

**Charity Number: 1117838**  
**Company Registration Number: 05729264**

**THE MATHEMATICAL ASSOCIATION**

**ANNUAL REPORT AND FINANCIAL  
STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

# THE MATHEMATICAL ASSOCIATION

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# THE MATHEMATICAL ASSOCIATION

## CHARITY REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR TO 31 DECEMBER 2018

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### Legal and administrative information

<b>Charity registration number</b>	1117838
<b>Company registration number</b>	05729264
<b>Council Members</b>	Prof M Askew Mrs J Brown Mr K T H Cadman Mr M D Fox (Resigned 04/04/2018) Mrs E M Glaister Dr J Golding Mrs R Horsman (Resigned 04/04/2018) Dr R J Huntley Dr G Leversha Mr B S Lewis (Resigned 04/04/2018) Miss E L Lord (Appointed 04/04/2018) Mr D J Miles Ms C D Moseley Mrs J E Morgan (Appointed 04/04/2018) Mrs M R Muldowney (Appointed 04/04/2018) Mrs C A Myers Dr D C Pountney (Resigned 08/07/2018) Dr C B Pritchard Mr P H Ransom Mr W P Richardson M.B.E. Mr T Roper Mr R J Smith Mrs S Southward (Appointed 04/04/2018)
<b>Chair of Council</b>	Mr P H Ransom
<b>Company Secretary</b>	Mr W P Richardson M.B.E.
<b>Registered Office</b>	259 London Road Leicester LE2 3BE
<b>Independent Examiner</b>	UHY Hacker Young 14 Park Row Nottingham NG1 6GR
<b>Solicitor</b>	Nelsons Solicitors Pennine House 8 Stanford Street Nottingham NG17 7BQ

# THE MATHEMATICAL ASSOCIATION

## CHARITY REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR TO 31 DECEMBER 2018

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### **Bankers**

National Westminster Bank  
PLC  
1 Granby Street  
Leicester  
LE1 6EJ

Allied Irish Bank  
Direct Banking  
PO Box 73306  
London  
W5 9PB

# THE MATHEMATICAL ASSOCIATION

## COUNCIL MEMBERS' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR TO 31 DECEMBER 2018

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The Council Members, who are also Trustees, present their report and the financial statements of the charity for the year ended 31 December 2018. The Council Members have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

### **Council Members of the Charity**

The directors of the charitable company are its Council Members for the purposes of charity law. The Council Members who have served during the year and since the year end were as follows:

Prof M Askew  
Mrs J Brown  
Mr K T H Cadman  
Mr M D Fox  
Mrs E M Glaister  
Dr J Golding  
Mrs R Horsman  
Dr R J Huntley  
Dr G Leversha  
Mr B S Lewis  
Miss E L Lord  
Mr D J Miles  
Ms C D Moseley  
Mrs J E Morgan  
Mrs M R Muldowney  
Mrs C A Myers  
Dr D C Pountney  
Dr C B Pritchard  
Mr P H Ransom  
Mr W P Richardson M.B.E.  
Mr T Roper  
Mr R J Smith  
Mrs S Southward

### **Governing document**

The Mathematical Association was founded in Great Britain in 1871 and is a registered Charity and a Company Limited by Guarantee, governed by its Memorandum and Articles of Association, (Charity Number 1117838, Company Number 05729264). Anyone can become a member of the Association, and there were 2271 members in 2018.

# THE MATHEMATICAL ASSOCIATION

## COUNCIL MEMBERS' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR TO 31 DECEMBER 2018

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### **Objectives and activities**

The objects of the Association are to effect improvements in the teaching and learning of mathematics and its applications; and to provide means of communication among students and teachers of mathematics and other interested persons.

In furtherance of the objects, but not otherwise, the Council may exercise the following powers:

- To publish periodicals and other items;
- To provide and maintain a library;
- To employ staff including a chief executive, known as the Senior Administrator, (who shall not be members of the Council) as are necessary for the proper pursuit of the objects and to make all reasonable and necessary provision for the payment of pensions and superannuation for staff and their dependents;
- To provide professional development opportunities through annual conferences and other courses;
- To do all other lawful things as are necessary for the achievement of the objects.

### **Appointment of Trustees**

The elected members of Council are its trustees who monitor the business of the Association. There are three Officers, the Chair, Treasurer and Secretary, each elected annually and not allowed to hold office for more than five years in succession. There is a President, President Designate and Immediate Past President, who each hold office for a period of one year; there are eight Chairs of Committees who are elected annually and may serve one term of five years and up to five Members without Office who may serve two terms of three years. The members of the Association elect all members of the Council at the Annual General Meeting, with the exception of the President who is elected by Council. The Company Secretary, if not otherwise a Member of Council, is in attendance at meetings of Council.

All members, via the October *MA News*, are advised of any retiring trustees and invited to nominate trustees by notifying the Senior Administrator by 31st December each year. The agenda for the AGM is published in the February *MA News*. Currently, the AGM is held during the Annual Conference (which may in a BCME year or joint conference year be held in conjunction with other associations) and this takes place around Easter. Council is mindful of the benefits of it having representatives from primary, secondary, further and higher education.

### **Trustee induction**

New trustees, if they are to be unopposed at the AGM, are invited to attend the March Council meeting. Each receives pertinent information regarding the Association. From time to time they are given Charity Commission update leaflets to brief them on their legal obligations under charity law. At the moment there is no formal induction day held to train new trustees but the Association Officers are available to mentor new trustees and a Council handbook is given to new trustees.

### **Organisation**

The Council, which currently can have up to twenty-one members, administers the Charity. Council meets four times a year. There is a Standing Committee, empowered by the Council to conduct business on its behalf, which meets four times a year. It is made up of the three Officers, the President, the Immediate Past President and one nominated Member without Office. The Company Secretary, if not already a member of Standing Committee, attends its meetings as a non-voting member.

In addition, there are eight committees: Branches, Conference, Editorial Board, Membership, Professional Development, Publications, Publicity and Media, Teaching.

# THE MATHEMATICAL ASSOCIATION

## COUNCIL MEMBERS' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR TO 31 DECEMBER 2018

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During the year there were 5 permanent employees on the payroll at MA Headquarters.

To facilitate effective operations the Senior Administrator has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance and activities related to employment and work performance.

### **Risk management**

Council has examined the major strategic, business and operational risks which the Charity faces and through regular reports to the Council and Standing Committee meetings, and dialogue between the Treasurer and Senior Administrator, confirms that systems are established to lessen these risks.

Council has a risk management strategy comprising:

- An annual review of the risks the Charity may face;
- The establishment of systems and procedures to mitigate any risks;
- The implementation of procedures designed to minimise any potential impact on the Charity, should any risks materialise.

This work has continued to focus on several non-financial risks during 2018 most notably attention has focused on risks arising from falling membership, a decrease in professional development activities and the risk register has been expanded in light of the potential risk of data theft. A member of Council has also been appointed as a Data Protection Officer to oversee that correct procedures are followed regarding GDPR. Council annually agrees the setting of a reserves policy in order to manage aspects of financial risks.

### **Achievements and performance**

In 2018 the MA has achieved the following for its members and the UK mathematics community in general:

- Continued to raise issues with the government through meetings with key personnel within relevant departments;
- Held the 2017-2018 Primary Mathematics Challenge (PMC) Bonus Round (previously known as the Finals) in February 2018 and the 2018-2019 PMC in November 2018;
- Organised the 13<sup>th</sup> successful one-day Secondary Mathematics Conference in Stirling in September 2018;
- Organised the 7<sup>th</sup> successful one-day Primary Conference in High Wycombe in October 2018;
- Participated in a successful BCME Conference and also held our AGM at Warwick University in April 2018.

In 2018 new items were added to the MA publications catalogue: *Primary Padlock Challenges*, *Leadership to Count on*, *A Common Family Weakness* and the 2019 MA Calendar. There are publications in the pipeline for 2019.

Issues from at least five years ago of both *The Mathematical Gazette* and *Mathematics in School* are available online through JSTOR, and the Association received a royalty income from JSTOR. The income from JSTOR in recent years (after conversion from dollars to sterling) has been:

2015: MiS £2,654; Gazette £12,093; Total £14,747.

2016: MiS £3,482; Gazette £12,559; Total £16,041.

2017: MiS £3,529; Gazette £12,514; Total £16,043.

2018: MiS £3,083; Gazette £9,903; Total £12,986.

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# THE MATHEMATICAL ASSOCIATION

## COUNCIL MEMBERS' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR TO 31 DECEMBER 2018

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The Association is keen to support joint conferences and, to that end, the Chair of Conferences is involved in planning the jointly badged ATM MA Conference, with one other Trustee and the Senior Administrator involved to a lesser extent. In addition, discussions continue with the Association of Mathematics Education Teachers (AMET), the National Association of Mathematics Advisors (NAMA) and the National Association for Numeracy and Mathematics in Colleges (NANAMIC) about a joint conference in April 2020. It is with great pleasure we can work cooperatively in this way.

Membership income has decreased in the current year from £144,759 to £121,032.

### **Financial review**

Members of Council continue to be mindful of the on-going need to improve the financial situation of the Association. Council maintained a rigorous policy throughout 2018 towards the management of its resources and finances. We have referred to the guidance contained in the Charities Commission general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

The Treasurer continues to present working accounts based on the Profit and Loss reports from the Association's accounting system to assist Council to monitor the Association's finances. Using these reports, Council has worked towards minimising any deficit and increasing the income from subscriptions, professional development activities and advertising in the journals. Administrative costs have been maintained at the same general level. There were some exceptional items of expenditure arising from planned and reactive building maintenance work.

The long-term future of the Association depends upon its ability to maintain and strengthen its membership base, as well as ensuring that sufficient funding is secured to support its various undertakings. The Membership Committee continues to seek ways to publicise the Association and increase membership. Now the website is firmly established and the number of our Twitter followers has risen substantially to over 18,000 (an increase of over 5,000 in the year), we still continue to improve it and the addition of the donation page makes it far easier for people to donate and use Gift Aid. All such donations are acknowledged by a letter from the Chair.

Council continues to encourage professional development activities and recognises that the various projects and the one-day conferences have been a good source of income in the past and importantly have helped to raise the profile of the Association across the mathematics community. However, Council also recognises that there will always be fluctuations in the MA's income levels resulting from professional development projects and in the current climate this presents challenges. Work in this area is managed by the Professional Development Committee Chair and several members of Council.

From time to time the Association has been in receipt of legacies or donations. During 2010 it received a legacy of £1,729, a mathematically significant figure. This led to the establishment of The 1729 Group, membership of which is offered to those making donations of similar mathematically significant amounts. During 2018, the Association was grateful to receive a generous legacy from John Chick's estate and donations from G. Boys, G. J. Oliver, P. Ransom, W. P. Richardson and others.

In 2018 the Association recorded a surplus of £62,503.

Council will continue to review the Association's activities to ensure that finances are improved, through measures such as cost cutting and seeking fresh streams of income in order to safeguard its future. In particular, we continue vigorously to pursue members to assign Gift Aid to donations and subscriptions as this has provided significant amounts this year. In 2018 HMRC has refunded a total of £8,129.49 in Gift Aid.

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# THE MATHEMATICAL ASSOCIATION

## COUNCIL MEMBERS' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR TO 31 DECEMBER 2018

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On 21st July 2014 the original agreement between the Association and Cambridge University Press (CUP) was entered into to print and distribute *The Mathematical Gazette*. This agreement will run until 31st December 2019 and after discussions in 2018 an extended contract has been negotiated and agreed. We invoice CUP for an amount based on their direct subscriptions of *The Mathematical Gazette* (and the CUP Online Archive), but since CUP produce their year-end accounts in March it is not possible to invoice CUP for a precise amount, so, as agreed with CUP, the Association invoices for 60% of a forecasted amount in October followed by a final settlement invoice around March/April once the full year's statement is received from CUP. A small group of Trustees will meet with CUP over the coming months to inspect the accounts. This is an annual procedure.

### **Council's Policy Statement on Fixed Assets Register**

Council's policy for the maintenance of the Fixed Assets Register is that only items with an expenditure of £500 or more are added to the Register and this amount will be reviewed by the Treasurer on an annual basis.

### **Reserves policy**

It is the policy of the Association to maintain sufficient general funds to cover management, administration and support costs and to enable it to respond to any further approved projects which may arise from time to time. Council continues to set aside funds to cover the costs of servicing life members, maintaining the building which houses Headquarters, website development work and funding other special projects.

The reserves of the Association are held in the various funds as detailed in the Financial Statements in note 17. The Association's reserves policy and the level of reserves within each fund are reviewed each year having regard to the Charity Commission publication CC19, 'Charities and Reserves' (June 2010 revision), and a forecast of income and expenditure is prepared for the following year.

Council considers that the balance of general reserve, after deducting Fixed Assets, Branch Reserves and President's Fund, should be equivalent to between four to six months of expenditure. As at 31 December 2018 this amount was £193,993 (2017: £144,950), which represents 5.8 months (2017: 4.3 months) expenditure.

### **Plans for future periods**

The major financial concern for the Association will be to continue to avoid any future deficits in its year-end accounts. This means the Association needs to continue to increase actively its membership base, continue to provide one-day conferences and courses and to find ways to increase Primary Mathematics Challenge participation, in order to generate income. The Association plans to expand the Primary Mathematics Challenge to include a junior version for years 3 and 4 in England and the corresponding age groups around the UK. In addition, the Association will continue to monitor expenditure and aim to build on the savings achieved in previous years.

### **Provision of information to auditor**

So far as each of the trustees is aware at the time this report is approved:

- There is no relevant audit information of which the charity's auditor is unaware;
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

# THE MATHEMATICAL ASSOCIATION

## COUNCIL MEMBERS' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR TO 31 DECEMBER 2018

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### **Public Benefit Statement**

The Mathematical Association is a registered charity whose aims and objects include promoting the teaching and learning of mathematics. To this end, the Association engages in a number of activities, ranging from the lobbying of the Government on developments which may affect the teaching and learning of mathematics to the production and publication of materials and books to aid the teaching and learning of mathematics. We have referred to the guidance contained in the Charities Commission general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

The Association takes an active role in promoting and improving the way in which mathematics is taught at all levels. This can be seen from the content of the journals which are published by the Association. In 2018, the Association published three editions of *The Mathematical Gazette* (the Association's general interest mathematical journal), five editions of *Mathematics in School* (aimed at teachers working in secondary schools), three editions of *Primary Mathematics*, three editions of *Equals Online* (a valuable resource for those working to ensure that pupils with special educational needs benefit from mathematics), three editions of *SYMMetryPlus*, three editions of *Mathematical Pie* and three editions of its members' newsletter, the *MA News*. An online newsletter, *e-News*, that was introduced in August 2015 is circulated on a monthly basis via Headquarters.

The Association also published a number of books and resources for use in mathematical education, and these are listed earlier.

From time to time we respond on behalf of the membership to government and executive agencies to proposals for change, with a view to increasing the likelihood of the decisions reached and policies instituted being consistent with good learning and teaching in mathematics. The various responses to consultations can be found in the We Say section of the MA website. We routinely contribute to the Joint Mathematical Council (which represents the whole mathematics community); the Advisory Committee on Mathematics Education (ACME), which is an independent body concerned with all aspects of mathematics in education and the Meetings of the Mathematical Subject Associations (MMSA), which represents the classroom facing associations, where we have two representatives who are both trustees.

Following the Privy Council's approval of the designation of Chartered Mathematics Teacher, The Mathematical Association is part of the Registration Authority, working in collaboration with the Institute of Mathematics and its Applications (IMA), the Association of Teachers of Mathematics (ATM) and the National Association for Numeracy and Mathematics in Colleges (NANAMIC). In addition, The Mathematical Association promotes the designation to its members as a status that reflects the balance between teaching skills (pedagogy) and mathematics knowledge necessary for a professional teacher to educate and inspire today's students and identifies those at the forefront of their profession.

In the modern world, instilling good numeracy skills is seen as an important part of the educational experience, and so the work that The Mathematical Association is doing to help improve the teaching and learning of mathematics can only be viewed as being of great benefit to society. Membership of The Mathematical Association is open to anyone who pays the appropriate subscription fee.

# THE MATHEMATICAL ASSOCIATION

## STATEMENT OF COUNCIL'S RESPONSIBILITIES FOR THE YEAR TO 31 DECEMBER 2018

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### Statement of Council Members' responsibilities

The Council (who are directors of the charitable company for the purposes of company law) are responsible for preparing the Annual 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 Council 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 Council are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS 102);
- Make judgments 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 charity will continue in business.

The Council are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

- There is no relevant information of which the charitable company's Independent Examiners are unaware; and
- We have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charitable company's Independent Examiners are aware of that information.

Signed on behalf of the Council

.....  
Mr P H Ransom  
**Chair of Council**

Date:

Charity Number: 1117838  
Company Registration Number: 05729264

# **THE MATHEMATICAL ASSOCIATION**

## **INDEPENDENT EXAMINER'S REPORT FOR THE YEAR TO 31 DECEMBER 2018**

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I report to the charity Council Members on my examination of the accounts of the company for the year ended 31 December 2018 which are set out on pages 12 to 26.

### **Responsibilities and basis of report**

As the charity Council Members of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts 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 company's accounts 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.

### **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 matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

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

# **THE MATHEMATICAL ASSOCIATION**

## **INDEPENDENT EXAMINER'S REPORT (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2018**

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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 accounts to be reached.

R Merchant FCA  
**UHY Hacker Young**  
**Chartered Accountants**

14 Park Row  
Nottingham  
NG1 6GR

Date: .....

# THE MATHEMATICAL ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR TO 31 DECEMBER 2018

		2018			2017		
	Note	Unrestricted funds £	Restricted funds £	Total £	Unrestricted funds £	Restricted funds £	Total £
<b>Income and endowments from:</b>							
Donations and legacies	2	56,495	-	56,495	19,691	-	19,691
Charitable activities	3	398,234	-	398,234	392,826	-	392,826
Investments	4	2,443	-	2,443	916	-	916
Other	5	6,009	-	6,009	5,872	-	5,872
<b>Total income and endowments</b>		463,181	-	463,181	419,305	-	419,305
<b>Expenditure on:</b>							
Charitable activities	6	400,678	-	400,678	451,431	-	451,431
<b>Net income/(expenditure)</b>		62,503	-	62,503	(32,126)	-	(32,126)
<b>Transfers between funds</b>		-	-	-	-	-	-
<b>Net movement in funds</b>	17	62,503	-	62,503	(32,126)	-	(32,126)
<b>Reconciliation of funds:</b>							
Total funds brought forward	17	511,626	6,500	518,126	543,752	6,500	550,252
<b>Total funds carried forward</b>	17	574,129	6,500	580,629	511,626	6,500	518,126

All income and expenditure derive from continuing activities.

# THE MATHEMATICAL ASSOCIATION

## BALANCE SHEET FOR THE YEAR TO 31 DECEMBER 2018

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	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	11	326,376	333,288
		<hr/>	<hr/>
		326,376	333,288
<b>Current assets</b>			
Stocks		21,757	23,294
Debtors	13	66,071	38,433
Cash at bank and in hand		222,949	186,709
		<hr/>	<hr/>
		310,777	248,436
<b>Creditors: amounts falling due within one year</b>	14	(56,524)	(63,598)
		<hr/>	<hr/>
<b>Net current assets</b>		254,253	184,838
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		580,629	518,126
		<hr/>	<hr/>
<b>Charity Funds</b>			
Restricted funds	17	6,500	6,500
Unrestricted funds	17	389,929	326,826
Revaluation reserve	17	184,200	184,800
		<hr/>	<hr/>
<b>Total charity funds</b>	17	580,629	518,126
		<hr/>	<hr/>

For the year ended 31 December 2018, the charitable company was entitled to audit exemption from an audit under section 477 of the Companies Act 2006.

The Council Members have not required the charitable company to obtain an audit for its accounts for the year in question in accordance with section 476 of the Act.

The Council Members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of the accounts.

# THE MATHEMATICAL ASSOCIATION

## BALANCE SHEET (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2018

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The financial statements were approved and authorised for issue at the Annual General Meeting and were signed on its behalf on .....

Signed on behalf of the board of Council Members

.....  
Mr P H Ransom  
**Chair of Council**

.....  
Mr D Miles  
**Treasurer**

Date: .....

Charity Number: 1117838  
Company Registration Number: 05729264

The notes on pages 15 to 26 form part of these financial statements.

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# THE MATHEMATICAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 31 DECEMBER 2018

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### **1 Summary of significant accounting policies**

#### **(a) General information and basis of preparation**

The Mathematical Association is a registered charity in England. The address of the registered office is given in the charity information on pages 1 and 2 of these financial statements. The nature of the charity's operations and principal activities are the improvements of the teaching and learning of mathematics and its applications.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### **(b) Funds**

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### **(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Subscriptions, donations and investment income are accounted for on a receivable basis. Life membership subscriptions and subscriptions received in advance are initially accounted for as deferred income and transferred to revenue by equal annual instalments over the period covered by the subscriptions. Other

# THE MATHEMATICAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2018

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income is generated from individual projects and activities; this is also accounted for on a receivable basis.

### **(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes expenditure associated with editorial, publications, annual conferences, professional development costs and includes direct costs and support costs relating to these activities.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

### **(e) Tangible fixed assets**

Tangible fixed assets are stated at deemed cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold buildings	1% straight line basis
Fixtures and fittings	10% straight line basis
IT equipment	20% straight line basis

Only assets costing in excess of £500 are capitalised.

### **(f) Heritage assets**

The rules of the Association state that 'the Library of the Association may not be disposed of, in whole or part, without the express permission of the Council'. The Council have confirmed that it is not their intention to dispose of any books or periodicals in the Library in the foreseeable future. The Council considers this class of fixed assets to be heritage assets and note 12 contains a brief summary of the nature and scale of the assets in accordance with SORP (FRS 102) Section 18. The Library has not been included in the balance sheet because, in the opinion of the Council, the cost of regular professional valuation of these assets to include a value in the accounts cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the charity.

### **(g) Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

# THE MATHEMATICAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2018

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### **(h) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

### **(i) Leases**

Rentals payable and receivable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

### **(j) Foreign currency**

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

### **(k) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

### **(l) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

# THE MATHEMATICAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2018

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### 2 Income from donations and legacies

	2018 £	2017 £
Donations including gift aid	56,495	19,691
	<hr/> 56,495	<hr/> 19,691
	<hr/>	<hr/>

All income from donations and legacies was attributable to unrestricted funds for the current year and the comparative year.

### 3 Income from charitable activities

	2018 £	2017 £
Members' subscriptions	121,032	144,759
Gazette	74,018	45,059
Editorial board	20,271	21,686
Publications	39,127	51,115
Annual conference	42,564	39,510
Primary Maths Challenge	87,893	76,629
Professional development income	10,785	12,079
Branch income	2,544	1,989
	<hr/> 398,234	<hr/> 392,826
	<hr/>	<hr/>

All income from charitable activities was attributable to unrestricted funds for the current year and the comparative year.

### 4 Investment income

	2018 £	2017 £
Bank interest received	2,443	916
	<hr/> 2,443	<hr/> 916
	<hr/>	<hr/>

All investment income was attributable to unrestricted funds for both the current year and comparative year.

# THE MATHEMATICAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2018

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### 5 Other income

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Rent receivable	6,009	5,872
	<u>6,009</u>	<u>5,872</u>

All other income was attributable to unrestricted funds for both the current year and comparative year.

### 6 Analysis of expenditure on charitable activities

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
	<b>Note</b>	
Publicity expenses	3,529	4,037
Membership	6,383	7,015
Editorial board	110,588	110,919
Publications	22,630	39,175
Headquarters administration	7 52,462	48,038
Annual conference	1,691	35,796
Branch expenses	5,077	6,070
Council and other committees	8 13,218	18,468
Staff costs	9 144,520	143,064
Staff costs recharged to PMC	(10,714)	(10,301)
PMC expenses	40,958	35,853
Professional development	7,948	9,992
Library management fund	613	1,176
Website expenses	1,775	2,129
	<u>400,678</u>	<u>451,431</u>

All expenditure on charitable activities was attributable to unrestricted funds for both the current year and comparative year.

# THE MATHEMATICAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2018

### 7 Headquarters administration

	Note	2018 £	2017 £
Printing, postage and stationery		(117)	1,254
Repairs and renewals		20,023	17,819
Rates		1,924	1,926
Insurance		2,716	1,486
Telephone		6,525	3,654
Accountancy fees		3,080	2,988
Bank and credit card charges		1,970	2,150
Legal and consultancy services		1,000	1,662
Sundry expenses		1,612	744
Heat and light		6,817	7,068
Depreciation	11	6,906	7,287
Loss on disposals		6	-
		<u>52,462</u>	<u>48,038</u>

All headquarters administration was attributable to unrestricted funds for both the current year and comparative year.

### 8 Council Members' and key management personnel remuneration and expenses

The Council Members neither received nor waived any remuneration during the year (2017 – £nil).

The total amount of employee benefits received by key management personnel is £50,722 (2017 – £48,991).

No (2017 - 0) Council Members are accruing pension arrangements.

The Council Members had expenses reimbursed during the year of £13,218 (2017 – £18,468).

### 9 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2018 Number	2018 FTE	2017 Number	2017 FTE
Charitable activities	5	5	5	5
	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>

# THE MATHEMATICAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2018

### 9 Staff costs and employee benefits (continued)

The total staff costs and employee benefits were as follows:

	2018 £	2017 £
Wages and salaries	127,189	126,153
Social security	12,142	12,362
Defined contribution pension costs	5,189	4,549
	<u>144,520</u>	<u>143,064</u>

No employees received total employee benefits (excluding employer pension costs) of more than £60,000.

### 10 Independent Examiners' Remuneration

The independent examiners' remuneration amounts to an independent examination fee of £2,530 (2017 - £2,385).

### 11 Tangible fixed assets

	Freehold buildings £	Fixtures, fittings and equipment £	IT equipment £	Total £
<b>Cost or valuation:</b>				
At 1 January 2018	360,000	13,463	60,249	433,712
Disposals	-	(6,489)	(31,086)	(37,575)
At 31 December 2018	<u>360,000</u>	<u>6,974</u>	<u>29,163</u>	<u>396,137</u>
<b>Depreciation:</b>				
At 1 January 2018	34,200	10,769	55,455	100,424
Charge for the year	3,600	444	2,862	6,906
Eliminated on disposals	-	(6,484)	(31,085)	(37,569)
At 31 December 2018	<u>37,800</u>	<u>4,729</u>	<u>27,232</u>	<u>69,761</u>
<b>Net book value:</b>				
At 31 December 2018	<u>322,200</u>	<u>2,245</u>	<u>1,931</u>	<u>326,376</u>
At 31 December 2017	<u>325,800</u>	<u>2,694</u>	<u>4,794</u>	<u>333,288</u>

# THE MATHEMATICAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2018

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### 11 Tangible fixed assets (continued)

The net book value of freehold buildings comprised:

	2018 £	2017 £
<b>Freehold buildings:</b>		
Freehold	322,200	325,800
	<hr/> 322,200	<hr/> 325,800
	<hr/>	<hr/>

The historic cost equivalent of freehold buildings are as follows:

	2018 £	2017 £
<b>Freehold buildings:</b>		
Cost	150,000	150,000
Accumulated depreciation	(12,000)	(10,500)
	<hr/> 138,000	<hr/> 139,500
	<hr/>	<hr/>

The freehold property situated at 259 London Road, Leicester was revalued in accordance with the RICS Valuation Standards – Global and UK (7th Edition), at a market value of £300,000 on 30 June 2011 by Peter Doleman MRICS, RICS Registered Valuer, who is not connected with the charity. The historical cost of the property on 24 June 1974 was £150,000. As government figures suggest property prices have increased by 20% since 2011, to ensure the property value is not materially misstated the Council Members have deemed it reasonable to increase the recorded value of the property by 20%, an additional £60,000. This uplift is an estimate made by the Council Members, who have no formal qualifications or experience in valuing properties and is based on the increase in a general price index for residential properties being applied to a specific property currently being used as office space.

### 12 Heritage assets

The Charity's collection of books and periodicals, which are not capitalised and included in these financial statements, are located in the University of Leicester's David Wilson Library and the Association's Headquarters. The Charity's library is covered by the same insurance arrangements as the University's own library and the Charity's own insurance.

The Library of The Mathematical Association comprises around 12,000 books and 5,500 runs of periodicals from many different countries. The collection covers mathematics, its teaching, history and popularisation, and is particularly rich in its coverage of school and university mathematics textbooks of the nineteenth and twentieth centuries.

The collection also includes around 850 older or rarer items going back to the sixteenth century. The Library as a whole is a unique primary source for the history of the mathematics curriculum in the United Kingdom.

# THE MATHEMATICAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2018

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### 12 Heritage assets (continued)

Valuations (for insurance purposes) of the library's contents:

September 1999	Special Collection	£178,940
	Open Stack books	£110,030
March 2004	Charles Attwood collection	£18,460
June 2005	John Hersee collection	£97,650
	John Hersee manuscripts	£62,000

March 2001 the Wittgenstein Archive, which is on loan to Trinity College Library, Cambridge, was valued at £57,500.

The above books, periodicals and manuscripts have not been included in the balance sheet because, in the opinion of the Council, the cost of regular professional valuation of these assets to include a value in the accounts outweighs the benefits to the users of the financial statements.

### 13 Debtors

	2018 £	2017 £
Trade debtors	2,884	6,183
Prepayments and accrued income	63,187	32,250
	<hr/>	<hr/>
	66,071	38,433
	<hr/>	<hr/>

### 14 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	5,480	5,091
Other tax and social security	12,939	8,320
Other creditors	1,200	8,800
Accruals and deferred income	36,905	41,387
	<hr/>	<hr/>
	56,524	63,598
	<hr/>	<hr/>

# THE MATHEMATICAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2018

### 15 Deferred income

	Under 1 year £	Over 1 year £	Total £
At 1 January 2018	38,177	-	38,177
Additions during the year	33,096	-	33,096
Amounts released during the year	(38,177)	-	(38,177)
At 31 December 2018	33,096	-	33,096

All deferred income is due within 1 year and has been deferred for membership subscriptions relating to a 12 month period.

### 16 Leases

#### Operating leases - lessee

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2018 £	2017 £
Not later than one year	2,978	3,090
Later than one and not later than five years	10,741	713
	13,719	3,804

### 17 Fund reconciliation

#### Unrestricted funds

	Balance at 1 January 2018 £	Net incoming resources £	Transfers £	Gains / (losses) £	Balance at 31 December 2018 £
Headquarters	293,438	63,759	600	-	357,796
Branches	16,891	(1,256)	-	-	15,635
Revaluation Reserve	184,800	-	(600)	-	184,200
President's Fund	16,497	-	-	-	16,497
<b>Total unrestricted funds</b>	511,626	62,503	-	-	574,128

# THE MATHEMATICAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2018

### 17 Fund reconciliation (continued)

#### Restricted funds

	Balance at 1 January 2018 £	Net incoming resources £	Transfers £	Gains / (losses) £	Balance at 31 December 2018 £
Yorkshire Branch masterclasses	6,500	-	-	-	6,500
<b>Total restricted funds</b>	6,500	-	-	-	6,500
<b>Total funds</b>	518,126	62,503	-	-	580,629

#### Unrestricted funds

The headquarters fund represents the free funds of the Charity which are not designated for particular purposes.

The branches fund represents funds held at branches.

The revaluation reserve represents the difference between the historic cost of the property and its revalued amount. Each year the additional depreciation charged as a result of the revaluation is transferred to Headquarters funds.

The President's Fund is a fund set up to hold a previous President's donations to the Association. This funding has been used on occasion to assist with fees to attend conferences or courses.

#### Restricted funds

The restricted funds represent income to be utilised on Mathematics Masterclasses, run with the Yorkshire Branch of the Mathematical Association (YBMA).

### 18 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	326,376	-	326,376
Cash and current investments	216,449	6,500	222,949
Other current assets (net)	31,304	-	31,304
<b>Total</b>	574,129	6,500	580,629

# THE MATHEMATICAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2018

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### 19 Pensions and other post-retirement benefits

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £5,189 (2017 – £4,549).

At the year end the balance owing was £nil (2017 – £nil)

### 20 Related party transactions

During the year Council member Mr W P Richardson M.B.E. was paid £12,546 (2017 – £12,546) for production of the journal *The Mathematical Gazette*.

Council member Dr C Pritchard was paid £1,650 (2017 – £1,650) for the shared editing of the journal *Mathematics in School*.

Council member Miss C Moseley was paid £700 (2017 – £700) for shared editing of the journal *Primary Mathematics*.

Council member Mr P Ransom was paid £746 (2017 – £580) for editing the journal *SymmetryPlus* and the October 2017 *MA News*.

Council member Dr G Leversha was paid £5,292 (2017 – £3,969) for editing the journal *The Mathematical Gazette*.

Council member Mr T Roper was paid an Honorarium of £94 (2017 – £94) for the proofing of *The Mathematical Gazette*.

At the year end the balance owing to these Council members was £nil (2017 – £nil).

### 21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each Council member in the event of winding up is limited to £1.