

Registered Charity Number 1153570



KIELDER OBSERVATORY ASTRONOMICAL SOCIETY

(A CHARITABLE INCORPORATED ORGANISATION)

REPORT AND ACCOUNTS

For the year ending 31 August 2023

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
YEAR ENDED 31 AUGUST 2023
TRUSTEES' REPORT**

As the Board of Trustees, we present our report and financial statements for the year to 31 August 2023.

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 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)	Resigned 21 December 2022
Mr Trevor Robinson (Treasurer)	
Ms Charlotte Emmett	
Mr Tom Grieveson	
Mr Cassian Harrison	
Miss Catherine Hindle	Appointed 23 May 2023
Mr Stuart Kitching	Resigned 20 June 2023
Mr William MacLeod	

Chief Executive Officer	Catherine Johns (to 29 February 2024) Leigh Venus (from 1 December 2023)
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Independent Examiner	Mr P O'Hara FCA, 26 La Sagesse, Jesmond, Newcastle upon Tyne NE2 3AF
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Legal Advisers	Muckle LLP, Time Central, 32 Gallowgate, Newcastle upon Tyne NE1 4BF
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STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Board Meetings

The Board meets a minimum of six 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.

- 1 Chief Executive Officer
- 1 Director of Astronomy and Science Communication
- 1 Operations and Marketing Director
- 1 Director of the Gillian Dickinson Astro-Imaging Academy
- 1 Science Communication and Education Lead
- 1 Science Communication and Science Lead
- 1 Science Communication and Facilities Lead
- 7 Astronomers and Science Communicators (full-time, part-time and casual workers)
- 1 Office Manager and PA
- 1 Communications and Events Administrator and Arts Lead
- 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.

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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 2023 are £165,035 (2022: £113,388). Of these reserves, £39,332 were represented by Fixed Assets (2022: £50,318), leaving £125,703 available as Unrestricted Free Reserves (2022: £63,070).

The charity has therefore made further progress towards rebuilding its Reserves and is on track to reach its optimum level of Reserves within two years.

This policy is reviewed by the Trustees on an annual basis as part of the charity's budgeting processes.

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. Recruitment is open all year with regular open days at the Observatory for those people thinking about volunteering.

To ensure consistency in the quality and safety of events all volunteers receive training.

Induction training is provided, covering 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 mentored by an experienced volunteer or member of staff. Over a period of a few months the volunteer is allowed to assume lead responsibilities, depending on their development and confidence, and under supervision, such as setting up for an event and closing down after an event, taking visitors for telescope tours, finding objects in the sky, making drinks.

During the reporting period, KOAS had 35 registered volunteers. In this reporting period, one volunteer has been taken on as a freelance member of staff. This is a strength of the Observatory; several staff members started as volunteers and have gone on to become employees.

KIELDER OBSERVATORY ASTRONOMICAL SOCIETY (A CHARITABLE INCORPORATED ORGANISATION) YEAR ENDED 31 AUGUST 2023 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 year, we published a new strategy, which drew upon rigorous analysis of emerging trends and the outcomes KOAS wishes to achieve, to outline market opportunities.

<https://kielderobservatory.org/images/Strategy-1.pdf>

The process of creating the strategy and supporting business plan reinforced our commitment to our mission of infinite inspiration, and linked it clearly to impacts, outcomes and priorities.

Our outcomes are as follows:

1. People: Everyone feels represented, welcomed, enriched and inspired, enabling equality of access to opportunities in science, whether as a one-off engagement, participation in study (formal or informal), and/or a career.
2. Place: We consistently inspire more people of all backgrounds and abilities to reflect upon their place in the universe and the fragility of the Earth, and catalyse individual and collective action in response to the need to protect our dark skies, and wider natural heritage.
3. Organisation: We welcome the uncertainty of fresh challenges and continuously improve our offer as opportunities emerge from new technologies, new audiences and evolving practice.

We identified some clear opportunities for KOAS to bring the Kielder moment to as many people as possible:

1. Creating a flexible, agile programme of face-to-face public experiences for delivery anywhere, including on site, around Kielder, and remote access.
2. Enhancing the quality of our STEM curriculum enrichment, to offer a golden thread of support from primary through to GCSE astronomy (and beyond), CPD for teachers, and pathways to careers.
3. Creating a coherent digital offer that underpins the experience and education delivery, including publishing distinctive, high-quality content that anyone can access from anywhere.
4. Taking a clearly defined leadership position for dark sky experiences aligned with responsible tourism.

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
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YEAR ENDED 31 AUGUST 2023
TRUSTEES' REPORT**

OBJECTIVES AND ACTIVITIES (CONTINUED)

Aims & Objectives (Cont.)

We highlighted some priorities for the 2022/23 period:

1. To strengthen our organisation:

- Invest in our team by contributing to learning projects and formal study and implementing 10% time for self-directed projects.
- Improve representation and inclusion by assessing how representative we are of our communities, taking action, and publishing an annual impact study.
- Improve our approach to environmental responsibility by using the B-Corp framework to assess our areas of strength and areas for development, taking action, and publishing an annual impact study.

All three of these were achieved. We implemented a new CPD policy for the team, enabling them to attend conferences and events, and undertake self-directed learning. Our inclusion and representation impact assessment was published on our website (<https://kielderobservatory.org/images//Inclusivity-Report.pdf>) highlighting the vibrant, healthy organisational culture, and the work to do to ensure KOAS is representative of the audiences it serves. Most this work was completed by the end of the year and informed major funding bids, since secured. We undertook a B-Corp assessment and published the results on our website (<https://kielderobservatory.org/images//Social-and-Environmental-Assessment-2.pdf>). Even though we are not eligible for certification as we are a charity, we scored well over the required threshold, indicating that the organisation is well-managed for social impact.

2. To maintain excellence in delivery:

- Ensure continuous improvement by creating a peer group and a Kielder customer panel.
- Support schools, teachers and underserved groups by focusing our STEM curriculum enrichment and enhancing our teacher CPD offer at critical Key Stages.

Both of these priorities were achieved with a more data-driven approach to market and customer insight informing the development of our offer. We decided to keep our capacity at each event at the Observatory at 36 rather than returning to the pre-pandemic number of 41: while there was a significant financial cost to this as events still sell out well in advance, the experience for customers and the staff is vastly improved with the lower number, and we see this as an investment in future sales. Our STEM enrichment was focused on underserved audiences to remove the barriers to participation. Our three-year funded programme from the North of Tyne Combined Authority came to an end in March 2023; connecting with over 43,000 students and over 1,200 teachers all over the North East, it was a wonderful introduction to the wonder of the universe. Our STEM to Stars programme, funded by the Reece Foundation, expanded to 45 schools, looking at the Carrington Event as a way to think about resilience in energy and data, offering sustained engagement over six months, with a variety of content, career pathways, and mentoring. Future expansion of this programme in 2024 will look at dedicated content at GSCE level.

3. To extend the reach of our public events:

- Establish informal events, "Kielder PopUps", around the North East.
- Pilot event delivery in national and international locations.
- Open up the wonders of the dark skies to all by working with partners to deliver dark sky tourism and cultural experiences.

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
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OBJECTIVES AND ACTIVITIES (CONTINUED)

Aims & Objectives (Cont.)

Although we had no capacity to pilot work in national or international locations, the Kielder PopUps are now an established part of our offer, touring different locations around the North East, free to access and bringing the dark skies to different communities from Hexham to Whitley Bay. We also stargazed with Santa Claus as part of Fenwick's Christmas events. We continued to work with a broad range of partners to develop and support dark sky experiences, including the 10th anniversary of the Northumberland Dark Sky Park. Our arts and culture programme developed further, hosting the poet Caroline Burrows, talking to James Wilton Dance about their work, The Four Seasons, and supporting an interactive digital opera based in Kielder, Black Fell. We launched round two of Frank's Fellowship, a bursary supporting young artists in Northumberland, and worked with creative practitioners to co-create cultural responses to the cosmos with excluded children, prisoners and urban-based community groups, with funding from the Joicey Trust, the Institute of Physics, and the Association of Science and Discovery Centres (ASDC). We launched Kielder Dark Skies, an exploration of how the stories of Kielder come to life through dance, and Kielder Narratives, with a poet in residence capturing the essence of Kielder in spoken word, both projects funded by Arts Council England.

4. To develop programmes with high impact:

- Maximise the reach of our assets and skills by establishing citizen science programmes around astro-imaging, radio astronomy and satellites.
- Enhance our connections with new audiences by bringing together our website, our augmented reality app, and our digital learning platform into a consistent customer journey.
- Ensure the dark skies heritage is available for future generations by working with partners to develop activities that educate and inspire the general public.

All of these remain at the heart of everything we do and are constantly developing: we undertook dedicated research into public attitudes to light pollution and launched the North East Astrophotography Academy, with funding from UKRI via the Museums Association and the ASDC, putting community groups at the heart of co-creating research to inform our understanding of the universe. Our podcast continues to showcase experts from all areas of astronomy but we have not had capacity to undertake any more digital development, a priority for this year.

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.

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
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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 our events at the Observatory assume no prior knowledge, and feedback received indicates we convey complex information in a way that is enlightening, exciting, and does not condescend or patronise. In the last four years, we have increasingly been directing our attention to members of the public who face barriers to attending the Observatory site, and providing activities that aim to overcome those barriers.

It was knowledge of the financial and cultural barriers that exist to people visiting the Observatory that caused us to devise a STEM enrichment programme, which aims to replicate the Kielder mission of inspiration in schools. This programme has reached hundreds of schools and tens of thousands of students. We extended the impact of this programme with "STEM to Stars"; regular observing groups in schools, with links to careers in STEM, and still further with our cultural programmes, working with prisoners, excluded children, community groups in urban areas and sanctuary seekers.

Our Kielder PopUps, where staff take telescopes out to public places, 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.

Kielder Observatory is a location, but it is increasingly becoming a beacon of connection and inspiration. We have built on the co-creation work of last year with the Mindsets + Missions project, where community groups take the lead in designing research questions for academia, removing barriers to participation in innovation and research. Our more data-driven approach to inclusion and diversity is a driver of this work; ensuring it is relevant to our audiences.

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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;
- regular in-depth reviews of different areas of operations, e.g., Observatory site management and maintenance; grant management; HR procedures; cyber security, etc;
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

At time of writing, the major perceived risks to KOAS are outlined below:

- Unfavourable contracts and supplier dependency
 - Mitigation: We review our supplier contract template annually. Suppliers are procured and contracted in line with Financial Policies and Scheme of Delegation and our supplier register, spend and insurance cover are reviewed annually.
- Age and condition of main observatory building
 - Mitigation: We are engaged with our landlord Forestry England to progress parallel programmes of work which will address immediate essential repairs to storm damage alongside renovations, renewal and planned preventative maintenance.

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 also manage the general financial risks by ensuring that:

- prudent budgets are set for each financial year
- the charity maintains a low cost-base, which is reviewed regularly
- the Finance and Risk Committee reviews financial performance on a monthly basis
- regular management accounts are provided showing the performance against budget, and corrective action is taken to manage any unacceptable variances.

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
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YEAR ENDED 31 AUGUST 2023
TRUSTEES' REPORT**

ACHIEVEMENTS AND PERFORMANCE

Summary of the Charity's Main Achievements During the Year

- During the year the Observatory staged 604 public events attended by over 15,000 people. In addition, 10 private events were also staged at the observatory, 26 events elsewhere, and four online talks.
- Our social media reach has increased by over 58% over the year.
- Our media profile remained high, with regular press coverage, including BBC Radio, The Telegraph, High Life magazine, and Top Gear.
- 92% of Trip Advisor feedback rated our observatory events as excellent or very good, and we won the Trip Advisor Traveller's Choice Award, given to the top 10% of visitor attractions worldwide. Trip Advisor also named us second best observatory in the UK, after Royal Observatory Greenwich.
- Nearly 1,000 Google reviews have yielded a score of 4.8 out of 5.
- We were shortlisted for the Business and Arts Award at the North East Culture Awards
- We won the Women in STEM Award at the WIN Awards and were nominated as Inspiring Science Employer of the Year at the RTC Awards.
- We raised £35K for a new wind turbine.
- We renamed one of our turrets the Caroline Herschel turret, with the honours done by author and dark sky champion, LJ Ross.
- When asked to rate out of 10 how proud they were to work at Kielder Observatory all staff said 10 out of 10.

Financial Review

The outturn for the year is an unrestricted surplus of £51,647 (2022: surplus of £18,826). The surplus will be added to Unrestricted Reserves, leaving a balance on Unrestricted Funds at 31 August 2023 of £165,035 (2022: £113,388).

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 2023

TRUSTEES' REPORT

FUTURE PLANS

The Trustees and team reviewed the business plan and strategy in preparing the budget for financial year 2023/24 and concluded that it was still an accurate and useful guide to the development and growth of the organisation and its impact. The mission, outcomes and areas of opportunity remain the same (see above). The priorities for the next 12 months are:

Audience development:

- Redevelop our marketing strategy, based on our more in-depth understanding of our existing customer needs, the value they perceive and how that could be extended.

Organisational development:

- Increase our resilience with a new development strategy for donations and philanthropy and new sales avenues for merchandise.
- Continuously improve inclusion and representation.
- Improve our B-Corp score.

Public experiences:

- Keep our existing event range under review for quality and value
- Extend our reach locally, nationally and internationally
- Extend our STEM enrichment work nationally

Digital offer:

- Review and improve quality and consistency of content available
- Bring together our website, AR app, Kielder.space as consistent customer journey
- Create a roadmap for accreditation
- Explore new techniques in immersive and digital and mass media

Dark Skies leadership

- Continue to deliver dark sky tourism/cultural experiences
- Support Visit Northumberland's dark sky product development
- Link Kielder PopUps to community outreach around light pollution

**KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
YEAR ENDED 31 AUGUST 2023
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 2 April 2024 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 2023

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 2023 set out on pages 13 to 25.

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.

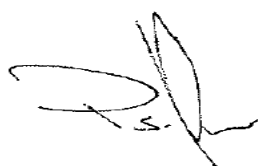
Independent Examiner's Statement

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

26 La Sagesse, Jesmond, Newcastle upon Tyne NE2 3AF

2 April 2024

KIELDER OBSERVATORY ASTRONOMICAL SOCIETY
(A CHARITABLE INCORPORATED ORGANISATION)
STATEMENT OF FINANCIAL ACTIVITIES
YEAR TO 31 AUGUST 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income					
Income from Investments	2	1,691	-	1,691	56
Income from Charitable Activities	3	565,784	-	565,784	513,726
Income from Grants, Donations & Legacies	4	90,602	245,658	336,260	199,196
Other Income	5	-	-	-	22,776
Total Income		658,077	245,658	903,735	735,754
Expenditure					
Expenditure on Raising Funds	6	21,942	-	21,942	19,243
Expenditure on Charitable Activities	7	584,488	210,992	795,480	694,249
Total Expenditure		606,430	210,992	817,422	713,492
Net Income/(Expenditure)	8	51,647	34,666	86,313	22,262
Balance brought forward at 1 Sept		113,388	273,314	386,702	364,440
Balance carried forward at 31 August	18	£165,035	£307,980	£473,015	£386,702

The notes on pages 15 to 25 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 2023

		2023		2022	
	Notes	£	£	£	£
Fixed Assets					
Tangible Fixed Assets	11	268,012		292,453	
Fixed Asset Investments	12	<u>10</u>		<u>10</u>	
			268,022		292,463
Current Assets					
Stock	13	8,906		5,763	
Debtors	14	115,914		45,999	
Cash at Bank and In Hand		<u>313,548</u>		<u>321,468</u>	
		438,368		373,230	
Creditors:					
Amounts Falling Due Within 1 Year	15	<u>(210,042)</u>		<u>(245,658)</u>	
Net Current Assets			228,326		127,572
Creditors:					
Amounts Falling Due After > 1 Year	16		(23,333)		(33,333)
Total Net Assets	17		<u>£473,015</u>		<u>£386,702</u>
Represented By:					
Unrestricted Funds	18		165,035		113,388
Restricted Funds	18		<u>307,980</u>		<u>273,314</u>
			<u>£473,015</u>		<u>£386,702</u>

The notes on pages 15 to 25 form part of the financial statements

The financial statements were approved by the Board, and authorized for issue, on 2 April 2024 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 2023**

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
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At 31 AUGUST 2023**

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 2023

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	2023	2022
	£	£	£	£
Interest on cash deposits	1,691	-	1,691	56
	£1,691	£-	£1,691	£56

The 2022 total of £56 was wholly attributable to Unrestricted Funds.

3. Income from Charitable Activities

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Ticket & Event Sales	517,958	-	517,958	469,970
Merchandising Sales	47,826	-	47,826	43,756
	£565,784	£-	£565,784	£513,726

The 2022 total of £513,726 was wholly attributable to Unrestricted Funds.

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At 31 AUGUST 2023

4. Income from Grants, Donations & Legacies

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Donations & Legacies				
Donations & Memberships	208	18,487	18,695	1,000
Gift Aid	86,940	-	86,940	84,843
Corporate Sponsorship	3,454	11,546	15,000	-
Grant Income				
Arts Council England	-	13,400	13,400	-
Association for Science & Discovery Centres	-	24,500	24,500	-
Creative England	-	5,000	5,000	-
Crichton/Tanlaw Foundation	-	7,500	7,500	-
Institute of Physics	-	3,000	3,000	-
Museums Association	-	76,500	76,500	-
North East Business Innovation Centre – Social Tech Fund	-	-	-	2,400
North of Tyne Combined Authority	-	45,357	45,357	46,190
Northumberland Business Services	-	2,868	2,868	-
Northumberland CC – Tanlaw Telescope	-	-	-	24,596
Northumberland County Council – COVID/Omicron	-	-	-	2,667
Reece Foundation	-	37,500	37,500	37,500
	£90,602	£245,658	£336,260	£199,196

Of the 2022 total of £199,196, £88,510 was attributable to Unrestricted Funds and £110,686 to Restricted Funds.

5. Other Income

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Business Interruption Insurance	-	-	-	20,023
Other Income	-	-	-	2,753
	£-	£-	£-	£22,776

The 2022 total of £22,776 was wholly attributable to Unrestricted Funds.

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6. Expenditure on Raising Funds

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Merchandising Costs	21,942	-	21,942	19,243
	£21,942	£-	£21,942	£19,243

The 2022 total of £19,243 was wholly attributable to Unrestricted Funds.

7. Expenditure on Charitable Activities

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Direct Costs				
Arts Programme Costs	606	19,198	19,804	4,806
Consultancy Fees	1,349	-	1,349	1,349
Dark Skies Outreach Costs	-	2,400	2,400	398
Digital Development Costs	600	-	600	5,400
Education Outreach Costs	-	44,181	44,181	17,061
Frank's Fellowship Bursary	1,000	-	1,000	1,000
Salaries & On Costs	372,287	126,790	499,077	480,615
Speakers' Fees & Event Costs	9,897	-	9,897	8,186
Staff, Speakers' and Volunteers' Expenses	17,669	-	17,669	17,004
Support Costs				
Advertising & Marketing	12,100	-	12,100	4,926
Bank & Credit Card Charges	11,385	-	11,385	7,527
Depreciation	13,373	17,125	30,498	30,490
Legal & Professional Fees	23,096	-	23,096	8,497
Loan Interest	969	-	969	784
Other Overhead Costs	33,711	-	33,711	11,948
Premises & Insurance	55,519	-	55,519	50,528
Repairs & Maintenance	16,623	-	16,623	29,276
Telephone, ICT & Website Costs	7,640	1,298	8,938	8,145
Governance Costs				
Accountancy & Payroll Fees	5,203	-	5,203	5,142
Trustee Travel & Meeting Costs	1,461	-	1,461	1,167
	£584,488	£210,992	£795,480	£694,249

Of the 2022 total of £694,249, £586,999 was attributable to Unrestricted Funds and £107,250 to Restricted Funds.

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8. Net Income/(Expenditure)

	2023	2022
	£	£
Net income/(expenditure) is stated after charging/(crediting):		
Independent Examiner's Fees	2,160	2,160
Depreciation of Owned Fixed Assets	30,498	30,490
	<u>30,498</u>	<u>30,490</u>

9. Staff Costs

	2023	2022
	£	£
Gross Salary Costs	452,177	434,996
Social Security Costs	38,497	38,073
Employer's Pension Contributions – Defined Contribution Scheme	8,403	7,546
	<u>£499,077</u>	<u>£480,615</u>

Of the 2022 total of £480,615, £417,386 was attributable to Unrestricted Funds and £63,229 to Restricted Funds.

	2023	2022
	No.	No.
The average monthly number of staff employed during the year, was as follows:		
Education & Learning Programmes	<u>14</u>	<u>15</u>

The number of the above staff expressed as full-time equivalents was 12.5 (2022: 13.6)

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

No remuneration was paid to or waived by Trustees/Directors in the year (2022: £Nil).

£491 (2022: £264) was reimbursed to 1 (2022: 3) Trustee in respect of out-of-pocket expenses incurred in carrying out their duties.

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 £8,403 (2022: £7,546) 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.

£1,747 in pension contributions were outstanding at 31 August 2023 (2022: £1,457).

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11. Tangible Fixed Assets

	Leasehold Improvements – New Observatory £	Observatory Equipment £	Office & ICT Equipment £	Total Fixed Assets £
Cost				
At 1 September 2022	233,957	188,845	19,463	442,265
Additions	-	5,447	610	6,057
Disposals	-	-	-	-
At 31 August 2023	233,957	194,292	20,073	448,322
Depreciation				
At 1 September 2022	46,738	89,095	13,979	149,812
Charge for year	11,087	16,342	3,069	30,498
Disposals	-	-	-	-
At 31 August 2023	57,825	105,437	17,048	180,310
Net Book Value				
At 31 August 2023	£176,132	£88,855	£3,025	£268,012
At 1 September 2022	£187,219	£99,750	£5,484	£292,453

12. Investments

	2023	2022
	£	£
Investment in Kielder Observatory Services Limited	10	10
	£10	£10

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

	2023	2022
	£	£
Goods for Resale	8,906	5,763
	£8,906	£5,763

14. Debtors

	2023	2022
	£	£
Accrued Income - Gift Aid	7,131	6,495
Accrued Income - Other	6,649	7,288
Grant Debtors	90,301	25,537
Intercompany Debtor - Kielder Observatory Services Limited	375	-
Prepayments	7,556	4,979
Trade Debtors	3,902	1,700
	£115,914	£45,999

15. Creditors - Amounts Falling Due Within One Year

	2023	2022
	£	£
Accruals	3,452	27,964
Advance Ticket Sales	113,087	141,054
Bounceback Loan	10,000	10,000
Income Received in Advance	11,029	4,550
Intercompany Creditor - Kielder Observatory Services Limited	-	185
Other Creditors	632	945
PAYE & National Insurance	9,766	10,737
Pension Scheme Creditor	1,747	1,457
Trade Creditors	13,904	8,389
Unredeemed Gift Vouchers	46,425	40,377
	£210,042	£245,658

16. Creditors - Amounts Falling Due After One Year

	2023	2022
	£	£
Bounceback Loan	23,333	33,333
	£23,333	£33,333

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

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Fixed Assets	39,332	228,690	268,022	292,463
Stock	8,906	-	8,906	5,763
Debtors	25,613	90,301	115,914	45,999
Cash at Bank and In Hand	324,559	(11,011)	313,548	321,468
Creditors – Due Within 1 Year	(210,042)	-	(210,042)	(245,658)
Creditors – Due After 1 Year	(23,333)	-	(23,333)	(33,333)
	£165,035	£307,980	£473,015	£386,702

18. Analysis of Charitable Funds

	Fund at 1 April 2022	Incoming Resources for Year	Resources Expended for Year	Fund at 31 August 2023
	£	£	£	£
Movement on Unrestricted Funds				
Unrestricted General Fund	113,388	658,077	(606,430)	165,035
Movement on Restricted Funds				
Arts Council England – Dark Skies	8,144	-	(8,144)	-
Arts Council England – Kielder Narratives	-	13,400	(10,400)	3,000
Association for Science & Discovery Centres	-	24,500	(24,500)	-
Corporate Sponsorship/Donations	-	30,033	-	30,033
Creative England	-	5,000	(5,000)	-
Crichton/Tanlaw Foundation	-	7,500	(7,500)	-
Innovate NE	240	-	(240)	-
Institute of Physics	-	3,000	(3,000)	-
Joicey Trust	4,000	-	(4,000)	-
Museums Association	-	76,500	(22,000)	54,500
New Observatory Fund	203,236	-	(11,733)	191,503
North of Tyne Combined Authority	14,995	45,357	(60,352)	-
Northumberland Business Services	-	2,868	(1,910)	958
Northumberland CC – Tanlaw Telescope	22,267	-	(2,281)	19,986
Reece Foundation – Stem To Stars Phase 1	8,000	-	-	8,000
Reece Foundation – Stem To Stars Phase 2	12,432	37,500	(49,932)	-
Total Restricted Funds	273,314	245,658	(210,992)	307,980
Total Funds	£386,702	£903,735	£(817,422)	£473,015

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18. Analysis of Charitable Funds

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
Arts Council England – Dark Skies	Towards the cost of the Kielder Dark Skies: A Space Odyssey project
Arts Council England – Kielder Narratives	Towards the cost of the Kielder Narratives project
Corporate Sponsorship/Donations	Towards the cost of a wind turbine
Creative England	Towards the costs of the Kielder.space digital programme
Crichton/Tanlaw Foundation	Towards the cost of developing an operational model for the Tanlaw Telescope
Association for Science & Discovery Centres	Towards the cost of the Inspire Digital project
Innovate NE	Towards the cost of the Innovation Supernetwork project
Institute of Physics	Towards the cost of the Spider Astronomy project
Joicey Trust	Towards work with prisons
Museums Association	Towards the costs of the Missions & Mindsets project
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	Towards the cost of education projects in the North of Tyne area
Northumberland Business Services	Towards the cost of video equipment and editing software
Northumberland County Council	Towards the cost of the Tanlaw Telescope project
Reece Foundation	Towards the cost of the STEM To Stars project

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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) (2022: None).

20 Financial Commitments

No material financial commitments have been made in respect of future financial periods. (2022: None).