

Charity Registration No. 210769

Company Registration No. 00117572 (England and Wales)

THE BRITISH ASTRONOMICAL ASSOCIATION
REPORT AND UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2023

THE BRITISH ASTRONOMICAL ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr D Arditti (President) Mr A Lorrain (Vice-President) Mr G Winstanley (Treasurer) Mr W Tarver (Company Secretary) Mrs A Davies Dr G King Ms J McClean Dr R McKim Mr T Parsons
Charity number	210769
Company number	00117572
Registered office	25 Farringdon Street London EC4A 4AB
Independent examiner	RSM UK Tax and Accounting Limited Highfield Court Tollgate Chandlers Ford Eastleigh SO53 3TY
Bankers	Bank of Scotland The Mound Edinburgh EH1 1YZ
Investment advisors	CCLA 1 Angel Lane London EC4R 3AB

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees of The British Astronomical Association present their annual report and financial statements for the year ended 31 March 2023 and confirm that 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 Memorandum, Articles of Association and Byelaws, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The British Astronomical Association ("the Association") was formed in 1890 and is open to everyone interested in astronomy. The Association is registered as a limited company, limited by guarantee. The Association is also registered as a charity with the Charities Commission and its charitable objectives are as follows:

- To promote the science of astronomy and all branches of astronomical research;
- To promote the association of observers of all abilities, for mutual help, and their organisation in the work of astronomical observation;
- The circulation of current astronomical information;
- The encouragement of a popular interest in astronomy.

Through these objectives we aim to educate and train the general public in Science, Technology, Engineering and Mathematics (the STEM subjects) which are key to the furtherance of the society in which we live.

The activities to achieve the aims and objectives include: the publication of a Journal and other materials, the establishment of a membership base, the provision of observing sections to specialise in various areas of astronomical observation, the holding of meetings at various locations around the country, attendance at science and astronomy exhibitions and fairs, attendance at professional conferences, a website, electronic newsletter and social media presence.

The criteria we use to measure our success include: membership numbers, engagement via our website and attendance at meetings.

The governing document is the Memorandum, Articles of Association and Byelaws.

The Trustees, when making decisions, have due regard to the Charities Commission public benefit guidance when exercising any powers or duties to which the guidance is relevant. To help achieve this the Trustees maintain a spreadsheet of all products and services provided by the Association, noting the public benefit components of each item.

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Officers, management and organisation

The Trustees, who are also the directors for the purpose of company law, who served during the year were:

Dr D Arditti (President)

Mr A Lorrain (Vice-President)

Mr G Winstanley (Treasurer) (Appointed 26 October 2022)

Mr W Tarver (Company Secretary)

Mr J Chuter (Resigned 26 October 2022)

Mrs A Davies

Dr G King

Ms J McClean

Dr R McKim

Mr T Parsons

Mr W Tarver is Company Secretary and Trustee only.

The affairs of the Association are managed by two bodies: The Board of Trustees and the Council.

The Board of Trustees constitutes the Trustees of the Charity and the Directors of the Company (revised Articles of Association, para.12). The Board has 'control over, and management of, all financial and administrative affairs and all property of the Association'.

The Board consists of a maximum of nine Trustees (President, Vice-President, Treasurer, Secretary and five further members of the Association). All Trustees are elected annually by the members before the AGM, except the Vice-President who is ex officio the immediate past President and who serves as Vice-President for the duration of their successor's term. Trustees are normally long-standing members of the Association. The President is responsible for overall management of the operations of the Association. The Treasurer is responsible for all finance matters, reporting to the Trustees on the Association's financial position. The Business Secretary acts as the Company Secretary and has the management of all persons employed by the Association, and the management of the correspondence of the Association, the Board of Trustees and the Council.

New Trustees are provided with induction information and training by officers as required to meet their responsibilities. The Board holds monthly meetings via Zoom and meets in person at least once per year to deal with the governance and management of the Association.

The Council consists of the Board of Trustees, two additional Secretaries, the Section Directors and Postholders and five further members of the Association. The latter five, and the two additional Secretaries, are elected annually before the AGM. The two Secretaries deal with matters relating to scientific papers and meetings. The appointment of Section Directors and Postholders is confirmed annually by the Council.

The Council regulates and organises the scientific and public activities of the Association and the services to members, subject to the financial and administrative control exerted by the Board of Trustees. The Council meets on a regular basis at least six times per year. Section Directors are responsible for the management of their Section, reporting to the Council on all matters arising.

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

Membership recorded at 31 March 2023 was 2,579 across all categories, the equivalent number at 31 March 2022 was 2,647, a decrease of 68 members during the year. It is one of the main aims of the Board & Council to grow our membership and the loss of even one member is disappointing. In order to increase public awareness of its aims and activities amongst a wider community the association is undertaking an advertising campaign in some of the UK's popular scientific magazines.

For the financial period 2022/23 the deficit of income over expenditure excluding any gains/(losses) on investments was a deficit of £126,835 (2021/22: deficit of £98,794). In common with many recent years, the Association received substantial bequest income. This year we benefited from a bequest of £5,000 from the estate of James Leonard Lindsell of Lingfield Surrey and £500 from the estate of Arthur Andrew Langley of Aberdare Mid Glamorgan.

Excluding the bequests and other donations, there was an operational deficit of income over expenditure of £132,788 (2021/22: £121,501). The operational deficit is largely due to staff costs, legal costs, and the overall increase in costs of meetings and other member benefits.

The majority of the Association's long term investments are invested with CCLA in their COIF Investment accumulation fund. This fund has performed less well than in recent years resulting in the total value of all of our investments decreasing by £14,141 (2021/22: increase of £164,886). We experienced a total deficit during the year of £140,976 (2021/22: surplus of £66,092).

The Board continues to review the costs of the Association in order to identify efficiencies, but will draw on its reserves as necessary in the short term in order to meet our charitable objectives of promoting amateur astronomy, assisting observers in developing and publishing their work and circulating current astronomical information.

We remain indebted to those members and others who have in the past supported us with their donations or by remembering the Association with a legacy. Any member who would like guidance about including a legacy to the Association in their will should contact the Treasurer.

This was the first complete Session for which the BAA no longer maintained a permanent physical headquarters, having moved out of Burlington House, Piccadilly, London, in April 2022. The three members of staff on the payroll (one full-time, two part-time) have been working from home. The registered office address (the address required by law at which the company documents may be inspected) is now provided by our accountants RSM UK at their London office in Farringdon Street. The correspondence address of the Association, which members should use, is PO Box 702, Tonbridge, TN9 9TX. This forwards to the Office team.

Apart from our payroll staff, important work for the BAA is done by four part-time contract staff. These are the Journal Editor, the Systems Manager, the Web Content Editor and Website Maintenance contractor. They have contracts with the Association that are reviewed annually by the Board. The Editor is also a member of Council, while the Systems Manager attends Council as a non-voting facilitator. A weekly meeting is held between the Office staff, the Systems Manager, and one or more of the President, Vice-President, Treasurer or Business Secretary. These meetings allow the operations of the Office to be monitored by the Trustees, for feedback to be received from staff, and guidance given by the elected officers. The Trustees believe that this system has now bedded-in and is working well, and have no plans for significant change (except, as mentioned later, the creation of a remunerated Assistant Editor post for the Journal).

The Board continues to review the efficiency of office procedures, and the cost-effectiveness of services provided. Amongst changes implemented this session to reduce costs have been moving our meetings booking system from Eventbrite to Ticket Tailor, and moving our accounts to a cloud-based version of the Sage accounting software. Work is ongoing to migrate direct debit subscription payments to a new system, GoCardless, which should significantly reduce the amount of manual work staff need to do in processing direct debits. Staff are provided with appropriate training to use new systems when needed.

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

The Association's historic archives are now stored in appropriate, controlled conditions by a specialist firm, Max Communications, in Woolwich, London, and a small retained collection of instruments of historic relevance to the Association is kept at a storage facility in Bedford, along with some of the non-digital Section records and stocks of old publications, under the control of the Archivists. A smaller storage facility at Dartford, Kent, more easily accessible to the staff, is used for the stock of current publications. Max Communications has now scanned and digitised a considerable part of the archives (additional to those parts which we had digitised already), and we are in the process of commissioning them to create a web interface for the digital archive, based on open-source software, that will allow us to give members and approved external researchers access to it.

The Board has been overseeing two ongoing legal cases. The first is a continuation of steps to recover all instruments that were in the custodianship of the last Curator of Instruments, R. A. Marriott. Following the recovery from him of a laptop that contained a database of the Instrument Collection, a second claim has been opened in Northampton County Court, both for further missing instruments, and for part of the costs of the first case, ordered by the judge to be paid by Mr Marriott, that remain unpaid. The second case, which has been reported in the press, is that of the Will of deceased member Roy Panther. Mr Panther made a Will leaving substantial property to the Association, but this Will is contradicted by a later document produced by a claimant, the validity of which is disputed by the Association. There have been substantial costs incurred so far in this case, and the Trustees keep this situation under regular review. It is their belief that the Association has a very good chance of winning the case, and that the final value of the property will exceed costs, but it is understood that there is a possibility that the case could be lost, and a possibility that the Association could have to pay the costs.

As usual, six issues of the main BAA publication the Journal were produced, containing news of astronomical happenings, Association news, reviews, letters, obituaries, and refereed papers, often reporting work undertaken by the observing Sections. The Journal is distributed in print to those members with a print subscription, and as a PDF to those with digital membership. Parts of it are also placed on the website. As usual the Handbook was produced by Computing Section, issued both as print and PDF. Monthly email newsletters were sent out to those members who opt-in to them, and various Sections produced their own PDF newsletters.

The Association's website is another major service that we provide to members and to the wider astronomical community, and into which we invest considerable resources. The Word Press system that replaced the previous content management system in the last session has worked well, and small improvements continue to be made to the programming. It is integrated with the Sheep membership database, so content can be made available to the public or to members only. The Website Operations Team, consisting of volunteers and contract staff, meets regularly to plan new material for the site, keep it generally up-to-date, and raise any issues with service providers. A new volunteer Website Manager, John Berman, has taken up his post, filling a vacancy that has existed for some time.

Over its many meetings, physical and virtual, the BAA provides in-person events across the country and on-line events accessible to members wherever they may be. As we have moved beyond the Covid pandemic, there has been a trend towards holding fewer on-line meetings or webinars and more in-person ones. Attendance at the five London meetings has been rather below that in pre-Covid times, but the meetings held in Elgin in September, York in March and Cardiff in May had good attendance, and the Winchester Weekend in April was at capacity again. The Association continues to benefit from our relationship with the Institute of Physics, who provide the accommodation for our London members' meetings, as well as for most Council meetings, at no cost to us, and also provide technical support that allows us to live-stream meetings, so those unable to attend in London may participate. We are extremely grateful to the Institute for this support.

In the past Session there have also been meetings of the Deep Sky Section in Bedford, the Mercury & Venus Section as part of the Winchester Weekend, and the Historical Section in Birmingham. The Solar Section, the Exoplanets Division and the Radio Astronomy Section have held on-line meetings, in some cases more than one. Videod meetings, including the London ones, and those in other locations where recording facilities are available, are placed on the BAA YouTube channel where they are accessible to non-members. The channel currently has 2.18K subscribers.

Of external events, the BAA had a presence at New Scientist Live in London in October, the International Astronomy Show near Coventry in November, the Federation of Astronomical Societies 'Women in Astronomy' convention in Oxford, also in November, European Astrofest in London in February, and the Practical Astronomy Show in Kettering in March. We have continued to sponsor the SolarChat! web forum.

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods – developing the Association

The 2021 Strategy Group, chaired by the President, and consisting of nine other members drawn from both Council and outside it, presented its final report to Council in 2022 October. Its recommendations encompassed seven areas:

1. Diversity (measuring it and improving it)
2. Working with schools, universities, and other types of groups and charities
3. Developing members' skills
4. Developing and expanding the Journal
5. Redesigning the subscription structure, combatting lapsing and encouraging legacies & donations
6. Changing the management structure
7. Investing in services for both income and member benefit.

The Strategy Group also recommended that Working Groups be set up over the next year and more to study these areas further and formulate recommendations for the Board and Council. At a meeting in November, Council agreed to this plan in all its seven points. Working Groups have so far been created for areas 1, 4, 5 and 7, and have been meeting. The Journal Working Group (4) has produced interim recommendations for an expansion of the Journal and has carried out a survey of the membership to discover which additional content would be most popular. It has also recommended the creation of a contract for a paid Assistant Editor. These recommendations have been accepted by the Board, and an Assistant Editor is now being sought. The Subscriptions Working Group (5) has made two final reports, its recommendations have been accepted by the Board and Council, and changes to the subscriptions structure and associated By-Laws will be introduced in the next Session, if approved by the members. On the Services area (7), separate Working Groups have been set up to manage the on-line archive project and to look into the provision of remote telescope access for members. The Board discussed, but rejected, the idea of significantly changing the management structure at present (area 6).

Financial review

Reserves policy

The reserves policy of the charity is to retain a level of reserves which will provide an annual income sufficient to meet any operating deficit and which will also meet expenditure commitments for at least the thirty-six months following the approval of these financial statements, including the distribution of awards and grants as decided by Council in accordance with any conditions applicable. The reserves held are sufficient to meet the expected expenditure. Restricted reserves and unrestricted reserves at 31 March 2023 amounted to £4,338 (2022: £5,114) and £1,543,460 (2022: £1,683,660) respectively. The Association had free reserves at the year end of £1,531,626 (2022: £1,671,035), that is unrestricted funds after allowing for resources held in tangible fixed assets.

Going Concern

At the time of approving the financial statements and in consideration of the events surrounding the cost of living crisis the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In reaching this conclusion the Trustees have considered the current year's level of operational deficit and the expected future results. They have compared these figures with both the working capital position of the charity, which includes an adequate cash balance as well as the significant investments held as fixed assets which would be capable of realisation should this prove necessary. The Trustees are confident of their conclusion even in the case of a significant reduction in income caused by numerous members becoming unable to afford their subscriptions. At the year end the charity had total assets less current liabilities of £1,547,798 (2022: £1,688,774). Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Risk management

Issues involving significant risk are brought before the Board on a routine basis as and when such issues arise. Where a matter is complex an appropriate working group is formed from a small number of Board or Council members to evaluate issues and formulate recommendations. An assessment of the major risks to which the Association is exposed is updated from time to time. The Association's systems of internal controls are designed to provide reasonable but not absolute assurance against material misstatement or loss. Board members are satisfied that the systems in place mitigate exposure to major risks.

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Investment policy

In accordance with the Memorandum, Articles of Association and Byelaws, the Board has the power to invest in such stocks, funds, shares, securities or other investments as it sees fit. The investment objective of the Association is to make investments which will maintain the real purchasing power of the portfolio over time and provide a level of income sufficient to meet operational needs while exposing the Association to a low level of risk.

The majority of our investments are with the CCLA utilising our COIF Charities Investment accumulation fund, which meets the Association's investment policy and which is managed in accordance with accepted Environmental, Social and Governance (ESG) objectives. A total of £100,000 was withdrawn during the year (2022: No investments or withdrawals). At the year end, this CCLA account contained £1,463,095 (2022: £1,575,868) in listed investments as well as £8,559 (2022: £8,411) held as cash. Further investments held by the charity total £8,819 (2022: £9,214). At the year end, the market value of total investments held by the charity is £1,480,473 (2022: £1,593,493).

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

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

.....
Dr D Arditti (President)

Trustee

Dated: 2023 September 19

.....
Mr G Winstanley (Treasurer)

Trustee

Dated: 2023 September 19

THE BRITISH ASTRONOMICAL ASSOCIATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees, who are also the directors of The British Astronomical Association for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

THE BRITISH ASTRONOMICAL ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE BRITISH ASTRONOMICAL ASSOCIATION

I report to the Trustees on my examination of the financial statements of The British Astronomical Association ('the company') for the year ended 31 March 2023, which are set out on pages 9 to 20.

Responsibilities and basis of report

As the Trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination I report in respect of my examination of your charity's financial statements 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.

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 financial statements. 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 financial statements present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

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

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

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.

Frances Millar
The Institute of Chartered Accountants in England and Wales
On behalf of RSM UK Tax and Accounting Limited
Chartered Accountants
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
SO53 3TY
Dated: 2023 September 20

THE BRITISH ASTRONOMICAL ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<u>Income and endowments from:</u>					
Donations and legacies		5,953	-	5,953	22,707
Income from charitable activities	3	126,032	-	126,032	112,623
Investments	4	270	149	419	223
Royalties		228	-	228	4
Total income		132,483	149	132,632	135,557
<u>Expenditure on:</u>					
Charitable activities expenditure	5	(258,542)	(925)	(259,467)	(234,351)
Net expenditure and net movement in funds before gains and losses on investments		(126,059)	(776)	(126,835)	(98,794)
Net (losses)/gains on investments	8	(14,141)	-	(14,141)	164,886
Net (expenditure)/income		(140,200)	(776)	(140,976)	66,092
Other recognised gains and losses					
Gain on revaluation of tangible fixed assets		-	-	-	3,990
Net movement in funds		(140,200)	(776)	(140,976)	70,082
Total funds brought forward		1,683,660	5,114	1,688,774	1,618,692
Total funds carried forward		1,543,460	4,338	1,547,798	1,688,774

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE BRITISH ASTRONOMICAL ASSOCIATION

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	31 March 2023		31 March 2022	
		£	£	£	£
Fixed assets					
Tangible assets	9		11,834		12,625
Investments	10		1,480,473		1,593,493
			<u>1,492,307</u>		<u>1,606,118</u>
Current assets					
Debtors	11	24,831		16,568	
Cash at bank and in hand		47,301		85,482	
			<u>72,132</u>		<u>102,050</u>
Creditors: amounts falling due within one year	12	(16,641)		(19,394)	
Net current assets			<u>55,491</u>		<u>82,656</u>
Total assets less current liabilities			<u>1,547,798</u>		<u>1,688,774</u>
Income funds					
Restricted funds	15		4,338		5,114
Unrestricted funds	15		1,543,460		1,683,660
			<u>1,547,798</u>		<u>1,688,774</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Trustees on 2023 September 19

.....
Dr D Arditti (President)
Trustee

.....
Mr G Winstanley (Treasurer)
Trustee

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

The British Astronomical Association is a private company limited by guarantee incorporated and registered in England and Wales. The registered office and principal place of business is 25 Farringdon Street, London, EC4A 4AB.

The charity's principal objectives are disclosed in the Trustees' Report.

Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum, Articles of Association and Byelaws, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

The financial statements have been prepared under the historic cost convention, modified to include certain assets at fair value. The charity is a Public Benefit Entity as defined by FRS 102.

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 £1.

Going concern

At the time of approving the financial statements and in consideration of the cost of living crisis, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In reaching this conclusion the Trustees have considered the current year's level of operational deficit and the expected future results. They have compared these figures with both the working capital position of the charity, which includes an adequate cash balance as well as the significant investments held as fixed assets, which would be capable of realisation should this prove necessary. The Trustees are confident of their conclusion even in the case of a significant reduction in income caused by numerous members becoming unable to afford their subscriptions. At the year end the charity had total assets less current liabilities of £1,547,798 (2022: £1,688,774). Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Charitable funds

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each fund is set out in the notes to the financial statements.

Income

Donations and grants

Income from donations and grants is included in income when they are receivable. When donors specify that grants, including capital grants, are for particular restricted purposes, which do not amount to preconditions regarding entitlement, this income is included in income or restricted funds when receivable.

Income from charitable activities

Income from subscriptions is recognised over the term of the subscription. Income from advertisement is recognised as earned by the charity. Income from the sale of goods is recognised following the supply of goods to the buyer when the significant risks and rewards of ownership are transferred.

Investments

Interest is included when receivable by the charity.

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

Legacies

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

Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Certain expenditure is directly attributable to specific activities and has been included in those cost categories on an estimated basis, as the amounts involved are not material.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Development costs

Research expenditure, including website development costs, is written off against profits in the year in which it is incurred.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	6 years straight line
-----------------------	-----------------------

Instruments are carried at a revalued amount, being their fair value at the year end less any subsequent impairment losses. The fair value of the instruments is determined from market-based evidence on a regular basis by professionally qualified valuers and intermittently by the Trustees. Revaluation gains arising on the revaluation are recognised in the Statement of Financial Activities after net income unless they reverse a previous charge for impairment.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The charity has no de minimis capitalisation limit.

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

Fixed asset investments

Listed investments have been valued at fair value as at the year end. Unrealised gains or losses are recognised in the Statement of Financial Activities for the year.

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year-end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

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 other 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 trade and other creditors 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.

Retirement benefits

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities.

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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.

The valuation of instruments is based on a review undertaken as set out in note 9.

There are no other critical judgements or estimates that affect these financial statements.

3 Income from charitable activities

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Subscriptions	72,917	-	72,917	80,455
Digital subscriptions	16,047	-	16,047	12,320
Receipts from meetings and courses	17,436	-	17,436	-
Advertising revenue	758	-	758	1,111
Sales of publications	3,749	-	3,749	2,000
Other income	1,601	-	1,601	2,517
HMRC gift aid	13,524	-	13,524	14,220
	<u>126,032</u>	<u>-</u>	<u>126,032</u>	<u>112,623</u>

The income from charitable activities was £126,032 (2022: £112,623) of which £126,032 was unrestricted (2022: £112,705) and £Nil was restricted (2022: (£82)).

4 Investments

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Dividends received from listed investments	230	-	230	207
Interest receivable	40	149	189	16
	<u>270</u>	<u>149</u>	<u>419</u>	<u>223</u>

The investment income was £419 (2022: £223) of which £270 was unrestricted (2022: £219) and £149 was restricted (2022: £4).

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5 Charitable activities expenditure

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Publications and cost of sales items	64,493	-	64,493	59,586
Meetings and courses	29,287	-	29,287	5,790
Section costs	1,431	-	1,431	224
Document collection and archives	16,548	-	16,548	3,987
Grants and awards	1,750	925	2,675	4,819
Commission for dark skies	2,100	-	2,100	8,500
Other donations	-	-	-	500
	115,609	925	116,534	83,406
Support costs (see note 6)	142,933	-	142,933	150,945
	258,542	925	259,467	234,351

The expenditure on charitable activities was £259,467 (2022: £234,351) of which £258,542 was unrestricted (2022: £232,288) and £925 was restricted (2022: £2,063).

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Support costs

	2023 £	2022 £
Salaries and wages	46,191	44,868
Professional fees	34,456	8,823
IT and database costs	24,341	40,102
Independent examination fees	3,600	3,450
Accountancy fees to independent examiner	5,300	5,289
Other accountancy costs	2,354	-
Telephone, printing and stationery	4,439	5,792
Membership promotion	8,205	7,234
Trustees and Council members expenses	2,378	1,109
Election costs	2,160	1,931
Bank charges	3,177	1,447
Depreciation	667	1,537
Pension costs	2,449	2,291
Premises costs (including insurance)	3,496	31,052
Instruments collection costs	-	1,356
Profit on disposal of instruments	-	(5,612)
Sundry costs	(280)	276
	<u>142,933</u>	<u>150,945</u>
Analysed between:		
Charitable activities	<u>142,933</u>	<u>150,945</u>

Included in support costs are governance costs of £45,710 (2022: £17,562) which relate to accountancy and legal fees.

7 Employees and Trustees

Employment costs	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Wages and salaries	46,191	-	46,191	44,868
Other pension costs	2,449	-	2,449	2,291
	<u>48,640</u>	<u>-</u>	<u>48,640</u>	<u>47,159</u>

The average number of employees in the period was 3 (2022: 3).

No employee received emoluments exceeding £60,000 during the current year or prior year.

No Trustees (who are the key management personnel of the entity) received any remuneration or benefits from employment with the charity.

A total of £1,039 (2022: £544) was reimbursed to 6 (2022: 4) Trustees to cover travel expenses incurred on behalf of the charity.

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Net (losses)/gains on investments

	2023 £	2022 £
Revaluation of investments	(14,141)	164,886

9 Tangible fixed assets - for charity's own use

	Fixtures, fittings and instruments £
Cost or valuation	
At 1 April 2022	76,011
Disposals	(62,235)
At 31 March 2023	13,776
Depreciation and impairment	
At 1 April 2022	63,386
Depreciation charged in the year	667
Eliminated in respect of disposals	(62,111)
At 31 March 2023	1,942
Carrying amount	
At 31 March 2023	11,834
At 31 March 2022	12,625

The Instrument Collection is included within the above at a revalued value of £10,397 (2022: £10,397). The Instrument Collection was valued in December 2021 by Dr Richard J, McKim, BAA Archivist, Curator of Instruments and Director of the Mars section. The Trustees do not deem there to be a material change in the value of the instruments since their previous valuation.

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Fixed asset investments

	Investments £
Valuation	
At 31 March 2022	1,593,493
Additions	51,121
Valuation changes	(14,141)
Disposal proceeds	(150,000)
	<hr/>
At 31 March 2023	1,480,473
	<hr/>
Carrying amount	
At 31 March 2023	1,480,473
	<hr/>
At 31 March 2022	1,593,493
	<hr/>

Total investments of £1,480,473 (2022: £1,593,493) consist of £1,471,914 (2022: £1,585,082) of listed investments and £8,559 (2022: £8,411) in cash deposits.

11 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	5,091	851
Prepayments and accrued income	19,740	15,717
	<hr/>	<hr/>
	24,831	16,568
	<hr/>	<hr/>

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	637	742
Accruals	16,004	18,652
	<hr/>	<hr/>
	16,641	19,394
	<hr/>	<hr/>

Included within accruals is £600 (2022: £644) of deferred income relating to a future event.

13 Financial instruments

	2023 £	2022 £
Carrying amount of financial assets		
Equity instruments measured at fair value	1,480,473	1,593,493
	<hr/>	<hr/>

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

14 Contingent liability

The British Astronomical Association has been notified of a will in which they are beneficiary. However this is currently being contested. The charity will be liable for the advice in arriving at a decision. The cost of the legal fees to settle this case may be deducted from the estate or may be awarded against the Association. To date, approximately £30,000 of costs have been incurred by the Association and further costs of up to £70,000 could be expected.

15 Funds

	Balance at 1 April 2022	Income	Expenditure	Revaluations, gains and (losses)	Balance at 31 March 2023
	£	£	£	£	£
Restricted funds	5,114	149	(925)	-	4,338
Unrestricted funds	1,683,660	132,483	(258,542)	(14,141)	1,543,460
	<u>1,688,774</u>	<u>132,632</u>	<u>(259,467)</u>	<u>(14,141)</u>	<u>1,547,798</u>

	Balance at 1 April 2021	Income	Expenditure	Revaluations, gains and (losses)	Balance at 31 March 2022
	£	£	£	£	£
Restricted funds	7,255	(78)	(2,063)	-	5,114
Unrestricted funds	1,611,437	135,635	(232,288)	168,876	1,683,660
	<u>1,618,692</u>	<u>135,557</u>	<u>(234,351)</u>	<u>168,876</u>	<u>1,688,774</u>

The Bequest Fund is the only restricted fund and continues to be utilised to cover expenditure incurred that meets the terms of the restriction specified by the individual when they granted their bequest.

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

16 Analysis of net assets between funds

	Restricted bequest funds	Unrestricted income funds	Total
	£	£	£
Fund balances at 31 March 2023 are represented by:			
Tangible assets	-	11,834	11,834
Investments	4,338	1,476,135	1,480,473
Net current assets	-	55,491	55,491
	<u>4,338</u>	<u>1,543,460</u>	<u>1,547,798</u>
	Restricted bequest funds	Unrestricted income funds	Total
	£	£	£
Fund balances at 31 March 2022 are represented by:			
Tangible assets	-	12,625	12,625
Investments	5,114	1,588,379	1,593,493
Net current assets	-	82,656	82,656
	<u>5,114</u>	<u>1,683,660</u>	<u>1,688,774</u>

17 Related party transactions

Transactions with related parties

No related party transactions occurred in the year ended 31 March 2023 (2022: none).