

Company number: 03485236

Charity number: 1078832

National Space Centre

Report and financial statements

For the period ended 31 December 2022

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For the period ended 31 December 2022

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National Space Centre

Reference and administrative information

For the period ended 31 December 2022

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	(resigned 8/11/22)
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	(resigned 3/4/23)
J Fry	
J Wheeler	
V Hancock	
WA Haley	
G Turnock	(resigned 8/11/22)
P Coates	
M Cannon	
P S Bate	

Company Secretary J Barnacle

Bankers Virgin Money
3 Eastgates
LEICESTER
LE1 5YA

Solicitors Gateley Legal
Knightsbridge House
Lower Brown Street
LEICESTER
LE1 7EA

National Space Centre

Reference and administrative information

For the period ended 31 December 2022

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 31 December 2022.

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 director's 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 60,000 are students aged 8–13 in formal school groups.
- To deliver curriculum-focussed STEM workshops to 40,000 students aged 8–13
- To deliver community-engagement programmes to 3,000 students aged 7–15
- To deliver intensive programmes to 4,000 GCSE and A level (and equivalent) students and 400 teachers (numbers reduced due to anticipated recovery rate from pandemic period)
- 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, educate 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 develop 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 2022 is the delivering of a post-16 qualification in Immersive Design and Development via a partnership with Leicester College. 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 31st December 2022 was 15.

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 for a maximum of three terms. The following are nominating members and, as such, have the right to a number of nominations, such nominations to be of their choice, to be 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. As nominating members, these three members have overall control of the company.

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 a Trustee, non-executive directors and Operational Executive Directors. It is led by Mike Kapur, Chairman and 5 Non-Executive Directors including one 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, Mr B Bhakri, Finance Director and Prof A Ojha, NSC Discovery Director.

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 has reviewed the Charity Governance Code and considered the impact and timing of full compliance during the year.

The remit of the committees includes:

1. Finance Committee: this committee supports the Executive Team in 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. Capital Projects Committee: this committee supports the Executive Team in 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.
3. Audit Committee: this committee supports the Trustee Board to ensure 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 recommends the approval of the appointment of auditors.

4. Remuneration Committee: this committee supports the Board to ensure 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 and 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 12.

Strategic report

Achievements and performance

National Space Centre Visitor Attraction

The Centre had 291,957 visitors in 2022, compared to 133,278 in 2021, an increase of 119%. This performance was driven by higher by opening for a full 12 months whereas in 2021, 154 days were lost due to Covid –19 restrictions. The 2022 visitor volumes are still 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, but above expectations for a year in which we recovered from the Covid–19 effect on visitor behaviour.

The visitor volume cap that was introduced in 2021 and retained in 2022, 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 higher by 222% on 2021 volumes, due to a full year opening schedule, compared to the reduced opening available in 2021.

NSC Discovery

In 2022, despite some schools restricting external visits as a priority due to the impact of the extended pandemic period we have seen a very healthy initial recovery with over 66,000 students visiting the Centre on school visits, over 44,000 participating in a workshop (well over the 50% target for workshop participation) and with over 5,000 students participating in the wider community engagement programmes being delivered.

To contextualise 2022 performance, in 2019, (which is the last full year pre pandemic for which comparative figures are meaningful) the NSC Discovery Education team welcomed a total of 28,858 students participating in workshops, equal to 33% of total schools' visitors that year (88, 000).

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. In 2022, a total of 1,900 students participated in UK Academy masterclasses with the new metric of participant–hours yielding over 6,000. Including our international work funded by Lloyds Register Foundation and targeted at deprived areas in South Africa with the South African National Space Agency, a total of

4,000 students participated in 8,000 participant hours of masterclasses. In addition, 800 UK students participated in UK careers conferences (in-person and virtual) and 350 UK teachers participated in intensive CPD training programmes. 35 students (Year 12 and 13) were enrolled on the Level 3 Space Engineering course run in partnership with Loughborough College.

Of great significance strategically was the Academy's securing at the end of 2022, from UK Space Agency (UKSA), of UK national funding to significantly expand its UK delivery to disadvantaged schools and students. £1.46M funding has been secured for the period January 2023 – March 2025 which will see the Academy delivering fully-funded masterclasses, extended non-residential space schools and careers conferences to 40,000 students across the UK from schools which have significant levels of challenge as evidenced by metrics including levels of pupil premium. Delivery will commence from September 2023, but the Academy will continue, in parallel, its commercial work with other non-eligible schools through its existing suite of masterclasses and teacher training programmes in addition to the new funded UKSA programme. This is the largest single education investment that UKSA has ever made, and the programme will be a national flagship programme for the Agency.

NSC Creative

In July 2022 NSC Creative launched *We Are Guardians*, its first new planetarium show since 2019. The show was added to the attractions public programme to enhance the visitor experience with content on the important subject of the climate crisis. The show has been screened at fulldome festivals across the world and picked up its first award. It is being licensed commercially to other planetariums nationally and internationally as part of the NSC Creative show library.

NSC Creative led the creation of the new Tetrastar Spaceport experience as part of the Extended Reality for New Audiences project, where the build aspect of it was completed in November 2021. 2022 has seen the completion of the content and show programming for the public and ongoing testing and fixes. The school's content and programming were also completed, and initial tests completed by the end of the 2022. Full test missions were run in early 2023, and it will be moved to a paid for offer with schools once robust.

The NSC Immersive Academy was launched in September 2022 with the first cohort of 14 students studying on a level 3 course, Immersive Design & Development via a collaboration with Leicester College. NSC Creative provide industry input and a specialist teaching space called the Reality Lab which is fitted out with the latest immersive technology production tools. This will grow to 2 concurrent cohorts on the course in September 2023. Academic and career pathways for the students via relationships with local Universities and industry will be further strengthened and established.

A major commission was secured to produce a fulldome planetarium show for Pink Floyd, an internationally acclaimed band. The material was used by the band to celebrate the 50th anniversary of its first album release and licensed to planetariums internationally. This has helped

to strengthen NSC Creatives position as a leading producer of immersive content as it continues to search for new opportunities. This project was completed in Q2 2023.

New Developments

2023 sees the launch of the *TetraStar Spaceport* education missions for students aged 8–13 incorporating a one-hour science lesson in a replica space station. An exhibition audit will be completed at the start of the year to help determine priorities for (a) the refreshment of exhibits that could work better and (b) the replacement of exhibits and galleries that are out of date. The latter will include the *Outer Solar System* and *Into Space* galleries. Scoping and design work in 2023 will pave the way for construction in 2024 and 2025.

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. Furthermore, the new *Space to Learn* programme, funded by UK Space Agency, will target 35,000 students from schools with high levels of pupil premium or other disadvantage-relevant criteria.
- 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 31 December 2022 were £28.8m compared to £26.9m at the start of the year. During the year, the group carried out a full review of all heritage assets and decided to adopt a policy of recognising heritage assets in the balance sheet at historical cost, or in the case of donated items, at a fair value, since this was deemed to best reflect their value to the group. The positive net movement in funds during the year was achieved due to a return to a normal operating business environment following the pandemic, together with the close monitoring of the finances.

Our total income, before exceptional item, of £7.2m, was significantly more than last year (£6.3m) as the charity group returned to normalised business activity post pandemic. Admissions income, including Gift Aid, increased by £1.9m over 2021 performance, but compared to 2019 performance (our last full operating year pre pandemic), we generated an additional £0.2m (3%) in admission income. The charity also received an unrestricted legacy of £0.17m and grants totalling £0.4m.

During the year, Leicester City Council agreed to waive historical loans owing by the charity, agreeing that the conditions relating to the loans had been fulfilled. This resulted in exceptional income of £2.1m.

Details of grants received in the year are listed in note 3 of the accounts.

Total expenditure at £7.5m showed an increase on last year (£5.7m). This 30% increase in costs was due to higher payroll and operating expenditure, as the centre remained fully operational for the whole of 2022.

In 2022, the Group expended £0.6m on fixed assets, mainly on the Home Planet Exhibition, with significant spend also on IT upgrades, website and fire prevention remedial works.

Operating Subsidiary Financial Performance

NSSC Operations Ltd made a profit of £0.3m (2021 profit of £0.4m). The trading company has now returned to fulltime operation following the pandemic, with a consequent increase in payroll and other operating costs.

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 £28.8m (2021: £28.6m), which includes £0.3m restricted income funds, £22.4m restricted capital funds, relating to fixed assets which can only be realised by disposing of the tangible fixed assets, which are the basis on which we operate, and £6.1m unrestricted funds.

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 charity funds not invested in tangible fixed assets (the free reserves) should be £1.1m. Free reserves for the Charity itself are currently £1.8m, so comfortably in excess of this minimum. However, the charity will be reviewing this as part of its annual business planning process to ensure sufficient funds are in place to fund its operating and capital expenditure requirements.

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 Covid Pandemic 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 Charity covers its operating costs and some capital costs from earned income and seeks to raise additional funds for larger capital projects, education programmes and community engagement work from other sources.

From 2020–22 £4.2m was raised for new exhibition content and visitor services. A further £0.3m p.a. was secured from the UK Space Agency and Lloyds Register Foundation to support the work of the National Space Academy both domestically and overseas. A fresh grant of £1.5m has been awarded by the UK Space Agency to expand National Space Academy delivery from 2023–25 to students in disadvantaged communities UK-wide. The Lloyds Register Foundation's support has helped with programme delivery in South Africa townships. Negotiation for enhanced funding gets underway in 2023.

A programme called IGNITE! is being used to encourage support from Leicester and Leicestershire businesses to help fund the Community Engagement Programme. A company called Embark CSR is helping with approaches; the success of which will be assessed in 2023.

The new *Outer Solar System* and *Into Space* gallery developments are anticipated to cost circa £0.5m and £1.0m respectively. A legacy grant of £0.17m from a Leicestershire resident gets fundraising off to a good start. An initial six grant funding bodies have been identified for approaches in 2023 and more will follow. Most fundraising (see paragraph above) is undertaken by internal staff. National Space Centre has observed the Fundraising Regulator's Code and uses the Code's principles to guide ethical considerations in relation to fundraising. The Charity does not approach individuals and there have been no complaints regarding fundraising activity.

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 for presentations and discussion of key areas including business updates and projects.

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

The National Space Centre is a forward-looking organisation that will deliver increasing impact sustainably. 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 net zero 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 with three new regional managers.

The National Space Centre is unique as a science centre in providing pathways for young people that include formal post-16 courses in Space Engineering and Immersive Design in partnership with Loughborough and Leicester College respectively. 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 that will become known as Space City in 2023. Levelling Up funding has been secured by Leicester City Council to complete the site with new buildings and services to encourage the space industry to engage. Partnerships with Government, academia, industry and the military will continue to provide new services to new audiences with an emphasis on those that are underrepresented and underserved.

On-site capital development is raised elsewhere with the profile of the National Space Centre inevitably enhanced if humans return to the Moon as planned in circa 2025. Robotic visits to the

planets always stir interest and the tantalising prospect of finding life elsewhere will one day become reality. The National Space Centre will retain its ability to translate a difficult subject into language people can understand and be on hand to tell the news in an exciting format, including its ever-growing online presence.

The National Space Centre building is over 20 years old and needs attention. The Rocket Tower lifts will receive a maintenance overhaul in 2023 and there is a likelihood that the polystyrene roof insulation will need to be replaced to satisfy the insurance market. The Charity is confident that it can fund this work from earned income and will sustain its reserves policy to cover all eventualities. The Rocket Tower ETFE (plastic) pillows receive an annual inspection and minor faults receive attention. At some future point – post-2030 – it will need to be replaced at a cost of over £4.0m. This eventuality will continue to be reviewed and a sinking fund will be initiated in good time.

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 officers 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 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 was approved by the trustees on 13 July 2023 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 subsidiary (the 'group') for the period ended 31 December 2022 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 31 December 2022 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.

Independent auditor's report

To the members of

National Space Centre

- 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)

14 July 2023

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 31 December 2022

					As restated			Period ended 26 December 2021
		Unrestricted funds	Restricted funds	Capital restricted funds	Period ended 31 December 2022	Unrestricted funds	Restricted funds	Capital restricted funds
	Note	£	£	£	£	£	£	£
Income from:								
Donations and legacies	2	170,118	–	–	170,118	75	–	–
Charitable activities:	3							
Admissions		3,255,956	–	–	3,255,956	1,547,604	–	–
Gift Aid		420,195	–	–	420,195	247,854	–	–
Grants		6,000	366,434	–	372,434	686,036	1,449,652	717,631
Space Academy		66,732	–	–	66,732	57,113	–	–
Other trading activities	4	2,786,491	–	–	2,786,491	1,546,897	–	–
Sponsorship		109,141	–	–	109,141	25,510	11,625	–
Investments		33,021	–	–	33,021	–	–	–
Total income		6,847,654	366,434	–	7,214,088	4,111,089	1,461,277	717,631
Expenditure on:								
Raising funds		(2,157,087)	–	–	(2,157,087)	(1,239,871)	–	–
Charitable activities		(3,668,388)	(1,023,109)	(620,293)	(5,311,790)	(2,823,672)	(1,111,760)	(550,605)
Total expenditure	6	(5,825,475)	(1,023,109)	(620,293)	(7,468,877)	(4,063,543)	(1,111,760)	(550,605)
Net income / (expenditure) before exceptional item		1,022,179	(656,675)	(620,293)	(254,789)	47,546	349,517	167,026
Exceptional item	7	2,115,000	–	–	2,115,000	–	–	–
Net income / (expenditure) for the year	8	3,137,179	(656,675)	(620,293)	1,860,211	47,546	349,517	167,026
Transfers between funds		254,844	(254,844)	–	–	–	–	–
Net movement in funds		3,392,023	(911,519)	(620,293)	1,860,211	47,546	349,517	167,026
Reconciliation of funds:								
Total funds brought forward	29	2,661,291	1,257,483	23,014,082	26,932,856	2,613,745	907,966	20,603,783
Prior period adjustment		–	–	–	–	–	–	–
Total funds brought forward		2,661,291	1,257,483	23,014,082	26,932,856	2,613,745	907,966	22,847,056
Total funds carried forward		6,053,314	345,964	22,393,789	28,793,067	2,661,291	1,257,483	23,014,082

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 25 to the financial statements.

As at 31 December 2022

		The group		The charity	
		2022	As restated 2021	2022	As restated 2021
	Note	£	£	£	£
Fixed assets:					
Intangible fixed assets	14	36,350	–	36,350	–
Tangible assets	15	20,055,401	20,496,306	18,887,203	19,216,293
Heritage assets	16	7,593,085	7,592,955	7,593,085	7,592,955
Investments	17	–	–	2	2
		27,684,836	28,089,261	26,516,640	26,809,250
Current assets:					
Stock	19	108,623	91,571	–	–
Debtors	20	381,666	275,907	1,444,665	1,904,293
Short term deposits		532,569	527,318	–	–
Cash at bank and in hand		2,847,857	2,961,854	671,317	76,240
		3,870,715	3,856,650	2,115,982	1,980,533
Liabilities:					
Creditors: amounts falling due within one year	21	(1,300,435)	(1,088,312)	–	–
Net current assets		2,570,280	2,768,338	2,115,982	1,980,533
Total assets less current liabilities		30,255,116	30,857,599	28,632,622	28,789,783
Creditors: amounts falling due after one year	23	(1,462,049)	(3,924,743)	–	(2,115,000)
Net assets	24	28,793,067	26,932,856	28,632,622	26,674,783
Capital funds					
Restricted funds		22,393,789	23,014,082	22,393,789	23,014,082
Income funds					
Restricted funds		345,964	1,257,483	345,964	1,257,483
Unrestricted income funds					
General funds		5,892,871	2,403,220	5,892,869	2,403,218
Non-charitable subsidiary funds		160,443	258,071	–	–
Total unrestricted funds		6,053,314	2,661,291	5,892,869	2,403,218
Total funds	24	28,793,067	26,932,856	28,632,622	26,674,783

Approved by the trustees on 13 July 2023 and signed on their behalf by

Prof Sir M Sweeting
Chairman

National Space Centre

Consolidated statement of cash flows

For the period ended 31 December 2022

	Note	2022 £	£	2021 £	As restated £
Cash flows from operating activities					
Net income for the reporting period (as per the statement of financial activities)		1,860,211		564,089	
Interest receivable		(33,021)		(1,693)	
Interest payable		40,095		33,880	
Depreciation of tangible fixed assets		949,721		860,408	
Loss on disposal of fixed assets		–		409	
Waiver of loan		(2,115,000)		–	
Items donated		(130)		(75)	
(Increase)/decrease in stocks		(17,052)		4,416	
(Increase)/decrease in debtors		(105,759)		406,632	
Increase in creditors		209,039		77,433	
Net cash provided by operating activities		788,104			1,945,499
Cash flows from investing activities:					
Dividends, interest and rents from investments		33,021		1,693	
Purchase of fixed assets		(508,816)		(919,708)	
Purchase of intangible fixed assets		(36,350)		–	
Net cash used in investing activities		(512,145)			(918,015)
Cash flows from financing activities:					
Interest paid		(40,095)		(33,880)	
Repayment of bank loans		(344,610)		(221,520)	
Net cash used in financing activities		(384,705)			(255,400)
Change in cash and cash equivalents in the year		(108,746)			772,084
Cash and cash equivalents at the beginning of the year		3,489,172			2,717,088
Cash and cash equivalents at the end of the year		3,380,426			3,489,172
Analysis of cash and cash equivalents and of net debt					
	At 27 December 2021 £	Cash flows £	Other non- cash changes £	At 31 December 2022 £	
Cash at bank and in hand	2,961,854	(113,997)	–	2,847,857	
Short term deposits	527,318	5,251	–	532,569	
Total cash and cash equivalents	3,489,172	(108,746)	–	3,380,426	
Loans falling due within one year	(343,742)	(3,084)	–	(346,826)	
Loans falling due after more than one year	(3,924,743)	347,694	2,115,000	(1,462,049)	
Total net debt	(779,313)	235,864	2,115,000	1,571,551	

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.

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.

Management has stress tested their forecasts to 31 December 2024 which indicate that 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.

f) Donations and legacies

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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.

1 Accounting policies (continued)

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.

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.

Capital restricted funds are those funds which are retained for the charity's use in furtherance of its charitable purposes. Income restricted funds are those funds which are applied or spent in furtherance of one or more of the charity's charitable purposes.

n) Intangible fixed assets

Intangible assets are recognised as intangible fixed assets if, and only if:

- It is probable that the expected future economic benefits will flow to the entity; and
- the cost or value of the asset can be measured reliably.

Amortisation is provided at rates calculated to write off the cost of the asset evenly over its useful expected life as follows:

- Website 5 years

Amortisation is not charged in the year of purchase

o) 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.

1 Accounting policies (continued)

o) Tangible fixed assets and depreciation

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.

Depreciation is not charged in the year of purchase

p) 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 historical cost. Donated assets are included at a fair value which is ascertained using market based evidence.

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.

q) 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.

r) 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.

s) Short term deposits

Short term deposits comprise cash held on deposit which has a maturity date of more than 3 months from the date of acquisition.

t) Operating lease rentals

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

u) 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.

v) 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.

w) 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.

1 Accounting policies (continued)**x) 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.

y) 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 and legacies

All income from donations and legacies was unrestricted in both periods.

3a Income from charitable activities (current year)

	Unrestricted £	Restricted £	Capital restricted funds £	2022 £	2021 £
Admissions	3,255,956	–	–	3,255,956	1,547,604
Gift Aid	420,195	–	–	420,195	247,854
CJRS income & Covid 19 grants	6,000	–	–	6,000	686,036
Space Academy	66,732	–	–	66,732	57,113
Sub-total	3,748,883	–	–	3,748,883	2,538,607
Grants:					
UK Space Agency	–	146,425	–	146,425	40,140
Lloyds Register Foundation	–	195,023	–	195,023	168,061
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	–	24,986	–	24,986	99,944
Other grants	–	–	–	–	1,312
Sub-total for grants	–	366,434	–	366,434	2,167,283
Total	3,748,883	366,434	–	4,115,317	4,705,890

3b Income from charitable activities (prior year)

	Unrestricted £	Restricted £	Capital restricted funds £	2021 £
Admissions	1,547,604	–	–	1,547,604
Gift Aid	247,854	–	–	247,854
CJRS income & Covid 19 grants	686,036	–	–	686,036
Space Academy	57,113	–	–	57,113
Sub-total	2,538,607	–	–	2,538,607
Grants:				
UK Space Agency	–	40,140	–	40,140
Lloyds Foundation Trust	–	168,061	–	168,061
Wellcome Trust	–	–	717,631	717,631
Leicester & Leicestershire Enterprise Partnership	–	462,195	–	462,195
Kirby Laing Foundation	–	100,000	–	100,000
Garfield Weston Foundation	–	500,000	–	500,000
Cultural Recovery Foundation	–	78,000	–	78,000
Severn Trent Community Fund	–	99,944	–	99,944
Other grants	–	1,312	–	1,312
Sub-total for grants	–	1,449,652	717,631	2,167,283
Total	2,538,607	1,449,652	717,631	4,705,890

4 Income from other trading activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Retail	827,930	–	827,930	407,513	–	407,513
Catering/Corporate	1,621,722	–	1,621,722	704,479	–	704,479
Creative Services	336,839	–	336,839	434,905	–	434,905
Sponsorship/project grant funding:						
Ogden Trust	–	–	–	–	9,625	9,625
Space Academy	87,361	–	87,361	–	–	–
Other	21,780	–	21,780	25,510	2,000	27,510
	2,895,632	–	2,895,632	1,572,407	11,625	1,584,032

5 Analysis of income

	2022 Total £	As restated 2021 Total £
Income is attributed to geographical markets as follows:		
United Kingdom	7,079,031	6,169,284
Europe	68,700	27,012
Rest of World	66,357	93,701
	7,214,088	6,289,997

National Space Centre

Notes to the financial statements

For the period ended 31 December 2022

6a Analysis of expenditure (current year)

	Costs of raising funds							
	Raising donations and other income £	Other trading activities		Charitable activities £	Support costs £	Governance costs £	2022 Total £	2021 Total £
		Retail £	Catering £					
Staff costs (Note 10)	221,992	60,579	537,740	2,398,514	870,095	–	4,088,920	3,051,033
Depreciation	–	–	–	837,906	111,815	–	949,721	860,408
Costs of sales	–	391,139	422,460	127,815	–	–	941,414	649,427
IT and licences	780	–	–	116,062	45,748	–	162,590	184,699
Utilities	–	–	–	312,134	–	–	312,134	168,332
Insurance and rent	–	–	–	–	126,980	–	126,980	117,479
Maintenance	–	–	396	163,809	9,999	–	174,204	113,784
Running and sundry	5,962	1,350	28,909	194,736	17,042	–	247,999	284,424
Marketing	61,790	–	1,603	9,722	–	–	73,115	26,657
Outreach and other projects	–	–	–	–	–	–	–	64,197
Financing	–	–	–	–	97,369	–	97,369	65,855
Cleaning and waste disposal	–	–	5,604	66,800	–	–	72,404	42,008
Audit, legal and consultancy	–	–	–	3,345	19,677	35,136	58,158	28,879
Training and recruitment	–	320	–	16,455	66,349	–	83,124	24,904
Telephone and internet	179	–	154	22,557	–	–	22,890	23,109
Space Academy	–	–	–	10,671	–	–	10,671	8,354
Postage and stationery	–	–	–	3,288	13,326	–	16,614	4,099
Creative services	5,650	–	–	–	–	–	5,650	4,327
Travel	1,483	443	138	22,259	597	–	24,920	3,933
	297,836	453,831	997,004	4,306,073	1,378,997	35,136	7,468,877	5,725,908
Support costs	67,834	103,362	227,072	980,729	(1,378,997)	–	–	–
Governance costs	1,728	2,634	5,786	24,988	–	(35,136)	–	–
Total expenditure 2022	367,398	559,827	1,229,862	5,311,790	–	–	7,468,877	–
Total expenditure 2021	243,849	296,840	699,182	4,486,037	–	–		5,725,908

National Space Centre

Notes to the financial statements

For the period ended 31 December 2022

6b Analysis of expenditure (prior year)

	Costs of raising funds						
	Raising donations and other income £	Other trading activities		Charitable activities £	Support costs £	Governance costs £	2021 Total £
		Retail £	Catering £				
Staff costs (Note 10)	169,129	52,214	344,730	1,764,248	720,712	–	3,051,033
Depreciation	–	–	–	748,589	111,819	–	860,408
Costs of sales	57	182,008	178,020	289,342	–	–	649,427
IT and licences	1,269	258	1,750	120,276	61,146	–	184,699
Utilities	–	–	–	168,332	–	–	168,332
Insurance and rent	–	–	–	3,750	113,729	–	117,479
Maintenance	–	–	470	108,498	4,816	–	113,784
Running and sundry	2,377	3,126	22,505	246,192	10,224	–	284,424
Marketing	17,257	–	8,287	1,113	–	–	26,657
Outreach and other projects	–	–	–	64,197	–	–	64,197
Financing	–	–	–	–	65,855	–	65,855
Cleaning and waste disposal	–	–	3,829	38,179	–	–	42,008
Audit, legal and consultancy	–	–	–	107	5,847	22,925	28,879
Training and recruitment	–	–	–	4,574	20,330	–	24,904
Telephone and internet	471	–	92	22,546	–	–	23,109
Space Academy	–	–	–	8,354	–	–	8,354
Postage and stationery	–	–	–	–	4,099	–	4,099
Creative services	4,327	–	–	–	–	–	4,327
Travel	320	21	28	2,873	691	–	3,933
	195,207	237,627	559,711	3,591,170	1,119,268	22,925	5,725,908
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

7 Exceptional item

During the year Leicester City Council agreed to waive loans owing by the charity amounting to £2,115,000. (See note 23).

8 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022 £	2021 £
Depreciation	949,721	860,408
Interest payable	40,095	32,187
Operating lease rentals:		
Property	27,000	23,362
Auditor's remuneration (excluding VAT):		
Audit	22,550	20,500
Non-audit services	1,450	1,300
Foreign exchange (gains) or losses	(17,413)	(59)

9 Trustee emoluments and key management personnel

	2022 £	2021 £
Trustees' emoluments	134,537	130,518
Contributions to defined contribution pension scheme	14,284	14,132

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 of NSSC Operations Limited, C SH Bishop, and the Chairman of NSSC Operations Limited, A M Kapur, who are both trustees of the National Space Centre, were paid £119,537 and £15,000 (2021: £117,368 and £12,750) respectively for qualifying services in those capacities and £14,284 and £nil (2021: £14,132 and £nil) respectively for contributions to a defined contribution pension scheme.

During the period £683 (2021: £389) was paid to 2 trustees (2021: 2) 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 £469,922 (2021: £442,275).

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

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	3,585,031	2,670,823
Redundancy and termination costs	10,497	2,545
Social security costs	307,733	224,758
Employer's contribution to defined contribution pension schemes	185,659	152,907
	4,088,920	3,051,033

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:

	2022 No.	2021 No.
£60,000 – £69,999	2	1
£70,000 – £79,999	1	–
£110,000 – £119,999	1	1

During the period, retirement benefits were accruing to 4 employees whose emoluments amounted to over £60,000 (2020: 1), the contributions in the year amount to £26,370 (2021: £17,792).

11 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 174 (2021: 148).

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

	2022 No.	2021 No.
Administration	48	54
Operations	68	42
	116	96

12 Related party transactions**National Space Centre**

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

Association of Science and Discovery Centres £2,872 (2021: £1,468). Charles Bishop is a Director of National Space Centre and a Trustee of Association of Science and Discovery Centres.

University of Leicester £10,720. Professor Emma Yeoman is a Director of National Space Centre (UoL Representative) and is an employee of the university.

Leicester City Council £12,017. Miranda Cannon is a Director of National Space Centre (LCC Representative) and an employee of Leicester City Council.

Leicestershire County Council £1080. Surinder Sharma is a Director of National Space Centre and an Advisor to Leicestershire County Council.

NSSC Operations Limited

During the year £146,425 was received as grant income by Space Academy division of NSSC Operations Limited from UK Space Agency. Professor David Southwood, who served as a trustee of National Space Centre until 8 November 2022, is the Chair of the Steering Board of UK Space Agency. Paul Bate, a trustee of National Space Centre, is Chief Executive and Accounting Officer for UK Space Agency.

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

Association of Science and Discovery Centres £2,872 (2021: £1,288). Charles Bishop is a Director of NSSC Operations Limited and a Board member of ASDC.

Redshift Associates Ltd £1,250 (2021: £4,250). Alan Wells is a Director of NSSC Operations Limited and a Director of Redshift Associates Ltd.

University of Leicester £10,720. Professor Sarah Davies is a Director of NSSC Operations Limited and an Executive Board member of the university.

NSSC Operations Limited 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.

13 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:

	2022 £	2021 £
UK corporation tax at 19%	–	–

14 Intangible fixed assets

The Group and the Charity	Website costs
	£
Cost	
At the start of the year	–
Additions in year	36,350
	36,350
At the end of the year	36,350
Amortisation	
At the start and end of the year	–
Net book value	
At the end of the year	36,350
Net book value	
At the start of the year	–

15 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	26,997,499	1,108,000	10,795,823	2,386,775	25,995	724,818	42,038,910
Additions in year	17,173	–	325,062	166,581	–	–	508,816
At the end of the year	27,014,672	1,108,000	11,120,885	2,553,356	25,995	724,818	42,547,726
Depreciation							
At the start of the year	10,165,447	151,542	8,812,987	1,661,815	25,995	724,818	21,542,604
Charge for the year	505,774	25,603	297,940	120,404	–	–	949,721
At the end of the year	10,671,221	177,145	9,110,927	1,782,219	25,995	724,818	22,492,325
Net book value							
At the end of the year	16,343,451	930,855	2,009,958	771,137	–	–	20,055,401
At the start of the year	16,832,052	956,458	1,982,836	724,960	–	–	20,496,306

Land with a value of £680,000 (2021: £680,000) is included within freehold land and buildings and not depreciated.

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	26,086,681	1,108,000	10,173,799	1,908,508	25,995	724,818	40,027,801
Additions in year	17,173	–	325,062	166,581	–	–	508,816
Disposals in year	–	–	–	–	–	–	–
At the end of the year	26,103,854	1,108,000	10,498,861	2,075,089	25,995	724,818	40,536,617
Depreciation							
At the start of the year	10,101,639	151,541	8,435,315	1,372,200	25,995	724,818	20,811,508
Charge for the year	505,774	7,387	229,317	95,428	–	–	837,906
Eliminated on disposal	–	–	–	–	–	–	–
At the end of the year	10,607,413	158,928	8,664,632	1,467,628	25,995	724,818	21,649,414
Net book value							
At the end of the year	15,496,441	949,072	1,834,229	607,461	–	–	18,887,203
At the start of the year	15,985,042	956,459	1,738,484	536,308	–	–	19,216,293

Land with a value of £680,000 (2021: £680,000) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

16 Heritage assets

Group and	Artefacts	As restated	As restated	As restated	As restated
	2022	2021	2020	2019	2018
Cost or valuation	£	£	£	£	£
At the start of the year					
– as previously reported	5,349,607	5,349,607	5,349,607	5,349,607	5,349,607
Prior period adjustment (see note 29)	2,243,348	2,243,273	2,243,173	2,223,108	2,175,148
Donations in year	130	75	100	4,565	6,095
Acquisitions	–	–	–	15,500	41,865
At the end of the year	7,593,085	7,592,955	7,592,880	7,592,780	7,572,715
The balance at the end of the year comprises:					
Items included at cost	241,447	241,317	241,217	221,152	173,192
Items included at fair value	7,351,638	7,351,638	7,351,663	7,371,628	7,399,523
Total	7,593,085	7,592,955	7,592,880	7,592,780	7,572,715

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 compared to those stated.

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 £2,186,000 (2021: £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 £10,000,000 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.

17 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 Limited 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:

	2022 £	2021 £
Turnover	4,408,020	2,133,309
Operating expenditure	(6,554,140)	(4,693,316)
Management charge due from parent undertaking	1,375,163	1,248,240
Other operating income	1,158,620	1,713,007
Operating profit	387,663	401,240
Interest receivable and similar income	31,679	1,693
Interest payable	(76,828)	(33,880)
Profit on ordinary activities before taxation	342,514	369,053
Taxation on profit on ordinary activities	-	-
Profit for the financial year	342,514	369,053
Retained earnings		
Total retained earnings brought forward	258,071	311,430
Profit for the financial year	342,514	369,053
Distribution under Gift Aid to parent charity	(440,142)	(422,412)
Total	160,443	258,071
The aggregate of the assets, liabilities and reserves was:		
Assets	4,342,097	5,014,177
Liabilities	(4,181,653)	(4,756,105)
Reserves	160,444	258,072

Amounts owed from the parent undertaking is shown in note 20.

18 Parent charity

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

	2022 £	2021 £
Gross income	4,613,446	3,798,848
Result for the year	1,957,839	617,372

19 Stock

	The group 2022 £	2021 £	The charity 2022 £	2021 £
Catering	108,623	91,571	-	-
	108,623	91,571	-	-

20 Debtors

	The group 2022 £	2021 £	The charity 2022 £	2021 £
Trade debtors	227,002	139,307	-	-
Other debtors	30,008	55,434	25,490	46,245
Amounts owed by subsidiary undertakings	-	-	1,419,175	1,858,048
Prepayments	124,656	81,166	-	-
	381,666	275,907	1,444,665	1,904,293

21 Creditors: amounts falling due within one year

	The group 2022 £	2021 £	The charity 2022 £	2021 £
Bank loans	346,826	343,742	-	-
Trade creditors	276,236	351,384	-	-
Taxation and social security	244,802	67,263	-	-
Accruals	138,690	71,058	-	-
Deferred income (note 22)	293,881	254,865	-	-
	1,300,435	1,088,312	-	-

22 Deferred income

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

	The group 2022 £	2021 £	The charity 2022 £	2021 £
Balance at the beginning of the year	254,865	298,740	-	-
Amount released to income in the year	(248,789)	(298,740)	-	-
Amount deferred in the year	287,805	254,865	-	-
Balance at the end of the year	293,881	254,865	-	-

23 Creditors: amounts falling due after one year

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	1,462,049	1,809,743	-	-
Loan note	-	2,000,000	-	2,000,000
Other loan	-	115,000	-	115,000
	1,462,049	3,924,743	-	2,115,000

The amount of bank loans repayable by instalments falling due after more than five years is £678,806 (2021: £710,089).

The loan note was repayable to Leicester City Council. On 22 November 2022, Leicester City Council entered into a deed of waiver with the company in regard to this note.

The other loan was repayable to Leicester City Council. On 22 November 2022, Leicester City Council entered into a deed of waiver with the company in regard to this note.

Bank loans consist of four bank loans. One has a term of twenty years, one has a term of ten years, one has a term of seven years and the last one, a CBILS loan, has a five year term. All loans are repayable in monthly instalments. Interest on the first loan is charged at Base Rate plus 2.43%. Interest on the other two loans is charged at Base Rate plus 2.5% and interest on the CBILS loan 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.

24a Analysis of group net assets between funds (current year)

	General unrestricted £	Income restricted funds £	Capital restricted funds £	Total funds £
Intangible fixed assets	36,350	-	-	36,350
Tangible fixed assets	5,197,384	-	14,858,017	20,055,401
Heritage assets	57,313	-	7,535,772	7,593,085
Net current assets	2,224,316	345,964	-	2,570,280
Long term liabilities	(1,462,049)	-	-	(1,462,049)
Net assets at 31 December 2022	6,053,314	345,964	22,393,789	28,793,067

24b Analysis of group net assets between funds (prior year) – As restated

	General unrestricted £	Income restricted funds £	Capital restricted funds £	Total funds £
Tangible fixed assets	5,017,996	-	15,478,310	20,496,306
Heritage assets	57,183	-	7,535,772	7,592,955
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	2,661,291	1,257,483	23,014,082	26,932,856

25a Movements in funds (current year)

	As restated				
	At 26 December 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2022 £
Restricted funds – revenue:					
National Space Academy Stage 1	115,286	146,425	(245,834)	–	15,877
Extended Reality for New Audiences	151,730	–	(157,339)	5,609	–
Garfield Weston Foundation	400,000	–	(247,406)	–	152,594
National Space Academy Stage 2	–	195,023	(17,530)	–	177,493
Project Marble	590,467	24,986	(355,000)	(260,453)	–
Total restricted funds – revenue	1,257,483	366,434	(1,023,109)	(254,844)	345,964
Capital	23,014,082	–	(620,293)	–	22,393,789
Total restricted funds – capital	23,014,082	–	(620,293)	–	22,393,789
Unrestricted funds:					
General funds	2,403,220	4,393,437	(1,158,630)	254,844	5,892,871
Total unrestricted funds	2,403,220	4,393,437	(1,158,630)	254,844	5,892,871
Non-charitable subsidiary funds	258,071	4,575,210	(4,672,838)	–	160,443
Total funds	26,932,856	9,335,081	(7,474,870)	–	28,793,067

The transfer to unrestricted funds comprises expenditure on fixed assets of £270,973 to fulfill the Project Marble programme and an overspend of £16,129 on the Inspiring Science Fund and Project Marble programmes.

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

25b Movements in funds (prior year) – As restated

	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	22,847,056	717,631	(550,605)	–	23,014,082
Total restricted funds – capital	22,847,056	717,631	(550,605)	–	23,014,082
General funds	2,302,315	1,618,595	(1,517,690)	–	2,403,220
Total unrestricted funds	2,302,315	1,618,595	(1,517,690)	–	2,403,220
Non-charitable subsidiary funds	311,430	2,492,494	(2,545,853)	–	258,071
Total funds	26,368,767	6,289,997	(5,725,908)	–	26,932,856

25c Movement of funds**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 is run in partnership with Leicester College.

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. A transfer of £270,973 was made from restricted income funds to unrestricted funds during the year to reflect expenditure on fixed assets to fulfill the requirements of 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.

26 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 2022 £	2021 £
Less than one year	27,000	27,000
One to five years	108,000	108,000
Over five years	101,250	128,250
	236,250	263,250

27 Capital commitments

	2022 £	2021 £
Contracted for, but not provided in the financial statements	301,000	89,686

28 Legal

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.

29 Prior period adjustment

	Unrestricted	Restricted – revenue and capital	Non charitable subsidiary funds	Total
Reserves position (current year)		at 26 December 2021		
	£	£	£	£
Funds previously reported	2,403,145	22,028,292	258,071	24,689,508
Adjustments on restatement				
Change of accounting policy re heritage assets (see note below)	75	2,243,273	–	2,243,348
Funds restated	2,403,220	24,271,565	258,071	26,932,856
	Unrestricted	Restricted – revenue and capital	Non charitable subsidiary funds	Total
Reserves position (prior year)		at 27 December 2020		
		£	£	£
Funds previously reported	2,302,315	21,511,749	311,430	24,125,494
Adjustments on restatement	–	2,243,273	–	2,243,273
Change of accounting policy with respect to heritage assets (see note below)				
Funds restated	2,302,315	23,755,022	311,430	26,368,767
	Unrestricted	Revenue restricted	Capital restricted	Total
Impact on income and expenditure		For year ended 26 December 2021		
	£	£	£	£
Net income as previously reported	47,471	349,517	167,026	564,014
Adjustments on restatement				
Change of accounting policy with respect to heritage assets (see note below)	75	–	–	75
Net income as restated	47,546	349,517	167,026	564,089

Details of adjustment

Change of accounting policy with respect to heritage assets

The group previously adopted a policy of valuing heritage assets at either valuation – where information regarding their value was readily available; or cost – where assets were not valued but information regarding their cost price was readily available. During the year, the group carried out a full review of all heritage assets and decided to adopt a policy of recognising heritage assets in the balance sheet at historical cost or, in the case of donated items, at a fair value, since this was deemed to best reflect their value to the group. This represents a change of accounting policy and, accordingly, a prior period adjustment has been recognised in the capital funds brought forward.