

SCIENCE PROJECTS
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

Address and Registered Office:
Stirling House, 3-15 Stirling Road, London, W3 8DJ

Charity No:
298542

Company Limited by Guarantee No:
2186073

SCIENCE PROJECTS
(A company limited by guarantee)

Financial Statements
For the Year Ended 31 December 2020

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SCIENCE PROJECTS

Legal and administrative information

Reference and administrative details

Charity number: 298542

Company number: 2186073

Registered Office and
principal operational
address: Stirling House, 3-15 Stirling Road, Acton, London, W3 8DJ

Directors and trustees

Trustees:	R L Allsop	
	Dr J Bean	
	H Featherstone	Appointed 31 st January 2020
	A Rumbold	Appointed 20 th November 2020
	R B Scholefield	Deceased 9 th January 2021
	S Snowden	Resigned 20 th October 2021
	Dr S Wilkins	Appointed 23 rd April 2021

Chief Executive Officer: S Pizzey

Secretary : R L Allsop

Auditor

Alpha Accountants (London) Ltd, 585A Fulham Road, London, SW6 5UA

Bankers

Barclays Bank Plc, 54 High Street, Ruislip, Middlesex, HA4 7AT

Solicitors

Wedlake Saint, Crown House, 47/49 High Street, Redbourn, St Albans, Hertfordshire, AL3 7LW

SCIENCE PROJECTS

Report of the Trustees for the year ended 31 December 2020

The Trustees present their report together with the financial statements for the year ended 31 December 2020.

Structure, Governance and Management

The organisation is a charitable company limited by guarantee, incorporated on 30 October 1987 and registered as a charity on 2 February 1988. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

Recruitment and Appointment of trustees

The directors of the company are also charity trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees. The membership of the board of trustees has remained stable over a number of years, and represents people with skills in the educational, scientific, legal and financial disciplines as well as a deep commitment to the aims of the charity. Consideration is given on an annual basis to reviewing any changes in requirements for any extra skills that the charity may require in its board of trustees.

The trustees serving during the year and since the year end were as follows:

R L Allsop	
Dr J Bean	
H Featherstone	Appointed 31 st January 2020
S Pizzey	
A Rumbold	Appointed 20 th November 2020
R B Scholefield	Deceased 9 th January 2021
S Snowden	Resigned 20 th October 2021
Dr S Wilkins	Appointed 23 rd April 2021

Trustee induction and training

All of the trustees are already familiar with the practical work of the charity, having been encouraged to visit all of the sites where the charity operates and to discuss the progress of the charity with key members of staff. If it became necessary to introduce any new trustees to the board then those new trustees would be fully briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the objects of the charity, the recent financial performance of the charity, and to visit the various operations during a normal working day.

Organisation

The board of trustees are responsible for the strategic direction and policy of the charity. They meet on a regular basis at least four times a year, and they receive regular financial and written reports on the progress of the charity. A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within the terms of delegation approved by the trustees, for operational matters including the running of the Science Centre, the travelling exhibitions, the exhibit production and the finance functions.

Related parties

The charity does not have any related parties other than the operations that it undertakes itself. However the charity does work closely with other Science Centres in the U.K. and around the world, and regularly produces exhibits and exhibitions for sale to those other organisations that promulgate the objects of the charity.

SCIENCE PROJECTS

Report of the Trustees for the year ended 31 December 2020 (continued)

Risk management

The trustees, in conjunction with the management of the charity, consider at the regular trustees meetings the risks to the charity. These risks have been assessed in terms of financial risk, key personnel risk and health and safety. The financial risks are mitigated by maintaining adequate controls and margins on the contracting work, and through the monitoring and control of the current and future financial outlook of the science centres and the ScienceWorks. It is considered that the strength in depth of the necessary skills within the management, staff and directors of the charity, enable the charity to cope with most likely risks to the charity and to highlight those occasions when outside professional advice is required. Health and safety risks are considered both for staff where an active health and safety risk programme is maintained by management and an accredited outside organisation, and for customers and the public in risk assessment for the Science centres and the exhibits.

This is carried out through regular safety audits by the accredited outside organisation and reviewed at regular board meetings.

Objectives and activities

The aims of the charity are set out in the charitable objects, as laid down in the Memorandum of Association, for which the charity was founded, are to educate the public generally in respect of science and technology in all its branches and in particular to promote those objects by assembling and putting on interactive exhibitions of every kind.

Those objects continue to be fulfilled by the operation of the Observatory Science Centre at Herstmonceux and the operation of the ScienceWorks programme, the hiring out of the Exploring Science exhibits, the construction and sale of bespoke interactive exhibits, and the construction and exhibition of grant funded exhibits.

In addition to the continuance of the above policies we are continuing to encourage increased visitor numbers to our Science Centre especially in the numbers of school party visits and to expand the reach of our travelling programmes. New and expanded science related events are put on each year at Herstmonceux which are having a gratifying take up by the public.

As part of our aims we are aware of the national need to encourage more young people to take up science, technology, engineering and maths (STEM) in their education and careers. We are also aware of the necessity to reach out to underrepresented and underserved parts of the community, especially in the disadvantaged parts of our target audience in the South East of England and particularly in the coastal towns of that region.

We have formulated a plan to address these requirements but they are dependent on finance being available and we are in the process of applying for financial resources from funding agencies

The Trustees set the policies of the Charity and monitor and control its management. The Observatory Science Centre is operated by its own full and part time staff, with central services being provided from the Acton premises. The ScienceWorks and exhibit hire operations are based at the Acton premises, which provides the administration, maintenance and some of the storage facilities with the remaining storage at Herstmonceux. The construction of interactive exhibits is performed at the Acton workshops and is managed from the offices at the same premises.

The Trustees hold the investment powers of the charity and the trustees ensure that any cash held surplus to immediate requirements is invested sensibly. Investment of surplus cash has been with the Higher Interest deposit accounts of first class U.K banks and has produced an income of £1,312 (Year ended 31.12.2019: £2,882), which reflects the low interest rates available.

The charity holds reserves of £1,424,417 as at 31 December 2020, and the trustees consider that these reserves are adequate to provide for the continued expenditure from the charity's resources for the continued commitment to the Observatory Science Centre and ScienceWorks, and for the maintenance of sufficient funds to cushion the impact of the peaks and troughs of the contracting operations. The charity is also mindful that in order to compete in the commercial market for contracts, (the outcome of which helps to support its charitable activities) much weight is accorded by customers to the financial strength of the charity as well as its technical capabilities, and maintaining the existing net asset balance is now essential to be able to qualify for these international contracts.

The Trustees are satisfied that the charity's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds.

SCIENCE PROJECTS

Report of the Trustees for the year ended 31 December 2020 (continued)

Achievements and performance

The activities of the charity have been severely curtailed by the Covid restrictions which have impacted all departments.

(i) Exhibit design and production.

Design activities were transferred to home working which allowed some continuity but assembly and production was curtailed whilst the workshop was closed. Travel bans made installation at overseas sites expensive due to the necessity of recruiting and instructing local installers. Covid compliance when the workshop reopened reduced productivity and the pace at which work could be completed.

(ii) The Observatory Science Centre (OSC)

As with other science centres, museums and public attractions, the OSC was closed to the public and consequently there was no income whilst overheads continued. When the Centre re-opened, the number of visitors and hence the income was reduced due to social distance requirements and staff costs increased due to monitoring visitor flow and continuous sanitisation. Similarly no science shows could take place and certain exhibits had to be withdrawn. Schools attendance was in effect non-existent.

(iii) Traveling exhibitions service.

This activity was discontinued as the main clients, museums and science centres, were closed and their finances were restricted.

In conclusion, the year was a disaster for the whole sector. Fortunately the charity had financial reserves to draw on to stay in business for the moment.

Risk Management

Work and decisions throughout the charity are now viewed through the prism of risk analysis.

Work began on assembling the information relating to procedures for managing risk within the charity following the 2013 audit. Trustees and senior managers are aware of document CC26 issued by the Charities Commission in 2010 and this has been used as the main reference. The document is particularly useful in highlighting the nature of the risks to be considered, their potential impact and the possible steps to mitigate them.

These are grouped under the following headings;

Governance risks

Operational risks

Financial risks

External risks

Compliance with law and regulation

SCIENCE PROJECTS

Report of the Trustees for the year ended 31 December 2020 (continued)

Risk Management (continued)

Many of these topics are already addressed by the charity under the general heading of management and operation. For example in contracting activities, we have always had to confront and mitigate the effects of currency fluctuations and have vigorously taken steps to remove or amend particularly punitive clauses in contracts. Similarly the board and senior staff have tackled many other headings outlined in CC26 during the course of running the business. Part of the task regarding the assembly of the management of risk dossier is to transfer the issues we encounter or may encounter in the future into a risk register format. The Observatory and travelling exhibitions activities of charity have their own risk assessment forms which refer to operational activities mainly associated with health and safety issues regarding staff and public.

Meetings have been held with the staff at the Observatory to take appropriate steps to adopt as risk management strategy throughout the organization.

Results

Income for the period amounted to £1,658,392 (Year ended 31.12.2019: £1,788,872) and operating costs including depreciation totalled £1,693,725 (Year ended 31.12.2019: £1,755,553, leaving an increase of expenditure over income of £35,333 (Year ended 31.12.2019 Increase of income over expenditure: £33,319). As the whole of the income is applied to charitable purposes the company is not liable to direct taxation.

The overriding event of 2020 was the arrival of the Covid-19 pandemic which impacted the charity in a major way. The Observatory Science Centre had to be closed at the end of March 2020 and the majority of the staff placed on furlough. We also had most of our Outreach travelling exhibitions cancelled and whilst the Science Centre was able to reopen in August under very restricted circumstances in order to provide adequate protection for staff and visitors the Outreach programme was unable to receive any new bookings for the year. The increase in infection rates in the country again required the Science Centre to close for much of early 2021 and only reopen to visitors in May 2021. Fortunately the exhibit manufacturing operation entered 2020 with a full order book. Due to the pandemic all of the staff had to be sent home but we devised a method by working on-line of achieving completion of the contract design work whilst working from home and of liaising with our clients who were in a similar situation. We were then able to return to the workshop in a medically safe and secure manner to complete the fabrication of the exhibits. This has however had an impact on the cost and profitability of these contracts. There has been a knock on effect of the pandemic because most of our clients around the world also had to close during the pandemic and have had their revenues severely affected and we are seeing a slowdown in the level of enquires and orders we would normally expect.

Total income has decreased by £130,480 compared to the previous year with exhibit manufacturing increasing by £279,770, and Science centre and exhibition hire and schools travelling exhibitions declining by £514,282, reflecting the impact of Covid -19 in the trading performance of the Observatory Science Centre at Herstmonceux, and the income for the travelling exhibitions. Grant income decreased by £400. The trustees are examining ways in which grant funding can be increased in a cost effective manner.

Exhibit manufacture includes projects both of a short term and long- term nature and revenue and contribution on these contracts are taken on a percentage complete basis. Much of the exhibit income comes from foreign contracts or from contracts destined for overseas locations. Contract work in the U.K. tends to be heavily dependent on the outcome of grant funding for U.K exhibition centres and therefore tends in nature to be that of an infrequent basis.

The company has now secured the removal of the 2020 break clause in our Acton premises lease which will give us security of tenure until 2023, with the lease due to expire in 2024. We have however agreed with the landlord to vacate the workshop in October 2023.

New contracts have been won for customers in the Norway, and the USA.

SCIENCE PROJECTS

Report of the Trustees for the year ended 31 December 2020 (continued)

Results (continued)

The auto enrolment pension scheme is now well established and there continues to be a gratifying take up of the scheme by the employees.

The trustees continue to view the future for exhibit manufacture with confidence. In order to fund the charity and especially to replenish funds applied to the restoration and improvement of the Observatory Science Centre, the trustees continue to pursue educational exhibit manufacture as a means of propagating their ideas as well as providing funds for the expansion of the charitable objectives.

It would seem prudent to assume that the Observatory Science Centre will in future always require financial support either from grants or from other activities of the charity. The charity has continued to invest in its Science Centre and invested in new exhibits during the year. New investment will be dependent on either Grant income or enhanced returns from manufacturing activities.

The fixed assets of the charity are held in the form of exhibits for the Science Centre, ScienceWorks and Exploring Science travelling exhibitions; workshop and office plant and machinery; and motor vehicles for equipment collection and delivery.

Trade debtors reflect the amounts owing by customers on exhibit contracts and exhibit hire, and the work in progress is the cost value of contract work not yet invoiced to customers. The estimated value of assets does not differ from that shown in the accounts.

The financial position of the Balance Sheet is sound and will enable the company to complete all its contracts and commitments and continue with its educational programmes.

Investment policy

The trustees, having regard to the liquidity requirements of operating the overall charity and of the reserves policy have operated a policy of keeping available funds in interest bearing deposit accounts and seek to achieve the best rate of interest return available to charities in the financial markets.

We are satisfied that the return on our investments is commensurate with our investment risk policy but consideration will be given to seeking better returns on equally secure investments where available.

Reserves policy

The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have. In calculating reserves, the trustees have excluded from total funds the restricted income funds, tangible fixed assets and the designated funds. Reserves are needed to provide for the continued expenditure from the charity's resources, for the continued commitment to the Observatory Science Centre and ScienceWorks, and for the maintenance of sufficient funds to cushion the impact of the peaks and troughs of the contracting operations. To be able to compete in the international science centre exhibit contract market, sufficient financial resources need to be maintained by the charity in order to be able to qualify to bid for these contracts and our reserves policy takes this factor into account.

Reserves outcome

At the year end unrestricted reserves were £1,424,417, none of which were designated, and none of which were specifically committed. Fixed assets represented £27,393 of this amount which would be realisable only on disposal of those fixed assets. The balancing figure of reserves available after the deduction of restricted funds, omitted funds and amounts only realisable after the sale of fixed assets is therefore £1,397,024. This exceeds our target policy of having available reserves of £1million and will allow us to cope with any potential trading downturn in the next financial year and to commit match funding to any grant funding we receive to advance our charitable objectives. This policy has been vindicated by the unusual events of 2020 and the impact worldwide of the Covid-19 pandemic and to provide some financial cushion for the future financial uncertainty of outcomes in 2021 and 2022.

Plans for future periods

The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory funding arrangements. Because grants receivable by Science Projects tend to be of a capital expenditure nature and not available to fund revenue expenditure, the trustees have a policy of ensuring that all of the charity's activities are financially self-supporting. Where activities are not self-supporting on a continuing basis the trustees review the support that can be offered to those activities.

SCIENCE PROJECTS

Report of the Trustees for the year ended 31 December 2020 (continued)

Trustees' responsibilities for the financial statements

The trustees who are also directors for the purposes 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), and are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure of the charity for the year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006 and with the 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 2015). 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.

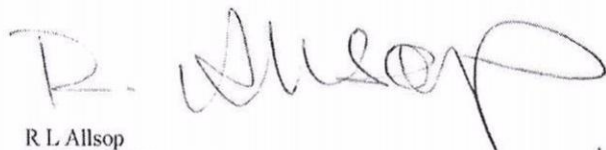
In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditor is unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

Alpha Accountants (London) Ltd offer themselves for appointment as auditor in accordance with Section 492 of The Companies Act 2006.

ON BEHALF OF THE TRUSTEES



R L Allsop
Director and Secretary
7th December 2021

STIRLING HOUSE
3 - 15 STIRLING ROAD
LONDON, W3 8DJ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCIENCE PROJECTS [LIMITED BY GUARANTEE]

We have audited the financial statements of Science Projects for the year ended 31 December 2020 which comprise of the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on pages 4-9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

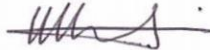
In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.

Haralambos Hambi (Senior statutory auditor)
for and on behalf of Alpha Accountants (London) Limited, Statutory Auditor
585A Fulham Road
London
SW6 5UA



Date 9/12/2021.

SCIENCE PROJECTS**Statement of financial activities for the year ended 31 December 2020**

	Notes	Unrestricted Funds	Restricted Funds	Total funds Year ended 31 December 2020	Total funds Year ended 31 December 2019
		£	£	£	£
Income and expenditure					
Incoming resources					
Grants received	14	-	13,100	13,100	13,500
Exhibit manufacture		1,343,000	-	1,343,000	1,063,230
Science Centre and Exhibition Hire		163,906	-	163,906	678,188
Other		-	-	-	4,832
Interest on deposits		1,312	-	1,312	2,882
Rental income		-	-	-	26,240
Job Retention Scheme Income		137,074	-	137,074	-
Total incoming resources		1,645,292	13,100	1,658,392	1,788,872
Resources expended					
Direct charitable expenditure	2, 14	1,528,293	13,100	1,541,393	1,615,381
Fund-raising and publicity	3	7,532	-	7,532	20,455
Governance costs	4	144,800	-	144,800	119,717
Total resources expended	5	1,680,625	13,100	1,693,725	1,755,553
Net movement in funds		(35,333)	-	(35,333)	33,319
Balances brought forward at 1 January 2020		1,459,750	-	1,459,750	1,426,431
Balances carried forward at 31 December 2020		1,424,417	-	1,424,417	1,459,750

The accounting policies and notes on pages 15 to 21 form part of these financial statements

There were no recognised gains or losses other than those shown in the Statement of Financial Activities for the period.

SCIENCE PROJECTS

Balance sheet as at 31 December 2020

	Notes	Year ended 31 December 2020		Year ended 31 December 2019	
		£	£	£	£
FIXED ASSETS	6		27,393		77,467
CURRENT ASSETS					
Stock and work in progress	7	15,336		24,182	
Debtors	8	207,258		278,421	
Cash at bank and in hand		1,338,075		1,206,500	
		<u>1,560,669</u>		<u>1,509,103</u>	
CREDITORS					
Amounts falling due within one year	9	(163,645)		(126,820)	
NET CURRENT ASSETS			<u>1,397,024</u>		<u>1,382,283</u>
Total assets less current liabilities			<u>1,424,417</u>		<u>1,459,750</u>
CREDITORS: Amounts falling due after more than one year	10		-		-
NET ASSETS			<u>1,424,417</u>		<u>1,459,750</u>
FUNDS					
Unrestricted income funds					
General funds	13	1,424,417		1,459,750	
Designated funds	13	-		-	
Total unrestricted funds			<u>1,424,417</u>		<u>1,459,750</u>
Restricted funds	14		-		-
TOTAL FUNDS			<u>1,424,417</u>		<u>1,459,750</u>

The accounts were approved by the Board of Directors on 7th December 2021 and signed on their behalf by:-

S Pizzey

R L Allsop

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The notes on pages 15 to 21 form part of these financial statements.

SCIENCE PROJECTS**Statement of Cash Flows for the year ended 31 December 2020**

	Note	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Cash flows from operating activities:			
Net cash generated from operating activities	1	133,608	93,474
Cash flows from investing activities:			
Interest from investments		1,312	2,882
Purchase of plant and equipment		(3,345)	(122,222)
Net cash used in investing activities		(2,033)	(119,340)
Increase/(decrease) in cash and cash equivalents in the year		131,575	(25,866)
Cash and cash equivalents at the beginning of the year		1,206,500	1,232,366
Cash and cash equivalents at the end of the year	2	1,338,075	1,206,500

Notes to the cash flow statement**1 Reconciliation of the net income to net cash flow generated from operating activities**

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Net income for the year	(35,333)	33,319
Adjustments for:		
Depreciation charges	53,419	55,815
Interest from investments	(1,312)	(2,882)
Decrease/(Increase) in stocks	8,846	9,523
Decrease/(Increase) in debtors	71,163	32,882
Decrease in creditors	36,825	(35,183)
Net cash provided by operating activities	133,608	93,474

2 Analysis of cash and cash equivalents

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Cash in hand	470,368	330,214
Notice deposits (less than 3 months)	867,707	876,286
Total cash and cash equivalents	1,338,075	1,206,500

SCIENCE PROJECTS

Notes to the accounts for the year ended 31 December 2020

1. Principal accounting policies

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and follow the recommendations in the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP (FRS102)). They have been prepared under the historical cost convention.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

(a) Incoming resources

Grants of a revenue nature are credited to the statement of financial activities in the same period as the related expenditure. The revenue from long term contracts reflects the proportion of work completed to date on the project. Other income is included on the normal accruals basis when earned. Operating receipts exclude value added tax.

(b) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category.

Charitable expenditure comprises the costs incurred in the delivery of its activities and services. Governance costs include those associated with meeting the constitutional and statutory requirements of the charity and include the audit fee and costs linked to the strategic management of the charity.

(c) Tangible fixed assets

Tangible fixed assets are stated at their purchase price together with any incidental expenses of acquisition. Provision for depreciation is made so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful economic life of the asset concerned. The principal annual rates used for this purpose are:-

Exhibition tent and flooring	25%
Exhibits	20%
Other equipment	50%
Motor vehicles	25%

(d) Stock and work in progress

Stock and work in progress are stated at the lower of cost and net realisable value. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation and, where appropriate, the cost of conversion from their existing state to a finished condition.

(e) Long-term contracts

The attributable contribution on long-term contracts is recognised once the outcome can be assessed with reasonable certainty. The contribution recognised reflects the proportion of work completed to date on the project. Costs associated with long-term contracts are included in stock to the extent that they cannot be matched with contract work accounted for as incoming resources. Long-term contract balances included in stock are stated at cost, after provision has been made for any foreseeable losses and the deduction of applicable payments on account.

Full provision is made for losses on all contracts in the year in which the loss is first foreseen.

(f) Operating leases

Payments made under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

SCIENCE PROJECTS

Notes to the accounts for the year ended 31 December 2020

1. Principal accounting policies - continued

(g) Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All other exchange differences are dealt with in the statement of financial activities.

(h) Preparation of accounts on a going concern

After careful consideration of the charity's current financial situation, with due regard to its cash flows, liquidity and future plans and prospects, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts and there are no material uncertainties about the charity's ability to continue.

(i) Public benefit

The charity is a public benefit entity.

(j) Incoming resources

The revenue recognition policies of the charity are as follows:

- (i) Sales of entrance tickets, café and shop sales are recognised as revenue on receipt of the cash
- (ii) Travelling exhibitions are invoiced and the revenue recognised on completion of the exhibit rental. Sales in advance of the completion of the rental period are shown as deferred income.
- (iii) Income from the supply of goods and services is recognised with the delivery of the contracted service provided that at the stage of completion, the costs incurred in delivering the service and the costs to complete the requirements of the contract can be measured reliably.
The method used to measure the stage of completion of a contract is that of the proportion of costs incurred for work performed to date compared with the total estimated costs to completion.
- (iv) Unrestricted grants and legacies are recognised as income on receipt.

(k) Financial instruments

The charity has basic 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.

SCIENCE PROJECTS**Notes to the accounts for the year ended 31 December 2020****2. Direct charitable expenditure**

	Unrestricted	Restricted	Total funds	Total funds
			Year ended	Year ended
			31 December	31 December
	<u>Funds</u>	<u>Funds</u>	<u>2020</u>	<u>2019</u>
	£	£	£	£
<u>Provision of educational services</u>				
Exhibit manufacture	1,053,703	-	1,053,703	995,263
Science centre and exhibition hire	441,412	13,100	454,512	573,553
ScienceWorks	33,178	-	33,178	46,565
	<u>1,528,293</u>	<u>13,100</u>	<u>1,541,393</u>	<u>1,615,381</u>
3. Fund-raising and publicity				
Fund-raising	-	-	-	-
Publicity	7,532	-	7,532	20,455
	<u>7,532</u>	<u>-</u>	<u>7,532</u>	<u>20,455</u>
4. Governance costs				
Salaries and office costs	105,296	-	105,296	89,740
Legal and professional fees	30,004	-	30,004	20,477
Audit fees	9,500	-	9,500	9,500
	<u>144,800</u>	<u>-</u>	<u>144,800</u>	<u>119,717</u>

SCIENCE PROJECTS

Notes to the accounts for the year ended 31 December 2020

5. Total resources expended

	Staff costs	Depreciation	Other costs	Year ended 31 December Total 2020	Year ended 31 December Total 2019
	£	£	£	£	£
Educational services	823,687	53,419	664,287	1,541,393	1,615,381
Fund-raising and publicity	-	-	7,532	7,532	20,455
Governance costs	105,296	-	39,504	144,800	119,717
	<u>928,983</u>	<u>53,419</u>	<u>711,323</u>	<u>1,693,725</u>	<u>1,755,553</u>

	Year ended 31 December 2020	Year ended 31 December 2019
	£	£
Staff costs		
Wages and salaries	839,679	854,451
Social security costs	74,638	75,181
Employers pension contributions	14,666	14,324
	<u>928,983</u>	<u>943,956</u>
Other costs		
Premises	149,301	161,097
Materials	381,975	310,337
Miscellaneous	180,047	233,915
	<u>711,323</u>	<u>705,349</u>

	Year ended 31 December 2020	Year ended 31 December 2019
The average number of employees, analysed by function was:		
Educational services	40	42
Management and administration of the charity	4	4
	<u>44</u>	<u>46</u>
	—	—

Directors' emoluments and employee information:

In common with normal practice in charities, no remuneration has been paid to the directors (who are the trustees), except that by a special dispensation of the Charity Commission, the other directors approved a payment to the Chief Executive Officer, Mr Pizzey, of £61,007 (Year ended 31 December 2019: £56,349) for his services during the year. None of the trustees have been reimbursed any expenses during the period.

The number of employees whose emoluments exceeded £70,000 during the year was:

	Year ended 31 December 2020	Year ended 31 December 2019
	No	No
£60,000 - £70,000	1	2
£70,000 - £80,000	1	-

Defined Contribution Pension Plan

Employers pension contribution costs to the Defined Contribution Pension Plan amounted to £14,666 (2019: £14,324) and are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

SCIENCE PROJECTS

Notes to the accounts for the year ended 31 December 2020

6. Tangible fixed assets

	Exhibition building tent and flooring £	Exhibits £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 January 2020	109,333	1,248,129	41,162	584,894	1,983,518
Expenditure in the year	-	-	-	3,345	3,345
Disposals	-	-	-	-	-
At 31 December 2020	109,333	1,248,129	41,162	588,239	1,986,863
Depreciation					
At 1 January 2020	94,866	1,242,752	28,307	540,126	1,906,051
Charge for the year	14,467	2,688	4,285	31,979	53,419
Disposals	-	-	-	-	-
At 31 December 2020	109,333	1,245,440	32,592	572,105	1,959,470
Net book value					
At 31 December 2020	-	2,689	8,570	16,134	27,393
Net book value					
At 31 December 2019	14,467	5,377	12,855	44,768	77,467

Capital commitments

There were no capital commitments authorised or contracted for at the balance sheet date.

7. Stock and work in progress

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Stock	15,230	17,756
Work in progress	106	6,426
	<u>15,336</u>	<u>24,182</u>

8. Debtors

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Trade debtors	14,332	190,982
Other debtors	26,500	26,500
Retentions	11,499	20,467
Amounts recoverable on contracts	93,782	14,065
Prepayments and accrued income	37,751	26,279
Other taxes	23,394	128
	<u>207,258</u>	<u>278,421</u>

The above amounts are due within one year of the balance sheet date.

SCIENCE PROJECTS

Notes to the accounts for the year ended 31 December 2020

9. Creditors: amounts falling due within one year

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Bank overdrafts	-	-
Payments on account	42,332	37,703
Trade creditors	48,666	15,716
Social security and other taxes	37,613	41,032
Accruals and deferred income	30,948	28,038
Other creditors	4,086	4,331
	<u>163,645</u>	<u>126,820</u>

10. Lease commitments

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Operating leases in respect of land and buildings.		
Amounts payable within one year in respect of leases expiring:		
Within one year	5,040	5,040
Between two and five years	85,000	85,000
Over five years	22,067	21,879
	<u>112,107</u>	<u>111,919</u>

11. Transactions concerning directors

During the period covered by the accounts, the company received services on normal trading terms from Allsop Business Services in which Mr R L Allsop has an interest, at a cost of £29,991 (Year ended 31 December 2019: £20,464). The amount of outstanding balance at the year end was £1,440 (Year ended 31 December 2019 £120).

12. Called up share capital

The company is limited by guarantee without share capital. Every member has undertaken to contribute to the assets of the company, in the event of it being wound up, such amount as may be required, not exceeding £10.

SCIENCE PROJECTS**Notes to the accounts for the year ended 31 December 2020****13. Unrestricted and designated funds**

	Designated funds £	Other Unrestricted funds £	Total Unrestricted funds £
Balances brought forward at 1 January 2020	-	1,459,750	1,459,750
(Deficit)/Surplus/ in the year	-	(35,333)	(35,333)
Balances carried forward at 31 December 2020	-	1,424,417	1,424,417

14. Restricted funds

	Balance 1 January 2020 £	Movement Incoming £	in resources Outgoing £	Balance 31 December 2020 £
STFC PPARC	-	3,100	3,100	-
Wealden District Council	-	10,000	10,000	-
	-	13,100	13,100	-

All of the above grants were in respect of support for the Science centre covering repairs and refurbishment, support for educational programmes and contributions towards running costs.