

Charity registration number 1174716

**THE LUNAR SOCIETY**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

# THE LUNAR SOCIETY

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

P Borg-Bartolo

C Stone

D LaBassiere

M Purcell

S Guy

C S Burton

D Dundas

T Swani

(Appointed 28 July 2021)

A Ali

(Appointed 28 July 2021)

Co-opted trustees

F Anderson

P Mayer

J Rainford

### Charity number

1174716

### Independent examiner

Thomas & Young Limited

Carleton House

266-268 Stratford Road

Shirley

Solihull

B90 3AD

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# THE LUNAR SOCIETY

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# THE LUNAR SOCIETY

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH 2022

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The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### Objectives and activities

As set out in the Charity's Constitution, its objectives are the advancement of education of the inhabitants of Birmingham and the surrounding region by promoting and educating in, and among other topics, the study of science, the economy, culture, conservation and the environment, local and social issues and science.

It delivers lectures, seminars, meetings and debates by experts in their field.

In shaping the objectives for the year and planning activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: running a charity (PB2)'.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### Achievements, performance and future plans

#### INTRODUCTION

It is with great pleasure that I now present you with the Chair's report covering the first year of my two-year term as Chair of The Lunar Society. As you will know, the vote for Chair at the Annual General Meeting in 2019 was 'tied' between Deirdre La Bassiere and myself. In the event, Deirdre and I agreed that Deirdre would take the first two-year period as Chair and that I would follow in the second two-year period. This meant that the transition between Deirdre and myself last year was seamless and planned in the best traditions of succession planning. I was lucky enough to undertake the role of Vice Chair during Deirdre's tenure as Chair. I am now very ably assisted and advised by Clive Stone DL, who is the Vice Chair.

It is important to realise the historical perspective in any event or events around us.

#### HISTORY AND NEW SECRETARIAT

This last year has been one of significant and considerable progress, made no less phenomenal and 'inspirational' by our new Director Dr Jo(anne) Horton PhD and Administrator Ms. Wendy Meakin, who both make up the present Secretariat of The Lunar Society. I use the word 'inspirational' in the strongest sense, in the light of the Latin roots of the word 'in-spirare' to 'breathe in' - a sense of new life. Life does not exist without breath.

Subsequent to their appointment to the Secretariat, taking over the monumental job that David Clarke DL had been carrying out through David Clarke Associates, both Jo and Wendy have worked incessantly and assiduously to understand, organise and action all the duties that they saw and that were made known to them. Although they are certainly not inanimate, I have compared them to 'cogs in a wheel' where one depends closely on the other's work to achieve a good result.

The appointment of Jo and Wendy followed the production of a business case, which itself was made possible by a grant awarded by the National Lottery Heritage Fund (NHLF) for Emergency Funding to help Smaller Organisations and Charities, through the Covid Pandemic. This grant followed a bid to the NHLF in my then position as Vice Chair in 2020.

Nonetheless, post-Pandemic, the recovery has been slow but highlighted by the events that have kept The Lunar Society in its true tradition, 'stimulating ideas, broadening debate and catalysing action – heritage for the future.'

# THE LUNAR SOCIETY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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### STRUCTURE

The Lunar Society, in the spirit of its late 18th Century founders, through its Executive Board of Trustees\* (EBT\*- see below), previously known as the Executive Committee, has never been an organisation to stand still. Given that its members and, consequently, EBT members, come from various walks of life, and are 'thinkers' and 'doers', new ideas about The Lunar Society's role in life in Birmingham, the Midlands, nationally and internationally occur organically. This is to be welcomed and is a vital role to keep The Lunar Society apolitical, topical, and non-partisan, yet indicating where development in a wide variety of scenarios can be improved. Apart from having a new Secretariat, as above, new structural changes in how the EBT operates have been undertaken.

In order to facilitate this to happen, it is my great pleasure to indicate and confirm the setting up of Working Parties within the EBT, to allow various members (both EBT and non-EBT members) to participate and improve discussion and further action that can be considered. Each of the Working Parties report back through the Lead to the EBT at every Meeting.

EBT Meetings are now held bi-monthly as compared to the previous quarterly meetings. This allows for the discussion generated within the EBT to be easier to generate and follow up. The meetings are not necessarily shorter, in view of the various items on the agenda, that are correctly discussed. It, however, makes the EBT more dynamic and allows for the participation of all the EBT members and non-EBT members if they show an interest.

The list of Working Parties (WP) is as indicated below followed by the named EBT Lead: -

- Climate Change – David Dundas
- Communication, Public Relations and Digital – Charmaine Burton
- Equality, Diversity, and Inclusion – Deirdre La Bassiere
- Finance and Fundraising – Mark Purcell
- Governance – Stuart Guy
- Membership – Tina Swani
- Programme – Jo Horton.

There are 3 or 4 members within each WP, allowing for cross-membership and cross-representation. Non-EBT members are welcome, as these WPs will become a way of involving the wider membership.

Besides WPs, there are other actions that resulted from previous discussions and agreements, not necessarily within the WP structure.

These include (and their Lead/s): -

- Student Debating Society – Charmaine Burton/Atif Ali
- Commonwealth Games Project Bid – Clive Stone/Deirdre La Bassiere
- Production of Lunar Society Booklet – Peter Mayer/Peter Borg-Bartolo
- Relationship with Birmingham Race Impact Group – Deirdre La Bassiere
- Planning and Production of Dame Rachel Waterhouse Award – Deirdre La Bassiere.

As can be seen the EBT has an active and broad remit and participation, which is intended to allow as many EBT members to be informed and involved.

# THE LUNAR SOCIETY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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### THE LUNAR SOCIETY as a CHARITABLE INCORPORATED ORGANISATION (CIO)

Membership numbers is a topic that was discussed as part of the Business Plan, previously, and an increase in this figure is a target to achieve. This, however, indicates that, as an organisation, The Lunar Society will have to move away from the 'Membership' model of funding, and improve its income by establishing itself further as a Charitable organisation with Charitable Incorporated Organisation (CIO) Status. This will improve its future stability as well as its ability to compete for relevant bids for funds from organisations such as The National Heritage Lottery Fund (NHLF), the Birmingham Voluntary Service Council (BVSC), as well as The Hibbert Trust (HT) and others. Bids to the above organisations have already been significantly successful and are underpinning a lot of the activities currently being undertaken. CIOs provide a means for Charities to incorporate and gain the benefits currently available to companies, without the burden of dual regulation by both the Charity Commission and Companies House. A CIO is a legal entity and can enter into contracts in its own right.

The Lunar Society's progression to CIO Status is not yet complete and is currently under review and development. The EBT has been introduced to, and guided through this topic, by Frances Anderson, whose term as a co-opted member of the EBT, unfortunately, comes to an end at this AGM. Through her services, the EBT is being helped and advised by Shivaji Shiva, a partner at Veale Wasbrough Vizard (VWV), whose advice we are very grateful for on a pro bono arrangement. The move to CIO status will involve changes to the current Lunar Society Constitution, one of which will be the reduction of co-opted members on the EBT from three to two. Also, as will have been noted, \* the main executive body of The Lunar Society becomes known as the Executive Board of Trustees (EBT), as opposed to the previous term, the Executive Committee (EC). Functions remain the same.

The above planned move to CIO status is not yet finalised. This item, as above, is by way of information, and is not to be understood as a 'done deal.' Once The Lunar Society is in a position to migrate to CIO status, this will be the subject of another (Extraordinary) General Meeting, projected to happen in October/November this year. Further notification will be forthcoming.

### ACTIVITIES AND PRESENTATIONS

As would be understood, The Lunar Society thrives on the activities that are organised to achieve the aim to 'stimulate ideas, broaden debate and catalyse action – heritage for the future.' There have been no less than twelve (12) activities since the last Annual General Meeting. Many have been by Zoom(Z); however, three (3) have been hybrid (H) events (Zoom and in-person) and one (1) has been only in-person (P). The in-person events were held under current Covid guidelines and precautions.

The following is a summarised list of these activities, with a short commentary:

- Boulton and Watt Lecture 2021 – Baroness Brown of Cambridge: 'Addressing Climate Change: People, Technology and Policy'. Baroness Brown (Julia King), a previous Lunar Medallist, gave an erudite and in-depth account of what Climate Change means to the World and methods that can be used to reverse the change. Some of these methods are already in action but much more needs to be done. (H)
- 'Meet the West Midlands Police and Crime Commissioner' – Simon Foster. In this short presentation, Simon gave a good explanation of what his job entailed. This was followed by a significant variety of questions from the audience, which included students at BMet (H)
- 'Metaverse or Reality; Re-imagining entrepreneurship – avatars' – Mariam Brian (Hashemi). This presentation was a journey through the possibilities of entrepreneurship in the Metaverse – imaginative and thought provoking – very much likely to be applicable to both present and future (Z)
- 'Linen Patterned Enamel Boxes – undervalued process and Aesthetics' – Dr John Grayson. Dr John Grayson gave a remarkable presentation about the enamel boxes that were very much in fashion and a part of society's fashion in the Eighteenth and early Nineteenth Centuries. Dr Grayson was able to describe and discuss the processes involved very thoroughly because of his experience in making these items, as he is an internationally recognised and exhibited craft maker. (Z)

# THE LUNAR SOCIETY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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### ACTIVITIES AND PRESENTATIONS

- 'Linen Patterned Enamel Boxes – undervalued process and Aesthetics' – Dr John Grayson. Dr John Grayson gave a remarkable presentation about the enamel boxes that were very much in fashion and a part of society's fashion in the Eighteenth and early Nineteenth Centuries. Dr Grayson was able to describe and discuss the processes involved very thoroughly because of his experience in making these items, as he is an internationally recognised and exhibited craft maker. (Z)
- 'Food Security – Is the UK already in Crisis' – Kate Cooper. After a well-supplied, possibly over-indulgent, festive season, the first presentation of The Lunar Society in 2022 was about Food Security (and Insecurity). Following on the success of a previous presentation to The Lunar Society by Kate Cooper in 2017, it was considered necessary to revisit the complex subject of food supply as part of the Climate Change debate. (Z)
- 'DH Lawrence – Man on the Run' – Malcolm Gray. The theme of Lawrence's dissatisfaction with materialism and mechanisation was very interesting in the context of industrial Midland's cities like Birmingham and Nottingham and the earlier history of the Lunar Society. (Z)
- 'Meet the Mayor of the West Midlands' – Andy Street. This postponed presentation was a similar one to Simon Foster's but was on a different range of subjects that Andy Street talked about, in particular regeneration in the West Midlands (H)
- 'Shouting out a bit more about Birmingham' – Jonathan Berg. Jonathan (who is a retired Consultant Pathologist in Birmingham and Solihull), gave a very important and broad presentation accompanied by beautiful pictures that he himself had taken about the love he has for the city of Birmingham, its diverse people, and its inclusive ethos – wonderful. (Z)
- 'Its (still) the Economy' – Joe Gaytten. Joe gave a very pleasant and wide-ranging presentation about the Birmingham and West Midlands economy comparing it to Northern Ireland's economy. He is one of the principal economists who works at the Northern Ireland Office. His views (which were purely his own) were very revealing and interesting. Well worth a second shot in the not-too-distant future, considering the current situation. (Z)
- 'Landscapes of the Imagination' – Prof Kathryn Moore. Prof Moore was very instructive about the nature of landscapes and their importance to nature and health besides improving housing and living conditions in the world. She has a detailed knowledge of the intricate dynamics that makes landscapes so important and has written one of many books about it. (Z)
- 'Winston Churchill's Illnesses; Courage, Resilience and Determination' – Prof Allister Vale. Prof Vale is a semi-retired Physician, who has researched and has encyclopaedic knowledge about the illnesses that Winston Churchill suffered from, and almost succumbed to, many times; a very interesting insight into the health of the man who led Britain through a major part of World War II. Allister has also written books about the subject, with a colleague of his John Scadding (Z).
- 'The Lunar Society Social and Networking Event – Itihaas.' This very successful event was the only event in which a speaker was not invited. It was an event that allowed for members (and non-members) to meet the EBT over a splendid meal at Itihaas, a superlative Indian restaurant in the City Centre of Birmingham. (P)

### CONCLUSION

Despite this lengthy account, it is not to be forgotten that many members of The Lunar Society and EBT have undertaken various roles to have helped to maintain the running and the standards that are so appropriate.

I specifically extend my sincere thanks to Frances Anderson who will be stepping down as a valuable co-opted member of the EBT. All the other members of the EBT have played an essential role in the achievements this year. I shall not further single out any one of them because the collective intellectual and practical help that each have given is second to none and I am proud to be that Chair to such an outstanding group of people.

# THE LUNAR SOCIETY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### Financial review

Like many organisations, the Lunar Society has found this to be challenging financial year but has continued to look forward to providing a sustainable future.

With the rules around COVID 19 eased, the Society continued to hold its on-line events and also held in-person events attracting over 535 attendees. The Annual Dinner did not take place this year which resulted in loss of income, but it is planned for 2022.

The Lunar Society created a donation link for events and its website, and this has proven successful with donations being made.

Subscription levels remained resilient throughout the year. Current Lunar Society membership stands at 178, the majority being Fellows (107 – slow decline). There are six (6) Overseas members, the latter being a result of the greater availability of our presentations on Zoom. While there has been a rise in Overseas members, the overall number has remained grossly static, compared to last year's figures. Corporate membership has increased slightly (from 4 to 5), while Honorary, Associate and Joint Memberships have remained static.

Due to The Lunar Society's charitable status, it has now, in the past year, become possible to apply for the 'back payment' of Gift Aid from HMRC on all donations to the Society over the previous four years, with the respective member's knowledge, permission and signature. This work was highlighted as part of the Business Plan and has been facilitated with the significant help of Stuart Guy. This job is not yet complete, as it has been allotted to all the EBT members to contact the relevant members and discuss this option with them individually, as the option to claim Gift Aid remains the member's own decision and theirs alone. This approach has, however, already netted a significant extra income for The Lunar Society.

Finally, during the year the Lunar Society were successful in being awarded 2 grants which have had a positive impact on future finances.

- Birmingham City Council (Birmingham Voluntary Sector Council (BVSC) grant) of £5,000. £4,000 has been received. This grant is for a Heritage Trail around Ladywood.
- The National Lottery Heritage Fund (£89,000). The initial payment of £44,500 has been received. Further payments of £35,600 (expected first quarter 2023) and £8,900 (expected first quarter 2024) are due. There is also a £1,000 donation to be made. The National Lottery Heritage Fund is for the Lunar Society Booklet, walking trails around Handsworth during Black History month and beyond, Dinner and speaker during the Commonwealth Games, Soho house mural, pop up exhibition and project films. This work will be undertaken with Legacy West Midlands. The Lunar Society have received this money into its account and CS/DLB will be signed signatories for authorisation of any spend.

In August 2022 there was a change to the delivery of the Secretariat Services. David Clarke Associates stepped down and Dr Joanne Horton (Director of Operations) and Wendy Meakin (Administrator) were employed, on a freelance basis, to take over. As part of this change the Society invested in its own telephone system and IT systems which incurred initial one-off costs. There have also been some additional costs for website changes and reviews.

Current free reserves at the year-end amount to £8,538. The policy agreed by Trustees is to hold sufficient reserves to cover a potential decline in subscriptions of around £4,000 (being around 20% of membership fees). Reserves held over and above the agreed policy will be invested in future years in the activities of the Charity and in making its income streams sustainable for the future.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.



# THE LUNAR SOCIETY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### Structure, governance and management

The Lunar Society is an unincorporated association of its members and was registered as a charity on 19 September 2017. It is governed by its Constitution adopted on 19 July 2016 and subsequently amended on 7 August 2017.

The trustees who served during the year and up to the date of signature of the financial statements are shown in the legal and administrative information.

P Borg-Bartolo	
C Stone	
D LaBassiere	
M Purcell	
S Guy	
The Right Honourable J Smith	(Resigned 28 July 2021)
C S Burton	
D Dundas	
T Swani	(Appointed 28 July 2021)
A Ali	(Appointed 28 July 2021)

#### Co-opted trustees

F Anderson  
P Mayer  
J Rainford

New Trustees are appointed by invitation to join the Board following their election at The Annual General Meeting given that they have the necessary skills and experience to contribute to the Society's activities and to be able to discharge their obligations as Trustees.

The Trustees delegate the day to day running and administration of the Charity to the Secretariat. David Clarke Associates provided this service until August 2021. As stated earlier, a new Secretariat was recruited (in line with the Business Plan) in August 2021 of Dr Joanne Horton (Director of Operations) and Wendy Meakin (Administrator). Both individuals are employed on a freelance basis. They are responsible for the management of events along with marketing, public relations, secretarial and administration duties.

# THE LUNAR SOCIETY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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The trustees' report was approved by the Board of Trustees.

*Peter Borg-Bartolo*

P Borg-Bartolo

**Trustee**

Date: 8th July 2022

# THE LUNAR SOCIETY

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE LUNAR SOCIETY

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I report to the trustees on my examination of the financial statements of The Lunar Society (the charity) for the year ended 31 March 2022.

#### **Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

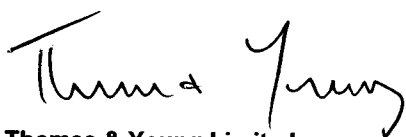
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 financial statements to be reached.



**Thomas & Young Limited**

Carleton House  
266-268 Stratford Road  
Shirley  
Solihull  
B90 3AD

Dated: 11/7/22

# THE LUNAR SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	2021 £
<b><u>Income from:</u></b>					
Donations and legacies	3	20,130	50,500	70,630	28,302
Charitable activities	4	282	-	282	3,334
<b>Total income</b>		<b>20,412</b>	<b>50,500</b>	<b>70,912</b>	<b>31,636</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	5	29,491	-	29,491	35,692
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(9,079)</b>	<b>50,500</b>	<b>41,421</b>	<b>(4,056)</b>
Fund balances at 1 April 2021		11,538	-	11,538	15,594
<b>Fund balances at 31 March 2022</b>		<b>2,459</b>	<b>50,500</b>	<b>52,959</b>	<b>11,538</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# THE LUNAR SOCIETY

## BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Investments	8		3,000		3,000
<b>Current assets</b>					
Debtors	9	861		1,233	
Cash at bank and in hand		56,091		18,186	
		56,952		19,419	
<b>Creditors: amounts falling due within one year</b>	10	(6,993)		(10,881)	
Net current assets			49,959		8,538
<b>Total assets less current liabilities</b>			52,959		11,538
<b>Income funds</b>					
Restricted funds	12		50,500		-
Unrestricted funds			2,459		11,538
			52,959		11,538

The financial statements were approved by the Trustees on 5th July 2022

*Peter Borg Bartolo*  
 P Borg-Bartolo  
 Trustee

# THE LUNAR SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

##### Charity information

The Lunar Society is an unincorporated association, governed by its constitution adopted on 19 July 2016 and subsequently amended on 7 August 2017.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised 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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# THE LUNAR SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

##### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Irrecoverable VAT is allocated to the expense heading to which it relates in accordance with standard accounting practice.

##### 1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### 1.7 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.

##### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

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

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

# THE LUNAR SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

### 1 Accounting policies

#### 1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2022	2022	2022	2021
	£	£	£	£
Grants receivable	2,774	50,500	53,274	9,300
Membership fees	17,356	-	17,356	19,002
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 4 Charitable activities

	Grants received 2022	Grants received 2021
	£	£
Meetings and events	282	3,334
	<u>          </u>	<u>          </u>



# THE LUNAR SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 5 Charitable activities

	2022 £	2021 £
Meetings and events	265	-
Management and administration	28,002	22,351
Governance	1,224	1,044
Project costs	-	12,297
	<u>29,491</u>	<u>35,692</u>

Secretarial services were reviewed in the year and there were one off additional costs as a result of this.

### 6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 7 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Total	<u>-</u>	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

### 8 Fixed asset investments

	Social investment £
<b>Cost or valuation</b>	
At 1 April 2021 & 31 March 2022	<u>3,000</u>
<b>Carrying amount</b>	
At 31 March 2022	<u>3,000</u>
At 31 March 2021	<u>3,000</u>

Investments relate to the Aston Reinvestment Trust (ART). This investment was made in 2014 and is repayable 90 days after request.

# THE LUNAR SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 9 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Other debtors	674	1,025
Prepayments and accrued income	187	208
	<u>861</u>	<u>1,233</u>

### 10 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Deferred income	11	4,000	6,000
Accruals and deferred income		2,993	4,881
		<u>6,993</u>	<u>10,881</u>

### 11 Deferred income

	2022 £	2021 £
Arising from deferred restricted grants	<u>4,000</u>	<u>6,000</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	<u>4,000</u>	<u>6,000</u>
Movements in the year:		
Deferred income at 1 April 2021	6,000	3,334
Released from previous periods	(2,000)	2,666
Deferred income at 31 March 2022	<u>4,000</u>	<u>6,000</u>

# THE LUNAR SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds	
	Incoming resources	Balance at 1 April 2021	Incoming resources	Balance at 31 March 2022
	£	£	£	£
National Heritage Lottery	-	-	44,500	44,500
Birmingham City Council (BVSC)	-	-	4,000	4,000
Cadbury	-	-	2,000	2,000
	<u>-</u>	<u>-</u>	<u>50,500</u>	<u>50,500</u>

#### 13 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2022	2022	2022	2021
	£	£	£	£
Fund balances at 31 March 2022 are represented by:				
Investments	3,000	-	3,000	3,000
Current assets/(liabilities)	(541)	50,500	49,959	8,538
	<u>2,459</u>	<u>50,500</u>	<u>52,959</u>	<u>11,538</u>

#### 14 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).