

SCIENCE PROJECTS
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

Address and Registered Office:
Unit 1, Warren Farm, Steventon, Basingstoke, RG25 3BL

Charity No:
298542

Company Limited by Guarantee No:
2186073

SCIENCE PROJECTS
(A company limited by guarantee)

Financial Statements
For the Year Ended 31 December 2023

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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: Unit 1, Warren Street, Steventon, Basingstoke, RG25 3BL

Directors and trustees

Trustees: R L Allsop
Dr J Bean (resigned 16th October 2023)
H Featherstone
S Pizze
A Rumbold (resigned 22nd August 2023)
Dr S Wilkins

Chief Executive Officer: A Rumbold (Interim)

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

Bates Wells Braithwaite, 10 Queen Street Place, London, EC4R 1BE

SCIENCE PROJECTS

Report of the Trustees for the year ended 31 December 2023

The Trustees present their report together with the financial statements for the year ended 31 December 2023.

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 (resigned 16th October 2023)
H Featherstone
S Pizzey
A Rumbold (resigned 22nd August 2023)
Dr S Wilkins

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 2023 (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 and 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 Articles 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. Science related events are put on each year at Herstmonceux which are well attended.

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 Steventon premises. The ScienceWorks and exhibit hire operations are now based at our Herstmonceux premises which provides the administration, maintenance and the storage. The construction of interactive exhibits is now performed at the Steventon workshop 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 £6,525 (Year ended 31.12.2022: £796), which reflects the improving interest rates available.

The charity holds reserves of £822,330 as at 31 December 2023, 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 2023 (continued)

Achievements and performance

(i) Exhibit design and production:

We relocated our workshop and head offices to a premises in Steventon, Basingstoke, Hampshire as of 4th September 2023. The disruption of the move together with the low order intake during the year contributed to the lower level of turnover in this part of the charity's activities during the year.

The workshop move has proven to be a great success and so far this year we have seen twice the order intake compared to the same period in the previous year and we have now recruited more staff to deal with this increase in business. Indications are that this increase in business will continue and we should return to our pre-covid levels of activity in the next few years.

We incurred substantial costs in relocating the workshop both in terms of the cost of the move and fitting out the building to our requirements, however much of this cost was offset by generous grants we received from our previous landlord and a financial contribution from the developer of our previous site in return for the early surrender of the lease

(ii) The Observatory Science Centre

The lease of the Observatory Science Centre housed in and in the grounds of The Equatorial Group buildings, Hertmonceux, East Sussex will terminate on 31st December 2026. We have made concerted attempts to renegotiate the lease with the landlords, Bader College, the UK Campus of Queen's University (Canada) but on the 6th June 2024 we have had confirmation from the Chair, Bader College Board of Trustees and Principal and Vice-Chancellor "that due to an upcoming review of their whole operations they will not be giving us an opportunity to renew the lease".

We originally set up on the site in 1995 and at the time the building had been disused for a number of years and in order to open the site as a science centre for use by the general public we built and installed a comprehensive list of interactive internal and external science exhibits, and ran outreach programmes as well as astronomy and science festivals, star gazing evenings and astronomy courses.

Since we moved in we have undertaken an extensive programme of repairs and upgrading to the buildings and telescopes, much of which was completed in 2004 with the aid of a substantial grant from the National Heritage Lottery fund. Since then the upgrading and improvements have continued so that the majority of the telescopes are now active and usable. All of this has been achieved with our own funds and funding from various grant bodies. Visitor number have shown a steady improvement compared to previous years although we have yet to achieve pre- covid visitor numbers. Income has also steadily improved and may soon approach pre-pandemic levels.

Our immediate task is to find a new location to move the science centre to together with its exhibits. Since the announcement of the termination of our lease we have received a huge level of support from within the U.K. and overseas of those bodies and individuals who are aware of our contribution to science education and we are in discussions with local authorities and others in the East Sussex area who are offering to help in the search for new premises.

(iii) Travelling exhibitions

There has been sporadic uptake of our Travelling exhibition during the year. After the recent relocation of the workshop and the impending move of the Science Centre we will be reviewing how to re-launch and support a new outreach operation.

Risk Management

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

Trustees and senior managers are conversant with 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 2023 (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 £1,217,038 (Year ended 31.12.2022: £1,091,347) and operating costs including depreciation totalled £1,337,559 (Year ended 31.12.2022: £1,339,610) leaving an increase of expenditure over income of £120,521 (Year ended 31.12.2022 Increase of expenditure over income: £248,263). As the whole of the income is applied to charitable purposes the company is not liable to direct taxation.

Financial pressures including those caused by the war in Europe have had a major impact on our costs and with our visitor customer's finances. The Science Centre is gradually returning to pre Covid visitor and income levels and the financial results were creditable compared to the previous year. The manufacturing operation was able to continue completion of the existing contracts and undertake a number of new contracts although at much lower levels than in pre Covid years. It has also come under cost pressures. .

Due to Covid most of our contracts customers have seen a serious decline in their income streams over the last few years and have been reluctant to place business during the intervening period. Happily we are now seeing a return to normal levels of customer enquiries which translated into a stream of orders during 2023 and continues into 2024.

Total income has increased by £125,691 compared to the previous year with exhibit manufacturing decreasing by £185,323 and Science centre and exhibition hire and schools travelling exhibitions increasing by £95,264 an improvement on the previous year but still reflecting the impact of Covid -19 in the trading performance of the Observatory Science Centre at Herstonceux, and the income for the travelling exhibitions. Grant income increased by £166,972. 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.

The company had secured the removal of the June 2023 break clause in our Acton premises lease on the undertaking that we would vacate the premises later in 2023. The lease had been due to expire in 2024. We actually vacated on 4th September 2023 and moved into new premises in Steventon, Basingstoke, Hampshire. The move was achieved in an economical and time efficient manner but inevitably had an effect on the manufacturing operation and the ability to accept more contract work.

Our Acton landlords, Mr David Howes and Mrs Fay Howes, who have always taken an active interest in our charitable operations, very generously donated through Gift Aid a sum of £125,000 to help with our relocation costs.

In addition the developer that had purchased the Acton property from Mr and Mrs Howes paid a further £50,000 for us to surrender the lease prior to the date agreed with Mr and Mrs Howes.

New contracts have been won for customers in the Norway, Denmark and the United Kingdom.

SCIENCE PROJECTS

Report of the Trustees for the year ended 31 December 2023 (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 £817,383, none of which were designated, and none of which were specifically committed. Fixed assets represented £67,899 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 £749,484. This is less than our target policy of having available reserves of £1million that would allow us to comfortably 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, and we will be endeavouring to restore our balances in future years.

This policy has been vindicated by the unusual events of the last four years and the impact worldwide of the Covid-19 pandemic and to provide some financial cushion for the future financial uncertainty of outcomes in 2024, as well as providing for the relocation costs of our operations when extensions to leases cannot be obtained and we need to move to new locations.

SCIENCE PROJECTS

Report of the Trustees for the year ended 31 December 2023 (continued)

Results (continued)

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.

We have received written confirmation from the landlords of the Observatory Science Centre at Herstmonceux that they will not consider extending the lease when it expires on 31st December 2026. The landlord Bader College, the U.K. Campus of Queens University (Canada), have decided that they require the buildings for their own use. Sadly after more than 29 years of successful operations at Herstmonceux we are now seeking new premises from which to relocate our Science Centre operations including all of the exhibits, although of course the telescopes will remain at Herstmonceux.

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.

SCIENCE PROJECTS

Report of the Trustees for the year ended 31 December 2023 (continued)

Results (continued)

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

Richard Leonard Allsop

Richard Leonard Allsop (Sep 25, 2024 16:16 GMT+1)

UNIT 1
WARREN FARM
STEVENTON
BASINGSTOKE
RG25 3BL

R L Allsop
Director and Secretary
25th September 2024

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

Opinion

We have audited the financial statements of Science Projects for the year ended 31 December 2023 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).

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 2023 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.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustee Report, which includes the Directors' Report prepared for the purposes of Company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Directors' Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatement in the Directors' Report included with the Trustees' Report.

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.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, and UK tax law.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the recognition of income from legacies and grants. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of noncompliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing minutes of all Trustee Governor meetings during the year;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

25th September 2024

SCIENCE PROJECTS**Statement of financial activities for the year ended 31 December 2023**

	<u>Notes</u>	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Total funds</u> <u>Year ended</u> <u>31 December</u> <u>2023</u>	<u>Total funds</u> <u>Year ended</u> <u>31 December</u> <u>2022</u>
		£	£	£	£
Income and expenditure					
Incoming resources					
Grants received	14	125,000	53,061	178,061	11,089
Exhibit manufacture		378,299	-	378,299	563,622
Science Centre and Exhibition Hire		603,860	-	603,860	508,596
Other		293	-	293	6,480
SSP Rebate		-	-	-	764
Interest on deposits		6,525	-	6,525	796
Surrender of lease		50,000	-	50,000	-
Total incoming resources		1,163,977	53,061	1,217,038	1,091,347
Resources expended					
Direct charitable expenditure	2,14	1,160,234	48,114	1,208,348	1,204,811
Fund-raising and publicity	3	2,857	-	2,857	1,841
Governance costs	4	126,354	-	126,354	132,958
Total resources expended	5	1,289,445	48,114	1,337,559	1,339,610
Net movement in funds		(125,468)	4,947	(120,521)	(248,263)
Balances brought forward at 1 January 2023		942,851	-	942,851	1,191,114
Balances carried forward at 31 December 2023		817,383	4,947	822,330	942,851

The accounting policies and notes on pages 17 to 23 form part of these financial statements

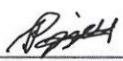
There were no recognised gains or losses other than those shown in the Statement of Financial Activities for the period.

SCIENCE PROJECTS**Balance sheet as at 31 December 2023**

	Notes	Year ended 31 December 2023		Year ended 31 December 2022	
		£	£	£	£
FIXED ASSETS	6		67,899		3,583
CURRENT ASSETS					
Stock and work in progress	7	20,891		16,281	
Debtors	8	103,824		159,928	
Cash at bank and in hand		726,089		847,593	
			<u>850,804</u>		<u>1,023,802</u>
CREDITORS					
Amounts falling due within one year	9	(96,373)		(84,534)	
NET CURRENT ASSETS			<u>754,431</u>		<u>939,268</u>
Total assets less current liabilities			<u>822,330</u>		<u>942,851</u>
CREDITORS: Amounts falling due after more than one year	10		-		-
			<u>822,330</u>		<u>942,851</u>
NET ASSETS			<u><u>822,330</u></u>		<u><u>942,851</u></u>
FUNDS					
Unrestricted income funds					
General funds	13	817,383		942,851	
Designated funds	13	-		-	
Total unrestricted funds			<u>817,383</u>		<u>942,851</u>
Restricted funds	14		4,947		-
TOTAL FUNDS			<u><u>822,330</u></u>		<u><u>942,851</u></u>

The accounts were approved by the Board of Directors on 25th September 2024 and signed on their behalf by:-

S Pizzey


Stephen Pizzey (Sep 25, 2024 16:26 GMT+1)

R L Allsop


Richard Leonard Allsop (Sep 25, 2024 16:16 GMT+1)

The notes on pages 17 to 23 form part of these financial statements.

SCIENCE PROJECTS**Statement of Cash Flows for the year ended 31 December 2023**

	Note	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Cash flows from operating activities:			
Net cash generated from operating activities	1	(59,658)	(238,037)
Cash flows from investing activities:			
Interest from investments		6,525	796
Purchase of plant and equipment		(68,371)	(2,270)
Net cash used in investing activities		(61,846)	(1,474)
Increase/(decrease) in cash and cash equivalents in the year		(121,504)	(239,511)
Cash and cash equivalents at the beginning of the year		847,593	1,087,104
Cash and cash equivalents at the end of the year	2	726,089	847,593

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

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Net income for the year	(120,521)	(248,263)
Adjustments for:		
Depreciation charges	4,055	16,393
Interest from investments	(6,525)	(796)
Decrease/(Increase) in stocks	(4,610)	(3,366)
Decrease/(Increase) in debtors	56,104	(7,174)
Increase/(Decrease) in creditors	11,839	5,169
Net cash provided by operating activities	(59,658)	(238,037)

2 Analysis of cash and cash equivalents

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Cash in hand	51,175	179,310
Notice deposits (less than 3 months)	674,914	668,283
Total cash and cash equivalents	726,089	847,593

SCIENCE PROJECTS

Notes to the accounts for the year ended 31 December 2023

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:-

Leasehold buildings	10%
Exhibition tent and flooring	25%
Exhibits	20%
Other equipment	10-50%
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 2023

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 2023****2. Direct charitable expenditure**

	Unrestricted	Restricted	Total funds Year ended 31 December 2023	Total funds Year ended 31 December 2022
	<u>Funds</u> £	<u>Funds</u> £	<u>2023</u> £	<u>2022</u> £
<u>Provision of educational services</u>				
Exhibit manufacture	580,262	-	580,262	671,130
Science centre and exhibition hire	578,967	48,114	627,081	530,942
ScienceWorks	1,005	-	1,005	2,739
	<u>1,160,234</u>	<u>48,114</u>	<u>1,208,348</u>	<u>1,204,811</u>

3. Fund-raising and publicity

Fund-raising	-	-	-	-
Publicity	2,857	-	2,857	1,841
	<u>2,857</u>	<u>-</u>	<u>2,857</u>	<u>1,841</u>

4. Governance costs

Salaries and office costs	64,017	-	64,017	102,644
Legal and professional fees	51,837	-	51,837	19,814
Audit fees	10,500	-	10,500	10,500
	<u>126,354</u>	<u>-</u>	<u>126,354</u>	<u>132,958</u>

SCIENCE PROJECTS

Notes to the accounts for the year ended 31 December 2023

5. Total resources expended

				Year ended 31 December <u>2023</u>	Year ended 31 December <u>2022</u>
	<u>Staff costs</u>	<u>Depreciation</u>	<u>Other costs</u>	<u>Total 2023</u>	<u>Total 2022</u>
	£	£	£	£	£
Educational services	677,008	4,055	527,285	1,208,348	1,204,811
Fund-raising and publicity	-	-	2,857	2,857	1,841
Governance costs	64,017	-	62,337	126,354	132,958
	<u>741,025</u>	<u>4,055</u>	<u>592,479</u>	<u>1,337,559</u>	<u>1,339,610</u>

	Year ended 31 December <u>2023</u>	Year ended 31 December <u>2022</u>
	£	£
Staff costs		
Wages and salaries	674,961	706,585
Social security costs	55,394	63,399
Employers pension contributions	10,670	12,025
	<u>741,025</u>	<u>782,009</u>
Other costs		
Premises	172,093	160,572
Materials	94,616	170,859
Miscellaneous	325,770	209,777
	<u>592,479</u>	<u>541,208</u>

	Year ended 31 December <u>2023</u>	Year ended 31 December <u>2022</u>
The average number of employees, analysed by function was:		
Educational services	32	33
Management and administration of the charity	3	4
	<u>35</u>	<u>37</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 outgoing Chief Executive Officer, Mr Pizzey, of £64,054 (Year ended 31 December 2022: £55,549) 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 <u>2023</u>	Year ended 31 December <u>2022</u>
	No	No
£60,000 - £70,000	2	1
£70,000 - £80,000	-	-

Defined Contribution Pension Plan Employers pension contribution costs to the Defined Contribution Pension Plan amounted to £10,670 (2022 £12,025) 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 2023****6. Tangible fixed assets**

	Exhibition building tent and flooring	Exhibits	Motor vehicles	Equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2023	109,333	1,248,129	28,562	601,059	1,987,083
Expenditure in the year	-	-	-	68,371	68,371
Disposals	-	-	-	-	-
At 31 December 2023	109,333	1,248,129	28,562	669,430	2,055,454
Depreciation					
At 1 January 2023	109,333	1,248,129	28,562	597,476	1,983,500
Charge for the year	-	-	-	4,055	4,055
Disposals	-	-	-	-	-
At 31 December 2023	109,333	1,248,129	28,562	601,531	1,987,555
Net book value					
At 31 December 2023	-	-	-	67,899	67,899
Net book value					
At 31 December 2022	-	-	-	3,583	3,583

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 2023	Year ended 31 December 2022
	£	£
Stock	20,724	16,281
Work in progress	167	-
	20,891	16,281

8. Debtors

	Year ended 31 December 2023	Year ended 31 December 2022
	£	£
Trade debtors	3,935	32,274
Other debtors	23,688	26,500
Retentions	-	-
Amounts recoverable on contracts	40,644	81,019
Prepayments and accrued income	35,303	19,401
Other taxes	254	734
	103,824	159,928

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 2023

9. Creditors: amounts falling due within one year

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Bank overdrafts	5,322	77
Payments on account	24,647	1,890
Trade creditors	12,403	15,486
Social security and other taxes	23,442	41,614
Accruals and deferred income	27,947	23,124
Other creditors	2,612	2,343
	<u>96,373</u>	<u>84,534</u>

10. Lease commitments

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
The total of future lease payments under non-cancellable operating leases for each of the following periods:		
Within one year	82,862	62,638
Between two and five years	259,016	26,940
Over five years	-	-
	<u>341,878</u>	<u>89,578</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 £25,980 (Year ended 31 December 2022: £20,760). The amount of outstanding balance at the year end was £780 (Year ended 31 December 2022 £Nil).

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 2023****13. Unrestricted and designated funds**

	Designated funds £	Other Unrestricted funds £	Total Unrestricted funds £
Balances brought forward at 1 January 2023	-	942,851	942,851
(Deficit)/Surplus/ in the year	-	(125,468)	(125,468)
Balances carried forward at 31 December 2023	-	817,383	817,383

14. Restricted funds

	Balance 1 January 2023 £	Movement Incoming £	in resources Outgoing £	Balance 31 December 2023 £
The Association for Science and Discovery Centres	-	6,061	2,419	3,642
The Wolfson Foundation	-	47,000	45,695	1,305
	-	53,061	48,114	4,947

The ASDC grant was funding for the “Our world from space” programme, the remainder of the grant is to be received in 2024.

The Wolfson Foundation Grant was in order to substantially fund the repair, renovation and replacement of the main doors and entrance to the Observatory building. As part of our commitment to the maintenance of the Grade II* listed building we undertook to renovate the doors and entrance in the same materials and construction methods as used during the original building in 1958. This was the first time since they were built that the doors have had a complete renovation and because of their unique requirement have cost some £63,000. The other grants were in respect of support for the Science centre covering repairs and refurbishment, support for educational programmes and contributions towards running costs.