

Registered Charity Number 1153570



KIELDER OBSERVATORY ASTRONOMICAL SOCIETY

(A CHARITABLE INCORPORATED ORGANISATION)

REPORT AND ACCOUNTS

For the year ending 31 August 2020

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
YEAR ENDED 31 AUGUST 2020
TRUSTEES' REPORT**

As the Board of Trustees, we present our report and financial statements for the year to 31 August 2020.

Registered Charity Number 1153570

Registered Office Unit C, Bewick, Prestwick Park, Prestwick,
Newcastle upon Tyne, NE20 9SJ

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Kielder Observatory Astronomical Society (KOAS) was established as a Charitable Incorporated Organisation (CIO) on 29 August 2013. As a CIO, it is governed by its constitution. This was amended in April 2019 and is in a form specified by the Charity Commission for a Foundation CIO whose only voting members are its Trustees.

Charitable Purpose

KOAS's charitable objects are:

- a - to promote interest in the science of astronomy in the general public
- b - to facilitate the education of members of the public in the science of astronomy
- c - to maintain an astronomical observatory in Kielder Forest which will be used to support objects a and b.

Structure and Governance

The charity currently has a board of seven non-executive Trustees. The charity is the sole shareholder in its trading subsidiary company, Kielder Observatory Services Limited.

Board of Trustees

The Trustees of KOAS during the period and to the date of signing this report were as follows:

Mr Peter Standfield (Chair)	
Dr Nigel Metcalfe (Secretary)	
Mr Trevor Robinson (Treasurer)	
Mr Tim Care	
Dr Anna Charlton	Resigned 14 July 2020
Mr Tom Grieveson	
Mr Stuart Kitching	
Dr Jürgen Schmoll	

Chief Executive Officer Catherine Johns

Independent Examiner Mr P O'Hara FCA, 4 Stoneyhurst Road West, Gosforth,
Newcastle Upon Tyne NE3 1PG

Legal Advisers Muckle LLP, Time Central, 32 Gallowgate, Newcastle
Upon Tyne NE1 4BF

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
YEAR ENDED 31 AUGUST 2020
TRUSTEES' REPORT**

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Board Meetings

The Board meets a minimum of seven times per year, face-to-face or via videoconference. It also conducts some business via email and aims to have at least two awayday sessions each year, to discuss policy and strategy. The agenda and written Board reports are prepared by the Chief Executive and Officers of the Board, as appropriate, and circulated in advance of each meeting.

Recruitment and Appointment of Board of Trustees

The charity may have up to 12 Trustees. New Trustees are appointed by the existing Trustees. In selecting individuals for appointment, the Trustees aim to ensure that the Board has the skills, knowledge and experience needed for the effective administration of the charity.

Trustees are appointed for a term of three years and may not serve for more than three consecutive terms without standing down for an interval of at least one year.

Having reviewed the charity's strategic approach during 2019, the Board determined to appoint additional Trustees with complementary expertise, to help deliver the refreshed strategy. This work was largely suspended during the pandemic but KOAS now aims to recruit additional Trustees during 2021.

Trustee Induction and Training

New Trustees are inducted by the Chair of the Board and Chief Executive Officer and are provided with a range of resources to support their understanding of KOAS activities.

Management

Day-to-day operation of the charity is delegated to the Chief Executive Officer within the constraints of the annual budget set by the Trustees.

The full staff team currently comprises:

- 1 Chief Executive Officer
- 9 Science Communicators
- 1 Office Manager
- 1 Customer Service Administrator
- 1 Finance Assistant

A revised team structure was agreed during this reporting period, to reflect the refreshed strategy, but implementation has been delayed until late 2020 due to the pandemic.

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
YEAR ENDED 31 AUGUST 2020
TRUSTEES' REPORT**

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Reserves Policy

The Trustees have reviewed the charity's need for reserves in line with the guidance issued by the Charity Commission.

The Trustees aim to hold a level of Unrestricted Reserves that provides sufficient financial resources to meet the liabilities which would crystallise if KOAS were unable to continue operating. Their current estimate of the amount required for this purpose is approximately £125,000.

They also aim to retain a further £25,000 of Unrestricted Reserves, to enable the charity to respond flexibly to any issues, one-off financial requirements or appropriate initiatives that might be identified outside of its annual budgeting process.

The targeted level of reserves to be retained for the above purposes is therefore considered to be £150,000.

The charity's total Unrestricted Reserves shown in the Balance Sheet as at 31 August 2020 are £144,727 (2019: £167,540). £59,688 of these reserves were represented by Fixed Assets (2019: £72,398), leaving £85,039 available as Unrestricted Free Reserves (2019: £95,142).

The Trustees will review the charity's optimum level of reserves as the nation emerges from the pandemic crisis.

Grant Making Policy

The charity does not currently engage in grant-making activity.

The Contribution of Volunteers

The charity is supported by a small core of volunteers who give their time freely to assist with running events. Volunteers come from all walks of life but share a common interest in the science of astronomy. To ensure consistency in the quality and safety of events all volunteers receive training.

Induction training is provided that covers the basic features and operations of the observatory. A handbook is made available which describes the policies and procedures of the charity. For the first few events, volunteers are 'buddied' by an experienced volunteer or member of staff. Over a period of a few months, the volunteer is allowed to assume lead responsibilities, under supervision. Depending on their development and confidence, these might include setting up for an event and closing down afterwards, taking visitors for telescope tours, finding objects in the sky and making drinks etc.

During the reporting period, KOAS had 31 registered volunteers.

KIELDER OBSERVATORY ASTRONOMICAL SOCIETY (A CHARITABLE INCORPORATED ORGANISATION) YEAR ENDED 31 AUGUST 2020 TRUSTEES' REPORT

OBJECTIVES AND ACTIVITIES

Aims & Objectives

The charity exists to:

- promote interest in the science of astronomy amongst the general public
- facilitate education of members of the public in the science of astronomy
- maintain an astronomical observatory in Kielder Forest which will be used to support the preceding objectives.

Our purpose is to create opportunities for people of all backgrounds and abilities to experience moments of inspiration, revelation, wonder and hope, through observing the cosmos. At the beginning of the financial year 2019/20, we set the following goals:

- Refresh the events programme and improve still further the visitor experience.
- Deliver educational outreach programmes, both via the contract with North of Tyne Combined Authority and by developing a set of touchpoints from pre-school to university.
- Launch an arts programme for artists in any artform inspired by Kielder.
- Launch citizen science projects, to empower communities to undertake important scientific research into the cosmos.
- Develop partnerships with Dark Sky Parks around the world.
- Articulate more clearly our approach to sustainability and ethical best practice.

The event calendar has been completely revised, retaining our most popular events, and adding in more variety, such as “Myths and Legends”, which examines the stories behind the constellations, and “Relaxed Astronomy” for people with different needs.

The impact of COVID-19 cannot be overstated. The observatory had to close to visitors from March until August and has been subject to varying restrictions ever since, which has significantly affected our operating model. We have adapted our events to accommodate social distancing, reduced numbers, and received excellent feedback on our COVID-19 secure processes. The demand for tickets remains healthy.

Our educational outreach programme for the North of Tyne Combined Authority (NTCA) commenced in the autumn term of 2019 and had reached nearly 5,000 pupils in 46 schools by the time we had to stop all face-to face-engagement in March. We pivoted this to digital delivery and developed a journey of sustained engagement for pupils, launching regular observing groups, called “Kielder Star Groups”, which has been welcomed by NTCA.

We launched our arts programme with “Paint the Sky”, enabling artists to display their work at the Observatory itself. We submitted an application to Arts Council England (ACE) for a multi-sensory exhibition but this was halted as ACE repurposed its funding to help mitigate the impact of COVID-19. We also developed several citizen science projects, including the search for micro-meteorites and the restoration of historic telescopes; these projects were also halted for a while as funding was repurposed to COVID-19, but were resumed later in the year.

In addition to continuing work to develop the Northumberland narrative around dark skies with our local partners, our team also began to explore potential twinning initiatives with several dark sky locations around the world. This work was put on hold because of COVID-19 but will resume during 2020/21.

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
YEAR ENDED 31 AUGUST 2020
TRUSTEES' REPORT**

OBJECTIVES AND ACTIVITIES (CONTINUED)

Aims & Objectives (Cont.)

Finally, to help sharpen our focus on sustainability and ethical practice, our team assessed the charity's performance in these areas using the internationally recognized B-Corp framework and was pleased to find we were only 1.5% away from the certification standard. Although not eligible for certification, due to our charitable status, we will aim to improve upon this performance in 2020/21 by ensuring that sustainability is built into our policies and procedures and developing a carbon-offsetting scheme to mitigate the charity's carbon footprint.

Ensuring our Work Delivers our Aims

We review our aims, objectives and activities each year. This review considers the achievements and outcomes of our work in the previous 12 months and looks at the success of each key activity and the benefits it has brought to our beneficiaries. This helps us to ensure that our aims, objectives and activities remained focused on our charitable purposes.

Public Benefit

The Trustees understand and have discussed the implications of the provisions of the Charities Act 2006, which requires all charities to be able to demonstrate that they are established for public benefit and have had due regard to the public benefit guidance issued by the Charity Commission. The Trustees believe that the charity meets both of the key principles.

Our key route to promoting interest and facilitating education in the science of astronomy is through creating opportunities for people of all backgrounds and abilities to experience moments of inspiration, revelation, wonder and hope through observing the cosmos. We have therefore focused on how we can extend and develop our audiences for such moments, and how we can best help people who have experienced them to continue on their astronomy journey.

Principle 1 - There must be an identifiable benefit, or benefits

The charity benefits the public by providing a wide-ranging programme of public events, from premium late-night events at the weekend to introductory and family events. KOAS charges a fee for attending these events, which forms the main income of the charity. These events take place irrespective of whether or not the skies are clear, except when extreme weather conditions force us to cancel events in order to ensure the safety of our visitors and staff.

Principle 2 - Benefit must be to the public, or a section of the public

Most of our observatory events are aimed at the general public and assume little or no prior knowledge of astronomy. Some of our visitors may have travelled specifically to view the observatory facilities and take their first steps in astronomy. Others might be more casual tourists, accessing their first dark sky experience alongside many of the other natural and man-made attractions in the wider Kielder Water and Forest Park. All receive the same warm welcome and gentle introduction to the wonders of the cosmos from our enthusiastic team of science communicators and volunteers.

Our audience segmentation model recognises three further audience sub-groups, which guide the team's development of new activities:

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
YEAR ENDED 31 AUGUST 2020
TRUSTEES' REPORT**

OBJECTIVES AND ACTIVITIES (CONTINUED)

Public Benefit (Cont.)

- “Pester power” exemplifies the energy and excitement that we seek to unlock in our younger audiences, building on the natural wonder that children experience when looking at the stars. Our educational outreach work aims to ignite the spark of wonder and support the development of that wonder along a journey of knowledge to STEM study and careers.
- “Enthusiast” typifies our adult audience with a little more knowledge, and has guided the development of our digital learning platform which will have a clearly scaffolded curriculum to help everyone benefit from more in-depth knowledge regardless of their previous experience.
- “In need” describes our audience with great potential to benefit from the “Kielder moment”, but little opportunity to come to Kielder. Such potential beneficiaries might, for example, be in a care home, or a hospital or a prison. We are developing a prototype augmented reality app so everyone can have a mini Kielder Observatory, and we’re working to adapt lesson plans for cell-based learning in prisons.

Risk Management

The Trustees regularly review the major governance, operational and financial risks that the charity faces and confirm that systems have been established to mitigate these risks. These include:

- a monthly review of the risk register by the Finance and Risk Committee, a subcommittee of the board, with its own terms of reference
- a review of the major risks at every board meeting
- an annual review of the strategic risks as part of the annual business planning process
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The Trustees are satisfied that sound financial systems and controls are in place, together with appropriate employment policies and practices. The staff handbook, financial policies document, and health and safety handbook are reviewed annually. Additional risk assessments are undertaken in response to operational requirements (e.g. for new events, COVID-19, display screen assessments for new staff etc) and staff training is undertaken in line with personal development needs.

During this reporting period, the Trustees have further refined the regular reporting of management accounts and implemented a new financial accounting system (Xero). The standing Financial Regulations and Procedures were reviewed in October 2019 and updated again in 2020.

The Trustees consider the key risk facing the charity at this time to be the ongoing uncertainty around regional and national lockdowns due to Coronavirus. This will continue to impact our usual operating model: the development of digital delivery has been accelerated, including online learning and augmented reality, and more effort directed to fundraising from foundations.

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
YEAR ENDED 31 AUGUST 2020
TRUSTEES' REPORT**

OBJECTIVES AND ACTIVITIES (CONTINUED)

Risk Management (Cont.)

Specific actions taken include:

- Risk assessments were carried out for the Observatory site and the KOAS office at Prestwick Park and are re-assessed regularly.
- We have implemented changed working patterns at the office, and detailed health and safety processes for staff and customers at the Observatory to mitigate the risk of transmission.
- The CEO assesses this daily via a method statement completed by the duty manager for each event.
- Visitors are informed of our processes via social media, website and booking confirmation.
- We have reviewed our refund and ticket transfer policy, which is now more flexible to accommodate ongoing uncertainty around lockdowns.

The Trustees also manage the general financial risks by ensuring that:

- prudent budgets are set for each financial year
- the charity maintains a low cost-base
- regular management accounts are provided showing the performance against budget, and corrective action is taken to manage any unacceptable variances.

ACHIEVEMENTS AND PERFORMANCE

Summary of the Charity's Main Achievements During the Year

- During the year the observatory staged 413 public events attended by over 9,000 people. In addition, nine private events were also staged at the observatory.
- KOAS undertook educational outreach work with the North of Tyne Combined Authority that reached 4,904 pupils in schools across in Newcastle, Northumberland and North Tyneside and reached during the first year of a three-year contract. Other educational work reached a further 1,000 pupils.
- 92% of Trip Advisor feedback rated our observatory events as excellent or very good and we retained our Visit England rating.
- Our social media following increased by 20% over the year.
- Lockdown saw an increase in stargazing and KOAS was featured in national media, such as The One Show, The Sunday Times, and The Guardian.

Financial Review

The outturn for the year is an unrestricted deficit of £22,813 (2019: deficit of £3,366). The deficit will be taken from Unrestricted Reserves, leaving a balance on Unrestricted Funds at 31 August 2020 of £144,727 (2019: £167,540). This deficit and the consequent £10,103 reduction in free Unrestricted Reserves reported on page 3 is largely attributable to the Coronavirus pandemic. This represents a far healthier year-end position than had been anticipated at the start of the pandemic, thanks to prudent budgeting, the Government's Coronavirus Job Retention Scheme and support from other funders.

The full impact of the pandemic crisis remains unpredictable at the time of writing.

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
YEAR ENDED 31 AUGUST 2020
TRUSTEES' REPORT**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Financial Review (Cont.)

The Trustees will continue to manage the charity's financial position with due diligence throughout the remainder of the crisis and will access emergency support funding for as long as it remains available. Meanwhile, the overwhelming demand for the charity's Covid-secure services between 2020 lockdowns has been most encouraging. Our various partners and funders have also been supportive. The Trustees are therefore optimistic about the prospects for securing a sustainable future for the charity in a post-pandemic world.

FUTURE PLANS

For 2020/2021 KOAS will be launching its new strategic framework, "Kielder Observatory Constellations", which articulates three overarching aims:

1. Putting people at the heart of everything we do, extending our reach to more people and to a more diverse audience:

- Strategically grow audiences, ensuring we meet the motivations of existing audiences and the needs of new audiences.
- Use insight into audiences' needs to shape the most compelling offer.
- Ensure the audience experience is excellent and engaging.

2. Build our reputation as a gold standard in dark sky observation, imaging and outreach:

- Develop KOAS activity to maintain its pioneering reputation.
- Grow our visitor numbers, reputation and reach through our marketing and communication campaigns.
- Grow partnerships and deepen our engagement with our stakeholders.
- Ensure our brand values, personality and principles are reflected in everything we do.

3. Strengthen our organisation:

- Foster a collaborative, inclusive, and supportive workplace culture.
- Drive financial resilience, and develop entrepreneurial approaches, leading to improvements in revenue performance.
- Build on our sustainability strategy to ensure it is part of everything that we do.
- Maintain rigorous approaches to governance and compliance.

Our objectives for the year include:

- Further improving the Kielder Observatory site for staff and visitors.
- Developing partnerships with new venues, including Kielder Castle.
- Launching our digital delivery programme.
- Extending our education, arts and citizen science outreach programmes.
- Maintaining and developing dark sky partnerships.
- Developing our volunteering offer.
- Improving financial resilience and rebuilding reserves.
- Implementing a new team structure.
- Recruiting additional Trustees.

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
YEAR ENDED 31 AUGUST 2020
TRUSTEES' REPORT**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for managing the business of the charity and may exercise all the powers of the charity unless restricted by the Charities Act or the constitution of the charity.

The Trustees are responsible for the preparation of the financial statements for each financial year which show a true and fair view of the state of affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year.

In preparation of the financial statements the Trustees should follow best practice and:

1. Select suitable accounting policies and apply them.
2. Make judgements and exercises that are reasonable and prudent.
3. Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue on that basis.

The Trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity.

The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

DECLARATIONS

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005 by the Charities Commission England and Wales).

This report was approved by the Board of Trustees on 18 December 2020 and signed on its behalf by:



Peter Standfield
Trustee and Chair



Trevor Robinson
Trustee and Treasurer

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF KIELDER OBSERVATORY ASTRONOMICAL SOCIETY FOR THE YEAR ENDED 31 AUGUST 2020

I hereby report to the Trustees/Members of Kielder Observatory Astronomical Society (Charity Registration Number 1153570) on the accounts for the year ended 31 August 2020 set out on pages 11 to 21.

Responsibilities and basis of report

As the charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

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

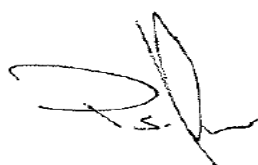
Independent Examiner's Statement

Since the Company's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountant in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 130 of the 2011 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods or principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

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



Pete O'Hara, FCA, Chartered Accountant
Fellow of the Institute of Chartered Accountants in England & Wales

4 Stoneyhurst Road West, Gosforth, Newcastle upon Tyne NE3 1PG

18 December 2020

KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
STATEMENT OF FINANCIAL ACTIVITIES
YEAR TO 31 AUGUST 2020

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income					
Income from Investments	2	583	-	583	112
Income from Charitable Activities	3	315,555	-	315,555	548,045
Income from Grants, Donations & Legacies	4	114,159	158,611	272,770	119,623
Other Income	5	8,304	-	8,304	11,139
Total Income		438,601	158,611	597,212	678,919
Expenditure					
Expenditure on Raising Funds	6	4,121	-	4,121	8,277
Expenditure on Charitable Activities	7	457,293	152,056	609,349	678,322
Total Expenditure		461,414	152,056	613,470	686,599
Net Income/(Expenditure)	8	(22,813)	6,555	(16,258)	(7,680)
Balance brought forward at 1 Sept		167,540	251,070	418,610	426,290
Balance carried forward at 31 August	16	£144,727	£257,625	£402,352	£418,610

The notes on pages 13 to 21 form part of the financial statements

There are no recognised gains and losses during the year other than as shown above.

All the activities for the year are continuing activities.

KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
STATEMENT OF FINANCIAL POSITION/BALANCE SHEET
At 31 AUGUST 2020

		2020		2019	
	Notes	£	£	£	£
Fixed Assets					
Tangible Fixed Assets	11	311,214		325,691	
Fixed Asset Investments	12	<u>10</u>		<u>10</u>	
			311,224		325,701
Current Assets					
Debtors	13	74,084		52,082	
Cash at Bank and In Hand		<u>322,369</u>		<u>254,065</u>	
		396,453		306,147	
Creditors:					
Amounts Falling Due Within 1 Year	14	<u>(305,325)</u>		<u>(213,238)</u>	
Net Current Assets			91,128		92,909
Total Net Assets	15		<u>£402,352</u>		<u>£418,610</u>
Represented By:					
Unrestricted Funds	16		144,727		167,540
Restricted Funds	16		<u>257,625</u>		<u>251,070</u>
			<u>£402,352</u>		<u>£418,610</u>

The notes on pages 13 to 21 form part of the financial statements.

The financial statements were approved by the Board, and authorized for issue, on 18 December 2020 and signed on its behalf by:



Peter Standfield
Trustee and Chair



Trevor Robinson
Trustee and Treasurer

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
At 31 AUGUST 2020**

1. Accounting Policies

Charity Information

Kielder Observatory Astronomical Society is a Charitable Incorporated Organisation. The registered office is Unit C, Bewick, Prestwick Park, Prestwick, Newcastle upon Tyne, NE20 9SJ.

The charity is a public benefit entity.

Basis of Accounting

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Statement of Recommended Practice (Charities SORP FRS 102) "Accounting and Reporting by Charities" and the Charities Act 2011.

The financial statements have been prepared on the historical cost basis, modified to include certain financial instruments at fair value.

Advantage has been taken of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cashflows.

The financial statements are prepared in sterling, which is the functional currency of the charity.

Income

All income, including grant income, is included in the Statement of Financial Activities (SOFA), net of VAT, when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Such income is only deferred when the donor or funder has specified that the grant or donation can only be used in future accounting periods or where the donor or funder has imposed conditions which must be met before the charity has unconditional entitlement.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Income from Investments

Interest receivable on fixed interest securities and bank deposits is included on an accruals basis.

Expenditure

All expenditure is accounted for on an accruals basis and is recognised when a liability is incurred.

- Costs of Raising Funds are those costs of seeking potential funders and applying for funding.
- Charitable activities include expenditure associated with the provision of grant funding, research, advocacy and the direct provision of creative learning-related activities. This includes both the direct costs and support costs relating to these activities.

KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
At 31 AUGUST 2020

1. Accounting Policies (Cont.)

Expenditure (Cont.)

- Support or Indirect costs are those costs incurred in support of the charitable objectives. These have been allocated to the resources expended on a consistent basis that fairly reflects the true use of those resources within the organisation, such as allocating staff costs by time spent and other costs by their usage.
- Governance costs are those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Operating Leases

The charity classifies the lease of certain printing equipment as operating leases as the title to the equipment remains with the lessor. Rental charges are charged against income on a straight-line basis over the period of the lease.

Tangible Fixed Assets and Depreciation

Depreciation is provided on the fixed assets at rates calculated to write off the assets over their remaining useful lives as follows:

Office & ICT Equipment	–	between 3 and 5 years
Observatory Equipment	–	between 5 and 15 years
New Observatory	–	over 25 years

A full year's depreciation charge is applied in the year of acquisition and no charge is made in the year of disposal.

Impairment of Fixed Assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Cash and Cash Equivalents

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

Fund Accounting

The charity has a number of restricted income funds to account for situations in which a funder requires that a grant must be spent on a particular purpose or where funds have been raised for a specific purpose. The aim and use of each restricted fund is set out in Note 16 to the financial statements.

All other funds are considered Unrestricted Funds and are available for use at the discretion of the Trustees in furtherance of the general objects of the charity.

KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
At 31 AUGUST 2020

1. Accounting Policies (Cont.)

Pensions

KOAS contributes to a defined contribution pension scheme. Further details can be found in Note 10.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Taxation

KOAS is a registered charity and, as such, is not liable to taxation on its income in the current year.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the date of the transaction. Exchange differences are taken into account in arriving at the surplus/deficit.

Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' of FRS102 to all its financial instruments.

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. Income from Investments

	Unrestricted Funds	Restricted Funds	2020	2019
	£	£	£	£
Interest on intercompany loan	36	-	36	-
Interest on cash deposits	547	-	547	112
	£583	£-	£583	£112

The 2019 total of £112 was wholly attributable to Unrestricted Funds.

3. Income from Charitable Activities

	Unrestricted Funds	Restricted Funds	2020	2019
	£	£	£	£
Ticket Sales	315,555	-	315,555	498,753
Educational Contracts	-	-	-	49,292
	£315,555	£-	£315,555	£548,045

Of the 2019 total of £548,045, £541,545 was attributable to Unrestricted Funds and £6,500 to Restricted Funds.

KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
At 31 AUGUST 2020

4. Income from Grants, Donations & Legacies

	Unrestricted Funds	Restricted Funds	2020	2019
	£	£	£	£
Donations - KOSL	4,080	-	4,080	9,079
Donations & Memberships	2,698	-	2,698	4,875
Gift Aid	65,781	-	65,781	76,413
Coronavirus Job Retention Scheme	-	67,789	67,789	-
National Lottery Heritage Fund	31,600	-	31,600	-
Joicey Trust	-	4,000	4,000	-
North of Tyne Combined Authority	-	76,822	76,822	29,256
Northumberland County Council	10,000	-	10,000	-
North East Business Innovation Centre – Social Tech Fund	-	10,000	10,000	-
	£114,159	£158,611	£272,770	£119,623

Of the 2019 total of £119,623, £90,367 was attributable to Unrestricted Funds and £29,256 to Restricted Funds.

5. Other Income

	Unrestricted Funds	Restricted Funds	2020	2019
	£	£	£	£
Management Fees	7,500	-	7,500	9,000
Food & Drink Sales	-	-	-	110
Other Income	804	-	804	2,029
	£8,304	£-	£8,304	£11,139

The 2019 total of £11,139 was wholly attributable to Unrestricted Funds.

6. Expenditure on Raising Funds

	Unrestricted Funds	Restricted Funds	2020	2019
	£	£	£	£
Merchandising Costs	4,121	-	4,121	8,277
	£4,121	£-	£4,121	£8,277

The 2019 total of £8,277 was wholly attributable to Unrestricted Funds.

KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
At 31 AUGUST 2020

7. Expenditure on Charitable Activities

	Unrestricted Funds	Restricted Funds	2020	2019
	£	£	£	£
Direct Costs				
Speakers' Fees & Event Costs	2,143	-	2,143	7,491
Salaries & On Costs	281,416	123,950	405,366	429,942
Observatory Hire Costs	16,593	-	16,593	10,351
Education Contract Costs	-	7,231	7,231	26,597
Staff, Speakers' and Volunteers' Expenses	3,019	-	3,019	15,783
Support Costs				
Legal & Professional Fees	12,811	-	12,811	32,726
Premises & Insurance	59,482	-	59,482	59,986
Print, Postage & Stationery	776	-	776	644
Repairs & Maintenance	15,107	-	15,107	6,606
Telephone, ICT & Website Costs	11,435	5,000	16,435	10,206
Motor Expenses & Vehicle Leasing	2,873	-	2,873	13,656
Advertising & Marketing	11,025	-	11,025	5,401
Bank & Credit Card Charges	5,025	-	5,025	6,463
Depreciation	11,080	15,875	26,955	27,129
(Profit)/Loss on Disposal of Fixed Assets	1,201	-	1,201	(850)
Other Overhead Costs	14,965	-	14,965	17,910
Governance Costs				
Accountancy & Payroll Fees	5,764	-	5,764	4,906
Trustee Travel & Meeting Costs	2,578	-	2,578	3,375
	£457,293	£152,056	£609,349	£678,322

Of the 2019 total of £678,322, £638,252 was attributable to Unrestricted Funds and £40,070 to Restricted Funds.

8. Net Income/(Expenditure)

	2020	2019
	£	£
Net income/(expenditure) is stated after charging/(crediting):		
Independent Examiner's Fees	2,160	1,800
Depreciation of Owned Fixed Assets	26,955	27,129

KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
At 31 AUGUST 2020

9. Staff Costs

	Unrestricted Funds	Restricted Funds	2020	2019
	£	£	£	£
Gross Salary Costs	243,566	123,950	367,516	318,231
Interim Chief Executive Officer Fees	1,332	-	1,332	43,265
Termination Payments	-	-	-	35,000
Social Security Costs	30,027	-	30,027	28,525
Employer's Pension Contributions – Defined Contribution Scheme	6,491	-	6,491	4,921
	£281,416	£123,950	£405,366	£429,942

Of the 2019 total of £429,942, £423,379 was attributable to Unrestricted Funds and £6,563 to Restricted Funds.

	2020 No.	2019 No.
The average monthly number of staff employed during the year, was as follows:		
Education & Learning Programmes	14	12

The number of the above staff expressed as full-time equivalents was 12.9 (2019: 10.9)

No employees received remuneration in excess of £60,000 in the year.

In the year to 31 August 2020, £1,332 was paid to a company controlled by Trustee Trevor Robinson as fees for Mr Robinson for the first week of September, to facilitate handover to the incoming permanent CEO. No sums were outstanding at 31 August 2020.

In the year to 31 August 2020, a further £1,200 was paid to a company controlled by Trustee Trevor Robinson as fees for HR services (not carried out by Mr Robinson). The contract award was subject to a full tendering exercise and represented the best value for money of the quotations received. No sums were outstanding at 31 August 2020.

In the year to 31 August 2019, sums were paid to 2 companies controlled by Trustees Stuart Kitching and Trevor Robinson respectively as fees for, initially, Mr Kitching and, subsequently, Mr Robinson to act for periods as Interim Chief Executive Officer during the period when the charity did not have a Chief Executive. The total fees paid over the period were £43,265 with a further £596 reimbursed for travel expenses incurred during the period. A sum of £2,664 was owing to the company controlled by Mr Robinson at 31 August 2019 and was subsequently paid in full.

In the year to 31 August 2019, a Trustee, Peter Standfield, was due £3,127 for consultancy work in the period. The work was contracted before Mr Standfield was a Trustee, but completed and invoiced after he had taken up the role of Trustee. The full sum of £3,127 was owing to Mr Standfield at 31 August 2019 and was subsequently paid in full.

All payments to Trustees were approved unanimously by the Board of Trustees, without involvement of the individuals concerned, using procedures that complied with all relevant requirements of the Charities Act 2011 and have been reported to the Charity Commission.

KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
At 31 AUGUST 2020

9. Staff Costs (Cont.)

No other remuneration was paid to or waived by Trustees/Directors in the year (2019: £Nil).

£2,234 (2019: £2,278) was reimbursed to four (2019: five) Trustees in respect of their attendance at meetings of the charity.

10. Pension Scheme

Pension benefits are provided through a Group Personal Pension Scheme, which is a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. KOAS makes an employer's contribution of 3% of pensionable pay, provided that the employee makes a minimum contribution of 5%.

Employer's contributions totalling £6,491 (2019: £4,921) were paid during the year into the defined contribution pension scheme operated by KOAS.

These amounts are paid over to the scheme on a monthly basis.

£2,337 in pension contributions were outstanding at 31 August 2020 (2019: £1,040).

11. Tangible Fixed Assets

Cost	Leasehold Improvements – New Observatory £	Observatory Equipment £	Office & ICT Equipment £	Total Fixed Assets £
At 1 September 2019	223,169	156,154	14,619	393,942
Additions	-	13,679	-	13,679
Disposals	-	(650)	(2,432)	(3,082)
At 31 August 2020	223,169	169,183	12,187	404,539
Depreciation				
At 1 September 2019	17,792	41,925	8,534	68,251
Charge for year	8,930	15,965	2,060	26,955
Disposals	-	(260)	(1,621)	(1,881)
At 31 August 2020	26,722	57,630	8,973	93,325
Net Book Value				
At 31 August 2020	£196,447	£111,553	£3,214	£311,214
At 1 September 2019	£205,377	£114,229	£6,085	£325,691

12. Investments

	2020	2019
	£	£
Investment in Kielder Observatory Services Limited	10	10
	£10	£10

KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
At 31 AUGUST 2020

13. Debtors

	2020	2019
	£	£
Trade Debtors	5,000	1,050
Gift Aid	8,664	6,365
Grant Debtor	32,262	29,256
Loan - Kielder Observatory Services Limited	6,036	-
Donation from Kielder Observatory Services Limited	4,080	9,079
Prepayments	2,335	1,009
Accrued Income	15,707	5,323
	£74,084	£52,082

All sums are due within 1 year.

14. Creditors - Amounts Falling Due Within One Year

	2020	2019
	£	£
Advance Ticket Sales	92,273	71,279
Unredeemed Gift Vouchers	71,685	34,090
Trade Creditors	15,299	8,600
Other Creditors	-	3,368
Income Received in Advance	3,175	2,100
PAYE & National Insurance	8,111	6,076
Pension Scheme Creditor	2,337	1,040
Accruals	112,445	86,685
	£305,325	£213,238

15. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	2020	2019
	£	£	£	£
Fixed Assets	59,688	251,536	311,224	325,701
Debtors	36,822	37,262	74,084	52,082
Cash at Bank and In Hand	353,542	(31,173)	322,369	254,065
Creditors – Due Within 1 Year	(305,325)	-	(305,325)	(213,238)
	£144,727	£257,625	£402,352	£418,610

KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
At 31 AUGUST 2020

16. Analysis of Charitable Funds

	Fund at 1 April 2019	Incoming Resources for Period	Resources Expended for Period	Fund at 31 August 2020
	£	£	£	£
Movement on Unrestricted Funds				
Unrestricted General Fund	167,540	438,601	(461,414)	144,727
Movement on Restricted Funds				
New Observatory Fund	242,008	-	(13,376)	228,632
Joicey Trust	-	4,000	-	4,000
Coronavirus Job Retention Scheme		67,789	(67,789)	-
North of Tyne Combined Authority	9,062	76,822	(65,891)	19,993
North East Business Innovation Centre – Social Tech Fund	-	10,000	(5,000)	5,000
Total Restricted Funds	251,070	158,611	(152,056)	257,625
Total Funds	£418,610	£597,212	£(613,470)	£402,352

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
New Observatory Fund	Funding received towards the cost of the new observatory building, which opened in 2018 and is now known as the Gillian Dickinson Astro-imaging Academy
North of Tyne Combined Authority	Funding received towards the cost of education projects in the North of Tyne area
Coronavirus Job Retention Scheme	Funding received towards the cost of salaries and on-costs for furloughed staff
Joicey Trust	Funding received towards work with prisons
North East Business Innovation Centre – Social Tech Fund	Funding received towards the development of a prototype augmented reality application

17. Related Party Transactions

Details of transactions with Trustees are disclosed in Note 9.

There were no other transactions in the year with related parties, such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities (Effective April 2008).

18. Financial Commitments

No material financial commitments have been made in respect of future financial periods.