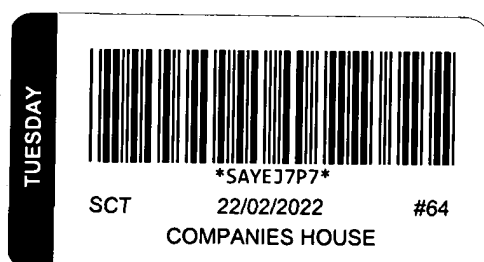


Charity Registration No. SC042329 (Scotland)

Company Registration No. SC399758 (Scotland)

THE DARK SKY OBSERVATORY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021



THE DARK SKY OBSERVATORY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees (Directors for company law purposes) J M Gibson (resigned 16 July 2020)

Dr N J Martin
D I C Parker
M H Klimek
M Charron
P D Kennerley

Charity number (Scotland) SC042329

Company number SC399758

Principal address Craigengillan
Dalmellington
Ayr
KA6 7PZ

Registered office 3 Wellington Square
Ayr
South Ayrshire
KA7 1EN

Independent examiner Paul Hutchison ACA
Azets Audit Services
Chartered Accountants
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

Bankers The Royal Bank of Scotland plc
Dalmellington Branch
27 Main Street
Dalmellington
KA6 7QJ

Clydesdale Bank plc
43 Alloway Street
Ayr
KA7 1SP

THE DARK SKY OBSERVATORY

CONTENTS

	Page
Trustees' report	1 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6 - 7
Notes to the financial statements	8 - 17

THE DARK SKY OBSERVATORY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MAY 2021

The trustees present their report and financial statements for the year ended 31 May 2021.

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 company's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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) (effective 1 January 2019)".

Objectives and activities

The company's charitable purposes as defined by the Memorandum and Articles of Association are:

- the advancement of science, education, the arts and environmental protection by the construction of an observatory to complement the Galloway Forest Dark Sky Park and;
- the promotion of social, economic and environmental regeneration of Dalmellington and the Upper Doon Valley in East Ayrshire.

Achievements and performance

For all tourism and hospitality venues, the last year has presented many new challenges and difficulties. Due to Covid Lockdowns 2 and 3, the Observatory was amongst those businesses mandated to close in line with Government imposed safety restrictions.

With the easing of the Lockdown 1 restrictions we implemented a number of control measures to allow us to protect our staff and volunteers, re-open the venue and safely welcome the public to our planned activities once again.

One of the measures we had to implement was a 25% reduction in our usual visitor capacity to allow for social distancing requirements. This less impactful reduction was achieved by repurposing our Exhibition Room for use as an additional Presentation Room.

We were delighted, upon reopening (3 September 2020), to experience a tremendous surge of interest from the public. Following a cautious return to limited activities in the early part of the month, demand for tickets resulted in the offering being increased and a number of additional activities being listed on our Events Calendar, the tickets for which all sold out within a day or two of being released for sale. This provided a very welcome boost in visitor income.

Visitor reaction to our on-site planetarium continues to be extremely positive. Although we have been unable to attract educational daytime visits because of Covid restrictions, those visitors who have been able to join us have enjoyed the immersive presentations, alongside telescope time and some solarscope activity.

In line with restrictions, we were mandated to close our doors again in mid-November 2020 due to Lockdown 2 being implemented. The Trustees made a decision not to re-open prior to Christmas, or between Christmas and New Year 21 due to a spike in Covid infection rates throughout the country. Lockdown 3 beginning on Boxing Day 2020 proved this decision to have been the correct one.

With Lockdown 3 restrictions continuing to be in place since then we were, unfortunately, unable to reopen prior to our financial year end.

The Trustees were delighted to secure LEADER funding (awarded in May 2019) to pay for 90% of the resurfacing costs of a third of our access road and a quantity of new directional signage. Again, due to Covid and restrictions and Lockdowns, commencement of the works was delayed by six months, with completion taking place in mid-April 2021. This much improved road surface and high-visibility directional signage were expected to be hugely beneficial to the overall visitor experience.

THE DARK SKY OBSERVATORY

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

FOR THE YEAR ENDED 31 MAY 2021

Weddings

We were delighted, at short notice, to accept bookings for two weddings to take place in October 2020.

The first was a very small and simple Humanist wedding ceremony, with the couple and just two witnesses in attendance. The second was a Humanist wedding ceremony (fair weather allowed the couple to wed in the open air on our elevated observation deck) followed by a reception held in our Exhibition Room and Planetarium.

For both weddings the Bride and Groom spent time having photographs taken in the telescope dome, planetarium and the grounds around the facility. The posting of wedding photographs (with permission from the couples) to the Observatory's social media attracted huge interest and attention.

Portable Planetarium

Again, due to Lockdowns and Covid restrictions in place, and more particularly due to the nature of the equipment, we have been unable to offer or use our portable planetarium since mid-March 2020.

The Observatory and its Manager were filmed/recorded to feature in both television and radio programmes this year, providing very welcome promotional coverage in order to help attract new visitors.

The Trustees were delighted to have once again retained VisitScotland's '4 Star' Quality Assurance rating during 2020/21.

Financial review

The financial statements have been prepared in accordance with current statutory requirements and the company's Memorandum and Articles of Association.

The charity generated income of £104k during the year, including over £37k from entrance fees to the observatory and planetarium, with £45k of COVID related grant support and £18k of LEADER grant funding towards our road improvement project. With expenditure of £76k (2020 - £81k), the charity had net movement in funds for the year of £27,559 (2020 - £14,295) as stated in the Statement of Financial Activities. The Trustees confirm that the assets are available and adequate to fulfil the obligations of the charitable company.

The Trustees' principal objective with regard to reserves is to ensure that the company has adequate working capital to meet cashflow requirements and to enable the company to meet all legal obligations for three months. The Trustees consider that the level of free reserves at 31 May 2021 of £119,864 (2020 - £90,505) is adequate for these purposes.

The Trustees have conducted a review of the major risks to which the company is exposed and systems have been established to mitigate these risks.

Plans for future periods

In the early hours of Wednesday 23 June a devastating fire resulted in the total destruction of the Observatory, along with the entirety of its equipment and contents.

The shock of the loss has been intense – the Trustees and Observatory Manager are, even yet, coming to terms with the demise of such a wonderful educational and tourism asset. We were very touched and heartened to receive hundreds of messages sympathy and offers of practical and financial assistance from all around the world.

Following the total loss of the facility and its equipment, the Trustees had to make the Astronomer redundant, retaining only the role of the Observatory Manager.

THE DARK SKY OBSERVATORY

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

Since the fire, the Trustees and Manager have been working with our Insurer and Loss Adjuster to progress our claim, which was accepted within a week of being submitted.

In continuing to work towards a full reinstatement of the facility, the Trustees recently appointed a Design Team and are currently exploring Design Concepts for the new build project.

The Board of Trustees and the Manager are fully committed to ensuring the successful completion of the rebuild project (anticipated to take around two years). All share not just the will but also the determination for the Observatory to arise from the ashes and once again take its place as a unique and important educational and tourism asset for the local community and for Scotland.

Structure, governance and management

The company, which is limited by guarantee and has charitable status, was incorporated on 18 May 2011. Management of the company has been delegated to the Trustees, each of whom were appointed in accordance with the Memorandum and Articles of Association.

Trustees are appointed by ordinary resolution of the members or by resolution of the Trustees. Trustees are not required to serve fixed terms or to retire by rotation.

Statement of trustees' responsibilities

The trustees, who are also the directors of The Dark Sky Observatory 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 which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The trustees' report was approved by the Board of Trustees and signed on their behalf by:



M Charron
Dated: 11 February 2022



M H Klimek
Dated: 11 February 2022

THE DARK SKY OBSERVATORY

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE DARK SKY OBSERVATORY

I report on the financial statements of the company for the year ended 31 May 2021, which are set out on pages 5 to 17.

Respective responsibilities of trustees and examiner

The company's trustees, who are also the directors of The Dark Sky Observatory for the purposes of company law, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Paul Hutchison ACA
Azets Audit Services
Chartered Accountants
Exchange Place 3
Sempie Street
Edinburgh
EH3 8BL

Dated: 14 February 2022

THE DARK SKY OBSERVATORY

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

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	2020 £
	Notes				
<u>Income from:</u>					
Donations and legacies	3	45,934	18,797	64,731	18,627
Charitable activities	4	39,147	-	39,147	68,341
Investments	5	15	-	15	22
Insurance claim		-	-	-	8,785
Total income		85,096	18,797	103,893	95,775
<u>Expenditure on:</u>					
Charitable activities	6	75,886	448	76,334	81,480
Net income for the year/ Net movement in funds		9,210	18,349	27,559	14,295
Fund balances at 1 June 2020		673,623	-	673,623	659,328
Fund balances at 31 May 2021		682,833	18,349	701,182	673,623

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 DARK SKY OBSERVATORY

BALANCE SHEET

AS AT 31 MAY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		646,388		646,113
Current assets					
Stocks	11	2,454		2,295	
Debtors	12	24,207		6,454	
Cash at bank and in hand		52,533		40,341	
		<u>79,194</u>		<u>49,090</u>	
Creditors: amounts falling due within one year	13	<u>(24,400)</u>		<u>(21,580)</u>	
Net current assets			54,794		27,510
Total assets less current liabilities			<u>701,182</u>		<u>673,623</u>
Income funds					
Restricted funds	15		18,349		-
<u>Unrestricted funds</u>					
Designated funds		562,969		583,118	
General unrestricted funds		<u>119,864</u>		<u>90,505</u>	
	16		682,833		673,623
			<u>701,182</u>		<u>673,623</u>

THE DARK SKY OBSERVATORY

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2021

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 May 2021.

The Trustees acknowledge their responsibilities for ensuring that the company 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.

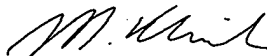
The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 11 February 2022



M Charron
Chairman



M H Klimek
Trustee

Company Registration No. SC399758

THE DARK SKY OBSERVATORY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

Charity information

The Dark Sky Observatory is an incorporated charity limited by guarantee in the United Kingdom and is registered in Scotland. It is recognised as a charity for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC042329. The charity's registered office is c/o Azets, 3 Wellington Square, Ayr, South Ayrshire, KA7 1EN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, , The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) 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) (effective 1 January 2019)". The company is a Public Benefit Entity as defined by FRS 102.

The company has taken advantage of the provisions in the SORP not to prepare a Statement of Cash Flows.

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

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented, in dealing with items which are considered material in relation to the charity's financial statements unless otherwise stated.

The financial statements are prepared under the historic cost convention.

1.2 Going concern

Since the year end a devastating fire has destroyed the observatory and the charity is currently unable to trade. The Trustees have implemented cost-saving strategies to ensure expenditure is minimal and are negotiating with the charity's insurers to ensure that the charity has sufficient funds to continue to operate until a new observatory can be built and opened. The Trustees have assessed ongoing costs and with the current cash position and agreed insurance receipts, they have a reasonable expectation that the charity has adequate resourced to continue in operational existence for the foreseeable future. They therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

The trustees may designate funds for specific purposes to ensure that funds are available to meet future commitments.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

THE DARK SKY OBSERVATORY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Revenue grants are recognised in the year to which they relate when the charitable company has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably. Any income which relates to a period out with the one under review is treated as deferred.

1.5 Expenditure

Expenditure is recognised on an accruals basis when a legal or constructive obligation arises.

Expenditure incurred, which relates directly to any one cost category, is allocated directly to that category. Expenditure common to more than one cost category is apportioned on a reasonable and consistent basis to the categories involved, in accordance with the Financial Reporting standard 102, as issued by the Financial Reporting Council (effective 1 January 2019) and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)".

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent reporting accountants' fees, and costs linked to the strategic management of the charity.

1.6 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:

Freehold buildings	2% and 14% straight line
Plant and equipment	20% reducing balance
Fixtures and fittings	20% reducing balance
Computers	33% straight line

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 DARK SKY OBSERVATORY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company 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 company's balance sheet when the company 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 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 creditors and bank loans 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Employee benefits

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

THE DARK SKY OBSERVATORY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies (Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

1.13 Creditors

Creditors are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount after allowing for any trade discounts due.

1.14 Value added tax and corporation tax

The company is registered for VAT and income and expenditure is shown net of VAT as appropriate.

The company has charitable status in terms of the Corporation Tax Act 2010 and is exempt from corporation tax on its activities.

2 Critical accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires directors to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such 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.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	
	2021 £	2021 £	2021 £	2020 £
Donations and gifts	1,162	-	1,162	3,327
Grants	44,772	18,797	63,569	15,300
	<u>45,934</u>	<u>18,797</u>	<u>64,731</u>	<u>18,627</u>
Grants receivable for core activities				
Small Business Support Fund	24,500	-	24,500	10,000
Job retention scheme	20,272	-	20,272	5,300
LEADER grant	-	18,797	18,797	-
	<u>44,772</u>	<u>18,797</u>	<u>63,569</u>	<u>15,300</u>

THE DARK SKY OBSERVATORY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

3 Donations and legacies

(Continued)

Donation and legacy income in the comparative year to 31 May 2020 totals £18,627, all of which was unrestricted.

4 Charitable activities

	Unrestricted Funds 2021 £	Unrestricted Funds 2020 £
Entrance fees, planetarium hire and souvenirs	39,147	68,341

5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	15	22

THE DARK SKY OBSERVATORY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

6 Charitable activities

	Total 2021 £	Total 2020 £
Staff costs	36,280	31,298
Depreciation and impairment	20,598	24,632
Cost of sales – merchandise and commissions	4,041	6,431
General administration costs	2,148	1,762
Heating costs	1,088	582
Telephone	747	810
Equipment and repairs	928	3,109
Bank charges	903	1,945
Insurance	4,446	4,188
Travel costs	88	803
Security costs	2,362	1,371
Professional fees	370	1,014
Loan interest	-	535
Accountancy fees - tax	460	500
	<u>74,459</u>	<u>78,980</u>
Share of governance costs (see note 7)	1,875	2,500
	<u>76,334</u>	<u>81,480</u>
Analysis by fund		
Unrestricted funds	75,886	81,480
Restricted funds	448	-
	<u>76,334</u>	<u>81,480</u>

All expenditure in the comparative year to 31 May 2020 was unrestricted.

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Independent examination	-	1,875	1,875	-	2,500	2,500
	<u>-</u>	<u>1,875</u>	<u>1,875</u>	<u>-</u>	<u>2,500</u>	<u>2,500</u>
	<u>-</u>	<u>1,875</u>	<u>1,875</u>	<u>-</u>	<u>2,500</u>	<u>2,500</u>
Analysed between Charitable activities	-	1,875	1,875	-	2,500	2,500
	<u>-</u>	<u>1,875</u>	<u>1,875</u>	<u>-</u>	<u>2,500</u>	<u>2,500</u>

THE DARK SKY OBSERVATORY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the company during the year.

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	2	2
	<u>2</u>	<u>2</u>
Employment costs	2021	2020
	£	£
Wages and salaries	35,820	30,809
Other pension costs	460	489
	<u>36,280</u>	<u>31,298</u>

No employee received remuneration in excess of £60,000.

10 Tangible fixed assets

	Freehold buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 June 2020	712,134	123,209	11,492	3,665	850,500
Additions	20,873	-	-	-	20,873
	<u>733,007</u>	<u>123,209</u>	<u>11,492</u>	<u>3,665</u>	<u>871,373</u>
At 31 May 2021					
Depreciation and impairment					
At 1 June 2020	95,297	97,139	8,286	3,665	204,387
Depreciation charged in the year	14,743	5,214	641	-	20,598
	<u>110,040</u>	<u>102,353</u>	<u>8,927</u>	<u>3,665</u>	<u>224,985</u>
At 31 May 2021					
Carrying amount					
At 31 May 2021	622,967	20,856	2,565	-	646,388
	<u>616,837</u>	<u>26,070</u>	<u>3,206</u>	<u>-</u>	<u>646,113</u>
At 31 May 2020					

THE DARK SKY OBSERVATORY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

11 Stocks

	2021 £	2020 £
Finished goods and goods for resale	2,454	2,295

12 Debtors

Amounts falling due within one year:	2021 £	2020 £
Trade debtors	8,842	3,588
Prepayments and accrued income	15,365	2,866
	24,207	6,454

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	1,993	1,171
Trade creditors	3,851	836
Other creditors	16,121	16,121
Accruals and deferred income	2,435	3,452
	24,400	21,580

14 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £460 (2020 - £489).

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		
	Balance at 1 June 2020 £	Incoming resources £	Resources expended £
LEADER grant funding	-	18,797	(448)
			18,349

THE DARK SKY OBSERVATORY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

16 Analysis of reserves

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		
	Balance at 1 June 2020	Incoming resources	Resources expended
Unrestricted funds	£	£	£
General unrestricted funds	90,505	85,096	(55,737)
Designated funds	583,118	-	(20,149)
	<u>673,623</u>	<u>85,096</u>	<u>(75,886)</u>
	<u>673,623</u>		<u>682,833</u>

The development of the permanent planetarium was originally a restricted fund. The amount was transferred to designated funds once the initial restriction of the funds had been met.

	Movement in funds		
	Balance at 1 June 2019	Incoming resources	Resources expended
Unrestricted funds	£	£	£
General unrestricted funds	51,578	95,775	(56,848)
Designated funds	607,750	-	(24,632)
	<u>659,328</u>	<u>95,775</u>	<u>(81,480)</u>
	<u>659,328</u>		<u>673,623</u>

17 Analysis of net assets between funds

	Unrestricted funds 2021	Restricted funds 2021	Total 2021	Unrestricted funds 2020
	£	£	£	£
Fund balances at 31 May 2021 are represented by:				
Tangible assets	628,039	18,349	646,388	646,113
Current assets/(liabilities)	54,794	-	54,794	27,510
	<u>682,833</u>	<u>18,349</u>	<u>701,182</u>	<u>673,623</u>

18 Related party transactions

Included in creditors due in less than one year at 31 May 2021, is a concessionary loan amounting to £16,121 (2020: £16,121) from the Craigengillan Estate, which was operated by J M Gibson, a Trustee during the year. The loan is unsecured, interest free and has no fixed terms of repayment. The loan was repaid in full after the year end.

THE DARK SKY OBSERVATORY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

19 Events after the reporting date

On 23 June 2021 there was a fire on site which destroyed the charity's entire premises. Fixed assets and stock with an estimated book value of £628k were destroyed, this will be included in the 2022 financial statements. The charity is unable to trade until the observatory is rebuilt and as such, the full financial impact of the fire cannot be assessed.