		4,276	
Purchase of fixed assets		(919,708)		(736,912)	
Net cash used in investing activities		(918,015)		(732,636)	
Cash flows from financing activities:					
Interest paid		(33,880)		(35,577)	
New loans		–		1,100,000	
Repayment of bank loans		(221,520)		(74,317)	
Net cash (used in)/provided by financing activities		(255,400)		990,106	
Change in cash and cash equivalents in the year		772,084		785,953	
Cash and cash equivalents at the beginning of the year		2,717,088		1,931,135	
Cash and cash equivalents at the end of the year		3,489,172		2,717,088	
Analysis of cash and cash equivalents and of net debt					
	At 27 December 2020 £	Cash flows £	Other non- cash changes £	At 26 December 2021 £	
Cash at bank and in hand	2,191,460	770,394	–	2,961,854	
Short term deposits	525,628	1,690	–	527,318	
Total cash and cash equivalents	2,717,088	772,084		3,489,172	
Loans falling due within one year	(223,627)	(120,115)	–	(343,742)	
Loans falling due after more than one year	(4,266,378)	341,635	–	(3,924,743)	
Total net debt	(1,772,917)	993,604	–	(779,313)	

1 Accounting policies

a) Statutory information

National Space Centre is a charitable company limited by guarantee and is incorporated in England.

The registered office address and principal place of business is National Space Centre, Exploration Drive, Leicester, LE4 5NS.

b) Basis of preparation

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 (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

National Space Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in sterling which is also the functional currency of the Charity.

Monetary amounts in these financial statements are rounded to the nearest whole £, except where otherwise indicated.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are set out below:

c) Basis of consolidation

The group accounts consolidate the financial statements of the Charity and its trading subsidiary undertakings. Intra-group transactions and balances are eliminated on the consolidation.

d) Reduced disclosures

In accordance with FRS 102, the parent Charity has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

The financial statements of the parent Charity are included within these consolidated financial statements. A separate Statement of Financial Activities (SOFA), or Income and Expenditure Account for the Charity itself is not presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

1 Accounting policies (continued)

e) Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the group and charitable company have adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Following the uncertainty presented by COVID-19, management has reassessed the going concern assumption and confirms that it remains appropriate based on the strong cash and net asset position which enables it to sustain its business and meet its liabilities as they fall due despite the COVID-19 situation.

Management has stress tested their forecasts to 31 December 2024 which indicate that even if trading were to continue at its current levels, the group and charitable company have sufficient cash to sustain its business for at least 12 months from the date of the trustees signing the financial statements thus supporting the assertion to prepare the accounts on a going concern basis, despite uncertainty surrounding how the COVID-19 situation will impact the business over that period. The group will continue to monitor the situation closely and adapt to changing ways of doing business over the coming months.

f) Income

Income is recognised when the Group has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Where income is received in advance of performance, its recognition is deferred and included in creditors until the contract is performed.

g) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably. Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Income from government (including CRJS claims) and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the 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 measured reliably and is not deferred.

h) Operating revenue recognition

Income from admission fees is recognised on the date of admission for entry tickets. Income from shop and café sales is recognised at the point of sale. Income from show licence sales for NSC Creative is recognised at the date of installation. Project income for NSC Creative becomes due according to agreed milestones and income is recognised at these dates. Space Academy income, excluding grants, donations and sponsorships, is recognised on the date of delivery.

i) Annual passes

Visitors may convert their admission tickets to annual passes. Income from these visitors is recognised in the period in which it is received.

j) Sponsorship income

Sponsorship income is recognised when invoiced, provided that the group has fulfilled its obligations under the sponsorship agreement. Where obligations are not fulfilled, income is deferred.

1 Accounting policies (continued)

k) Gifts in kind

The group benefits from many hours given freely by trustees, patrons and other supporters. In addition, the group has received the benefit of services of secondees from organisations including Leicester City Council and University of Leicester. The Group is extremely grateful for all of these gifts in kind. It is impractical to place a value on the time gifted and accordingly it is not included within the Statement of Financial Activities.

Assets donated to the group are included within the Statement of Financial Activities in the year in which they are donated.

l) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- expenditure on raising funds are those incurred in trading activities and raising funds.
- charitable activities include expenditure associated with education for the public benefit, operation of the National Space Centre and include direct costs and support costs relating to these activities.
- support costs have been allocated between charitable activities and cost of raising funds according to resources expended on each area.

m) Fund accounting

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects.

Restricted funds are those funds which have been given for particular purposes and projects.

n) Tangible fixed assets and depreciation

Fixed assets are recorded at cost or, in the case where assets have been donated to the group, at valuation at the time of acquisition which is taken to be deemed cost. Depreciation is provided on all capitalised tangible fixed assets excluding freehold land, at rates calculated to write off the cost, less estimated residual value, based on values prevailing at the date of acquisition, of each asset evenly over its expected useful life, as follows:

▪ Leasehold property	50 – 150 years
▪ Freehold buildings	50 years
▪ Exhibition fit out	5 to 10 years
▪ Plant & equipment	5 to 10 years
▪ Motor vehicles	5 years
▪ POD (Challenger) equipment	5 years
▪ POD (Challenger) buildings	10 years
▪ Office equipment	2½ years

Freehold land is not depreciated.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be reasonable. Residual value is assessed at each reporting date, after estimated costs of disposal for the asset as if it were at the age and in the condition expected at the end of its useful life.

Fixed assets are capitalised where the value exceeds £1,000.

1 Accounting policies (continued)

o) Heritage assets

The group possesses a significant international collection of space artefacts, which is displayed in the National Space Centre. These artefacts include:

- spacecraft (e.g. rockets) and their components
- space suits and related items
- satellites (including models)
- extra-terrestrial rock samples
- other space related exhibits

Where such artefacts have been purchased, the purchase and installation costs are capitalised in the balance sheet.

In accordance with FRS 102, the group includes heritage assets at either;

- Valuation – where information regarding their value is readily available
- Cost – where assets are not valued but information regarding their cost price is readily available

Where reliable valuations or information relating to their cost is unavailable and cannot be obtained at a cost which is commensurate with the benefits to users of the financial statements, those assets are not recognised on the balance sheet. The majority of the Charity's heritage assets are considered to be held for long term use. On this basis they are not depreciated unless, in the trustees' opinion, they have a finite life. The trustees will review the useful economic life attributable to each heritage asset on a regular basis where they will revise existing valuations and assess for any indicators of impairment.

A number of heritage assets were valued at £4,390,000 in 2000 and are included in the balance sheet at that value. Other donated heritage assets have not been recognised as they are considered having no material impact on the total valuation and the trustees consider that in the absence of reliable cost information, the expense of determining a reliable value for these artefacts is onerous compared with the additional benefit derived by users of the accounts.

p) Stocks

Stocks comprise catering supplies and goods for resale and are stated at the lower of cost and estimated selling price less costs to complete and sell.

q) Cash and bank balances

Cash and bank balances includes bank overdrafts and cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition.

r) Current investments

Current investments comprise of cash held on deposit which has a maturity date of more than 3 months from the date of acquisition.

s) Operating lease rentals

Operating lease rentals are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1 Accounting policies (continued)

t) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the Statement of Financial Activities.

u) Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the period.

v) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

w) Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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

x) Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no critical accounting estimates and areas of judgement to note.

2 Income from donations

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Education awards scheme	-	-	-	-	20	20
Ignite	-	-	-	-	6,000	6,000
	-	-	-	-	6,020	6,020

3a Income from charitable activities (current year)

	Unrestricted £	Restricted £	Capital restricted funds £	2021 £	2020 £
Admissions	1,547,604	-	-	1,547,604	1,127,098
Gift Aid	247,854	-	-	247,854	156,844
CJRS income & Covid 19 grants	686,036	-	-	686,036	1,201,568
Space Academy	57,113	-	-	57,113	54,095
Sub-total	2,538,607	-	-	2,538,607	2,539,605
Grants:					
UK Space Agency	-	40,140	-	40,140	95,290
Lloyds Register Foundation	-	168,061	-	168,061	31,264
Association of Science and Discovery Centres	-	-	-	-	2,000
Wellcome Trust	-	-	717,631	717,631	482,534
Leicester & Leicestershire Enterprise Partnership	-	462,195	-	462,195	474,227
Kirby Laing Foundation	-	100,000	-	100,000	-
Garfield Weston Foundation	-	500,000	-	500,000	-
Cultural Recovery Fund	-	78,000	-	78,000	-
The Wolfson Foundation	-	-	-	-	235,000
Foyle Foundation	-	-	-	-	150,000
Severn Trent Community Fund	-	99,944	-	99,944	124,930
Other grants	-	1,312	-	1,312	9,390
Sub-total for grants	-	1,449,652	717,631	2,167,283	1,604,635
Total	2,538,607	1,449,652	717,631	4,705,890	4,144,240

National Space Centre

Notes to the financial statements

For the period ended 26 December 2021

3b Income from charitable activities (prior year)

	Unrestricted £	Restricted £	Capital restricted funds £	2020 £
Admissions	1,127,098	–	–	1,127,098
Gift Aid	156,839	5	–	156,844
CJRS income & Covid 19 grants	1,201,568	–	–	1,201,568
Space Academy	54,095	–	–	54,095
Sub-total	2,539,600	5	–	2,539,605
Grants:				
UK Space Agency	–	95,290	–	95,290
Lloyds Foundation Trust	–	31,264	–	31,264
Association of Science and Discovery Centres	–	2,000	–	2,000
Wellcome Trust	–	–	482,534	482,534
Leicester & Leicestershire Enterprise Partnership	–	176,203	298,024	474,227
The Wolfson Foundation	–	235,000	–	235,000
Foyle Foundation	–	150,000	–	150,000
Severn Trent Community Fund	–	124,930	–	124,930
Other grants	–	5,100	4,290	9,390
Sub-total for grants	–	819,787	784,848	1,604,635
Total	2,539,600	819,792	784,848	4,144,240

4 Income from other trading activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Retail	407,513	–	407,513	247,427	–	247,427
Catering/Corporate	704,479	–	704,479	362,365	–	362,365
Creative Services	434,905	–	434,905	589,522	–	589,522
Sponsorship/project grant funding:						
PPG Architectural Coatings	–	–	–	–	42,560	42,560
Ogden Trust	–	9,625	9,625	–	20,875	20,875
Other	25,510	2,000	27,510	–	2,000	2,000
	1,572,407	11,625	1,584,032	1,199,314	65,435	1,264,749

5 Analysis of income

	2021 Total £	2020 Total £
Income is attributed to geographical markets as follows:		
United Kingdom	6,169,209	5,286,979
Europe	27,012	23,977
Rest of World	93,701	104,053
	6,289,922	5,415,009

National Space Centre

Notes to the financial statements

For the period ended 26 December 2021

6a Analysis of expenditure (current year)

	Costs of raising funds							
	Raising donations and other income £	Other trading activities		Charitable activities £	Support £	Governance £	2021 Total £	2020 £
		Retail £	Catering £					
Staff costs (Note 9)	169,129	52,214	344,730	1,764,248	720,712	–	3,051,033	3,552,831
Depreciation	–	–	–	748,589	111,819	–	860,408	977,926
Costs of sales	57	182,008	178,020	289,342	–	–	649,427	389,712
IT and licences	1,269	258	1,750	120,276	61,146	–	184,699	150,143
Utilities	–	–	–	168,332	–	–	168,332	168,702
Insurance and rent	–	–	–	3,750	113,729	–	117,479	107,181
Maintenance	–	–	470	108,498	4,816	–	113,784	136,814
Running and sundry	2,377	3,126	22,505	246,192	10,224	–	284,424	132,931
Marketing	17,257	–	8,287	1,113	–	–	26,657	55,908
Outreach and other projects	–	–	–	64,197	–	–	64,197	40,521
Financing	–	–	–	–	65,855	–	65,855	63,341
Cleaning and waste disposal	–	–	3,829	38,179	–	–	42,008	34,508
Audit, legal and consultancy	–	–	–	107	5,847	22,925	28,879	62,820
Training and recruitment	–	–	–	4,574	20,330	–	24,904	34,778
Telephone and internet	471	–	92	22,546	–	–	23,109	20,870
Space Academy	–	–	–	8,354	–	–	8,354	2,824
Postage and stationery	–	–	–	–	4,099	–	4,099	13,368
Creative services	4,327	–	–	–	–	–	4,327	30,055
Travel	320	21	28	2,873	691	–	3,933	3,633
	195,207	237,627	559,711	3,591,170	1,119,268	22,925	5,725,908	5,978,866
Support costs	47,666	58,025	136,672	876,905	(1,119,268)	–	–	–
Governance costs	976	1,188	2,799	17,962	–	(22,925)	–	–
Total expenditure 2021	243,849	296,840	699,182	4,486,037	–	–	5,725,908	
Total expenditure 2020	171,941	181,914	546,164	5,078,847	–	–		5,978,866

National Space Centre

Notes to the financial statements

For the period ended 26 December 2021

6b Analysis of expenditure (prior year)

	Costs of raising funds					
	Raising donations and other income £	Other trading activities		Charitable £	Governance £	2020 Total £
		Retail £	Catering £			
Staff costs (Note 9)	106,511	50,496	423,716	2,972,108	–	3,552,831
Depreciation	–	–	–	977,926	–	977,926
Costs of sales	–	123,859	100,900	164,953	–	389,712
Utilities	–	–	–	168,702	–	168,702
Marketing	30,950	–	6,171	18,787	–	55,908
Space Academy	–	–	–	2,824	–	2,824
Outreach and other projects	–	–	–	40,521	–	40,521
Maintenance	–	–	79	136,735	–	136,814
Running and sundry	3,191	6,412	10,378	112,950	–	132,931
Insurance and rent	–	–	–	107,181	–	107,181
IT and licences	–	–	–	150,143	–	150,143
Financing	–	–	–	63,341	–	63,341
Cleaning and waste disposal	–	–	2,117	32,391	–	34,508
Audit, legal and consultancy	–	–	–	35,016	27,804	62,820
Travel	67	81	263	3,222	–	3,633
Creative services	30,055	–	–	–	–	30,055
Training and recruitment	74	220	–	34,484	–	34,778
Telephone and internet	293	–	–	20,577	–	20,870
Postage and stationery	–	–	–	13,368	–	13,368
	171,141	181,068	543,624	5,055,229	27,804	5,978,866
Governance costs	800	846	2,540	23,618	(27,804)	–
Total expenditure 2020	171,941	181,914	546,164	5,078,847	–	5,978,866

Support costs were previously allocated directly to activities so these are not separately identified above.

Notes to the financial statements

For the period ended 26 December 2021

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021 £	2020 £
Depreciation	860,408	977,926
Interest payable	32,187	35,577
Operating lease rentals:		
Property	23,362	21,000
Auditor's remuneration (excluding VAT):		
Audit	20,500	23,879
Non-audit services	1,300	3,925
Foreign exchange (gains) or losses	(59)	(461)

8 Trustee emoluments and key management personnel

	2021 £	2020 £
Trustees' emoluments	130,518	112,853
Contributions to defined contribution pension scheme	14,132	11,967

Remuneration of trustees is contrary to general charity law. Approval has been obtained from the Charity Commission under section 198 of the Charities Act 2011 since such remuneration is considered to be in the best interests of the charity. Details of the specific individuals is included below.

The Chief Executive, C SH Bishop, and the Chairman of NSSC Operations Limited, A M Kapur, who are both trustees, were paid £117,368 and £12,750 (27 December 2020 – £99,728 and £13,125) respectively for qualifying services in those capacities and £14,132 and £nil (27 December 2020 – £11,967 and £nil) respectively for contributions to a defined contribution pension scheme.

During the period £389 (27 December 2020 – £876) was paid to 2 trustees (2020: 3) for the reimbursement of travel and subsistence expenses.

The total compensation including national insurance and pension contributions payable to key management personnel of the Group, which includes the above trustee directors was £442,275 (2020: £415,942).

9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	2,670,823	3,109,700
Redundancy and termination costs	2,545	22,607
Social security costs	224,758	245,240
Employer's contribution to defined contribution pension schemes	152,907	175,284
	3,051,033	3,552,831

The above amounts reflect the remuneration of individuals who have contracts of employment and exclude payments made to individuals contracted on a consultancy basis.

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
£60,000 – £69,999	1	–
£90,000 – £99,999	–	1
£110,000 – £119,999	1	–

During the period, retirement benefits were accruing to 2 employees whose emoluments amounted to over £60,000 (2020: 1), the contributions in the year amount to £17,792 (2020: £11,967).

10 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 148 (2020: 189).

Staff are split across the activities of the charity as follows (full time equivalent basis):

	2021 No.	2020 No.
Administration	54	53
Operations	42	69
	96	122

11 Related party transactions**National Space Centre**

During the year £462,195 was received as grant income (restricted) from Leicester & Leicestershire Enterprise Partnership (LLEP). Charles Bishop and Verity Hancock, Directors of National Space Centre, are Board members of LLEP.

During the period, the following were paid or were payable to:

Association of Science and Discovery Centres £1,468. Charles Bishop is a Director of National Space Centre and a Trustee of Association of Science and Discovery Centres.

Leicester City Council £7,080. Miranda Cannon is a Director of National Space Centre (LCC Representative) and an employee of LCC.

Birmingham City Council £784. Penny Coates is a Director of National Space Centre and an Advisor to BCC.

East Midlands Chamber of Commerce £1074. James Fry is a Director of National Space Centre (EM Chamber Representative) and a Board member of EM Chamber of Commerce.

Leicestershire County Council £366. Surinder Sharma is a Director of National Space Centre and an Advisor to LCC.

Leicester College £124. Verity Hancock is a Director of National Space Centre and an Employee (CEO) of Leicester College.

NSSC Operations Ltd

During the period, the following were paid or were payable by NSSC Operations Ltd to:

Association of Science and Discovery Centres £1,288. Charles Bishop is a Director of NSSC Operations Ltd and a Board member of ASDC.

Redshift Ltd £4,250. Alan Wells is a Director of NSSC Operations Ltd and a Director of Redshift Ltd.

NSSC Operations generated sales income from a range of organisations with which some trustees, directors and/or senior management are connected. These were all conducted in the ordinary course of business on an arm's length basis.

All of the above transactions were conducted at arm's length.

12 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary NSSC Operations Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2021 £	2020 £
UK corporation tax at 19%	-	-

13 Tangible fixed assets

The group

	Freehold land & buildings £	Long leasehold land & buildings £	Exhibition fit out £	Plant & equipment £	Motor vehicles £	Challenger building & equipment £	Total £
Cost							
At the start of the year	26,991,459	1,108,000	10,017,297	2,274,211	25,995	724,818	41,141,780
Additions in year	6,040	–	778,526	135,142	–	–	919,708
Disposals in year	–	–	–	(22,578)	–	–	(22,578)
At the end of the year	26,997,499	1,108,000	10,795,823	2,386,775	25,995	724,818	42,038,910
Depreciation							
At the start of the year	9,641,539	144,155	8,608,119	1,559,739	25,995	724,818	20,704,365
Charge for the year	523,908	7,387	204,868	124,245	–	–	860,408
Eliminated on disposal	–	–	–	(22,169)	–	–	(22,169)
At the end of the year	10,165,447	151,542	8,812,987	1,661,815	25,995	724,818	21,542,604
Net book value							
At the end of the year	16,832,052	956,458	1,982,836	724,960	–	–	20,496,306
At the start of the year	17,349,920	963,845	1,409,178	714,472	–	–	20,437,415

Land with a value of £680,000 (2020: £680,000) is included within freehold land and buildings and not depreciated.

All of the above assets are used for charitable purposes.

The charity

	Freehold land & buildings £	Long leasehold land & buildings £	Exhibition fit out £	Plant & equipment £	Motor vehicles £	Challenger building & equipment £	Total £
Cost							
At the start of the year	26,080,641	1,108,000	9,395,274	1,797,593	25,995	724,818	39,132,321
Additions in year	6,040	–	778,525	133,493	–	–	918,058
Disposals in year	–	–	–	(22,578)	–	–	(22,578)
At the end of the year	26,086,681	1,108,000	10,173,799	1,908,508	25,995	724,818	40,027,801
Depreciation							
At the start of the year	9,595,947	144,154	8,299,070	1,295,104	25,995	724,818	20,085,088
Charge for the year	505,692	7,387	136,245	99,265	–	–	748,589
Eliminated on disposal	–	–	–	(22,169)	–	–	(22,169)
At the end of the year	10,101,639	151,541	8,435,315	1,372,200	25,995	724,818	20,811,508
Net book value							
At the end of the year	15,985,042	956,459	1,738,484	536,308	–	–	19,216,293
At the start of the year	16,484,694	963,846	1,096,204	502,489	–	–	19,047,233

Land with a value of £680,000 (2020: £680,000) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

14 Heritage assets

Group and charitable company	Artefacts 2021 £	2020 £
Cost or valuation		
Items included at cost at 27 December 2020 and 26 December 2021	959,607	959,607
Items included at valuation at 27 December 2020 and 26 December 2021	4,390,000	4,390,000
Cost or valuation at 27 December 2020 and 26 December 2021	5,349,607	5,349,607

Various donated items, including flight suits, models, food and clothes, were valued by Art Dula, an American aerospace lawyer with expertise in acquiring and selling historical space items, in August 2000. The valuations are on a fair market value / replacement value on those parts of the collection where it is felt such a valuation can be reasonably made. The Trustees consider there to be no material impairment on the present market values / replacement values compares to those stated.

There were no material additions or disposals to the heritage assets held by the Charity in 2021 or the previous four years.

The National Space Centre maintains a register for its collections of heritage assets which records the nature, provenance and current location of each asset. The National Space Centre uses artefacts to help interpret storylines in the exhibition. The curatorial work collects, conserves, records and makes publicly available material telling the story of British and World Space exploration in the past, present and future.

This purpose will be achieved through:

- a) acquisitions, organisation and preservation of objects, manuscripts, pamphlets, photographs.
- b) informing, inspiring and entertaining its users through the provision and promotion of interpretative displays and related services.
- c) undertaking, enabling and publishing research relevant to the subject area of the National Space Centre.

These are items of scientific importance which are held for the furtherance of the National Space Centre's objects and are considered to be heritage assets.

Assets are only disposed of where, in the opinion of the Trustees, an item does not contribute to the interest and diversity of the National Space Centre's collection or, in exceptional circumstances, where the disposal will provide the National Space Centre with funding that, in the opinion of the Trustees, is considered essential to the National Space Centre's being able to fulfil its charitable objects in the future.

Approximately £2,015,000 (2020: £2,015,000) of loaned items are also held. In many cases these items have been obtained on permanent or long term loans from museums and similar institutions and the group may not sell or otherwise dispose of these items without the prior consent of the donor. The value of these items is not included on the balance sheet.

Preservation and management

Expenditure which in the Trustees' view is required to preserve or clearly prevent further deterioration of individual collection items is recognised in the Statement of Financial Activities when it is occurred. The Charity has an on-going programme of conservation.

Heritage assets are insured in total for £12,000,000 including loan items.

The environmental conditions in which the assets are held are continually monitored by a building management system and a network of dataloggers. Relative humidity, temperature and light exposure are measured and remedial action taken if necessary. Heritage assets are also inspected regularly and any maintenance required is carried out promptly. Specialist care and advice is sought as needed from a variety of experts including the National Science Museum. The collection is held at the National Space Centre, on display for the public to view. The collection is protected by a security team. Some of the articles are available for handling by the public, most being in display cases or behind barriers.

Notes to the financial statements

For the period ended 26 December 2021

15 Subsidiary undertaking

The Charity has two wholly owned subsidiaries which are incorporated in Great Britain. NSSC Operations Limited operates the National Space Centre, whilst NSSC Property Limited did not trade during the period. A summary of the trading results of NSSC Operations Limited is shown below. Audited accounts of NSSC Operations Limited will be filed with the Registrar of Companies.

Company	Country of incorporation	Holding	Investment	Company Number	Nature of business
NSSC Operations Limited	England and Wales	Ordinary shares	100%	04141856	Operation of National Space Centre
NSSC Property Limited	England and Wales	Ordinary shares	100%	03486099	Dormant

The registered office address of these companies is Exploration Drive, Leicester, LE4 5NS.

NSSC Operations is used for the operation of the National Space Centre. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The trustees C H Bishop & A M Kapur are also directors of NSSC Operations Limited. C H Bishop is the sole director of NSSC Property Limited.

A summary of the results of NSSC Operations Limited is shown below:

	2021 £	2020 £
Turnover	2,133,309	1,421,034
Operating expenditure	(4,693,316)	(4,766,847)
Management charge due from parent undertaking	2,359,355	1,788,856
Other operating income	601,892	1,458,469
Operating profit/(loss)	401,240	(98,488)
Interest receivable and similar income	1,693	4,275
Interest payable	(33,880)	(35,577)
Profit / (loss) on ordinary activities before taxation	369,053	(129,790)
Taxation on profit on ordinary activities	–	–
Profit / (loss) for the financial year	369,053	(129,790)
Retained earnings		
Total retained earnings brought forward	311,430	441,220
Profit / (loss) for the financial year	369,053	(129,790)
Distribution under Gift Aid to parent charity	(422,412)	–
Total retained earnings carried forward	258,071	311,430
The aggregate of the assets, liabilities and reserves was:		
Assets	5,014,177	4,472,109
Liabilities	(4,756,105)	(4,160,678)
Reserves	258,072	311,431

Amounts owed from the parent undertaking is shown in note 18.

Notes to the financial statements

For the period ended 26 December 2021

16 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £	2020 £
Gross income	3,798,848	2,531,231
Result for the year	617,372	(434,067)

17 Stock

	The group 2021 £	2020 £	The company 2021 £	2020 £
Catering supplies and goods for resale	91,571	95,987	-	-
	91,571	95,987	-	-

18 Debtors

	The group 2021 £	2020 £	The company 2021 £	2020 £
Trade debtors	139,307	163,653	-	-
Other debtors	55,434	442,039	46,245	328,239
Amounts owed by subsidiary undertakings	-	-	1,858,048	1,122,030
Prepayments	81,166	76,847	-	-
	275,907	682,539	1,904,293	1,450,269

19 Creditors: amounts falling due within one year

	The group 2021 £	2020 £	The company 2021 £	2020 £
Bank loans	343,742	223,627	-	-
Trade creditors	351,384	215,888	-	-
Taxation and social security	67,263	76,126	-	-
Accruals	71,058	76,383	-	-
Deferred income (note 20)	254,865	298,740	-	-
	1,088,312	890,764	-	-

20 Deferred income

Deferred income comprises grant and sponsorship income, corporate events, NSC Creative and online sales.

	The group 2021 £	2020 £	The charity 2021 £	2020 £
Balance at the beginning of the year	298,740	242,172	-	-
Amount released to income in the year	(298,740)	1,308,400	-	-
Amount deferred in the year	254,865	(1,251,832)	-	-
Balance at the end of the year	254,865	298,740	-	-

21 Creditors: amounts falling due after one year

	The group 2021 £	2020 £	The company 2021 £	2020 £
Bank loans	1,809,743	2,151,378	–	–
Loan note	2,000,000	2,000,000	2,000,000	2,000,000
Other loan	115,000	115,000	115,000	115,000
	3,924,743	4,266,378	2,115,000	2,115,000

The amount of bank loans repayable by instalments falling due after more than five years is £710,089 (2020: £793,643).

The loan note is repayable to Leicester City Council at the discretion of the National Space Centre. Interest accrues on the loan should group annual net profits exceed £100,000 in a financial year. In such circumstances, interest accrues at 6% of net income, pro-rated on the basis of the value of loan notes in issue.

The other loan is repayable to Leicester City Council immediately if the annual net profits of the National Space Centre exceed £500,000. As a registered charity, there is no profit generated, but instead funds to be utilised in future periods. As such, whilst the movement in funds may increase by more than £500,000, the trustees are satisfied that this has not triggered this clause.

Bank loans consist of three bank loans. One has a term of seven years, one has a term of ten years and the last one, a CBILS loan, has a five year term. The first two loans are repayable in monthly instalments and both have interest charged at Base Rate plus 2.5%. CBILS is interest free for 12 months from January 2021 with monthly capital repayments commencing in July 2021. The interest rate on CBILS is charged at Base Rate plus 2.75%.

The bank loans are secured over the assets of the National Space Centre and NSSC Operations Limited with a charge over the premises at Exploration Drive, Leicester.

22a Analysis of group net assets between funds (current year)

	General unrestricted £	Restricted funds £	Total funds £
Tangible fixed assets	5,017,996	15,478,310	20,496,306
Heritage assets	57,108	5,292,499	5,349,607
Net current assets	1,510,855	1,257,483	2,768,338
Long term liabilities	(3,924,743)	–	(3,924,743)
Net assets at 26 December 2021	2,661,216	22,028,292	24,689,508

22b Analysis of group net assets between funds (prior year)

	General unrestricted £	Restricted funds £	Total funds £
Tangible fixed assets	5,126,131	15,311,284	20,437,415
Heritage assets	57,108	5,292,499	5,349,607
Net current assets	1,696,884	907,966	2,604,850
Long term liabilities	(4,266,378)	–	(4,266,378)
Net assets at 27 December 2020	2,613,745	21,511,749	24,125,494

23a Movements in funds (current year)

	At 27 December 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 26 December 2021 £
Restricted funds – revenue:					
Education Awards Scheme	9,218	–	(9,218)	–	–
National Space Academy	–	217,826	(102,540)	–	115,286
Extended Reality for New Audiences	212,615	3,312	(64,197)	–	151,730
Garfield Weston Foundation	–	500,000	(100,000)	–	400,000
Cultural Recovery Fund	–	78,000	(78,000)	–	–
Project Marble	686,133	662,139	(757,805)	–	590,467
Total restricted funds – revenue	907,966	1,461,277	(1,111,760)	–	1,257,483
Restricted funds – capital					
Capital restricted fund	20,603,783	717,631	(550,605)	–	20,770,809
Total restricted funds – capital	20,603,783	717,631	(550,605)	–	20,770,809
Unrestricted funds:					
General funds	2,302,315	1,618,520	(1,517,690)	–	2,403,145
Total unrestricted funds	2,302,315	1,618,520	(1,517,690)	–	2,403,145
Non-charitable subsidiary funds	311,430	2,492,494	(2,545,853)	–	258,071
Total funds	24,125,494	6,289,922	(5,725,908)	–	24,689,508

The narrative to explain the purpose of each fund is given at the foot of the note below.

23b Movements in funds (prior year)

	At 29 December 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 27 December 2020 £
Restricted funds – revenue:					
Education Awards Scheme	9,198	24	(4)	–	9,218
National Space Academy	27,075	199,090	(226,165)	–	–
Extended Reality for New Audiences	521,440	6,000	(314,825)	–	212,615
Project Marble	–	686,133	–	–	686,133
Total restricted funds – revenue	557,713	891,247	(540,994)	–	907,966
Restricted funds – capital					
Capital restricted fund	20,476,305	784,848	(657,370)	–	20,603,783
Total restricted funds – capital	20,476,305	784,848	(657,370)	–	20,603,783
Unrestricted funds:					
General funds	3,214,113	855,135	(1,766,933)	–	2,302,315
Total unrestricted funds	3,214,113	855,135	(1,766,933)	–	2,302,315
Non-charitable subsidiary funds	441,220	2,883,779	(3,013,569)	–	311,430
Total funds	24,689,351	5,415,009	(5,978,866)	–	24,125,494

23 Purposes of funds**Purposes of restricted funds – revenue**

The National Space Academy has the dual goals of engaging young people with the sciences and maths using the inspirational context of space and facilitating pathways into space sector careers by working with industry, academia, and secondary, further and higher education. The Academy works in the following areas towards these goals:

- Curriculum linked masterclasses for secondary (high school) and college students
- Regional, national and international teacher training
- The full-time two-year Space Engineering course for pre-university students
- Careers conferences for secondary school and college students each year focused on career progression routes into the UK space and wider science and engineering sectors, and support for external careers events and programmes
- Commercial and contract work creating educational resources or delivering training for space and STEM organisations
- The Academy is part funded by the National Space Centre and the UK Space Agency with additional support from The Ogden Trust, Lloyds Register Foundation, PPG and others

Extended Reality for New Audiences, funded by a £1.9m Inspiring Science Fund award and with further support from the LLEP Local Growth Fund, Fidelity UK Foundation, Garfield Weston Foundation and 1851 Royal Commission, has combined significant capital development with the engagement of young people in disadvantaged Leicester communities in STEM subjects and the co-creation of gallery content. The core output is the TetraStar Spaceport facility which delivers simulated space missions to family and school audiences. In parallel, a new 'XR Lab' houses student groups including those on an Immersive Design & Development BTEC course which will be run in partnership with Leicester College and starts in September 2022.

Project Marble is a capital programme with five constituent deliverables. *Home Planet* is a new exhibition gallery dedicated to the health of The Planet and the use of satellite applications to monitor and help offset human impact. *We Are Guardians* is a planetarium show about climate change for presentation on site and to generate license sales to planetarium operators worldwide. Three new school workshop spaces, a Changing Places facility for disabled guests and a new audio system complete the programme

Garfield Weston Foundation invited bids from past grant recipients for unrestricted funds to cover costs during and after closure. The National Space Centre bid for, and received, £500,000 in support of its education and community engagement activities.

The (Heritage Fund) Culture Recovery Fund award of £78,000 was made to cover the cost of re-opening the business after 14 months when it was mostly closed. The costs that were covered were associated with the upkeep and safe display of The Charity's heritage assets and the recruitment of people into essential positions made redundant during closure. Funding was applied to existing staff salaries to cover roles whilst recruitment was underway.

Purposes of restricted funds – capital

Capital funds are restricted grants from the Millennium Commission and East Midlands Development Agency (EMDA) for the design and build of the National Space Centre.

The Millennium Commission and Leicestershire Economic Partnership provided funding for the Human Space Flight Gallery and John Eggleston Suite. The Millennium Commission and the Wellcome Trust provided funding for the Astronaut planetarium show and the refurbishment of the planetarium. EMDA and Science and Technology Facilities Council (STFC) provided funding for the Space Now gallery.

24 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2021 £	2020 £
Less than one year	27,000	21,000
One to five years	108,000	84,000
Over five years	128,250	120,750
	263,250	225,750

25 Capital commitments

	2021 £	2020 £
Contracted for, but not provided in the financial statements	89,686	413,676
	89,686	413,676

26 Legal status of the charity

The National Space Centre is incorporated under the Companies Act 2006 as a company limited by guarantee having no share capital. The liability of members to contribute towards the debts of the Charity in the event of a deficit on winding up is limited to £10 each.