

Charity Registration No. 210769

Company Registration No. 00117572 (England and Wales)

THE BRITISH ASTRONOMICAL ASSOCIATION

**REPORT AND UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2019**

THE BRITISH ASTRONOMICAL ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C Potter (President) Dr J Shears (Vice-President) Mr A Lorrain Dr D Arditti Ms J McClean Dr R McKim Dr G King (Treasurer) Mr W Tarver (Company Secretary) Dr N Hewitt
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 30 JUNE 2019

The Trustees of The British Astronomical Association present their annual report and financial statements for the year ended 30 June 2019 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 2016).

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.

The criteria we use to measure our success include; membership numbers, engagement via our website and social media, 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.

Officers, management and organisation

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

Mr C Potter (President)

Dr J Shears (Vice-President)

Mr A Lorrain

Dr D Arditti

Ms J McClean

Dr R McKim

Dr G King (Treasurer)

Mr J Chuter (Resigned 31 October 2018)

Mr W Tarver (Company Secretary)

Dr N Hewitt (Appointed 31 October 2018)

Mr W Tarver is Company Secretary and Trustee only.

THE BRITISH ASTRONOMICAL ASSOCIATION

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

FOR THE YEAR ENDED 30 JUNE 2019

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 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. The Board meets in person at least twice per year to deal with the governance and management of the Association. In addition, the Board confers on a regular basis throughout the year, via teleconference and other electronic means.

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. 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.

THE BRITISH ASTRONOMICAL ASSOCIATION

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

FOR THE YEAR ENDED 30 JUNE 2019

Achievements and performance

Membership recorded at 31 July 2018 was 2,597 across all categories. On 31 July 2019, the equivalent number was 2,642 an increase of 45. This small gain contrasts with declines over previous years, although it is too early to tell if this is a turning point or not. In 2017 a Digital Subscription class of membership was created and in 2018/19 Digital Subscribers account for 12% of the membership. There has been no great movement of members from paper to digital, or vice-versa. It is one of the main aims of the Board & Council to grow our membership.

For the financial year 2018/19 the surplus of income over expenditure before gains on investments was £316,244 (2017/18: £247,096).

The surplus is largely due to significant bequests that the Association benefited from; last year monies were received from the estate of Mr Michael William Saunders of Mere (£260,000) with an additional final payment received this year of £28,085, Mr C Macpherson generously left us £1,000 and we also benefited from a bequest of £370,000 from the estate of Mr Anthony Warrener of Hopton-on-Sea; we expect an additional payment from the Warrener bequest next year.

Excluding the bequests and other donations there was an operational deficit of income over expenditure of £84,192 (2017/18: £47,505). The large increase in deficit this year was in the main due to a one time payment in respect of past underpayment of accommodation costs. If the increased value of our long term investments is taken in to account then this year's resulting deficit of £3,571 will be seen to be lower than last year's equivalent number (2017/18: £37,420). 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 support 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.

There have been three years of operation following a major revision of the Memorandum, Articles of Association and Bylaws. The Board of Trustees and Council reviewed the performance against these and agreed some updates to clarify and simplify the operations of the Association. These included changing the financial year to run to the end of March (to ease the annual independent review process), a new mechanism for electing members, removal of the formal aspects of meetings (excluding General Meetings), and including the option to allow the Presidential terms to optionally run to three years. At a Special General Meeting of the Association held on 29 May 2019 the revisions were approved by the membership, and will come into effect from 30 October 2019.

With a Digital Membership option being offered from August 2017 it was necessary to implement a Digital Voting option to ensure these members were not disenfranchised. The Board of Trustees engaged with Electoral Reform Services to provide a digital vote capability to all members in August 2018. The provision of digital voting saw the number of members voting nearly double.

For many years the Association has benefited from an accommodation agreement with the Royal Astronomical Society which provides office accommodation, and the use of their lecture theatre, meeting rooms and library. The term of this agreement had long since expired, and a new agreement was made in December 2018. A major change over the previous agreement is the notice period on either side to cancel the agreement is now three months rather than twelve. There is an obvious risk to the provision of our on-going office services, and to mitigate the Board has prepared a contingency plan should we need to re-locate.

Our longstanding Journal Editor, Mrs Hazel McGee, stood down from the post at the end of the 2017/18 session, though continued to edit the 2018 December issue which completed volume 128. Our new editor Mr Philip Jennings took on the reigns for the 2019 February issue onwards, and has maintained the high standards expected of the publication.

THE BRITISH ASTRONOMICAL ASSOCIATION

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

FOR THE YEAR ENDED 30 JUNE 2019

Achievements and performance (continued)

The work of the observing Sections continues to be at the forefront of the Association's activities, which were again reported in six issues of our Journal. Mr Jeff Lashley stood down as coordinator of the Radio Astronomy Group which has been taken on by Mr John Cook. Dr. Paul Abel has become director of the Mercury and Venus Section which was previously the remit of Dr. Richard McKim.

In 2016 the Board and Council took the decision to wind-up the collection of instruments owned by the Association. The majority of instruments out on loan or in storage have been sold. Although there was a concern that the valuation from previous years may not be realised robust sale prices have been achieved. There are a number of instruments of limited value that may be written off.

There are some instruments that the Board is still actively trying to recover. A number of instruments of importance to the history of the Association will be retained in the Heritage Collection.

In addition to four meetings at Burlington House, the Christmas Meeting was held at the Institute of Physics in London and members' meetings were also held at Christchurch and Rayleigh, together with an Observers' Workshop on Variable Stars, Photometry and Spectroscopy in London, and 'Back to Basics' workshops at Bexleyheath and at Ipswich. The 2019 Summer Meeting was held at the Rutherford Appleton Laboratory, Didcot. The ever popular Winchester Weekend was held once again at Sparsholt College, Hampshire. For 2019/20 meetings will be held at Armagh, Northern Ireland, and Leeds as well as in London, with 'Back to Basics' workshops in Rickmansworth and Cottingham and an Observers' Workshop in Greenock. The 2020 Summer meeting will be held in Elgin, Morayshire. The Institute of Physics generously supported our Christmas meeting at their new headquarters in Kings Cross, London, and will be the main venue for our meetings in London in 2020.

At Council we continue to review the location and timing of the Association meetings. In the past there was a feeling that the BAA was rather London-centric. However, whilst our headquarters are located in London, we do strive to organise meetings around the country as much as possible. This in part depends on there being a local astronomical society willing to host us and help with organisation. Many of our meetings are also recorded and the talks made available online for viewing by our members. The Christmas Meeting at the Institute of Physics was live-streamed and this may be possible for future meetings there.

The Association continues to promote amateur astronomy at European Astrofest, the International Astronomy Show in Warwickshire, and at the New Scientist Live event in London's Docklands. In March 2019 we supported the new Practical Astronomy Show in Kettering which was very successful. It is the intention to continue to support these events in 2019/20.

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.

We continue to keep fresh the Association's website (britastro.org), which is one of the main faces of the Association to the outside world – and for many members who are unable to attend meetings regularly, it is one of the chief ways of interacting with the Association. Our objective is that the website should be a vehicle for fostering a greater sense of community amongst members. 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 Page' and contribute to the live forum. The Newsletter edited by Janice McClean is emailed to members monthly with news and events coming up.

Andrew Wilson continues with the office team as our Systems Administrator and Web Content Editor. Andy spear-headed the project to implement electronic voting for our annual Board and Council elections as an additional way for members to vote in the 2018 election, and again for the 2019 election.

THE BRITISH ASTRONOMICAL ASSOCIATION

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

FOR THE YEAR ENDED 30 JUNE 2019

Plans for future periods

To improve office operations we have commenced plans to migrate our membership database to a new package – this will provide a better customer experience for those joining the Association and simplify our membership management.

During the next session we intend to continue to develop the Association's website, to make more material available to both members and the broader astronomical community.

We will continue efforts to attract new members, the Board of Trustees and Council will actively pursue additional ways to improve our offerings to current and new members. In order to make these offerings as efficient as possible we will also undertake a review of our office systems with the objective being to maximise their performance.

The Association's programme will continue as in previous years. Small changes may be made to incorporate new activities or to terminate redundant activities as the Board of Trustees or Council considers appropriate.

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 for a period of at least 12 months and incorporating investment returns generated, would be sufficient to cover any deficit. Restricted and unrestricted reserves at 30 June 2019 amounted to £8,029 (2018: £8,164) and £1,535,060 (2018: £1,138,060) respectively.

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 additional funds be invested with the CCLA utilising our COIF Charities Investment Fund account, which meets the Association's investment policy. The Board approved this recommendation and this CCLA account now contains £782,570. It is our intent to continue the rationalisation of our bank accounts and stock holdings and to invest the funds so released in to these higher earning funds.

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

The report was approved by the Board of Trustees.


Mr C Potter (President)


Dr G King (Treasurer)

Dated: 22 August 2019

Dated: 22 August 2019

THE BRITISH ASTRONOMICAL ASSOCIATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 30 JUNE 2019

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 which 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 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;
- 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 operation.

The Trustees are responsible for keeping adequate accounting records that 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 30 June 2019, which are set out on pages 8 to 21.

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 accounts 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

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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
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
4. the financial statements have not been prepared in accordance with the methods and principles of

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
On behalf of RSM UK Tax and Accounting Limited
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY
Dated: 11 September 2019

THE BRITISH ASTRONOMICAL ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2019

	Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
<u>Income and endowments from:</u>					
Donations and legacies		400,436	-	400,436	294,601
Income from charitable activities	3	168,131	(102)	168,029	148,209
Investments	4	1,698	27	1,725	5,848
Other income		76	-	76	228
Total income		570,341	(75)	570,266	448,886
<u>Expenditure on:</u>					
Charitable activities expenditure	5	(253,962)	(60)	(254,022)	(201,790)
		316,379	(135)	316,244	247,096
Net gains on investments	8	80,621	-	80,621	10,085
Net income/(expenditure)		397,000	(135)	396,865	257,181
<u>Other recognised gains and losses</u>					
Gain on revaluation of tangible fixed assets		-	-	-	3,360
Net movement in funds		397,000	(135)	396,865	260,541
Total funds brought forward		1,138,060	8,164	1,146,224	885,683
Total funds carried forward		1,535,060	8,029	1,543,089	1,146,224

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 30 JUNE 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	9		26,023		44,112
Investments	10		799,256		462,667
			<u>825,279</u>		<u>506,779</u>
Current assets					
Debtors	11	78,935		152,559	
Cash at bank and in hand		670,788		525,489	
			<u>749,723</u>	<u>678,048</u>	
Creditors: amounts falling due within one year	12		<u>(31,913)</u>	<u>(38,603)</u>	
Net current assets			<u>717,810</u>		<u>639,445</u>
Total assets less current liabilities			<u>1,543,089</u>		<u>1,146,224</u>
Income funds					
Restricted funds	14		8,029		8,164
Unrestricted funds	14		1,535,060		1,138,060
			<u>1,543,089</u>		<u>1,146,224</u>

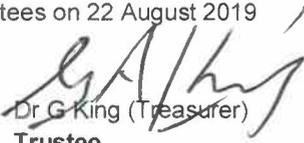
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2019. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts 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 accounts, 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 22 August 2019


Mr C Potter (President)
Trustee


Dr G King (Treasurer)
Trustee

THE BRITISH ASTRONOMICAL ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	16		376,624		123,735
Investing activities					
Purchase of tangible fixed assets		(200)		(914)	
Proceeds on disposal of tangible fixed assets		23,118		1,800	
Purchase of investments		(405,045)		(312,380)	
Proceeds on disposal of investments		149,077		162,977	
Interest received		452		3,009	
Dividends received		1,273		2,839	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(231,325)		(142,669)
			<u> </u>		<u> </u>
Net increase/(decrease) in cash and cash equivalents			145,299		(18,934)
Cash and cash equivalents at beginning of year			525,489		544,423
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			670,788		525,489
			<u> </u>		<u> </u>

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

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 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 2016) 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 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.

Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. 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.

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.

THE BRITISH ASTRONOMICAL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies (Continued)

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 accumulated depreciation and 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.

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Cash and cash equivalents

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

THE BRITISH ASTRONOMICAL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies (Continued)

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 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.

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 30 JUNE 2019

3 Income from charitable activities

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
Subscriptions	93,071	(102)	92,969	93,535
Receipts from meetings and courses	46,799	-	46,799	25,982
Advertising revenue	1,366	-	1,366	813
Receipts from commission for dark skies	72	-	72	99
Sales - the journal	2,865	-	2,865	2,561
Sales - the handbook	1,085	-	1,085	1,611
Other income	6,785	-	6,785	5,799
HMRC gift aid	16,088	-	16,088	17,809
	<u>168,131</u>	<u>(102)</u>	<u>168,029</u>	<u>148,209</u>

The income from charitable activities was £168,029 (2018: £148,209) of which £168,131 was unrestricted (2018: £148,287) and (£102) was restricted (2018: (£78)).

4 Investments

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds restated 2018 £
Dividends received from listed investments	1,273	-	1,273	2,839
Interest receivable	425	27	452	3,009
	<u>1,698</u>	<u>27</u>	<u>1,725</u>	<u>5,848</u>

The investment income was £1,725 (2018: £5,848) of which £1,698 was unrestricted (2018: £5,823) and £27 was restricted (2018: £25).

Dividends totalling £1,923 received during the year ended 30 June 2018 have been reclassified from interest receivable to dividends received from listed investments.

THE BRITISH ASTRONOMICAL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019

5 Charitable activities expenditure

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
Publications and cost of sales items	59,861	-	59,861	54,367
Meetings and courses	57,653	-	57,653	38,648
Section costs	1,792	-	1,792	737
Document collection and archives	3,749	-	3,749	3,905
Grants and awards	1,347	60	1,407	350
Commission for dark skies	1,500	-	1,500	1,500
	<u>125,902</u>	<u>60</u>	<u>125,962</u>	<u>99,507</u>
Share of support costs (see note 6)	128,060	-	128,060	102,283
	<u>253,962</u>	<u>60</u>	<u>254,022</u>	<u>201,790</u>

The expenditure on charitable activities was £254,022 (2018: £201,790) of which £253,962 was unrestricted (2018: £201,737) and £60 was restricted (2018: £53).

THE BRITISH ASTRONOMICAL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019

6 Support costs	Support costs	Governance costs	2019	2018
	£	£	£	£
Salaries and wages	43,976	-	43,976	40,145
Employers national insurance	237	-	237	119
Professional fees	-	2,144	2,144	892
IT and data base costs	3,833	-	3,833	4,231
Independent examination fees	-	3,155	3,155	2,950
Accountancy fees to independent examiner	-	7,435	7,435	4,585
Telephone, printing and stationery	7,369	-	7,369	6,776
Members promotion	1,585	-	1,585	1,843
Trustees and Council members expenses	3,501	-	3,501	4,080
Election costs	1,729	-	1,729	713
Bank charges	2,175	-	2,175	1,836
Depreciation	1,147	-	1,147	2,983
Pension costs	1,997	-	1,997	2,161
Foreign currency losses	-	-	-	595
Premises costs (including insurance)	52,368	-	52,368	24,476
Instruments storage and removal costs	1,300	-	1,300	1,034
Profit on disposal of instruments	(5,976)	-	(5,976)	(229)
Sundry costs	85	-	85	80
Bequest costs	-	-	-	3,013
	<u>115,326</u>	<u>12,734</u>	<u>128,060</u>	<u>102,283</u>
Analysed between				
Charitable activities	<u>115,326</u>	<u>12,734</u>	<u>128,060</u>	<u>102,283</u>

THE BRITISH ASTRONOMICAL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019

7 Employees and Trustees

Employment costs	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
Wages and salaries	43,976	-	43,976	40,145
Social security costs	237	-	237	119
Other pension costs	1,997	-	1,997	2,161
	<u>46,210</u>	<u>-</u>	<u>46,210</u>	<u>42,425</u>

The average number of employees in the year was 3 (2018: 2).

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

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

A total of £1,524 (2018: £1,555) was reimbursed to 5 (2018: 8) Trustees to cover travel expenses incurred on behalf of the charity.

8 Net gains on investments

	2019 £	2018 £
Revaluation of investments	82,719	10,543
Loss on sale of investments	(2,098)	(458)
	<u>80,621</u>	<u>10,085</u>

THE BRITISH ASTRONOMICAL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019

9 Tangible fixed assets - for charity's own use

	Fixtures, fittings and instruments
	£
Cost or valuation	
At 1 July 2018	107,282
Additions	200
Disposals	(17,306)
	<hr/>
At 30 June 2019	90,176
	<hr/>
Depreciation and impairment	
At 1 July 2018	63,170
Depreciation charged in the year	1,147
Eliminated in respect of disposals	(164)
	<hr/>
At 30 June 2019	64,153
	<hr/>
Carrying amount	
At 30 June 2019	26,023
	<hr/> <hr/>
At 30 June 2018	44,112
	<hr/> <hr/>

The Instrument Collection is included within the above at a revalued cost of £22,294 (2018: £39,400). 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 July 2018	462,667
Additions	405,045
Valuation changes	82,719
Disposals	(151,175)
	<hr/>
At 30 June 2019	799,256
	<hr/>
Carrying amount	
At 30 June 2019	799,256
	<hr/> <hr/>
At 30 June 2018	462,667
	<hr/> <hr/>

THE BRITISH ASTRONOMICAL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019

11 Debtors	2019	2018
Amounts falling due within one year:	£	£
Other debtors	4,462	2,559
Prepayments and accrued income	74,473	150,000
	<u>78,935</u>	<u>152,559</u>
12 Creditors: amounts falling due within one year	2019	2018
	£	£
Trade creditors	18,355	11,085
Other taxation and social security	568	638
Accruals and deferred income	12,990	26,880
	<u>31,913</u>	<u>38,603</u>
<p>In the year there was deferred income of £1,283 (2018: £18,304). The deferred income arose from income received in relation to meetings held within twelve months of the year end and therefore deferred to the accounting period in which they took place.</p>		
13 Financial instruments	2019	2018
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	70,126	150,000
Equity instruments measured at fair value	799,256	462,667
	<u>799,256</u>	<u>462,667</u>
Carrying amount of financial liabilities		
Measured at amortised cost	30,062	19,661
	<u>30,062</u>	<u>19,661</u>

THE BRITISH ASTRONOMICAL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019

14 Funds	Balance at 1 July 2018	Income	Expenditure	Revaluations, gains and losses	Balance at 30 June 2019
	£	£	£	£	£
Restricted funds	8,164	(75)	(60)	-	8,029
Unrestricted funds	1,138,060	570,341	(253,962)	80,621	1,535,060
	<u>1,146,224</u>	<u>570,266</u>	<u>(254,022)</u>	<u>80,621</u>	<u>1,543,089</u>

	Balance at 1 July 2017	Income	Expenditure	Revaluations, gains and losses	Balance at 30 June 2018
	£	£	£	£	£
Restricted funds	8,270	(53)	(53)	-	8,164
Unrestricted funds	877,413	448,939	(201,737)	13,445	1,138,060
	<u>885,683</u>	<u>448,886</u>	<u>(201,790)</u>	<u>13,445</u>	<u>1,146,224</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 30 June 2019 are represented by:			
Tangible assets	-	26,023	26,023
Investments	8,029	791,227	799,256
Net current assets	-	717,810	717,810
	<u>8,029</u>	<u>1,535,060</u>	<u>1,543,089</u>

	Bequest Funds	Unrestricted income funds	Total
	£	£	£
Fund balances at 30 June 2018 are represented by:			
Tangible assets	-	44,112	44,112
Investments	8,164	454,503	462,667
Net current assets	-	639,445	639,445
	<u>8,164</u>	<u>1,138,060</u>	<u>1,146,224</u>

THE BRITISH ASTRONOMICAL ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019

16 Cash generated from operations	2019	2018
	£	£
Surplus for the year	396,865	260,541
Adjustments for:		
Investment income recognised in Statement of Financial Activities	(1,725)	(5,848)
Gain on disposal of tangible fixed assets	(5,976)	(229)
Loss on disposal of investments	2,098	458
Fair value gains and losses on tangible fixed assets	-	(3,360)
Fair value gains and losses on investments	(82,719)	(10,543)
Depreciation and impairment of tangible fixed assets	1,147	2,983
Movements in working capital:		
Decrease/(increase) in debtors	73,624	(135,913)
(Decrease)/increase in creditors	(6,690)	15,646
Cash generated from operations	376,624	123,735

17 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Sale of tangible fixed assets	
	2019	2018
	£	£
Other related parties	350	-

The related party transaction in the year took place with Mr C Potter, who is a Trustee of the charity.

At 30 June 2019 there were no amounts outstanding from related parties (2018: £nil).