

Charity Registration No. 210769

Company Registration No. 00117572 (England and Wales)

THE BRITISH ASTRONOMICAL ASSOCIATION
REPORT AND UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2021



THE BRITISH ASTRONOMICAL ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A Lorrain (President) Mr C Potter (Vice-President) Dr G King (Treasurer) Mr W Tarver (Company Secretary) Dr N Hewitt Mrs P Bosley Mr J Chuter Mr T Parsons Ms J McClean
Charity number	210769
Company number	00117572
Registered office	Burlington House Piccadilly London W1J 0DU
Independent examiner	RSM UK Tax and Accounting Limited Chartered Accountants Highfield Court Tollgate Chandlers Ford Eastleigh Hampshire SO53 3TY
Bankers	Bank of Scotland PO Box 17235 Edinburgh EH11 1YH
Investment advisors	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The Trustees of The British Astronomical Association present their annual report and financial statements for the year ended 31 March 2021 and confirm that the financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum, Articles of Association and Byelaws, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

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

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

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

The activities to achieve the aims and objectives include; the publication of a Journal and other materials, the establishment of a membership base, the provision of observing sections to specialise in various areas of astronomical observation, the holding of meetings at various locations around the country, attend science and astronomy exhibitions and fairs, attend professional conferences, a website, electronic newsletter and social media presence. Due to Covid-19 restrictions all meetings this year have been held as on-line webinars, these have all been made freely available to the public at no charge. This was further expanded to include free public access to our library of lectures and instructional videos.

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

The governing document is the Memorandum and Articles of Association.

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

Officers, management and organisation

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

Mr A Lorrain (President)

Mr C Potter (Vice-President)

Dr R McKim

(Resigned 26 October 2020)

Dr G King (Treasurer)

Mr W Tarver (Company Secretary)

Dr N Hewitt

Mrs P Bosley

Mr J Chuter

Mr T Parsons

Ms J McClean

(Appointed 28 October 2020)

Mr W Tarver is Company Secretary and Trustee only.

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Officers, management and organisation (continued)

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

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

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

New Trustees are provided with induction information and training by officers as required to meet their responsibilities. In normal circumstances the Board meets in person at least twice per year to deal with the governance and management of the Association. Due to Covid-19 restrictions in person meetings have not been possible this year, instead the board held monthly meetings via Zoom.

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

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

Achievements and performance

Membership recorded at 31 March 2021 was 2,648 across all categories, the equivalent number at 31 March 2020 was 2,564, an increase of 3.3% over the year. This increase contrasts with last year's small decline. It is one of the main aims of the Board & Council to continue to grow our membership, it is encouraging to note that there has been marked success even during the pandemic lockdowns.

For the financial period 2020/21 the deficit of income over expenditure excluding any gains/losses on investments was a deficit of £52,251 (9 month period 2019/20: deficit of £51,446). In common with some recent years the Association received substantial bequest income, this year we benefited from a final tranche of £26,892 from the estate of Mr Anthony Warrener and a generous bequest of £2,000 from the estate of David Gavine. During the year the Association became a registered charity with the Just Giving organisation and has received £474 from that source in memory of Ron Livesey.

Excluding the bequests and other donations there was an operational deficit of income over expenditure of £82,868 (9 month period 2019/20: £56,845). The operational deficit is largely due to staff costs, ongoing accommodation costs and the overall increase in costs of providing member benefits. The apparent increase in the monthly rate of deficit is a consequence of the fact that most of our subscriptions income occurs in August whereas our outgoings are spread across the year. Meaning that the 9 month period enjoyed most of a year's income but only nine months of expenditure.

The majority of the Association's long term investments are invested with CCLA in their COIF Investment accumulation fund. This fund has performed well resulting in the total value of all of our investments increasing by £262,302 (9 month period 2019/20: decrease of £83,002). We thus enjoyed a total surplus during the period of £210,051 (9 month period 2019/20: deficit of £134,448).

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

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

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

For many years the Association has benefited from an accommodation agreement with the Royal Astronomical Society (RAS) which provides office accommodation, and the use of their lecture theatre, meeting rooms and library within Burlington House, Piccadilly. The RAS, along with the other 'courtyard societies' is currently in negotiations with the Government in order to obtain a new lease for the premises at an affordable rent, and the Association has agreed to support this. Our own arrangement with the RAS is subject to a notice period of three months on either side to cancel the agreement. The pandemic has meant that Burlington House has been closed for more than twelve months. With the initial 'lockdown' the Board implemented the contingency plan drawn up if we needed to re-locate. The office staff have been working very successfully remotely and with the planned use of the lecture theatre at the Institute of Physics for our meetings, our need for a physical base has diminished. Discussions are ongoing with the RAS in order to retain our historical connection with them but at a reduced cost to the Association.

Despite the restrictions imposed by Government to counteract the Pandemic, the work of the observing Sections continues to be at the forefront of the Association's activities. These were again reported in six issues of our Journal. Philip Jennings continues his excellent work of editing the Journal, which remains our flagship publication. In the absence of normal 'face to face' section meetings the Deep Sky, Historical, Radio and Solar sections all held 'virtual' meetings online.

The Board and Council continued the winding-up of the collection of instruments owned by the Association. The majority of instruments were sold during our previous reporting period. There are some instruments that the Board is still actively trying to recover. The intention is that a number of instruments of importance to the history of the Association will be retained in the Heritage Collection with any surplus instruments being offered to Members by way of sealed bid auctions following advertisement in the Journal.

Our meeting programme has understandably been hit severely by the health crisis and our Meetings Secretary Hazel Collett has worked tirelessly to liaise with both venues and speakers in order to move these from being face to face events onto the online platform. This provides Members, and the wider public, with the ability to watch either via Zoom or the BAA YouTube channel. Webinar attendance was initially strong during lockdowns, approximating twice our normal attendance at in person meetings. These numbers have gradually reduced as people have become aware that the meetings are recorded and freely available on our YouTube channel to view at any convenient time. Our hope is that we will be able to return to Member attended venues in the autumn, potentially commencing with the scheduled AGM in October 2021.

With the implementation of the national lockdown, banning all but essential travel, the Board reacted quickly to provide the astronomical community with on line material. The recordings of our previous meetings were made freely available to everyone and the decision was taken to launch regular webinars utilising Zoom software. These webinars have continued throughout the year and our thanks go to those who have arranged, hosted and presented these events which have become hugely popular and well received.

The range of these webinars has been impressive the Solar section have covered how to image the Sun in three wavelengths as well as a talk on the Solar cycle. The Comet section took a journey through the comet archives as well as separate sessions on two visible comets. A special event was arranged with the Society of Popular Astronomy to highlight Jupiter at opposition whilst the increasingly popular topics of spectroscopy and radio astronomy were also covered. Not to be outdone, the Variable Star section covered the unusual outbursts of SS Cygni as well as contemplating the dramatic changes in magnitude of the star Betelgeuse.

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

The Association plans to resume its promotion of amateur astronomy at European Astrofest, the International Astronomy Show in Warwickshire, and the Practical Astronomy Show in Kettering as well as the New Scientist Live event in London's Docklands. None of these events were able to proceed during the pandemic but it is our hope that they will be able to take place again in the future under revised government guidance however there will need to be increased vigilance in order to protect our volunteer helpers and Members.

Apart from routine office tasks, almost all of this substantial programme of activities is run and managed by volunteers, and as ever we are hugely grateful to all those who so freely offer their time and expertise to support our work.

Andrew Wilson continues as our Systems Administrator. Andy has continued to work on the Association's membership database liaising with the providers, SheepCRM. This provides us with enhanced management information as well as providing a better customer experience for those joining the Association and simplify our membership management. He is now working to move all our meeting booking arrangements on to a new system, Eventbrite. This should again provide Members with a better experience when booking meetings and will hopefully simplify the administration for both the office staff and meeting organisers. Andy has contributed significantly to assist the Association to mitigate the effects of the national emergency, not only in his paid role but also as a volunteer. Whilst it has been necessary to close the online shop, we are looking to reopen this soon and the staff have been able to carry out all their other tasks securely from home due to our improved IT infrastructure.

The Association's website (britastro.org), is one of the main faces of the Association to the outside world. For many members who are unable to attend meetings regularly, it is one of the chief ways of interacting with the Association. The board appreciated that improvements to the website were required to make it more accessible and useful. A complete redevelopment of the website is underway utilising an external contractor but under the oversight of Dr Dominic Ford and Callum Potter. Our objective is that the website should be a vehicle for fostering a greater sense of community amongst members, and this has been proved in recent months. The contents of the website are actively managed by the Website Operations Team; this includes increasing the frequency of news articles published online as well as Observer's Challenges and Tutorials. Members are also encouraged to upload their observations to their own 'Members Album' and contribute to the live forum. The Newsletter edited by Janice McClean, which is emailed to members monthly with news and upcoming events, continues to be very popular.

The Board, being cognisant of the significant large reserves held by the Association, feels that some of these funds should be spent to enhance further the services provided to the membership and the wider public. To this end a Strategy Group is being set up to consider the matter and will provide recommendations to both Board and Council in due course. This Group will also consider matters raised within the meeting of the directors of the observing sections which was also held online during the year.

In order to assist the Section Directors preparing and uploading material to the Association's website, the Board agreed funding for a Web Content Editor. Following a recruitment process a candidate was appointed, but regrettably they had to leave after only a few months for personal reasons. The Board has now recruited a new person who will liaise with the Section Directors to prepare items for inclusion online and also to prepare their own material.

Plans for future periods

The Association is keen to attract new members and to increase the diversity of the Membership and Council continues to consider additional ways to improve our offerings to both current and new members. In order to make these offerings as efficient as possible we will continue to review our office systems based on the experiences we have gained this year in order to maximise our Members' benefits.

With the continued postponement of the Association's face to face meetings programme, a decision has been made to continue to provide a video link to future meetings even when we return to face to face events. This will ensure continued access to meetings in the event some Members are, at least initially, reluctant to travel and be in close contact with others. The Covid-19 pandemic has caused us to radically rethink what, and how, we provide benefits to our Members and the Board of Trustees and Council will continue to consider what changes are appropriate for future conditions.

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Financial review

Reserves policy

The reserves policy of the Charity is to retain a level of reserves which will provide an annual income sufficient to meet any operating deficit and which will also meet expenditure commitments for the next twelve months, including the distribution of awards and grants as decided by Council in accordance with any conditions applicable. The reserves held are sufficient to meet the expected expenditure. Restricted and unrestricted reserves at 31 March 2021 amounted to £7,255 (2020: £7,339) and £1,611,437 (2020: £1,401,302) respectively.

Going Concern

At the time of approving the financial statements and in consideration of the events surrounding COVID-19, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In reaching this conclusion the Trustees have considered the current year's level of operational deficit and the expected future results. They have compared these figures with both the working capital position of the charity, which includes a strong cash balance as well as the significant investments held as fixed assets which would be capable of realisation should this prove necessary. At the year end the charity had total assets less current liabilities of £1,618,692 (2020: £1,408,641). Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Risk management

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

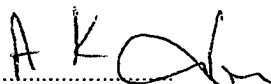
Investment policy

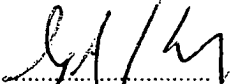
In accordance with the Memorandum and Articles of Association, the Board has the power to invest in such stocks, funds, shares, securities or other investments as it sees fit. The investment objective of the Association is to make investments which will maintain the real purchasing power of the portfolio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

The Treasurer recommended to the Board of Trustees that £150,000 (2020: £300,000) of additional funds be invested with the CCLA utilising our COIF Charities Investment accumulation fund, which meets the Association's investment policy and which is managed in accordance with accepted ESG objectives. The Board approved this recommendation and this CCLA account now contains £1,411,696 (2020: £1,002,143) at the year end.

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

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


Mr A Lorrain (President)
Trustee
Dated: 1 Sept 2021


Dr G King (Treasurer)
Trustee
Dated: 15 Sept 2021

THE BRITISH ASTRONOMICAL ASSOCIATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

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

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

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

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

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

THE BRITISH ASTRONOMICAL ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE BRITISH ASTRONOMICAL ASSOCIATION

I report to the Trustees on my examination of the financial statements of The British Astronomical Association ('the company') for the year ended 31 March 2021, which are set out on pages 8 to 19.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the financial statements present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

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

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

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Kevin Barwick FCA
The Institute of Chartered Accountants in England and Wales
Chartered Accountant
On behalf of RSM UK Tax and Accounting Limited
Chartered Accountants
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY
Dated: 12 November 2021

THE BRITISH ASTRONOMICAL ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds	Restricted funds	Total Year to 31 March 2021	Total Period to 31 March 2020
	Notes	£	£	£	£
<u>Income and endowments from:</u>					
Donations and legacies		30,617	-	30,617	5,399
Income from charitable activities	3	110,903	(94)	110,809	112,003
Investments	4	256	10	266	753
Other income		24	-	24	191
Total income		141,800	(84)	141,716	118,346
<u>Expenditure on:</u>					
Charitable activities expenditure	5	(193,967)	-	(193,967)	(169,792)
Net expenditure and net movement in funds before gains/(losses) on investments		(52,167)	(84)	(52,251)	(51,446)
Net gains/(losses) on investments	8	262,302	-	262,302	(83,002)
Net movement in funds		210,135	(84)	210,051	(134,448)
Total funds brought forward	14	1,401,302	7,339	1,408,641	1,543,089
Total funds carried forward	14	1,611,437	7,255	1,618,692	1,408,641

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

All income and expenditure derive from continuing activities.

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

THE BRITISH ASTRONOMICAL ASSOCIATION

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	31 March 2021		31 March 2020	
		£	£	£	£
Fixed assets					
Tangible assets	9		25,935		27,472
Investments	10		1,428,603		1,016,291
			<u>1,454,538</u>		<u>1,043,763</u>
Current assets					
Debtors	11	10,451		11,984	
Cash at bank and in hand		171,081		398,749	
			<u>181,532</u>		<u>410,733</u>
Creditors: amounts falling due within one year	12	(17,378)		(45,855)	
Net current assets			<u>164,154</u>		<u>364,878</u>
Total assets less current liabilities			<u><u>1,618,692</u></u>		<u><u>1,408,641</u></u>
Income funds					
Restricted funds	14		7,255		7,339
Unrestricted funds	14		1,611,437		1,401,302
			<u>1,618,692</u>		<u>1,408,641</u>

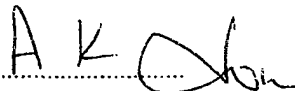
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

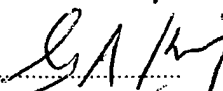
The Trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Trustees on

1st September 2021


Mr A Lorrain (President)
Trustee


Dr G King (Treasurer)
Trustee

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

The British Astronomical Association is a private company limited by guarantee incorporated and registered in England and Wales. The registered office and principal place of business is Burlington House, Piccadilly, London, W1J 0DU.

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

Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum, Articles of Association and Byelaws, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019) and under the historic cost convention, modified to include certain assets at fair value. The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The Trustees have elected to prepare financial statements to 31 March, to enable timely reporting of results to charity supporters and was approved by the Board of Trustees at a special General Meeting. As a result, the prior financial statements cover the 9 month period from 1 July 2019 to 31 March 2020 and results are not entirely comparable to those of the current year.

Going concern

At the time of approving the financial statements and in consideration of the events surrounding COVID-19, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In reaching this conclusion the trustees have compared these figures with both the working capital position of the charity, which includes a strong cash balance as well as the significant investments held as fixed assets which would be capable of realisation should this prove necessary. At the year end, the charity had total assets less current liabilities of £1,618,692 (2020: £1,408,641), including a strong cash balance and investments balance. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Charitable funds

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

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

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Income

Donations and grants

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

Income from charitable activities

Income from subscriptions is recognised over the term of the subscription.

Income from advertisement is recognised as earned by the charity.

Income from the sale of goods is recognised following the supply of goods to the buyer when the significant risks and rewards of ownership are transferred.

Investments

Interest is included when receivable by the charity.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure.

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

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

Tangible fixed assets

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

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

Fixtures and fittings	6 years straight line
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Instruments are carried at a revalued amount, being their fair value at the date of revaluation less any subsequent impairment losses. The fair value of the instruments are determined from market-based evidence on a regular basis by professionally qualified valuers and intermittently by the Trustees. Revaluation gains arising on the revaluation are recognised in the Statement of Financial Activities after net income unless they reverse a previous charge for impairment.

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

The charity has no de minimis capitalisation limit.

Fixed asset investments

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

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Cash and cash equivalents

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

Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

Employee benefits

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

Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

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

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

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

3 Income from charitable activities

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Subscriptions	86,339	(94)	86,245	84,250
Digital subscriptions	8,635	-	8,635	2,721
Receipts from meetings and courses	-	-	-	3,818
Advertising revenue	15	-	15	383
Receipts from commission for dark skies	12	-	12	124
Sales - the handbook	167	-	167	940
Other income	1,059	-	1,059	5,963
HMRC gift aid	14,676	-	14,676	13,804
	<u>110,903</u>	<u>(94)</u>	<u>110,809</u>	<u>112,003</u>

The income from charitable activities was £110,674 (2020: £112,003) of which £110,768 was unrestricted (2020: £112,126) and (£94) was restricted (2020: (£123)).

4 Investments

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Dividends received from listed investments	207	-	207	183
Interest receivable	49	10	59	570
	<u>256</u>	<u>10</u>	<u>266</u>	<u>753</u>

The investment income was £266 (2020: £753) of which £256 was unrestricted (2020: £730) and £10 was restricted (2020: £23).

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Charitable activities expenditure

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Publications and cost of sales items	62,628	-	62,628	43,571
Meetings and courses	1,260	-	1,260	13,709
Section costs	284	-	284	1,113
Document collection and archives	2,988	-	2,988	3,611
Grants and awards	1,141	-	1,141	1,263
Commission for dark skies	2,000	-	2,000	-
	<u>70,301</u>	<u>-</u>	<u>70,301</u>	<u>63,267</u>
Share of support costs (see note 6)	123,666	-	123,666	106,525
	<u>193,967</u>	<u>-</u>	<u>193,967</u>	<u>169,792</u>

The expenditure on charitable activities was £194,149 (2020: £169,792) of which £194,149 was unrestricted (2020: £169,202) and £nil was restricted (2020: £590).

6 Support costs

	Support costs £	Governance costs £	2021 £	2020 £
Salaries and wages	46,605	-	46,605	34,965
Employers national insurance	-	-	-	380
Professional fees	-	3,712	3,712	8,097
IT and data base costs	13,003	-	13,003	8,417
Independent examination fees	-	3,350	3,350	3,250
Accountancy fees to independent examiner	-	4,804	4,804	7,900
Telephone, printing and stationery	5,826	-	5,826	3,442
Members promotion	2,484	-	2,484	1,068
Trustees and Council members expenses	180	-	180	3,101
Election costs	2,018	-	2,018	1,741
Bank charges	1,803	-	1,803	1,907
Depreciation	1,537	-	1,537	892
Pension costs	2,315	-	2,315	1,674
Premises costs (including insurance)	34,290	-	34,290	28,001
Instruments collection costs	1,530	-	1,530	1,497
Sundry costs	209	-	209	193
	<u>111,800</u>	<u>11,866</u>	<u>123,666</u>	<u>106,525</u>
Analysed between:				
Charitable activities	<u>111,800</u>	<u>11,866</u>	<u>123,666</u>	<u>106,525</u>

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Employees and Trustees

Employment costs	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Wages and salaries	46,605	-	46,605	34,965
Social security costs	-	-	-	380
Other pension costs	2,315	-	2,315	1,674
	<u>48,920</u>	<u>-</u>	<u>48,920</u>	<u>37,019</u>

The average number of employees in the period was 3 (2020: 3).

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

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

A total of £78 (2020: £1,210) was reimbursed to 1 (2020: 5) Trustees to cover travel expenses incurred on behalf of the charity.

8 Net gains/(losses) on investments

	2021 £	2020 £
Revaluation of investments	<u>262,302</u>	<u>(83,002)</u>

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Tangible fixed assets - for charity's own use

	Fixtures, fittings and instruments £
Cost or valuation	
At 1 April 2020	92,517
At 31 March 2021	92,517
Depreciation and impairment	
At 1 April 2020	65,045
Depreciation charged in the year	1,537
At 31 March 2021	66,582
Carrying amount	
At 31 March 2021	25,935
At 31 March 2020	27,472

The Instrument Collection is included within the above at a revalued cost of £22,294 (2020: £22,294). This valuation was finalised in May 2018 by Dr Richard J. McKim, BAA Archivist, Curator of Instruments and Director of the Mars section.

10 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2020	1,016,291
Additions	150,010
Valuation changes	262,302
At 31 March 2021	1,428,603
Carrying amount	
At 31 March 2021	1,428,603
At 31 March 2020	1,016,291

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	161	241
Prepayments and accrued income	5,082	5,530
	<u>5,243</u>	<u>5,771</u>
Amounts falling due after more than one year:		
Prepayments and accrued income	5,208	6,213
	<u>5,208</u>	<u>6,213</u>
Total debtors	<u>10,451</u>	<u>11,984</u>

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	100	22,978
Other taxation and social security	780	3,277
Accruals	16,498	19,600
	<u>17,378</u>	<u>45,855</u>

13 Financial instruments

	2021	2020
	£	£
Carrying amount of financial assets		
Equity instruments measured at fair value	1,428,603	1,016,291

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Funds

	Balance at 1 April 2020	Income	Expenditure	Revaluations, gains and losses	Balance at 31 March 2021
	£	£	£	£	£
Restricted funds	7,339	(84)	-	-	7,255
Unrestricted funds	1,401,302	141,800	(193,967)	262,302	1,611,437
	<u>1,408,641</u>	<u>141,716</u>	<u>(193,967)</u>	<u>262,302</u>	<u>1,618,692</u>

	Balance at 1 July 2019	Income	Expenditure	Revaluations, gains and losses	Balance at 31 March 2020
	£	£	£	£	£
Restricted funds	8,029	(100)	(590)	-	7,339
Unrestricted funds	1,535,060	118,446	(169,202)	(83,002)	1,401,302
	<u>1,543,089</u>	<u>118,346</u>	<u>(169,792)</u>	<u>(83,002)</u>	<u>1,408,641</u>

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

15 Analysis of net assets between funds

	Bequest Funds	Unrestricted income funds	Total
	£	£	£
Fund balances at 31 March 2021 are represented by:			
Tangible assets	-	25,935	25,935
Investments	7,255	1,421,348	1,428,603
Net current assets	-	164,154	164,154
	<u>7,255</u>	<u>1,611,437</u>	<u>1,618,692</u>

	Bequest Funds	Unrestricted income funds	Total
	£	£	£
Fund balances at 31 March 2020 are represented by:			
Tangible assets	-	27,472	27,472
Investments	7,339	1,008,952	1,016,291
Net current assets	-	364,878	364,878
	<u>7,339</u>	<u>1,401,302</u>	<u>1,408,641</u>

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Related party transactions

Transactions with related parties

No related party transactions occurred in the year ended 31 March 2021 (2020: £nil).