

**Registered Charity Number 1153570**



# **KIELDER OBSERVATORY ASTRONOMICAL SOCIETY**

**(A CHARITABLE INCORPORATED ORGANISATION)**

## **REPORT AND ACCOUNTS**

**For the year ending 31 August 2021**

# **KIELDER OBSERVATORY ASTRONOMICAL SOCIETY**

## **(A CHARITABLE INCORPORATED ORGANISATION)**

### **YEAR ENDED 31 AUGUST 2021**

### **TRUSTEES' REPORT**

As the Board of Trustees, we present our report and financial statements for the year to 31 August 2021.

**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 2020 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 eight 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	Resigned 19 October 2021
Mr Tom Grieveson	
Mr Cassian Harrison	Appointed 14 July 2021
Mr Stuart Kitching	
Mr William MacLeod	Appointed 29 October 2021
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 2021 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. The Trustees exercise their duties and responsibilities with appropriate care and diligence.

### **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.

### **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
- 1 Director of Astronomy and Science Communication
- 1 Director of the Gillian Dickinson Astro-Imaging Academy
- 1 Operations and Marketing Director
- 12 Astronomers and Science Communicators (full-time, part-time and freelance)
- 1 Office Manager and PA to the Board
- 1 Communications and Events Administrator
- 1 Finance Executive

### **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.

# **KIELDER OBSERVATORY ASTRONOMICAL SOCIETY (A CHARITABLE INCORPORATED ORGANISATION) YEAR ENDED 31 AUGUST 2021 TRUSTEES' REPORT**

## **STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)**

### **Reserves Policy (Cont.)**

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 a minimum of £150,000.

The charity's total Unrestricted Reserves shown in the Balance Sheet as at 31 August 2021 are £94,562 (2020: £144,727). Of these reserves, £48,888 were represented by Fixed Assets (2020: £59,688), leaving £45,674 available as Unrestricted Free Reserves (2020: £85,039).

The Trustees aim, through their budgeting processes, to reach the optimum level of Reserves within three years.

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 their first few events, volunteers are 'buddied' by an experienced volunteer or member of staff. Over a period of a few months, depending on their development and confidence, the volunteer is allowed to assume increasing responsibilities, under appropriate supervision, such as making drinks, setting up for an event and closing down afterwards, taking visitors for telescope tours, finding objects in the sky etc.

During the reporting period, KOAS had 41 registered volunteers.

## **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.

# **KIELDER OBSERVATORY ASTRONOMICAL SOCIETY (A CHARITABLE INCORPORATED ORGANISATION) YEAR ENDED 31 AUGUST 2021 TRUSTEES' REPORT**

## **OBJECTIVES AND ACTIVITIES (CONTINUED)**

### **Aims & Objectives (Cont.)**

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 2020/21, we agreed three over-arching strategies:

1. Put people at the heart of everything we do, extending our reach to more people and to a more diverse audience
2. Build our reputation as a gold standard in dark sky observation, imaging and outreach
3. Strengthen our organisation

And we established these priorities:

- Improve and further develop the Kielder Observatory site for staff and visitors.
- Develop partnerships with new venues, including Kielder Castle.
- Launch our digital delivery programme.
- Develop our outreach programme to include education, arts, citizen science.
- Maintain and develop dark sky partnerships.
- Create a post-pandemic audience development and communications strategy.
- Develop our volunteering offer.
- Create a development strategy to improve financial resilience and rebuild reserves.
- Improve digital and knowledge management.
- Implement a new team structure.
- Review board operations, plan board development, and recruit new trustees.

The impact of the COVID-19 pandemic continued to be severe with continual changes to our ability to be open at all, and on the way we could open. We were open at the start of the year but late night events were cancelled in September and October due to curfew restrictions, and then we were completely closed from November to mid-May, initially re-opening with reduced capacity (16 tickets per event, as opposed to 41). We have slowly increased numbers to 30 per event since that time, consulting with the staff team at every point. Even when lockdown restrictions were eased altogether, we continued to operate our COVID-secure procedures, e.g. mask-wearing indoors, and we have received excellent feedback for doing so. Demand for tickets remains very high, with events selling out months in advance. The site itself has seen some recent additions: a SPIDER radio telescope, courtesy of the Tanlaw Foundation, and a Low Earth Orbit Optical Camera Installation, courtesy of Alnwick-based company NORSS.

Our approach to new venues has also been affected by COVID, with many of our potential partners closing their sites, but we have maintained links and we have recently started a Kielder PopUp offer, taking telescopes on tour to public access spaces, such as parks, should the Observatory itself be closed.

We continued developing our digital offer: we launched a monthly podcast featuring different aspects of our work and astronomy themes with guest participants from universities. Phase 1 of our Augmented Reality application, Kielder Constellations, was soft-launched and Phase 2 is due for launch in early 2022. In addition, an online learning resource with additional content themed around our live events is in final testing before launch. All this helps people access content if they cannot attend the Observatory, and enables people who have visited to engage further in our work.

# **KIELDER OBSERVATORY ASTRONOMICAL SOCIETY (A CHARITABLE INCORPORATED ORGANISATION) YEAR ENDED 31 AUGUST 2021 TRUSTEES' REPORT**

## **OBJECTIVES AND ACTIVITIES (CONTINUED)**

### **Aims & Objectives (Cont.)**

Outreach into schools remained greatly affected by the pandemic, with digital delivery remaining the primary channel until September 2021. Despite this, we reached 139 schools, over 7,000 students and over 240 teachers as part of our project funded by North of Tyne Combined Authority. In addition, we partnered with the Reece Foundation to pilot our Kielder Star Groups concept, which sustains engagement, with weekly observing groups in schools and linking students to mentors.

We launched some new arts projects, including Escape Velocity, which taught children how to image the dark skies with their mobile phone, and Project Inspire, in which we partnered with an artist and community groups in Sunderland to create learning resources around radio astronomy, linking with the SPIDER radio telescope located at Kielder. We secured some funding from Arts Council England to develop a "Kielder Dark Skies" concept: participatory art created with local communities.

Our local dark sky partnership was consolidated with Northumberland National Park and our fellow observatories in Northumberland collaborating on the first Northumberland Dark Sky Festival, which was held online. As we further develop our Astro-Imaging Academy, we intend to work with international dark sky places on various arts and education projects.

The team is at the heart of Kielder Observatory's success. This year we implemented a new team structure together with an improved benefits package and better development pathways. We also revitalised our volunteering offer, and volunteers now support the staff team at most Observatory events. We continued to improve our sustainability practice, through revised policies and procedures, contracts and procurement processes. Our board has reviewed its operations and, with the pandemic impact now diminishing at last, is developing its strategy for KOAS's longer-term future with growing confidence.

### **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 those groups of people we are set up to help. 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.

In essence, this year we have built on the purpose we articulated last year, i.e., our primary 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. All the projects that we have selected have fulfilled this broad purpose.

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY  
(A CHARITABLE INCORPORATED ORGANISATION)  
YEAR ENDED 31 AUGUST 2021  
TRUSTEES' REPORT**

**OBJECTIVES AND ACTIVITIES (CONTINUED)**

**Public Benefit (Cont.)**

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

The primary benefit KOAS delivers is articulated in its charitable objects: to promote interest in the science of astronomy amongst the general public, to facilitate the education of members of the public in the science of astronomy and maintain an astronomical observatory in Kielder Forest which will be used to support the preceding objectives. The Observatory itself is the primary way we achieve our objects. This is the base from which we provide a wide range of events: from premium late-night events at the weekend to introductory and family events.

The event programme is varied to accommodate different interests, from workshop activities for children to topics such as the Aurora, to specialist astrophotography classes. KOAS has concessionary tickets available and events are priced differently to suit different income levels. This ticket income forms the main income of the charity.

All activities are subject to a rigorous process of risk management and benefits analysis to ensure that the benefits to the public outweigh any potential harm. All activities and events are evaluated and analysed to ensure that there is a clearly identifiable benefit delivered: data is gathered from audience surveys, social media, project participants, media and peers.

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

All of our activities are aimed at the general public, assuming no or little knowledge of astronomy, including events at the Observatory.

The income from events can often act as match funding for projects (either directly or indirectly in the form of staff time) for projects that deliver our charitable objects beyond the Observatory site itself. In the last two years, we have extended our reach significantly to different sections of the public, including those from areas of deprivation. This includes schools outreach (free to schools in North of Tyne Combined Authority Area), a new free augmented reality app, a podcast series and livestreams available to all at no charge, an arts programme with community groups in Sunderland to explore radio astronomy, and, more recently, the Kielder PopUps, where staff take telescopes out to public places, which are free to attend. We have an active volunteering programme, regularly host work placements from schools and universities and provide opportunities for artists to develop their creative practice. We host regular visits from organisations wishing to establish their own observatory or dark sky activities and offer free advice and share best practice. We also collaborate with other existing observatories to offer free activities, such as joint dark sky festivals.

# **KIELDER OBSERVATORY ASTRONOMICAL SOCIETY (A CHARITABLE INCORPORATED ORGANISATION) YEAR ENDED 31 AUGUST 2021 TRUSTEES' REPORT**

## **OBJECTIVES AND ACTIVITIES (CONTINUED)**

### **Risk Management**

The Trustees of the charity regularly review the major governance, operational and financial risks which the charity faces as part of its annual business planning process and confirm that systems have been established to mitigate these risks.

KOAS has a risk management strategy in place that comprises:

- the establishment of systems and procedures to mitigate identified risks, such as a risk register, and a Finance and Risk Committee as a subcommittee of the board, with its own terms of reference
- a monthly review of the risk register by the Finance and Risk Committee
- a review of the major risks by the Trustees at every board meeting
- an annual review of the strategic risks the charity may face via the business plan
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The Trustees are satisfied that appropriate 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, and staff training happens via additional assessments.

The Trustees consider the key risk currently facing the charity to be the ongoing impact of coronavirus, which will continue to impact our usual operating model through the:

- uncertain planning environment, due to the risk of future covid variants and lockdowns
- reluctance of some beneficiary groups to attend public events
- higher cost base and lower income-generating capacity of covid-secure events in confined Observatory spaces

To mitigate this, we have accelerated the development of digital delivery, including online learning and augmented reality, and directed more effort towards fundraising (e.g., from grant-giving trusts and foundations).

The Trustees manage the general financial risks by ensuring that:

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



# **KIELDER OBSERVATORY ASTRONOMICAL SOCIETY (A CHARITABLE INCORPORATED ORGANISATION) YEAR ENDED 31 AUGUST 2021 TRUSTEES' REPORT**

## **ACHIEVEMENTS AND PERFORMANCE**

### **Summary of the Charity's Main Achievements During the Year**

- During the year the Observatory staged 638 public events attended by over 6,000 people. In addition, we had one private Observatory event and 20 online talks. This compares to 413 public and nine private events in 2019/20, attended by over 9,000 people, and 413 public and nine private events in 2018/19, with over 15,000 attendees.
- KOAS continued to deliver educational outreach work in the North of Tyne Combined Authority area, in the second year of a three-year contract. This reached 7,269 pupils in Newcastle, Northumberland and North Tyneside. Other educational work enabled 3,200 engagements with 400 pupils across 17 schools.
- 92% of Trip Advisor feedback rated our observatory events as excellent or very good, Google reviews score us as 4.8 out of 5, and we improved our Visit England scoring.
- Our social media following has increased by 25% over the year.
- Kielder Observatory continued to be a focal point for media coverage, including The Times, Mirror, ITV This Morning, BBC Breakfast, BBC national news, Top Gear, The Telegraph and regional media including the Journal, Northumberland Gazette, Hexham Courant, ITV Tyne Tees, and BBC Look North.
- While the Observatory site itself may have been closed to the public for extended periods of this financial year, the life of the Observatory continued, with improvements made to the site, organisational development with a new structure implemented, podcasts and livestreams made available, and working on educational and arts projects to support the installation of the radio telescope.

### **Financial Review**

The outturn for the year is an unrestricted deficit of £50,165 (2020: deficit of £22,813). The deficit will be taken from Unrestricted Reserves, leaving a balance on Unrestricted Funds at 31 August 2021 of £94,562 (2020: £144,727. 2019: £167,540).

Financial policies are reviewed annually, and the Finance and Risk Committee reviews performance against agreed budgets on a monthly basis. The executive team monitors operational performance against financial controls regularly.

# **KIELDER OBSERVATORY ASTRONOMICAL SOCIETY (A CHARITABLE INCORPORATED ORGANISATION) YEAR ENDED 31 AUGUST 2021 TRUSTEES' REPORT**

## **FUTURE PLANS**

During 2021/22 KOAS will be further developing its services within a refreshed strategic framework. This articulates three overarching strategies, within each of which we will work towards sub-goals as outlined below.

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

- Ensure the audience experience is excellent and engaging.
- 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.

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.
- Ensure rigorous approaches to governance and compliance.

Our key objectives for the year are to:

- Maintain a safe and high-quality experience on site for visitors
- Finalise venues for alternative events and the Kielder PopUp offer
- Embed the new SPIDER Tanlaw radio telescope and LOCI installation into new events and new education, arts, and science outreach programmes
- Maintain strong relationships with partners and stakeholders
- Partner with heritage observatories to create events and outreach
- Lead dark sky innovation projects

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY  
(A CHARITABLE INCORPORATED ORGANISATION)  
YEAR ENDED 31 AUGUST 2021  
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 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 estimates 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 15 February 2022 and signed on its behalf by:

**Peter Standfield**  
Trustee and Chair

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**Trevor Robinson**  
Trustee and Treasurer

DocuSigned by:  
  
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## **INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF KIELDER OBSERVATORY ASTRONOMICAL SOCIETY FOR THE YEAR ENDED 31 AUGUST 2021**

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 2021 set out on pages 12 to 23.

### **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

15 February 2022

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY**  
**(A CHARITABLE INCORPORATED ORGANISATION)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR TO 31 AUGUST**  
**2021**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<b>Income</b>					
Income from Investments	2	258	-	258	583
Income from Charitable Activities	3	254,983	-	254,983	315,555
Income from Grants, Donations & Legacies	4	162,610	128,575	291,185	272,770
Other Income	5	-	-	-	8,304
<b>Total Income</b>		<b>417,851</b>	<b>128,575</b>	<b>546,426</b>	<b>597,212</b>
<b>Expenditure</b>					
Expenditure on Raising Funds	6	18,300	-	18,300	4,121
Expenditure on Charitable Activities	7	449,716	116,322	566,038	609,349
<b>Total Expenditure</b>		<b>468,016</b>	<b>116,322</b>	<b>584,338</b>	<b>613,470</b>
<b>Net Income/(Expenditure)</b>	8	<b>(50,165)</b>	<b>12,253</b>	<b>(37,912)</b>	<b>(16,258)</b>
Balance brought forward at 1 Sept		144,727	257,625	402,352	418,610
<b>Balance carried forward at 31 August</b>	18	<b>£94,562</b>	<b>£269,878</b>	<b>£364,440</b>	<b>£402,352</b>

The notes on pages 14 to 23 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.

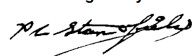
**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY  
(A CHARITABLE INCORPORATED ORGANISATION)  
STATEMENT OF FINANCIAL POSITION/BALANCE SHEET  
At 31 AUGUST 2021**

		2021	2020
	Notes	£	£
<b>Fixed Assets</b>			
Tangible Fixed Assets	11	285,217	311,214
Fixed Asset Investments	12	<u>10</u>	<u>10</u>
		285,227	311,224
<b>Current Assets</b>			
Stock	13	8,666	-
Debtors	14	38,869	74,084
Cash at Bank and In Hand		<u>456,099</u>	<u>322,369</u>
		503,634	396,453
<b>Creditors:</b>			
Amounts Falling Due Within 1 Year	15	<u>(381,088)</u>	<u>(305,325)</u>
<b>Net Current Assets</b>		122,546	91,128
<b>Creditors:</b>			
Amounts Falling Due After > 1 Year	16	(43,333)	-
<b>Total Net Assets</b>	17	<u><b>£364,440</b></u>	<u><b>£402,352</b></u>
<b>Represented By:</b>			
Unrestricted Funds	18	94,562	144,727
Restricted Funds	18	<u>269,878</u>	<u>257,625</u>
		<u><b>£364,440</b></u>	<u><b>£402,352</b></u>


The notes on pages 14 to 23 form part of the financial statements.

The financial statements were approved by the Board, and authorized for issue, on 15 February 2022 and signed on its behalf by:

**Peter Standfield**  
Trustee and Chair

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**Trevor Robinson**  
Trustee and Treasurer

DocuSigned by:  
  
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# **KIELDER OBSERVATORY ASTRONOMICAL SOCIETY**

## **(A CHARITABLE INCORPORATED ORGANISATION)**

### **NOTES TO THE ACCOUNTS**

#### **At 31 AUGUST 2021**

## **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 2021

## 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 18 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.



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**At 31 AUGUST 2021**

**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**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Interest on intercompany loan	-	-	-	36
Interest on cash deposits	258	-	258	547
	<b>£258</b>	<b>£-</b>	<b>£258</b>	<b>£583</b>

The 2020 total of £583 was wholly attributable to Unrestricted Funds.

**3. Income from Charitable Activities**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Ticket & Event Sales	227,462	-	227,462	315,555
Merchandising Sales	27,521	-	27,521	-
	<b>£254,983</b>	<b>£-</b>	<b>£254,983</b>	<b>£315,555</b>

The 2020 total of £315,555 was wholly attributable to Unrestricted Funds.

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY**  
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**4. Income from Grants, Donations & Legacies**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations - KOSL	-	-	-	4,080
Donations & Memberships	570	-	570	2,698
Gift Aid	72,084	-	72,084	65,781
Coronavirus Job Retention Scheme	70,953	-	70,953	67,789
Arts Council England	-	14,950	14,950	-
National Lottery Heritage Fund	-	23,300	23,300	31,600
Joicey Trust	-	-	-	4,000
Reece Group	-	25,000	25,000	-
Association for Science & Discovery Centres	-	18,250	18,250	-
Northumberland Cultural Fund	-	2,000	2,000	-
Northumberland Business Services	-	2,500	2,500	-
North of Tyne Combined Authority	-	42,575	42,575	76,822
Northumberland County Council	19,003	-	19,003	10,000
North East Business Innovation Centre – Social Tech Fund	-	-	-	10,000
	<b>£162,610</b>	<b>£128,575</b>	<b>£291,185</b>	<b>£272,770</b>

Of the 2020 total of £272,770, £114,159 was attributable to Unrestricted Funds and £158,611 to Restricted Funds.

**5. Other Income**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Management Fees	-	-	-	7,500
Other Income	-	-	-	804
	<b>£-</b>	<b>£-</b>	<b>£-</b>	<b>£8,304</b>

The 2020 total of £8,304 was wholly attributable to Unrestricted Funds.

**6. Expenditure on Raising Funds**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Merchandising Costs	18,300	-	18,300	4,121
	<b>£18,300</b>	<b>£-</b>	<b>£18,300</b>	<b>£4,121</b>

The 2020 total of £4,121 was wholly attributable to Unrestricted Funds.

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**7. Expenditure on Charitable Activities**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Direct Costs</b>				
Education Contract Costs	-	16,498	16,498	7,231
Observatory Hire Costs	-	-	-	16,593
Salaries & On Costs	311,106	62,900	374,006	405,366
Speakers' Fees & Event Costs	4,183	-	4,183	2,143
Staff, Speakers' and Volunteers' Expenses	2,187	-	2,187	3,019
STEM to Stars Project Costs	-	5,477	5,477	-
<b>Support Costs</b>				
Loss on Disposal of Fixed Assets	-	-	-	1,201
Advertising & Marketing	14,543	-	14,543	11,025
Bank & Credit Card Charges	4,725	-	4,725	5,025
Depreciation	10,800	15,197	25,997	26,955
Legal & Professional Fees	11,382	8,750	20,132	12,811
Motor Expenses & Vehicle Leasing	(89)	-	(89)	2,873
Other Overhead Costs	13,135	-	13,135	14,965
Premises & Insurance	51,955	-	51,955	59,482
Print, Postage & Stationery	528	-	528	776
Repairs & Maintenance	7,078	-	7,078	15,107
Telephone, ICT & Website Costs	10,828	7,500	18,328	16,435
<b>Governance Costs</b>				
Accountancy & Payroll Fees	6,729	-	6,729	5,764
Trustee Travel & Meeting Costs	626	-	626	2,578
	<b>£449,716</b>	<b>£116,322</b>	<b>£566,038</b>	<b>£609,349</b>

Of the 2020 total of £609,349, £457,293 was attributable to Unrestricted Funds and £152,056 to Restricted Funds.

**8. Net Income/(Expenditure)**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) is stated after charging/(crediting):		
Independent Examiner's Fees	2,160	2,160
Depreciation of Owned Fixed Assets	25,997	26,955

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**9. Staff Costs**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Gross Salary Costs	340,204	367,516
Interim Chief Executive Officer Fees	-	1,332
Social Security Costs	27,891	30,027
Employer's Pension Contributions – Defined Contribution Scheme	5,911	6,491
	<b>£374,006</b>	<b>£405,366</b>

Of the 2020 total of £405,366, £281,416 was attributable to Unrestricted Funds and £123,950 to Restricted Funds.

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
The average monthly number of staff employed during the year, was as follows:		
Education & Learning Programmes	15	14

The number of the above staff expressed as full-time equivalents was 13.6 (2020: 12.9)

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.

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.

No other remuneration was paid to or waived by Trustees/Directors in the year (2020: £Nil).

£283 (2020: £2,234) was reimbursed to 3 (2020: 4) Trustees in respect of out-of-pocket expenses incurred in carrying out their duties.

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**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 charity 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 £5,911 (2020: £6,491) 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.

£1,114 in pension contributions were outstanding at 31 August 2021 (2020: £2,337).

**11. Tangible Fixed Assets**

	<b>Leasehold Improvements – New Observatory</b>	<b>Observatory Equipment</b>	<b>Office &amp; ICT Equipment</b>	<b>Total Fixed Assets</b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 September 2020	223,169	169,183	12,187	404,539
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 August 2021	223,169	169,183	12,187	404,539
<b>Depreciation</b>				
At 1 September 2020	26,722	57,630	8,973	93,325
Charge for year	8,929	15,016	2,052	25,997
Disposals	-	-	-	-
At 31 August 2021	35,651	72,646	11,025	133,002
<b>Net Book Value</b>				
At 31 August 2021	<b>£187,518</b>	<b>£96,537</b>	<b>£1,162</b>	<b>£285,217</b>
At 1 September 2020	£196,447	£111,553	£3,214	£311,214

**12. Investments**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Investment in Kielder Observatory Services Limited	10	10
	<b>£10</b>	<b>£10</b>

As the value of merchandise sales is well below the small trading exemption limit of £80,000, the charity is currently conducting all trading directly, rather than through its wholly owned subsidiary, Kielder Observatory Services Ltd (KOSL). KOSL remains extant and the Trustees will review its continuing relevance on a regular basis.

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**13. Stock**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Goods for Resale	8,666	-
	<b>£8,666</b>	<b>£-</b>

**14. Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accrued Income - Gift Aid	7,558	8,664
Accrued Income - Other	5,294	15,707
Donation from Kielder Observatory Services Limited	-	4,080
Grant Debtors	21,974	32,262
Loan - Kielder Observatory Services Limited	2,337	6,036
Prepayments	1,706	2,335
Trade Debtors	-	5,000
	<b>£38,869</b>	<b>£74,084</b>

**15. Creditors - Amounts Falling Due Within One Year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accruals	109,016	112,445
Advance Ticket Sales	169,372	92,273
Bounceback Loan	6,667	-
Income Received in Advance	2,725	3,175
Other Creditors	625	-
PAYE & National Insurance	10,117	8,111
Pension Scheme Creditor	1,114	2,337
Trade Creditors	16,206	15,299
Unredeemed Gift Vouchers	65,246	71,685
	<b>£381,088</b>	<b>£305,325</b>

**16. Creditors - Amounts Falling Due After One Year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bounceback Loan	43,333	-
	<b>£43,333</b>	<b>£-</b>

The Bounceback Loan is repayable over 5 years, with an interest rate of 2.5% applicable after the first year.

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**17. Analysis of Net Assets between Funds**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed Assets	48,888	236,339	285,227	311,224
Stock	8,666	-	8,666	-
Debtors	16,895	21,974	38,869	74,084
Cash at Bank and In Hand	435,784	20,315	456,099	322,369
Creditors – Due Within 1 Year	(372,338)	(8,750)	(381,088)	(305,325)
Creditors – Due After 1 Year	(43,333)	-	(43,333)	-
	<b>£94,562</b>	<b>£269,878</b>	<b>£364,440</b>	<b>£402,352</b>

**18. Analysis of Charitable Funds**

	<b>Fund at 1 April 2020</b>	<b>Incoming Resources for Year</b>	<b>Resources Expended for Year</b>	<b>Fund at 31 August 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Movement on Unrestricted Funds</b>				
Unrestricted General Fund	<b>144,727</b>	<b>417,851</b>	<b>(468,016)</b>	<b>94,562</b>
<b>Movement on Restricted Funds</b>				
Arts Council England	-	14,950	-	14,950
Association for Science & Discovery Centres	-	18,250	(8,750)	9,500
Joicey Trust	4,000	-	-	4,000
National Lottery Heritage Fund	-	23,300	(23,300)	-
New Observatory Fund	228,632	-	(12,698)	215,934
North East Business Innovation Centre – Social Tech Fund	5,000	-	(5,000)	-
North of Tyne Combined Authority	19,993	42,575	(45,074)	17,494
Northumberland Business Services	-	2,500	(2,500)	-
Northumberland Cultural Fund	-	2,000	(2,000)	-
Reece Group		25,000	(17,000)	8,000
<b>Total Restricted Funds</b>	<b>257,625</b>	<b>128,575</b>	<b>(116,322)</b>	<b>269,878</b>
<b>Total Funds</b>	<b>£402,352</b>	<b>£546,426</b>	<b>£(584,338)</b>	<b>£364,440</b>

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY**  
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**18. Analysis of Charitable Funds**

<b>Name of Restricted Fund</b>	<b>Description, Nature &amp; Purpose of the Restricted Fund</b>
Arts Council England	Towards the cost of the Kielder Dark Skies: A Space Odyssey project
Association for Science & Discovery Centres	Towards the cost of the Inspire Digital project
Joicey Trust	Towards work with prisons
National Lottery Heritage Fund	Towards core costs impacted by COVID-19
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 East Business Innovation Centre – Social Tech Fund	Towards the development of a prototype augmented reality application
North of Tyne Combined Authority	Towards the cost of education projects in the North of Tyne area
Northumberland Business Services	Towards the cost of a prototype augmented reality application
Northumberland Cultural Fund	Towards the cost of the Escape Velocity project
Reece Group	Towards the cost of the STEM To Stars project

**19. 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).

**20 Financial Commitments**

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