

Charity Registration No. 210769

Company Registration No. 00117572 (England and Wales)

THE BRITISH ASTRONOMICAL ASSOCIATION

**REPORT AND UNAUDITED FINANCIAL
STATEMENTS**

**FOR THE 9 MONTH PERIOD ENDED
31 MARCH 2020**

THE BRITISH ASTRONOMICAL ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A Lorrain (President) Mr C Potter (Vice-President) Dr R McKim Dr G King (Treasurer) Mr W Tarver (Company Secretary) Dr N Hewitt Mrs P Bosley Mr J Chuter Mr T Parsons
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 9 MONTH PERIOD ENDED 31 MARCH 2020

The Trustees of The British Astronomical Association present their annual report and financial statements for the period ended 31 March 2020 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.

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 period were:

Mr A Lorrain (President)	
Mr C Potter (Vice-President)	
Dr D Arditti	(Resigned 30 October 2019)
Ms J McClean	(Resigned 30 October 2019)
Dr R McKim	
Dr G King (Treasurer)	
Mr W Tarver (Company Secretary)	
Dr N Hewitt	
Mrs P Bosley	(Appointed 30 October 2019)
Mr J Chuter	(Appointed 30 October 2019)
Mr T Parsons	(Appointed 30 October 2019)
Dr J Shears	(Resigned 30 October 2019)

Mr W Tarver is Company Secretary and Trustee only.

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

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. 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

As previously reported in last year's accounts the Association had agreed to amend its financial year to run to the end of March. This change having been made in order to allow more time for the final accounts to be completed and subjected to independent review in good time before their being published in the October edition of the journal.

Membership recorded at 31 March 2020 was 2,564 across all categories, the equivalent number at 31 March 2019 was 2,579 a decrease of 0.6% over the year. This apparent reduction of 15 will be monitored to ensure it is not the start of a trend, it is not currently considered a major cause for concern since it is well within the monthly variation caused by slight changes in members' subscription payment dates. It is one of the main aims of the Board & Council to reverse any real losses and to grow our membership.

For the financial period 2019/20 (9 months) the deficit of income over expenditure before gains/losses on investments was a loss of £51,446 (2018/19: surplus of £316,244 over 12 months). Unlike the most recent financial years the Association did not receive any bequests in the period. For comparison purposes, if bequests and donations are excluded from the 2018/19 figures, the operational deficit was £84,192 for that 12 month period.

The majority of the association's long term investments are invested with CCLA in their COIF Investment accumulation fund. This fund has performed well but like all other investments declined sharply as the COVID-19 pandemic took hold. The total value of our investments fell by £83,002 (2018/19: increased by £80,621) meaning we sustained a total loss during the period of £134,448 (2018/19: surplus of £396,865). Since the period end the markets have recovered a significant portion of their losses.

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

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.

During the period we were fortunate and are very grateful to have received another donation of £5,000 from Michael Davies CBE in furtherance of his funding of our annual Sir Patrick Moore Prize.

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 Roger Pickard stood down as director of the Variable Star Section which has been taken on by Dr Jeremy Shears. The Radio Astronomy Group has become a Section.

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 were sold during our previous reporting period. 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 are retained in the Heritage Collection and there are a number of instruments of limited value that may need to be written off.

Our meeting programme commenced with a workshop concentrating on the use of various software systems that can be utilised for spectroscopy. This was followed by a very successful autumn weekend meeting in Armagh Northern Ireland, which included the opportunity to visit the observatory. A meeting of the Asteroid & Remote Planets section, an Observers workshop for Solar, Aurora & NLCs and Deep Sky were then followed by a Back to Basics Workshop in Rickmansworth. The Annual General Meeting was held, potentially for the last time, at Burlington House, prior to us taking up the offer from the Institute of Physics (IOP) to use their refurbished facilities near London's Kings Cross for both our Council and Ordinary meetings. November saw the inaugural meeting of the Equipment & Techniques Section, this was held in Bedford led by its Section Director Dr David Arditti.

At the Christmas Meeting members listened to talks from Dr Mark Kidger from the European Space Agency and also Professor Emma Bunce of Leicester University, the President elect of the RAS. The meeting was broadcast live on YouTube enabling those members who had not been fortunate enough to obtain tickets, to watch these excellent speakers.

The New Year started benignly with our January meeting again being held at the IOP and included the first time that the Sky Notes have been given by a female presenter, Mary McIntyre, an appropriate event given that during 2020 we are focussing on the achievements of Women in Astronomy.

The Back to Basics' workshop at Cotttingham seemed normal enough but proved to be the last face to face meeting of the year, before the effects of the previously unheard of COVID-19 changed our complete way of life. Like dominos the meetings fell and were rescheduled to next year, the Deep Sky meeting being the first casualty, quickly followed by the Winchester Weekend and the Venus & Mercury section workshop.

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

Achievements and performance (continued)

With the implementation of the national lockdown, banning all but essential travel, the Board reacted quickly to provide the astronomical community with online material. The recordings of our previous meetings were made available to everyone and the decision was taken to launch a weekly webinar utilising Zoom software, with these commencing at the beginning of April. These have been hugely successful and received positive comment within the astronomical press.

The Association intends to continue to promote amateur astronomy at European Astrofest, the International Astronomy Show in Warwickshire, the Practical Astronomy Show in Kettering as well as the New Scientist Live event in London's Docklands. However our support of these events in the future will clearly be driven by government guidance and the need 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 with the office team as our Systems Administrator. Andy has had a particularly busy year and has put in a great deal of work to migrate our membership database to a new package, created for us by SheepCRM. This provides us with enhanced management information as well as providing a better customer experience for those joining the Association and simplifying our membership management. Andy has also been hugely influential in enabling the Association to mitigate the effects of the national emergency. With the closure of Burlington House the office staff have been working remotely and this has necessitated a full update to the IT system. Whilst it has been necessary to close the online shop, the staff have been able to carry out all their other tasks securely from home.

The Association's website (britastro.org), 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, 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 Page' and contribute to the liveforum. The Newsletter edited by Janice McClean, which is emailed to members monthly with news and upcoming events, continues to be very popular.

In the light of the significant reserves held by the Association the Board took a decision that some of these funds should be expended to enhance further the services provided to the membership and the wider public. To this end a meeting of the directors of the observing sections was held in November 2019 with the objective of identifying gaps in our offerings and what improvements should be made. The highest priority outcome was the need to enhance the website. The Board subsequently agreed the need to enhance and to continue to develop the Association's website, and on this basis the Board has agreed funding for a Web Content Editor. They will liaise with the Section Directors to prepare items for inclusion online and also to prepare their own material. The Board are in the process of recruiting someone to undertake this role and anticipate that this successful candidate will be in position later in the summer.

Plans for future periods

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 continue to review our office systems based on the experiences we have gained this year in order to maximise our Members' benefits.

With the postponement of the majority of the Association's 2020 programme into the following year it is as yet unclear when it will be feasible to return to face to face meetings. The COVID-19 pandemic has caused us to radically rethink what, and how, we provide benefits to our Members. The Board of Trustees and Council will continue to consider what changes are appropriate as we move forward into the 'new normal'.

THE BRITISH ASTRONOMICAL ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

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 31 March 2020 amounted to £7,339 (30 June 2019: £8,029) and £1,401,302 (30 June 2019: £1,535,060) respectively.

Going Concern

At the time of approving the financial statements and in consideration of the recent 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 working capital position and the current and expected results of the charity. At the period end, the charity had total assets less current liabilities of £1,408,641 (30 June 2019: £1,543,089), 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.

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 £1,002,143 (30 June 2019: £782,570) at the period 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:

.....
Dr G King (Treasurer)
Trustee
Dated:.....

THE BRITISH ASTRONOMICAL ASSOCIATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

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 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 keeping proper 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 period ended 31 March 2020, 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
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY
Dated:

THE BRITISH ASTRONOMICAL ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

	Notes	Unrestricted funds £	Restricted funds £	Total Period to 31 March 2020 £	Total Year to 30 June 2019 £
<u>Income and endowments from:</u>					
Donations and legacies		5,399	-	5,399	400,436
Income from charitable activities	3	112,126	(123)	112,003	168,029
Investments	4	730	23	753	1,725
Other income		191	-	191	76
Total income		118,446	(100)	118,346	570,266
<u>Expenditure on:</u>					
Charitable activities expenditure	5	(169,202)	(590)	(169,792)	(254,022)
		(50,756)	(690)	(51,446)	316,244
Net (losses)/gains on investments	8	(83,002)	-	(83,002)	80,621
Net movement in funds		(133,758)	(690)	(134,448)	396,865
Total funds brought forward	14	1,535,060	8,029	1,543,089	1,146,224
Total funds carried forward	14	1,401,302	7,339	1,408,641	1,543,089

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

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 2020

	Notes	31 March 2020		30 June 2019	
		£	£	£	£
Fixed assets					
Tangible assets	9		27,472		26,023
Investments	10		1,016,291		799,256
			<u>1,043,763</u>		<u>825,279</u>
Current assets					
Debtors	11	11,984		78,935	
Cash at bank and in hand		398,749		670,788	
			<u>410,733</u>	<u>749,723</u>	
Creditors: amounts falling due within one year	12		<u>(45,855)</u>	<u>(31,913)</u>	
Net current assets			<u>364,878</u>		<u>717,810</u>
Total assets less current liabilities			<u><u>1,408,641</u></u>		<u><u>1,543,089</u></u>
Income funds					
Restricted funds	14		7,339		8,029
Unrestricted funds	14		1,401,302		1,535,060
			<u>1,408,641</u>		<u>1,543,089</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the period ended 31 March 2020. 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

.....
Mr A Lorrain (President)
Trustee

.....
Dr G King (Treasurer)
Trustee

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

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, these 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 previous period.

The financial statements have been prepared with the adoption of the FRS 102 Triennial Review 2017 amendments in full. This is the first set of financial statements where the Triennial Review amendments have been adopted. There have been no changes to amounts presented in respect of transactions or balances in any of the main statements as a result of adoption of the changes, but certain disclosures have been updated in line with the new requirements.

Going concern

At the time of approving the financial statements and in consideration of the recent 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 working capital position and the current and expected results of the charity. At the period end, the charity had total assets less current liabilities of £1,408,641 (2019: £1,543,089), 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 9 MONTH PERIOD ENDED 31 MARCH 2020

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 period.

The charity has no de minimis capitalisation limit.

Fixed asset investments

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

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

1 Accounting policies (Continued)

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.

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.

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

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.

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

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.

3 Income from charitable activities

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Subscriptions	84,373	(123)	84,250	92,969
Receipts from meetings and courses	3,818	-	3,818	46,799
Advertising revenue	383	-	383	1,366
Receipts from commission for dark skies	124	-	124	72
Sales - the journal	2,721	-	2,721	2,865
Sales - the handbook	940	-	940	1,085
Other income	5,963	-	5,963	6,785
HMRC gift aid	13,804	-	13,804	16,088
	<u>112,126</u>	<u>(123)</u>	<u>112,003</u>	<u>168,029</u>

The income from charitable activities was £112,003 (2019: £168,029) of which £112,126 was unrestricted (2019: £168,131) and (£123) was restricted (2019: (£102)).

4 Investments

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Dividends received from listed investments	183	-	183	1,273
Interest receivable	547	23	570	452
	<u>730</u>	<u>23</u>	<u>753</u>	<u>1,725</u>

The investment income was £753 (2019: £1,725) of which £730 was unrestricted (2019: £1,698) and £23 was restricted (2019: £27).

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

5 Charitable activities expenditure

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Publications and cost of sales items	43,571	-	43,571	59,861
Meetings and courses	13,709	-	13,709	57,653
Section costs	1,113	-	1,113	1,792
Document collection and archives	3,611	-	3,611	3,749
Grants and awards	673	590	1,263	1,407
Commission for dark skies	-	-	-	1,500
	<hr/>	<hr/>	<hr/>	<hr/>
	62,677	590	63,267	125,962
Share of support costs (see note 6)	106,525	-	106,525	128,060
	<hr/>	<hr/>	<hr/>	<hr/>
	169,202	590	169,792	254,022
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The expenditure on charitable activities was £169,792 (2019: £254,022) of which £169,202 was unrestricted (2019: £253,962) and £590 was restricted (2019: £60).

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

6 Support costs

	Support costs £	Governance costs £	2020 £	2019 £
Salaries and wages	34,965	-	34,965	43,976
Employers national insurance	380	-	380	237
Professional fees	-	8,097	8,097	2,144
IT and data base costs	8,417	-	8,417	3,833
Independent examination fees	-	3,250	3,250	3,155
Accountancy fees to independent examiner	-	7,900	7,900	7,435
Telephone, printing and stationery	3,442	-	3,442	7,369
Members promotion	1,068	-	1,068	1,585
Trustees and Council members expenses	3,101	-	3,101	3,501
Election costs	1,741	-	1,741	1,729
Bank charges	1,907	-	1,907	2,175
Depreciation	892	-	892	1,147
Pension costs	1,674	-	1,674	1,997
Premises costs (including insurance)	28,001	-	28,001	52,368
Instruments storage and removal costs	1,497	-	1,497	1,300
Profit on disposal of instruments	-	-	-	(5,976)
Sundry costs	193	-	193	85
	<u>87,278</u>	<u>19,247</u>	<u>106,525</u>	<u>128,060</u>
Analysed between				
Charitable activities	<u>87,278</u>	<u>19,247</u>	<u>106,525</u>	<u>128,060</u>

7 Employees and Trustees

Employment costs	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Wages and salaries	34,965	-	34,965	43,976
Social security costs	380	-	380	237
Other pension costs	1,674	-	1,674	1,997
	<u>37,019</u>	<u>-</u>	<u>37,019</u>	<u>46,210</u>

The average number of employees in the period was 3 (2019: 3).

No employee received emoluments exceeding £60,000 during the current period 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 £1,058 (2019: £1,524) was reimbursed to 5 (2019: 5) Trustees to cover travel expenses incurred on behalf of the charity.

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

8 Net (losses)/gains on investments

	2020 £	2019 £
Revaluation of investments	(83,002)	82,719
Loss on sale of investments	-	(2,098)
	<u>(83,002)</u>	<u>80,621</u>

9 Tangible fixed assets - for charity's own use

	Fixtures, fittings and instruments £
Cost or valuation	
At 1 July 2019	90,176
Additions	2,341
	<u>92,517</u>
At 31 March 2020	92,517
Depreciation and impairment	
At 1 July 2019	64,153
Depreciation charged in the period	892
	<u>65,045</u>
At 31 March 2020	65,045
Carrying amount	
At 31 March 2020	27,472
	<u>26,023</u>
At 30 June 2019	26,023

The Instrument Collection is included within the above at a revalued cost of £22,294 (2019: £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.

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

10 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 July 2019	799,256
Additions	300,037
Valuation changes	(83,002)
	<hr/>
At 31 March 2020	1,016,291
	<hr/>
Carrying amount	
At 31 March 2020	1,016,291
	<hr/> <hr/>
At 30 June 2019	799,256
	<hr/> <hr/>

11 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	241	4,462
Prepayments and accrued income	5,530	74,473
	<hr/>	<hr/>
	5,771	78,935
	<hr/> <hr/>	<hr/> <hr/>

	2020 £	2019 £
Amounts falling due after more than one year:		
Prepayments and accrued income	6,213	-
	<hr/> <hr/>	<hr/> <hr/>
Total debtors	11,984	78,935
	<hr/> <hr/>	<hr/> <hr/>

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	22,978	18,355
Other taxation and social security	3,277	568
Accruals and deferred income	19,600	12,990
	<hr/>	<hr/>
	45,855	31,913
	<hr/> <hr/>	<hr/> <hr/>

In the period there was deferred income of £nil (2019: £1,283). The deferred income arose from income received in relation to meetings held within twelve months of the period end and therefore deferred to the accounting period in which they took place.

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

13 Financial instruments	2020	2019
	£	£
Carrying amount of financial assets		
Equity instruments measured at fair value	1,016,291	799,256
	<u> </u>	<u> </u>

14 Funds	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>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

	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>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </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.

THE BRITISH ASTRONOMICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 9 MONTH PERIOD ENDED 31 MARCH 2020

15 Analysis of net assets between funds

	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>
	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>

16 Related party transactions

Transactions with related parties

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

	Sale of tangible fixed assets	
	2020	2019
	£	£
Other related parties	-	350
	<u>-</u>	<u>350</u>

The related party transaction in the comparative year took place with Mr C Potter, who is a Trustee of the charity. No related party transactions occurred in the period ended 31 March 2020.

At 31 March 2020 there were no amounts outstanding from related parties (2019: £nil).