

Coats Observatory Fund

Scotland · Charity number SC019454

Details

Status Active

Legal form Other

Registered 1966-04-28

Register [View on the OSCR register](#)

Contact

Address Finance and Resources
Renfrewshire Council
Cotton Street
Paisley
PA1 1JB

Website www.renfrewshire.gov.uk

Activities

Activities: 'It does none of these'

Purposes: 'the advancement of the arts, heritage, culture or science'

What the charity does: The upkeep of Observatory equipment

Beneficiaries: 'No specific group, or for the benefit of the community'

Objectives: The advancement of arts heritage, culture, or science.

Geography

- **Main operating location:** Renfrewshire
- **Geographical spread:** Wider, but within one local authority area

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£352,221	£352,221	-	0
2024-03-31	£455,269	£455,269	-	0
2023-03-31	£0	£0	-	0
2022-03-31	£0	£0	-	0
2021-03-31	£0	£0	-	0

Coats Observatory Fund

Scotland - Charity number SC019454

Accounts

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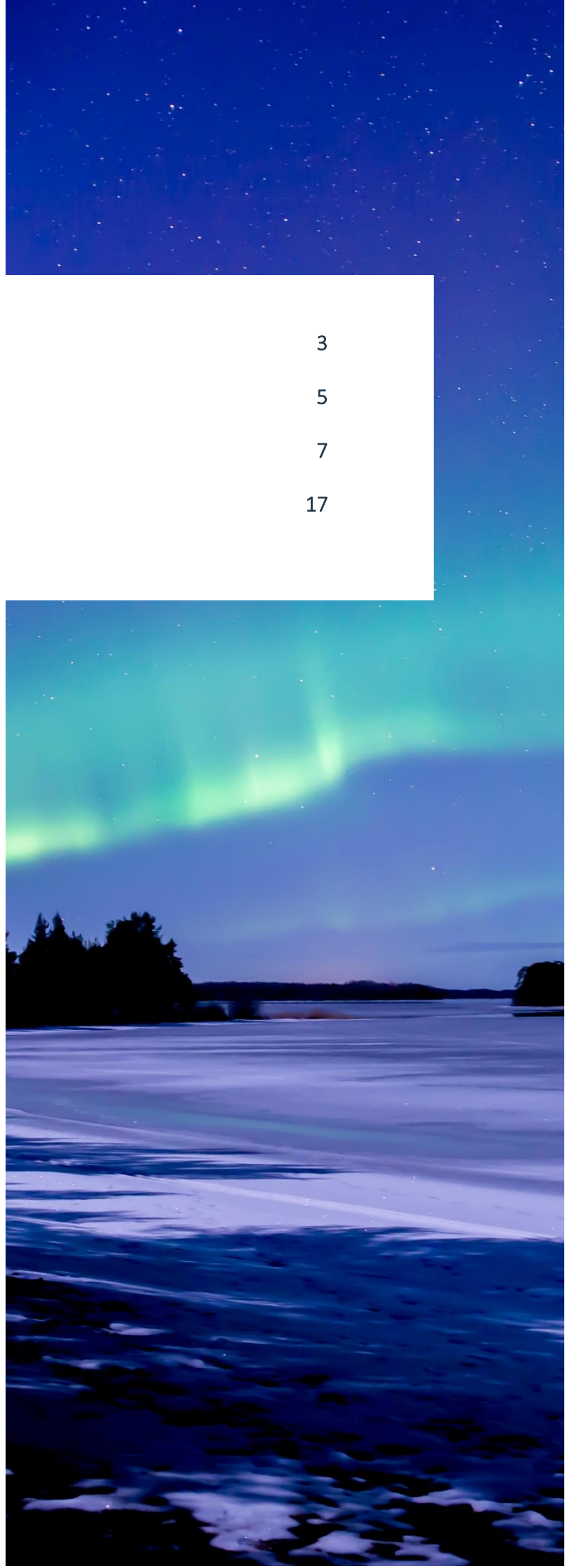
Coats Observatory Trust Fund

2024/25 Annual Audit Report to the Audit, Risk and
Scrutiny Board and the Accounts Commission

October 2025

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Key messages

Financial statements audit

The Charities Accounts (Scotland) Regulations 2006 outline the accounting and auditing requirements for charitable bodies. The Regulations require an auditor to prepare a report to the charity trustees where an audit is required by any other enactment.

The Trust is Renfrewshire Council's charitable trust and is covered by the requirements of section 106 of the Local Government (Scotland) Act 1973 and consequently require a full audit. Each registered charitable trust has required a full audit since 2013/14. Coats Observatory Trust Fund is a registered charity preparing its accounts on an accruals basis.

Audit opinion

The annual accounts are due to be considered by the Audit, Risk and Scrutiny Board on 20 October 2025 and approved upon completion of the audit.

We anticipate our independent auditor's report to be unqualified subject to the following concluding procedures:

- Engagement manager and engagement lead final quality reviews
- Receipt and review of the management representation letter
- Receipt and review of the final amended statement of accounts and trustees report
- Response from management regarding subsequent events up to the date of the opinion

Audit approach

Our audit approach has been based on gaining a thorough understanding of the Trust Fund's control environment and has been risk based. This included:

- An evaluation of the Trust Fund's internal control environment, including the IT systems and controls; and
- Substantive testing on significant transactions and material account balances, including the procedures outlined in this report in relation to our key audit risks.

We have not altered our audit plan.

Key audit findings	<p>The Trust Fund had reasonable administrative processes in place to prepare the annual accounts and the supporting working papers.</p> <p>We obtained adequate evidence in relation to the significant audit risks identified in our audit plan.</p> <p>The accounting policies used to prepare the financial statements are considered appropriate. We are satisfied with the appropriateness of the accounting estimates and judgements used in the preparation of the financial statements. All material disclosures required by relevant legislation and applicable accounting standards have been made appropriately.</p>
Audit adjustments	<p>No adjustments have been identified and made through the course of the audit.</p>
Internal controls	<p>The purpose of the audit was for us to express an opinion on the financial statements. The audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.</p> <p>Our audit is, therefore, not designed to identify all control weaknesses.</p> <p>No material weaknesses or significant deficiencies were noted.</p>

Introduction

Scope of audit

The annual audit comprises the audit of the financial statements. We outlined the scope of our audit in our External Audit Plan for Renfrewshire Council (“the Council”), which we presented to the Audit, Risk and Scrutiny Board at the outset of our audit. We have not made any subsequent changes to the risks outlined in that plan.

Responsibilities

The Trustees are responsible for preparing its annual accounts, including financial statements which properly present the receipts and payments, and for implementing appropriate internal control systems. The weaknesses or risks identified in this report are only those that have come to our attention during our normal audit work and may not be all that exist. Communication in this report of matters arising from the audit or of risks or weaknesses does not absolve management from its responsibility to address the issues raised and to maintain an adequate system of control.

We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on, the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

We would like to thank all management and staff for their co-operation and assistance during our audit.

Auditor independence

International Standards on Auditing in the UK (ISAs (UK)) require us to communicate on a timely basis all facts and matters that may have a bearing on our independence.

We confirm that we complied with the Financial Reporting Board’s (FRC) Ethical Standard. In our professional judgement, we remained independent, and our objectivity has not been compromised in any way.

We set out in Appendix 1 our assessment and confirmation of independence.

Adding value

All of our clients quite rightly demand of us a positive contribution to meeting their ever-changing business needs. We add value by being constructive and forward looking, by identifying areas of improvement and by recommending and encouraging good practice. In this way we aim to promote improved standards of governance, better management and decision making and more effective use of public money.

Any comments you may have on the service we provide would be greatly appreciated. Comments can be reported directly to any member of your audit team or to Audit Scotland.

Openness and transparency

This report will be published on Audit Scotland's website www.audit-scotland.gov.uk.

Annual Accounts audit

Our audit opinion

Opinion	Basis for opinion	Conclusions
Financial statements	<p>We conduct our audit in accordance with applicable law and International Standards on Auditing.</p> <p>Our findings / conclusions to inform our opinion are set out in this section of our annual audit report.</p>	<p>The annual accounts are due to be considered by the Audit, Risk and Scrutiny Board on 20 October 2025 and approved upon completion of the audit.</p> <p>We intend to issue unqualified opinions in our independent auditor's report.</p> <p>We received the draft annual accounts and supporting papers in line with our audit timetable and those draft accounts were of good quality. Further information was provided promptly where required. Our thanks go to the Finance team for their assistance with our work.</p>
Going concern basis of accounting	<p>In preparing the financial statements, the trustees are responsible for assessing the charity'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 intend to discontinue the charity's operations, or have no realistic alternative but to do so.</p>	<p>We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.</p>
Opinions prescribed by the	<p>We plan and perform audit procedures to gain assurance</p>	<p>We have no matters to report.</p>

Opinion	Basis for opinion	Conclusions
Accounts Commission On the Trustees' Annual Report	that information given in the Trustees' Annual Report is consistent with the financial statements and that report has been prepared in accordance with The Charity Accounts (Scotland) Regulations 2006.	
Matters reported by exception	<p>We are required to report on whether:</p> <ul style="list-style-type: none"> • adequate accounting records have not been kept; or • the financial statements are not in agreement with the accounting records; or • we have not received all the information and explanations we require for our audit. 	We have no matters to report.

An overview of the scope of our audit

The scope of our audit was detailed in our External Audit Plan for the Renfrewshire Council, which was presented to the the Audit, Risk and Scrutiny Board in March 2025. The plan explained that we follow a risk-based approach to audit planning that reflects our overall assessment of the relevant risks that apply to the Trust Fund. This ensures that our audit focuses on the areas of highest risk (the significant risk areas). Planning is a continuous process, and our audit plan is subject to review during the course of the audit to take account of developments that arise.

In our audit, we test and examine information using sampling and other audit techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. This includes:

- An evaluation of the Trust Fund's internal control environment, including the IT systems and controls; and

- Substantive testing on significant transactions and material account balances, including procedures outlined in this report in relation to our key audit risks.

Quality indicators

We have applied a suite of quality indicators to assess the reliability of the Board's financial reporting and response to the audit.

Metric	Grading (Mature / developing / significant improvement required)	Commentary
Quality and timeliness of draft financial statements	Mature	We received the unaudited financial statements of a good standard in line with our audit timetable.
Quality of working papers provided and adherence to timetable	Mature	Working papers were provided on time, complete, of good quality, and the audit was able to start on time as planned and progressed at the pace required. Audit requests / inquiries were turned around promptly and accurately.
Timing and quality of key accounting judgements	Mature	We did not identify any issues with the timing and quality of key accounting judgements.
Access to finance team and other key personnel	Mature	We received full access to the finance team and other key personnel. All audit queries and requests were responded to in a timely manner.
Quality and timeliness of the Annual Accounts As well as the quality and timeliness of supporting working papers for those statements.	Mature	We did not identify any issues with quality and timeliness of the audited part of the Annual Accounts.

Metric	Grading (Mature / developing / significant improvement required)	Commentary
Volume and magnitude of identified errors	Mature	We did not identify any audit adjustments in year.

Significant risk areas and key audit

Significant risks are defined by auditing standards as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, we consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement. Audit procedures are designed to mitigate these risks.

As required by the Code of Audit Practice and the planning guidance issued by Audit Scotland, we considered the significant risks for the audit that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the audit team (the 'Key Audit Matters'), as detailed in the tables below.

Our audit procedures relating to these matters were designed in the context of our audit of the annual report and accounts as a whole, and not to express an opinion on individual accounts or disclosures.

Our opinion on the accounts is not modified with respect to any of the risks described below.

The table below summarises each significant risk. Detail behind each risk and the work undertaken is set out on the following pages.

Risk area	Financial statement / Assertion level risk	Fraud risk	Planned approach to controls	Level of judgement / estimation uncertainty	Outcome of work
Management override of controls	Financial statement	Yes	Assess design &	Very High	No indication of management

Risk area	Financial statement / Assertion level risk	Fraud risk	Planned approach to controls	Level of judgement / estimation uncertainty	Outcome of work
			implementation		override of controls in the year

Significant risks at the financial statement level

These risks are considered to have a pervasive impact on the financial statements as a whole and potentially affect many assertions for classes of transaction, account balances and disclosures.

Risk area	Management override of controls
Significant risk description	<p>Management of any entity is in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>Although the level of risk will vary from entity to entity, this risk is nevertheless present in all entities. Due to the unpredictable way in which such override could occur, it is a risk of material misstatement due to fraud and thus a significant risk on all audits.</p> <p>This was considered to be a significant risk and Key Audit Matter for the audit.</p> <p>Risk of material misstatement: Very High</p>
How the scope of our audit responded to the significant risk	<p>Key judgement</p> <p>There is the potential for management to use their judgement to influence the financial statements as well as the potential to override controls for specific transactions.</p> <p>Audit procedures</p>

Risk area	Management override of controls
	<ul style="list-style-type: none"> • Documented our understanding of the journals posting process and evaluated the design effectiveness of management controls over journals. • Analysed the journals listing and determined criteria for selecting high risk and / or unusual journals. • Tested high risk and / or unusual journals posted during the year and after the unaudited annual accounts stage back to supporting documentation for appropriateness, corroboration and ensured approval has been undertaken in line with the Trust Fund’s journals policy. • Gained an understanding of the accounting estimates and critical judgements made by management. We challenged key assumptions and considered the reasonableness and indicators of management bias which could result in material misstatement due to fraud. • Evaluated the rationale for any changes in accounting policies, estimates or significant unusual transactions.
<p>Key observations</p>	<p>We did not identify any indication of management override of controls in the year. We did not identify any areas of bias in key judgements made by management and judgements were consistent with prior years.</p>

Materiality

Materiality is an expression of the relative significance of a matter in the context of the financial statements as a whole. A matter is material if its omission or misstatement would reasonably influence the decisions of an addressee of the auditor’s report. The assessment of what is material is a matter of professional judgement and is affected by our assessment of the risk profile of the Board and the needs of users. We reviewed our assessment of materiality throughout the audit.

Whilst our audit procedures are designed to identify misstatements which are material to our audit opinion, we also report any uncorrected misstatements of lower value errors to the extent that our audit identifies these.

Our initial assessment of materiality was £45,000. On receipt of the 2024/25 unaudited financial statements, we reassessed materiality and updated it from our initial assessment to £55,000. We consider that our updated assessment has remained appropriate throughout our audit.

	Materiality £
Overall materiality for the financial statements	£55,000
Performance materiality (75% of materiality)	£41,000
Trivial threshold	£3,000

Materiality

Our assessment is made with reference to the Trust Fund’s gross expenditure. We consider this to be the principal consideration for users of the financial statements when assessing financial performance.

Our assessment of materiality equates to approximately 3% of net assets as disclosed in the 2024/25 unaudited annual accounts.

We perform audit procedures on all transactions, or groups of transactions, and balances that exceed our materiality levels set. We perform a greater level of testing on the areas deemed to be at significant risk of material misstatement.

Performance materiality	<p>Performance materiality is the working level of materiality used throughout the audit. We use performance materiality to determine the nature, timing and extent of audit procedures carried out. We perform audit procedures on all transactions, or groups of transactions, and balances that exceed our performance materiality. This means that we perform a greater level of testing on the areas deemed to be at significant risk of material misstatement.</p> <p>Performance materiality is set at a value less than overall materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of the uncorrected and undetected misstatements exceed overall materiality.</p>
Trivial misstatements	<p>Trivial misstatements are matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria.</p>

Audit differences

We did not identify any audit differences during the audit.

Internal controls

As part of our work we considered internal controls relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we report these to the Audit, Risk and Scrutiny Board. These matters are limited to those which we have concluded are of sufficient importance to merit being reported.

We did not identify any significant control weaknesses during our audit.

Other communications

Other areas of focus

Area of focus	Audit findings and conclusion
Significant matters on which there was disagreement with management	There were no significant matters on which there was disagreement with management.
Significant management judgements which required additional audit work and / or where there was disagreement over the	There were no other significant management judgements which required additional audit work, where there was disagreement over

Area of focus	Audit findings and conclusion
judgement and / or where the judgement is significant enough that we are required to report it to those charged with governance before they consider their approval of the accounts	the judgement or where the judgement is significant enough that requires reporting.
Prior year adjustments identified	There were no prior year adjustments identified.
<p>Concerns identified in the following:</p> <ul style="list-style-type: none"> • Consultation by management with other accountants on accounting or auditing matters • Matters significant to the oversight of the financial reporting process • Adjustments / transactions identified as having been made to meet an agreed system position / target 	No concerns were identified in relation to these areas.

Accounting policies

Our work included a review of the adequacy of disclosures in the financial statements and consideration of the appropriateness of the accounting policies adopted by The Trust Fund.

The accounting policies, which are disclosed in the financial statements are considered appropriate. The accounting policies used in preparing the financial statements are unchanged from the previous year.

Overall, we found the disclosed accounting policies, and the overall disclosures and presentation to be appropriate.

Presentation and disclosures

There are no significant financial statements disclosures that we consider should be brought to your attention. All the disclosures required by relevant legislation and applicable accounting standards have been made appropriately.

Key judgements and estimates

We are satisfied with the appropriateness of material accounting estimates and judgements used in the preparation of the financial statements.

Fraud and suspected fraud

We have previously discussed the risk of fraud with management and Audit, Risk and Scrutiny Board. We have not been made aware of any incidents in the period nor have any incidents come to our attention as a result of our audit testing.

Our work as auditor is not intended to identify any instances of fraud of a non-material nature and should not be relied upon for this purpose.

Non-compliance with laws and regulations

As part of our standard audit testing, we have reviewed the laws and regulations impacting the Trust Fund. There are no indications from this work of any significant incidences of non-compliance or material breaches of laws and regulations.

Written representations

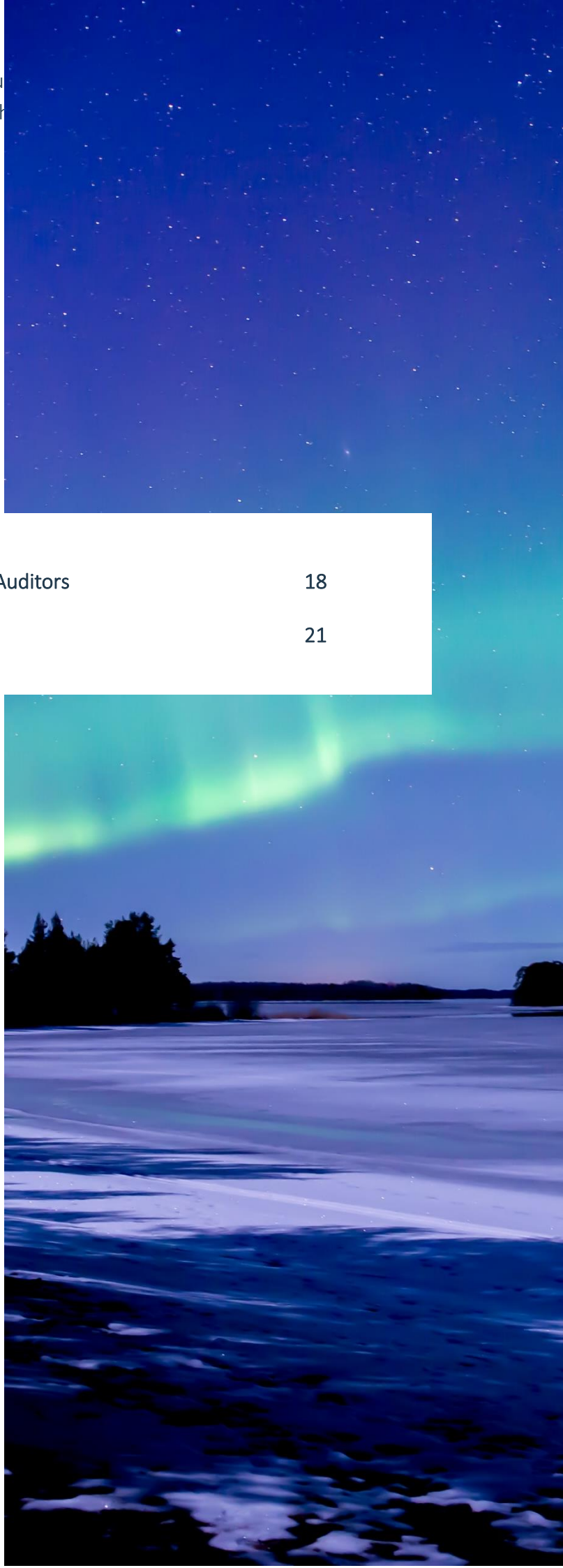
We will issue the final letter of representation to the Trust Fund to sign at the same time as the financial statements are approved.

Related parties

We are not aware of any related party transactions which have not been disclosed.

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Appendix 1: Responsibilities of the Trust and Auditors

The Trust's responsibilities

The Trust is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has responsibility for the administration of those affairs. The Director of Finance and Resources has been designated as that officer at the Trust. They manage the affairs of the Trust Fund to secure the economic, efficient and effective use of resources and safeguard its assets.

Area	Trust's responsibilities
Corporate governance	<p>The Director of Finance and Resources has responsibility for ensuring that an effective system of internal financial control is maintained and operated. This system of internal financial control can only provide reasonable and not absolute assurance that assets are safeguarded, transactions are recorded and properly authorised, and that material errors or irregularities are either prevented, or detected within a timely period. The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures and a system of delegation and accountability. The Director of Finance and Resources is responsible for keeping proper accounting records that are up to date and ensure that the financial statements comply with the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice (SoRP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014. Decisions regarding the operation, assets, processes or policies of the Trust Fund are delegated by the Council to the Finance, Resources and Customer Services Policy Board (FRCSPB).</p>
Financial statements and related reports	<p>The Trust has responsibility for:</p> <ul style="list-style-type: none">• preparing financial statements which give a true and fair view of the financial position of the Trust and its expenditure and income, in accordance with the applicable financial reporting framework and relevant legislation; and• maintaining accounting records and working papers that have been prepared to an acceptable professional standard and support the balances and transactions in its financial statements and related disclosures.

Area	Trust's responsibilities
	<p>Management is responsible, with the oversight of those charged with governance, for communicating relevant information to users about the Trust and its financial performance, including providing adequate disclosures in accordance with the applicable financial reporting framework. The relevant information should be communicated clearly and concisely.</p>
<p>Internal Control</p>	<p>The Trustees have overall responsibility for the Trust Funds' system of internal control. This system is designed by senior management to ensure effective and efficient operation, including financial reporting and compliance with laws and regulations. The Trustees acknowledge that such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.</p>
<p>Standards of conduct for prevention and detection of fraud and error</p>	<p>The Trust is responsible for establishing arrangements to prevent and detect fraud, error and irregularities, bribery and corruption and also to ensure that its affairs are managed in accordance with proper standards of conduct.</p>

Auditor responsibilities

Our responsibilities

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using our understanding of the local government sector and charity sector to identify that the Local Government (Scotland) Act 1973, Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006 are significant in the context of the charity;
- inquiring of management and those charged with governance as to other laws or regulations that may be expected to have a fundamental effect on the operations of the charity/charities;
- inquiring of management and those charged with governance concerning the charity's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among our audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the charity's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skillfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor’s responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Audit quality

The Auditor General and the Accounts Commission require assurance on the quality of public audit in Scotland through comprehensive audit quality arrangements that apply to all audit work and providers. These arrangements recognise the importance of audit quality to the Auditor General and the Accounts Commission and provide regular reporting on audit quality and performance.

Audit Scotland maintains and delivers an [Audit Quality Framework](#).

The most recent audit quality report can be found at [Quality of public audit in Scotland: Annual report 2025](#)

Independence and ethics

The Ethical Standards and ISA (UK) 260 require us to report full and fair disclosure of matters relating to our independence. In accordance with our profession’s ethical requirements and further to our external audit plan issued confirming audit arrangements we confirm that there are no further facts or matters that impact on our integrity, objectivity and independence as auditors that we are required or wish to draw attention to. We consider an objective, reasonable and informed third party would take the same view.

Audit fees

The total fees charged to the Trust Fund for the provision of services in 2024/25 were as follows. Prior year charges are also shown for comparative purposes:

	2024/25	2023/24
Auditor remuneration (expected fee level)	£6,480	£6,300
Total audit fee	£6,480	£6,300

Appendix 2: Audit adjustments

We are required to report all non-trivial misstatements to those charged with governance, whether or not the financial statements have been adjusted by management

Adjusted misstatements

We can confirm there were no adjusted misstatements.

Unadjusted misstatements

We can confirm there were no unadjusted misstatements

Misclassification and disclosure changes

Our work included a review of the adequacy of disclosures in the financial statements and consideration of the appropriateness of the accounting policies and estimation techniques adopted by the Trust.

Overall, we found the disclosed accounting policies, significant accounting estimates and the overall disclosures and presentation to be appropriate



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