

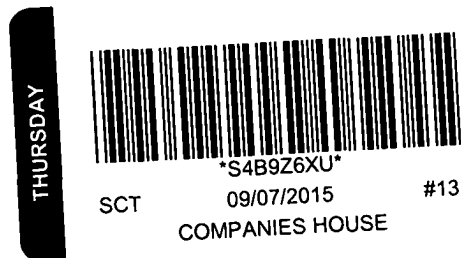
**The Royal Observatory (Edinburgh) Trust**  
(a company limited by guarantee)

Annual report and unaudited  
financial statements

Registered number SC069720

Registered charity number SC013784

5 October 2014



## Contents

	Page
Professional advisers	1
Trustees' report	2
Independent examiner's report to the members of The Royal Observatory (Edinburgh) Trust	4
Statement of financial activities (incorporating the income and expenditure account)	5
Balance sheet	6
Notes	7

## **Professional advisers**

### **Trustees**

Professor A Lawrence  
Professor EI Robson  
Professor JS Dunlop  
Professor GS Wright  
Mr I Murray MP  
Mr T O'Connor

### **Secretary**

Mr GC Davenhall

### **Registered office**

5<sup>th</sup> Floor  
Quartermile Two 2 Lister Square  
Edinburgh  
EH3 9GL

### **Bankers**

Bank of Scotland  
Morningside Branch  
426 Morningside Road  
Edinburgh  
EH10 5QF

### **Solicitors**

Morton Fraser  
5<sup>th</sup> Floor  
Quartermile Two 2 Lister Square  
Edinburgh  
EH3 9GL

### **Independent examiner**

Janet M Stevenson (FCA)  
34 Melville Street  
Edinburgh  
EH3 7HA

## Trustees' report

The trustees of the charity present their annual report and financial statements for the period ended 5 October 2014.

### Structure, governance and management

The Royal Observatory (Edinburgh) Trust is a company limited by guarantee and is governed by its memorandum and articles of association. It has been granted exemption in terms of Section 30 of the Companies Act 1985 from the requirement to include 'limited' as part of its name.

Each member of the company has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the Trust being placed in liquidation.

It is a charity registered in Scotland. Its registration number is SC013784.

The company is managed by its board of trustees for the purposes of charity law. The board meet annually to discuss the activities of the trust and are responsible for its day to day running. Trustees are invited to join the Board on the basis of their knowledge and experience as it relates to the trust.

The trustees during the year were:

Professor A Lawrence  
Professor EI Robson  
Professor JS Dunlop  
Professor GS Wright  
Mr I Murray MP  
Mr T O'Connor

### Objectives and activities

The main objectives of the trust are:

- To promote and encourage public knowledge of and interest in Scotland in astronomy and related branches of science by establishing, organising, managing and monitoring public science exhibition centres and other related facilities at the Royal Observatory Edinburgh and elsewhere;
- To establish, form, hold, own, maintain and manage collections, exhibitions, recordings and studies of objects of scientific, historical or other interest in astronomy or any related branches of science and to make arrangements with owners and others to acquire these or otherwise to protect these from injury, loss or destruction.

The principal activity of the company in the past has been to promote and encourage research and education in astronomy and related scientific fields at The Royal Observatory, Edinburgh on Blackford Hill. The Trust continues to safeguard the Historic Scientific Instruments in their care and are considering what other activities should be undertaken by the Trust.

### Financial review

The net deficit for the year was £1,352 (2013: deficit £1,088). The Trust did not carry out any activities during the 12 months to 5 October 2014.

### Reserves policy

The trustees aim to maintain sufficient reserves to sustain operations and allow any change in activities to occur smoothly.

## **Trustees' report** *(continued)*

### **Risk management**

The major risk to the Trust is to ensure that the Historic Scientific Instruments are preserved and arrangements have been made to keep these objects in the correct conditions either at the National Museum of Scotland or on-site at the Royal Observatory.

### **Plans for the future**

The trustees of the Trust continue to consider how best the Trust can pursue its remit. In particular the trustees wish to build on the overwhelming success of the Open Days held at the Royal Observatory during the weekend of the Edinburgh Doors Open Day, which takes place annually in September. The Trust recognises the importance of Outreach and the extent to which a favourable visitor experience can stimulate interest in science, technology, engineering and mathematics. Accordingly the trustees plan to re-energise the Trust's activities in seeking funding to enhance the Visitor Centre, the two towers and the rooftop gallery at the Royal Observatory.

The trustees' report is prepared in accordance with special provisions of the Companies Act 2006 relating to small companies.

On behalf of the Board



**Professor A Lawrence**  
*Trustee*

11 June 2015



# HENDERSON LOGGIE

Chartered Accountants  
Edinburgh  
EH3 7HA  
United Kingdom

## **Independent examiner's report to the trustees of The Royal Observatory (Edinburgh) Trust**

I report on the financial statements of the charity for the year ended 5 October 2014 which are set out on pages 5 to 9.

### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (d) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

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

### **Independent examiner's statement**

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended); and
- to prepare accounts with accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended);

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

**Mrs Janet M Stevenson FCA**  
*Independent Examiner*

**Henderson Loggie, 34 Melville Street, Edinburgh EH3 7HA**

11 June 2015

**Statement of financial activities**  
**(incorporating the income and expenditure account)**  
*for the year ended 5 October 2014*

	Note	Historic Scientific Instruments 2014 £	Unrestricted 2014 £	2014 £	2013 £
Governance costs	4	-	(1,352)	(1,352)	(1,088)
Total resources expended		-	(1,352)	(1,352)	(1,088)
Net (outgoing)/incoming resources		-	(1,352)	(1,352)	(1,088)
Retained surplus brought forward	8	10,400	16,784	27,184	28,272
Retained surplus carried forward		10,400	15,432	25,832	27,184

**Balance sheet**  
*at 5 October 2014*

		2014	2014	2013	2013
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5		10,400		10,400
<b>Current assets</b>					
Cash at bank		15,981		17,048	
Debtors	6	116		313	
		<u>16,097</u>		<u>17,361</u>	
<b>Current liabilities</b>					
<b>Creditors:</b> Amounts falling due within one year	7	(665)		(577)	
		<u></u>		<u></u>	
<b>Net current assets</b>			15,432		16,784
			<u></u>		<u></u>
<b>Net assets</b>			25,832		27,184
			<u></u>		<u></u>
<b>Representing</b>					
Unrestricted fund	8,9		15,432		16,784
Historic Scientific Instruments reserve	8,9		10,400		10,400
			<u></u>		<u></u>
<b>Net assets</b>			25,832		27,184
			<u></u>		<u></u>

The trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 477 of the Companies Act 2006 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 477 of the Act.

The trustees acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 386 of the Companies Act 2006; and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 396 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements are prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

These financial statements were approved and authorised for issue by the Board on 11 June 2015 and were signed by:

*A. Lawrence*

**Professor A Lawrence**  
*Trustee*



## Notes

(forming part of the accounts)

### 1 Company status

The company is limited by guarantee of its members and does not have a share capital. Under paragraph 7 of its Memorandum of Association each member undertakes to contribute up to £1 in the event of the company being wound up.

### 2 Accounting policies

#### *Basis of preparation*

The accounts have been prepared under the historical cost accounting rules and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the applicable accounting standards, the Statement of Recommended Practice "Accounting by Charities" issued in 2005, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Advantage has been taken of the Special Provisions of the Companies Act 2006 relating to small companies.

#### *Depreciation*

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives, as follows:

Display units – 4 years

The minicomputer was fully depreciated by April 1986. In the opinion of the Trustees no depreciation is required on the Historical Scientific Instruments because net realisable value exceeds the carrying value in the account and their physical life is very long and the Trust is not intending to dispose of them.

#### *Taxation*

The Royal Observatory (Edinburgh) Trust has been afforded charitable status under Section 505 of the Income and Corporation Taxes Act 1988, as amended, and as such is exempt from tax.

#### *Funds*

Unrestricted funds are grants, donations and other incoming resources receivable or generated for the objects of the company without further specified purpose and are available as general funds.

#### *Incoming resources*

Income represents grants and bank interest received and is accounted for on a receivable basis.

#### *Expenditure*

Expenditure is accounted for on an accruals basis and is allocated directly to a functional heading as follows:

- Costs of generating funds consist of costs relating to the raising of investment income;
- Charitable activities include expenditure associated with the charity's objects and principal activities;
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

## Notes (continued)

### 3 Wages and salaries

The trustees received no remuneration for their services (2013: £nil). Expenses of £nil were reimbursed to trustees (2013: £nil) during the year. Trustee indemnity insurance costing £311 was acquired during the year.

4	Governance costs	2014	2013
		£	£
	Independent examiner's fee	590	577
	Legal fees	63	150
	Indemnity insurance	311	361
	Companies House	388	-
		<hr/>	<hr/>
		1,352	1,088
		<hr/>	<hr/>

5	Tangible fixed assets	Historic Scientific Instruments	Display units	Total
		£	£	£
	<i>Cost</i>			
	At beginning and end of year	10,400	12,250	22,650
		<hr/>	<hr/>	<hr/>
	<i>Aggregate depreciation</i>			
	At beginning and end of year	-	12,250	12,250
		<hr/>	<hr/>	<hr/>
	<i>Net book value</i>			
	At 5 October 2014	10,400	-	10,400
		<hr/>	<hr/>	<hr/>
	At 5 October 2013	10,400	-	10,400
		<hr/>	<hr/>	<hr/>

### 6 Debtors: amounts falling due within one year

	2014	2013
	£	£
Prepayments	-	313
VAT Recoverable	116	-
	<hr/>	<hr/>
	116	313
	<hr/>	<hr/>

**Notes** (continued)

**7 Creditors: amounts falling due within one year**

	2014	2013
	£	£
Accruals	665	577
	<u>        </u>	<u>        </u>

**8 Reserves**

	2014 Instrument £	2014 Unrestricted £	2014 Total £
At beginning of period	10,400	16,784	27,184
Deficit for the period	-	(1,352)	(1,352)
	<u>        </u>	<u>        </u>	<u>        </u>
At end of period	10,400	15,432	25,832
	<u>        </u>	<u>        </u>	<u>        </u>

**9 Analysis of net assets**

	2014 Historic Scientific Instrument s £	2014 Unrestricted £	2014 Total £
Fixed assets	10,400	-	10,400
Current assets	-	16,097	16,097
Current liabilities	-	(665)	(665)
	<u>        </u>	<u>        </u>	<u>        </u>
Net assets	10,400	15,432	25,832
	<u>        </u>	<u>        </u>	<u>        </u>

**10 Ultimate controlling party**

The charitable company is constituted by Memorandum and Articles of Association and is governed by its elected trustees.