

Charity Number: 1117838
Company Registration Number: 05729264

THE MATHEMATICAL ASSOCIATION

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

THE MATHEMATICAL ASSOCIATION

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CHARITY REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR TO 31 DECEMBER 2020

Legal and administrative information

Charity registration number 1117838

Company registration number 05729264

Council Members

Prof M Askew	(Resigned 14/04/2020)
Mr K T H Cadman	
Mrs E M Glaister	
Dr R J Huntley	(Resigned 14/04/2020)
Dr G Leversha	
Dr E L Lord	
Mr D J Miles	
Miss C D Moseley	
Mrs J E Morgan	
Mrs C A Myers	(Resigned 14/04/2020)
Dr C B Pritchard	
Mr P H Ransom M.B.E.	(Resigned 14/04/2020)
Mr W P Richardson M.B.E.	
Mr T Roper	
Mrs S Southward	
Mr O L Toller	(Resigned 14/04/2020)
Mr E Southall	
Dr H Fry	
Dr J Simons	(Resigned 14/04/2020)
Mr J B Seagull	
Mr N L Wilson	(Appointed 14/04/2020)
Dr P J Harris	(Appointed 14/04/2020)
Mr D Foster	(Appointed 14/04/2020)
Miss S A Dudzic	(Appointed 14/04/2020)
Mr S J Abbott	(Appointed 14/04/2020)

Chair of Council Mr T Roper

Company Secretary Mr W P Richardson M.B.E.

Secretary Dr P J Harris

Treasurer Mr D J Miles

Registered Office 259 London Road
Leicester
LE2 3BE

Independent Examiner UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR

THE MATHEMATICAL ASSOCIATION

CHARITY REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR TO 31 DECEMBER 2020

Legal and administrative information (continued)

Solicitor

Nelsons Solicitors
Pennine House
8 Stanford Street
Nottingham
NG17 7BQ

Bankers

National Westminster Bank PLC
1 Granby Street
Leicester
LE1 6EJ

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

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COUNCIL MEMBERS ANNUAL REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR TO 31 DECEMBER 2020

The Council Members, who are also Trustees, present their report and the financial statements of the charity for the year ended 31 December 2020. 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 in October 2019 affecting reporting periods beginning on or after 1 January 2019.

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:

Mr K T H Cadman
Mrs E M Glaister
Dr G Leversha
Dr E L Lord
Mr D J Miles
Miss C D Moseley
Mrs J E Morgan
Dr C B Pritchard
Mr W P Richardson M.B.E.
Mr T Roper
Mrs S Southward
Mr E Southall
Dr H Fry
Mr J B Seagull
Mr N L Wilson
Dr P J Harris
Mr D Foster
Miss S A Dudzic
Mr S J Abbott

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 1,962 members in 2020, an increase of 280.

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.

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COUNCIL MEMBERS ANNUAL REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR TO 31 DECEMBER 2020

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, 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 Executive Officer 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.

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

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FOR THE YEAR TO 31 DECEMBER 2020

To facilitate effective operations the Executive Officer 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 Executive Officer (formerly, in 2019, the 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; and
- the implementation of procedures designed to minimise any potential impact on the Charity, should any risks materialise.

A risk identified last year, falling membership, has been mitigated by a successful membership campaign. However the coronavirus pandemic of 2020 has forced the cessation of face-to-face professional development and the cancellation of the 2020 Annual Conference. The pandemic has also forced the focus to be upon financial risks. A group of officers of the Association and the Executive Officer have been looking closely at cutting costs and increasing income. Council annually agrees the setting of a reserves policy in order to manage aspects of financial risks. The risk register is reviewed annually and revised accordingly.

Achievements and performance

In 2020 the MA has achieved the following for its members and the UK mathematics community in general:

- successfully appointed and established in post an Executive Officer;
- mitigated the effects of the pandemic by:
 - moving the entire headquarters staff to working from home;
 - moving all committee meetings on-line via Zoom.
- increasing our on-line offering in terms of the Primary Mathematics Challenge (PMC), the First Mathematics Challenge (FMC) and webinars;
- continued to raise issues with the government through meetings with key personnel within relevant departments;
- held the 2019-2020 PMC Bonus Round (previously known as the Finals) in February 2020. Because of the pandemic, the 2020-2021 PMC in November 2020 was offered in a paper and on-line format;
- the FMC, in only its second year, was offered successfully in an on-line format over the last two weeks of June and the first week of July in 2020. There was an increased entry and the on-line format proved to be very popular in the pandemic;
- appointed a management accountant to secure better information about our financial position;
- and increased our membership.

Five new items were added to the MA publications catalogue: *A-level Pure Mathematics*, *Hooked on Mathematics*, *Foundation GCSE Revision Cards Grade 5-1*, *Geometry Juniors*, and *Pack up a Penguin*. There are publications in the pipeline for 2021.

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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*, is circulated on a monthly basis to both members and non-members who sign up to receive it.

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: -

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

2019: MiS £3,279; Gazette £10,302; Total £13,581.

2020: MiS £2,875; Gazette £9,707; Total £12,582.

The Association was to hold its Annual Conference in 2020 jointly with the National Association for Numeracy and Mathematics in Colleges (NANAMIC). Unfortunately the pandemic forced the cancellation of this event. The 2021 Annual Conference, celebrating the 150th anniversary of the Association will be held on-line.

Membership numbers have increased during the year from 1,682 in 2019 to 1,962 in 2020.

Financial review

COVID-19 statement

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease COVID-19, spread to the United Kingdom. Restrictions on movement and the requirement to keep socially distanced were introduced. The trustees believe that these restrictions have had a direct impact on the 2020 reporting period.

The trustees are actively working with staff to manage and mitigate the impact of COVID-19 on the Association's operations. On review currently the trustees do not consider there to be a significant impact on their ability to continue as a going concern for the foreseeable future. The Association is continually reviewing and monitoring the expected impact of COVID-19 and should it have any impact on the value of their assets and liabilities this will be recognised in the accounting period to which it relates.

At the time of approving the financial statements, trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

In common with many other charities, 2020 has not been a good year financially for the Association. It was apparent to Members of Council from the start of the year that the Association has been spending more than its income for some time, the pandemic has exacerbated the situation and a deficit of £99,758 over the year was recorded. This has emphasised to Members of Council the continuing need to be mindful of the financial situation of the Association and as such maintain a rigorous policy throughout 2020 and beyond towards the management of its resources and finances. We have referred to the guidance

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COUNCIL MEMBERS ANNUAL REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR TO 31 DECEMBER 2020

contained in the Charities Commission general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

During the course of 2020 in response to the situation the following actions have been put in place lead by a small group comprising the Officers of the Association and the Executive Officer:

1. The appointment of a management accountant who provides monthly, detailed accounts more accurate than our previous profit and loss accounts. The Treasurer presents these management accounts to Council to assist in the monitoring of the Association's finances. Using these accounts, Council has worked towards keeping the deficit under control and seeking opportunities to increase income.
2. Appointed a new agent to seek advertising for our journals who works on a commission only basis rather than a fee plus commission thereby reducing cost and increasing income.
3. Reviewed the production and printing costs of all but one of the journals with a view to moving to a cheaper production model and printer whilst preserving the quality of the journals.
4. Reviewed all our contracts for the provision of services such as heat, light, telecommunications etc. with a view to moving to cheaper contracts as soon as is practicable whilst maintaining or improving the quality of service.
5. Run a very successful membership campaign which has increased the membership, see above.

Council anticipates that these actions will pay dividends in 2021.

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. The new membership structure linked to monthly direct debit subscriptions has bedded in and proved attractive to members. The website is firmly established and the number of our Twitter followers has risen substantially to approximately 29,000 (again, an increase of over 5,000 in the year), we will continue to improve the website 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. Work in this area is managed by the Professional Development Committee Chair and several members of Council who are looking at the production of webinars and making them available on-line.

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 2020, the Association was grateful to receive a £5,251 legacy from the estate of Jack Oliver. We continue to encourage members to assign Gift Aid to donations and subscriptions, in 2020 HMRC has refunded a total of £5,606 in Gift Aid.

On 21st July 2014 the Association entered into an agreement with Cambridge University Press (CUP) to print and distribute *The Mathematical Gazette*. This agreement generated £29,798 income in 2020. A small group of Trustees will meet with CUP over the coming months to inspect the accounts. This is an annual procedure.

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FOR THE YEAR TO 31 DECEMBER 2020

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 18. 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', 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 aim to be equivalent to between three and six months of expenditure. As at 31 December 2020 this amount was £58,465 (2019: £153,856) which represents 2 months (2019: 4 months). The Association will aim to build up the reserves in the coming year.

Plans for future periods

The major financial concern for the Association will be to continue to mitigate any future deficits in its year-end accounts. To this end the Association will:

1. Complete the review of production and printing costs of its journals.
2. Migrate those journals which have been so reviewed to new production models and printer.
3. Develop a strategy to increase income across all streams. (membership, challenges, publications and events)
4. Continue to review existing contracts and seek to change to more economic suppliers as such contracts come up for renewal.
5. In addition, the Association will continue to monitor expenditure and aim to build on the savings achieved in previous years.

Public Benefit Statement

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 level of consultation over the past twelve months has continued to be high and The Mathematical Association, working through its Teaching Committee, has provided evidence and opinion on issues ranging from what constitute suitable mathematical experiences for children in their early years, towards the end of their primary education and right through to the curriculum for 19-year-olds, and much besides.

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

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FOR THE YEAR TO 31 DECEMBER 2020

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.

THE MATHEMAICAL ASSOCIATION

STATEMENT OF COUNCIL'S RESPONSIBILITIES FOR THE YEAR TO 31 DECEMBER 2020

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 regulations.

Company law requires the Council to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Council must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 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 are sufficient to show and explain the charity's transactions and 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.

Disclosure of information to the Independent Examiners

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

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

Signed on behalf of the Council



Mr T Roper
Chair of Council

Date: 9 April 2021

Charity Number: 1117838

Company Registration Number: 05729264

THE MATHEMAICAL ASSOCIATION

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR TO 31 DECEMBER 2020

I report to the charity Council Members on my examination of the accounts of the company for the year ended 31 December 2020 which are set out on pages 13 to 28.

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.

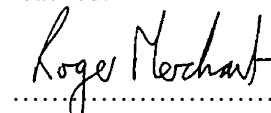
Independent Examiner's statement

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).

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: ... **22 April 2021**

THE MATHEMATICAL ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR TO 31 DECEMBER 2020

		2020			2019		
	Note	Unrestricted funds £	Restricted funds £	Total £	Unrestricted funds £	Restricted funds £	Total £
Income:							
Donations and legacies	2	11,630	-	11,630	47,018	-	47,018
Charitable activities	3	243,688	-	243,688	305,574	-	305,574
Investments	4	2,456	-	2,456	531	-	531
Other	5	6,063	-	6,063	5,517	-	5,517
Total income and endowments		263,837	-	263,837	358,640	-	358,640
Expenditure on:							
Association activities	6	315,738	-	315,738	346,495	-	346,495
Administration	7	48,066	-	48,066	69,101	-	69,101
		363,804	-	363,804	415,596	-	415,596
Net income/ (expenditure)		(99,967)	-	(99,967)	(56,956)	-	(56,956)
Gains in the year		-	-	-	71,435	-	71,435
Net movement in funds		(99,967)	-	(99,967)	14,479	-	14,479
Reconciliation of funds:							
Total funds brought forward	18	588,608	6,500	595,108	574,129	6,500	580,629
Total funds carried forward	18	488,641	6,500	495,141	588,608	6,500	595,108

All income and expenditure derive from continuing activities.

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BALANCE SHEET FOR THE YEAR TO 31 DECEMBER 2020

		2020 £	2019 £
Fixed assets	Note		
Tangible assets	11	398,087	402,456
Current assets			
Stocks		18,333	22,601
Debtors	13	41,373	63,770
Cash at bank and in hand		135,670	156,498
		<u>195,376</u>	<u>242,869</u>
Creditors: amounts falling due within one year	14	(53,322)	(50,217)
Net current assets		<u>142,054</u>	<u>192,652</u>
Creditors: amounts falling due after more than one year	15	(45,000)	-
Total assets less current liabilities		<u>495,141</u>	<u>595,108</u>
Charity funds			
Restricted funds	18	6,500	6,500
Unrestricted funds	18	236,942	335,409
Revaluation reserve	18	251,699	253,199
Total charity funds		<u>495,141</u>	<u>595,108</u>

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BALANCE SHEET (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2020

For the year ended 31 December 2020, 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.

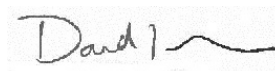
The Council Members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of the accounts.

The 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 T Roper
Chair of Council



.....
Mr D J Miles
Treasurer

Date: 9 April 2021

Charity Number: 1117838
Company Registration Number: 05729264

The notes on pages 15 to 27 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 31 DECEMBER 2020

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) published in October 2019 affecting reporting periods beginning on or after 1 January 2019, 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 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 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 installments over the period covered by the subscriptions.

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2020

(c) Income recognition (continued)

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Other 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 (association activities and administration) 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 initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. The surplus or deficit on revaluation is recognized in profit or loss.

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.

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2020

(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.

(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 2020

2 Income from donations and legacies

	2020		2019	
	Unrestricted funds £	Total £	Unrestricted funds £	Total £
Donations including gift aid	6,379	6,379	14,595	14,595
Legacies	5,251	5,251	32,423	32,423
	11,630	11,630	47,018	47,018

3 Income from charitable activities

	2020		2019	
	Unrestricted funds £	Total £	Unrestricted funds £	Total £
Members' subscriptions	104,187	104,187	121,152	121,152
Gazette	41,712	41,712	52,860	52,860
Editorial board	11,846	11,846	17,554	17,554
Publications	23,731	23,731	24,863	24,863
Annual conference	12,845	12,845	10,665	10,665
Annual conference refunds	(18,821)	(18,821)	-	-
Primary Maths Challenge	55,564	55,564	63,457	63,457
First Maths Challenge	11,880	11,880	9,146	9,146
Professional development income	183	183	4,201	4,201
Branch income	561	561	1,676	1,676
	243,688	243,688	305,574	305,574

4 Investment income

	2020		2019	
	Unrestricted funds £	Total £	Unrestricted funds £	Total £
Bank interest received	2,456	2,456	531	531
	2,456	2,456	531	531

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2020

5 Other income

	2020		2019	
	Unrestricted funds £	Total £	Unrestricted funds £	Total £
Rent receivable	6,063	6,063	5,517	5,517
	<u>6,063</u>	<u>6,063</u>	<u>5,517</u>	<u>5,517</u>

6 Analysis of expenditure on association activities

			2020		2019	
	Allocation	Note	Unrestricted funds £	Total £	Unrestricted funds £	Total £
Publicity expenses	Support		910	910	5,747	5,747
Membership	Direct		8,781	8,781	6,708	6,708
Editorial board	Direct		99,060	99,060	100,065	100,065
Publications	Direct		24,018	24,018	14,973	14,973
Annual conference	Direct		1,857	1,857	1,078	1,078
Branch expenses	Direct		1,460	1,460	2,361	2,361
Council and other committees	Direct		16,463	16,463	26,974	26,974
Staff costs	Direct	9	142,313	142,313	149,706	149,706
Staff costs recharged to PMC	Direct		(11,208)	(11,208)	(11,061)	(11,061)
PMC expenses	Direct		29,007	29,007	41,481	41,481
Professional development	Direct		409	409	6,256	6,256
Library management fund	Direct		745	745	761	761
Website expenses	Direct		1,923	1,923	1,446	1,446
			<u>315,738</u>	<u>315,738</u>	<u>346,495</u>	<u>346,495</u>

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2020

7 Analysis of expenditure on administration

			2020		2019	
	Allocation	Note	Unrestricted funds £	Total £	Unrestricted funds £	Total £
Printing, postage and stationery	Support		572	572	2,012	2,012
Repairs and renewals	Direct		16,257	16,257	34,628	34,628
Rates	Support		2,391	2,391	2,443	2,443
Insurance	Direct		3,096	3,096	2,983	2,983
Telephone	Support		5,780	5,780	5,330	5,330
Governance costs	Support	10	3,550	3,550	3,805	3,805
Bank and credit card charges	Direct		1,687	1,687	1,794	1,794
Legal and consultancy fees	Direct		2,112	2,112	1,800	1,800
Sundries	Direct		2,396	2,396	1,426	1,426
Heat and light	Support		4,070	4,070	6,074	6,074
Depreciation	Support		6,155	6,155	6,806	6,806
			48,066	48,066	69,101	69,101

8 Council members' and key management personnel remuneration and expenses

The Council members neither received nor waived any remuneration during the year (2019 – £nil).

No (2019 – 0) Council Members are accruing pension arrangements.

The Council Members had expenses reimbursed during the year of £13,918 (2019 – £20,185).

The total amount of employee benefits received by key management personnel is £44,566 (2019 – £51,929). The council believes key management personnel to constitute of the executive officer (2019 – the senior administrator).

9 Staff costs and employee benefits

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

	2020 Number	2020 FTE	2019 Number	2019 FTE
Association activities	5	5	5	5
	5	5	5	5

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2020

9 Staff costs and employee benefits (continued)

The total staff costs and employee benefits were as follows:

	2020		2019	
	Unrestricted funds £	Total £	Unrestricted funds £	Total £
Wages and salaries	128,564	128,564	133,591	130,591
Social security	8,598	8,598	9,332	12,332
Defined contribution pension costs	5,151	5,151	6,783	6,783
	<hr/>	<hr/>	<hr/>	<hr/>
	142,313	142,313	149,706	149,706
	<hr/>	<hr/>	<hr/>	<hr/>

No (2019 – 0) employees received total employee benefits (excluding employer pension costs) of more than £60,000.

10 Governance costs

The independent examiners' remuneration includes an independent examination fee of £3,300 (2019 – £3,210).

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2020

11 Tangible fixed assets

	Freehold buildings £	Fixtures, fittings and equipment £	IT equipment £	Total £
Cost or valuation:				
At 1 January 2020	393,635	6,974	40,614	441,223
Additions	-	-	1,786	1,786
Disposals	-	(1,929)	(3,387)	(5,316)
At 31 December 2020	393,635	5,045	39,013	437,693
Depreciation:				
At 1 January 2020	3,936	5,172	29,659	38,767
Charge for the year	3,000	444	2,711	6,155
Eliminated on disposal	-	(1,929)	(3,387)	(5,316)
At 31 December 2020	6,936	3,687	28,983	39,606
Net book value:				
At 31 December 2020	386,699	1,358	10,030	398,087
At 31 December 2019	389,699	1,802	10,955	402,456

The historic cost equivalent of freehold buildings are as follows:

	2020 £	2019 £
Freehold buildings:		
Cost	150,000	150,000
Accumulated depreciation	(15,000)	(13,500)
	135,000	136,500

The freehold property situated at 259 London Road, Leicester was revalued with the RICS Valuation Standards – Global and UK (7th Edition), at a market value of £393,635 on 2 October 2019 by Kevin D Skipworth BSc MRICS, RICS Registered Valuer, who is not connected with the charity.

The historical cost of the property on 24 June 1974 was £150,000.

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2020

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.

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.

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2020

13 Debtors

	2020 £	2019 £
Trade debtors	17,061	3,354
Prepayments and accrued income	24,312	60,416
	<u>41,373</u>	<u>63,770</u>

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	5,000	-
Trade creditors	3,317	12,054
Other tax and social security	4,697	6,262
Other creditors	400	400
Accruals and deferred income	39,908	31,501
	<u>53,322</u>	<u>50,217</u>

15 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	45,000	-
	<u>45,000</u>	<u>-</u>

16 Deferred income

	Under 1 year £	Total £
At 1 January 2020	26,167	26,167
Additions during the year	36,448	36,448
Amounts released during the year	(26,167)	(26,167)
At 31 December 2020	<u>36,448</u>	<u>36,448</u>

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

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2020

17 Leases

Operating leases - lessee

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

	2020 £	2019 £
Not later than one year	2,978	2,978
Later than one and not later than five years	4,826	7,764
	<u>7,804</u>	<u>10,742</u>

Non-cancellable operating leases relate to telephone and photocopier rental expenses.

18 Fund reconciliation

	Balance at 1 January 2020 £	Net incoming/ (outgoing) resources £	Transfers £	Balance at 31 December 2020 £
Unrestricted funds				
Headquarters	303,113	(99,760)	1,500	204,853
Branches	14,999	(207)	-	14,792
Revaluation Reserve	253,199	-	(1,500)	251,699
President's Fund	17,297	-	-	17,297
Total unrestricted funds	<u>588,608</u>	<u>(99,967)</u>	<u>-</u>	<u>488,641</u>
Restricted funds				
Yorkshire Branch masterclasses	6,500	-	-	6,500
Total restricted funds	<u>6,500</u>	<u>-</u>	<u>-</u>	<u>6,500</u>
Total funds	<u>595,108</u>	<u>(99,967)</u>	<u>-</u>	<u>495,141</u>

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 MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2020

18 Fund reconciliation (continued)

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).

19 Analysis of net assets between funds

Current year	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	398,087	-	398,087
Cash and current investments	188,876	6,500	195,376
Current liabilities	(53,322)	-	(53,322)
Creditors more than one year	(45,000)	-	(45,000)
Total 2020	488,641	6,500	495,141
<hr/>			
Comparative year	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	402,456	-	402,456
Cash and current investments	236,369	6,500	242,869
Current liabilities	(50,217)	-	(50,217)
Total 2019	588,608	6,500	595,108

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR TO 31 DECEMBER 2020

20 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 £5,151 (2019 – £6,783).

At the year end the balance owing was £nil (2019 – £nil)

21 Related party transactions

During the year Council member Mr W P Richardson M.B.E. was paid £12,546 (2019 – £12,546) for production of the journal *The Mathematical Gazette*.

Council member Dr C Pritchard was paid £5,789 (2019 – £1,975) for the shared editing of the journal *Mathematics in School*.

Council member Miss C Moseley was paid £957 (2019 – £957) for shared editing of the journal *Primary Mathematics*.

Council member Mr P Ransom M.B.E. was paid £627 (2019 – £580) for editing the journal *SymmetryPlus* (2018 – and the October 2017 *MA News*).

Council member Dr G Leversha was paid £5,771 (2019 – £5,715) for editing the journal *The Mathematical Gazette*.

Council member Mr T Roper was paid an Honorarium of £nil (2019 – £94) for the proofing of *The Mathematical Gazette*.

Council member Dr R J Huntley was paid an Honorarium of £771 (2019 – £nil) for editing the journal *Primary Mathematics*.

Council member Dr E L Lord was paid an Honorarium of £771 (2019 – £nil) for editing the journal *Primary Mathematics*.

Council member Mr O L C Toller was paid an Honorarium of £119 (2019 – £nil) for editing the journal *The Mathematical Gazette*.

At the year end the balance owing to these Council members was £nil (2019 – £nil).

22 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.