

Company number: 05729264
Charity number: 1117838

THE MATHEMATICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

THE MATHEMATICAL ASSOCIATION

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THE MATHEMATICAL ASSOCIATION

COUNCIL'S ANNUAL REPORT FOR THE YEAR TO 31 DECEMBER 2016

Legal and administrative information

Full name	The Mathematical Association	
Registered company number	05729264	
Registered charity number	1117838	
Council Members	Miss J E Brown	(resigned 11/06/2016)
	Mrs J Brown	
	Dr J Golding	
	Dr P J Harris	
	Mrs R Horsman	
	Mr B Lewis	
	Mrs M Marschall	(resigned 03/04/2016)
	Mrs L McClure	(resigned 03/04/2016)
	Mr D Miles	
	Miss C Moseley	
	Dr P M Neumann O.B.E.	
	Dr D Pountney	
	Dr C Pritchard	
	Mr P H Ransom	
	Mr W P Richardson M.B.E.	
	Mr T Roper	
	Mr K Cadman	(appointed 01/04/2016)
	Dr R Huntley	(appointed 01/04/2016)
	Mr R Smith	(appointed 01/04/2016)
Chair of Council	Mr P H Ransom	
Company Secretary	Mr W P Richardson M.B.E.	
Principal Office	259 London Road Leicester LE2 3BE	
Independent Examiner	UHY Hacker Young 14 Park Row Nottingham NG1 6GR	

THE MATHEMATICAL ASSOCIATION

COUNCIL'S ANNUAL REPORT (Continued) FOR THE YEAR TO 31 DECEMBER 2016

Solicitors

Nelsons Solicitors
Pennine House
8 Stanford Street
Nottingham
NG17 7BQ

Bankers

National Westminster Bank plc
1 Granby Street
Leicester
LE1 6EJ

Allied Irish Bank
Maid Marian Way
Nottingham
NG1 6HS

THE MATHEMATICAL ASSOCIATION

COUNCIL'S ANNUAL REPORT (Continued) FOR THE YEAR TO 31 DECEMBER 2016

The Council, who are also trustees, present their report together with the financial statements of the charity, for the year ended 31 December 2016. The Council 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.

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 2,085 members in 2016.

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 (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 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.

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COUNCIL'S ANNUAL REPORT (Continued) FOR THE YEAR TO 31 DECEMBER 2016

Organisation

The Council, which currently can have up to nineteen 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 three or 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.

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 2016 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. Council annually agrees the setting of a reserves policy in order to manage aspects of financial risks.

Achievements and performance

In 2016 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;
- responded to a considerable number of consultations, with many of the resulting documents being made available on the MA website;
- held the 2015-2016 Primary Mathematics Challenge (PMC) Bonus Round (previously known as the Finals) in February 2016 and the 2016-2017 PMC in November 2016;
- organised another highly successful one-day Secondary Mathematics Conference in Stirling in September 2016;
- organised a one-day conference (Inspiring Mechanics Teaching) on teaching mechanics in the sixth form at Leicester Grammar School in October 2016;
- organised another successful one-day Primary Conference in High Wycombe in November 2016.

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COUNCIL'S ANNUAL REPORT (Continued) FOR THE YEAR TO 31 DECEMBER 2016

In 2016 many new items were added to the MA publications catalogue: A square peg in a round hole, GCSE Revision Cards (Higher & Foundation) for the 2017 specification, a CD of Mathematical Images and Activities, More puzzles from Pie and Challenge your pupils 3, a set of GCSE Revision Posters, as well as the MA Calendar 2017. There are more publications in the pipeline.

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:

2014: MiS £2,110; Gazette £10,865; Total £12,975

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

2016: MiS £3,482; Gazette £12,559; Total £16,401

The Association is keen to support joint conferences and, to that end, the Chair, the Treasurer and the Senior Administrator are still heavily involved in planning BCME-9 and two other trustees are also involved to a lesser extent. In addition, discussions continue with the Association of Teachers of Mathematics (ATM) about the possibility of a joint conference in 2020 and other collaborative activities.

Membership income has fallen in the current year from £153,996 to £139,528. The Annual Conference had a few more delegates than anticipated which led to an overall surplus of £7,166 when compared with 2015.

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 2016 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 income and expenditure 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. Measures introduced in the second half of 2011 are continuing to bear fruit. 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.

In light of one of our auditors moving firms, the trustees decided that it would be in the Association's interest to investigate switching auditors. After obtaining detailed quotes and discussing the pros and cons at two Council meetings and Standing Committee the trustees decided that a move should be made to UHY Hacker Young from BDO. (The trustees were mindful of the vote at the AGM about the appointment of auditors, but that was taken when we were unaware of the potential move and the amount of money it would save.) 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 11,000, we continue to improve it and have added a donation page which makes it far easier for people to donate and use Gift Aid. All donations are acknowledged by a letter from the Chair.

THE MATHEMATICAL ASSOCIATION

COUNCIL'S ANNUAL REPORT (Continued) FOR THE YEAR TO 31 DECEMBER 2016

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 that are funded by external organisations 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 2016, the Association was grateful to receive donations from A. Bushell, J. Chick, G. J. Oliver, P. Ransom, W. P. Richardson, and others. In 2016 the Association recorded a surplus of £360.

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 2016 HMRC has refunded a total of £11,104, which is Gift Aid.

The Association entered into an agreement with Cambridge University Press (CUP) to print and distribute The Mathematical Gazette. We now invoice CUP for an amount based on their direct subscriptions of The Mathematical Gazette, (and, in the future, the CUP Online Archive) but since CUP produce their accounts around April, this year it has not been possible to invoice CUP for a precise amount, so they were invoiced for 60% of the estimated amount in October, as agreed with CUP. A full year's statement has been received from CUP resulting in the settlement invoice being raised. A small group of Trustees will meet with CUP over the coming months to inspect the accounts. This procedure will be repeated in future years.

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 10. 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 a reserve equivalent to at least four to six months of expenditure should be held in this Fund.

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COUNCIL'S ANNUAL REPORT (Continued) FOR THE YEAR TO 31 DECEMBER 2016

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. 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.

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 2016, 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, two 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-Newsletter, 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.

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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COUNCIL'S ANNUAL REPORT (Continued) FOR THE YEAR TO 31 DECEMBER 2016

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 2016

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;
- 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.

Signed on behalf of the Council

.....

Mr P H Ransom
Chair of Council

Company Registration Number: 05729264
Charity Number: 1117838

THE MATHEMATICAL ASSOCIATION

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF THE MATHEMATICAL ASSOCIATION FOR THE YEAR TO 31 DECEMBER 2016

I report on the accounts of the Council for the year ended 31 December 2016 which are set out on pages 12 to 24.

Respective responsibilities of Council and Examiner

This report is made solely to the charity's trustees, as a body, in accordance with Regulation 31 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity's trustees as a body, for my work, this report, or for the statement I have made.

The Council (who are also the trustees and directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for Independent Examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent Examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**THE MATHEMATICAL ASSOCIATION
INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF THE
MATHEMATICAL ASSOCIATION
FOR THE YEAR TO 31 DECEMBER 2016**

Independent Examiner's statement

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that, in any material respect, the requirements
 - (a) to keep accounting records in accordance with Section 386 of the Companies Act 2006; and
 - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2015).
- have not been met; or
- to which, in my opinion, attention should be drawn 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

THE MATHEMATICAL ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME &
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Income from:					
Donations – gift aid		14,401	-	14,401	39,952
Charitable activities:					
Members' subscriptions		139,528	-	139,528	153,996
Gazette		34,557	-	34,557	27,928
Editorial board		38,620	-	38,620	42,215
Publications		68,662	-	68,662	62,355
Annual conference		45,095	-	45,095	29,631
Primary Maths Challenge		69,770	-	69,770	63,129
Professional development income		15,363	-	15,363	20,596
Branch income		3,859	-	3,859	4,980
		415,454	-	415,454	404,830
Investment income		117	-	117	413
Other:					
Rent receivable		5,901	-	5,901	5,614
Miscellaneous income		-	-	-	121
Total		435,873	-	435,873	450,930
Expenditure on:					
Charitable activities	2	435,513	-	435,513	472,666
Total		435,513	-	435,513	472,666
Net (expenditure) and net movement in funds for the year		360	-	360	(21,736)
Other recognised gains					
Gains on revaluation of fixed assets		-	-	-	60,000
Net movement in funds		360	-	360	38,264

THE MATHEMATICAL ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME &
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Reconciliation of funds					
Total funds brought forward		553,639	6,500	560,139	521,875
Total funds carried forward	11	553,999	6,500	560,499	560,139

All income and expenditure derive from continuing activities.

The comparative figures for the year ended 31 December 2015 are all derived from unrestricted funds.

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

.....
 Mr W P Richardson M.B.E.
Treasurer

Company Registration Number: 05729264
Charity Number: 1117838

THE MATHEMATICAL ASSOCIATION

BALANCE SHEET AS AT 31 DECEMBER 2016

			2016		2015
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		339,498		344,798
			<hr/>		<hr/>
Current assets					
Stock		25,921		16,356	
Debtors	8	56,123		26,884	
Cash at bank		235,825		248,818	
		<hr/>		<hr/>	
		317,869		292,058	
Creditors: amounts falling due within one year	9	(96,868)		(76,717)	
		<hr/>		<hr/>	
Net current assets			221,001		215,341
			<hr/>		<hr/>
Total assets less current liabilities			560,499		560,139
			<hr/> <hr/>		<hr/> <hr/>
Represented by					
Restricted funds	11		6,500		6,500
Revaluation reserve	11		188,400		192,000
Unrestricted funds	11		365,599		361,639
			<hr/>		<hr/>
			560,499		560,139
			<hr/> <hr/>		<hr/> <hr/>

For the year ended 31 December 2016, the charitable company was entitled to audit exemption from an audit under section 477 of the Companies Act 2006.

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

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

THE MATHEMATICAL ASSOCIATION

BALANCE SHEET AS AT 31 DECEMBER 2016

The financial statements were approved and authorised for issue at the Annual General Meeting and were signed on its behalf on 7th April 2017

.....

Mr P H Ransom
Chair of Council

.....

Mr W P Richardson M.B.E.
Treasurer

Company Registration Number: 05729264
Charity Number: 1117838

The notes on pages 16 to 24 form part of the financial statements

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost and 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 in the UK and Republic of Ireland (FRS102).

Council consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

The charity constitutes a public benefit entity as defined by FRS 102.

1.2 Income

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

1.3 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable activities include expenditure associated with editorial, publications, annual conferences, professional development costs and include direct costs and support costs relating to these activities.

1.4 Tangible fixed assets

Tangible fixed assets are stated at cost or valuation less depreciation. Freehold buildings are stated at market value less depreciation. The fair value of the investment component cannot be measured reliably without undue cost or effort and as such the entire property has been accounted for as property within tangible fixed assets. Fixed assets are depreciated by equal annual instalments over their anticipated useful lives on the following bases:

Freehold property	1%
Fixtures, fittings & equipment	10% or 20%.

Only assets costing in excess of £500 are capitalised.

1.5 Stocks

Stocks are stated at the lower of cost and net realisable value, subject to due provision for obsolescence.

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 DECEMBER 2016

1.6 Exchange conversions

Transactions in foreign currencies are translated at the rate ruling at the date of the transaction. All differences arising from changes in exchange rates on revenue transactions are dealt with in the statement of financial activities.

1.7 Pensions

The Charity is a member of a defined contribution pension scheme and the pension charge in the statement of financial activities represents the amounts payable to the fund in respect of the year.

1.8 Operating leases

Rentals payable under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

1.9 Fund accounting

Restricted funds are defined as 'funds subject to specific conditions, imposed by the donor and binding on the charity'. They represent unspent restricted income to which restrictions as to their use apply.

Designated funds represent a particular form of unrestricted fund which have been allocated or designated for specific purposes by the charity itself. The use of such funds for their designated purpose remains at the discretion of the Council.

Unrestricted funds comprise those funds which the Council are free to use in accordance with the charitable objects.

1.10 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 14 contains a brief summary of the nature and scale of the assets in accordance with SORP 2015 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.

1.11 Taxation

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 ENDED 31 DECEMBER 2016

2 Charitable Activities

	2016	2015
	£	£
Publicity expenses	3,948	5,198
Membership	8,085	9,367
Editorial board	119,454	109,999
Publications	32,681	34,335
Headquarters administration (see note 3)	53,269	57,746
Annual conference	28,776	48,759
Branches expenses	3,076	4,028
Teaching committee	2,890	3,272
Staff costs (see note 5)	130,795	122,462
Staff costs recharged to PMC	(4,896)	(6,316)
PMC expenses	28,545	41,066
Professional development	11,654	12,124
Council and other committees (see note 6)	15,348	12,167
Library management fund	482	279
Website expenses	1,406	18,180
	<hr/>	<hr/>
	435,513	472,666
	<hr/>	<hr/>

3 Headquarters Administration

	2016	2015
	£	£
Printing, postage and stationery	(1,330)	1,376
Repairs and renewals	19,123	20,394
Rates	1,916	1,775
Insurance	3,938	3,118
Telephone	3,966	3,692
Auditors' remuneration	-	4,800
Accountancy fees	5,500	2,000
Bank and credit card charges	2,104	2,368
Consultancy services	1,945	1,432
Sundry expenses	3,668	3,535
Heat and light	5,037	3,771
Depreciation (see note 7)	7,402	9,485
	<hr/>	<hr/>
	53,269	57,746
	<hr/>	<hr/>

The above costs are all unrestricted.

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 DECEMBER 2016

4 Net incoming/(outgoing) resources for the year

Net incoming resources are stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets: - owned by the charity	7,402	9,485
Auditor's remuneration:		
Audit fees	-	4,800
Independent Examination fees	2,000	-
Accountancy fees	-	1,000
VAT consultancy	-	1,000
	<hr/>	<hr/>

5 Staff costs

	2016	2015
	£	£
Wages and salaries	115,946	111,647
Social security costs	10,934	7,829
Pension costs	3,915	2,986
	<hr/>	<hr/>
	130,795	122,462
	<hr/>	<hr/>

The average number of employees during the year, not including temps, was 5 (2015: 5).

No employee received remuneration amounting to more than £60,000 in either year.

The total employee benefits of the key management personnel were £44,448 (2015: £43,044).

6 Trustees expenses

The Council received no remuneration in their capacity as Council Members (2015: £nil). The Council Members were reimbursed expenses amounting to £15,348 during the year (2015: £12,167). The total number of Council Members reimbursed during the year was 17 (2015: 18). Details of Council Members who were paid for production and publication work are set out in note 12.

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 DECEMBER 2016

7 Tangible Fixed Assets

	Freehold Property £	Fixtures, Fittings and Equipment £	Total £
Cost or valuation			
As at 1 January 2016	360,000	70,533	430,533
Additions	-	2,102	2,102
	<hr/>	<hr/>	<hr/>
As at 31 December 2016	360,000	72,635	432,635
	<hr/>	<hr/>	<hr/>
Depreciation			
As at 1 January 2016	27,000	58,735	85,735
Charge for the year	3,600	3,802	7,402
	<hr/>	<hr/>	<hr/>
As at 31 December 2016	30,600	62,537	93,137
	<hr/>	<hr/>	<hr/>
Net book value			
As at 31 December 2016	329,400	10,098	339,498
	<hr/>	<hr/>	<hr/>
As at 31 December 2015	333,000	11,798	344,798
	<hr/>	<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 trustees 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 trustees, 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.

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 DECEMBER 2016

8 Debtors

	2016 £	2015 £
Trade debtors	22	223
Prepayments and accrued income	55,301	26,661
Other debtors	800	-
	<hr/>	<hr/>
	56,123	26,884
	<hr/> <hr/>	<hr/> <hr/>

9 Creditors

	2016 £	2015 £
Members' subscriptions received in advance	49,291	54,535
Trade creditors	26,022	4,027
Other taxation and social security	10,566	10,302
Other creditors	10,989	7,853
	<hr/>	<hr/>
	96,868	76,717
	<hr/> <hr/>	<hr/> <hr/>

10 Deferred income

	£
At 1 January 2016	54,535
Amount deferred	49,291
Amount released	(54,535)
	<hr/>
At 31 December 2016	49,291
	<hr/> <hr/>

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 DECEMBER 2016

11 Statement of funds

	At 1 January 2016 £	(Outgoing)/ incoming resources £	Transfers £	Gains and losses £	At 31 December 2016 £
Unrestricted funds					
Headquarters	328,801	387	3,600	-	332,788
Branches	17,541	773	-	-	18,314
Revaluation Reserve	192,000	-	(3,600)	-	188,400
President's Fund	15,297	(800)	-	-	14,497
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	553,639	360	-	-	553,999
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds					
Yorkshire Branch masterclasses	6,500	-	-	-	6,500
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	6,500	-	-	-	6,500
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Funds	560,139	360	-	-	560,499
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The headquarters fund represent 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 annual donation 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).

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 DECEMBER 2016

12 Other commitments

	2016 £	2015 £
Expiry date:		
Within one year	-	-
Between two to five years	6,893	9,983
	<hr/>	<hr/>

13 Transactions with related parties

During the year Council member Mr W P Richardson M.B.E. was paid £13,396 (2015: £10,167) for production of the journal *The Mathematical Gazette* and the book *Challenge Your Pupils*.

Council member Dr C Pritchard was paid £1,662 (2015: £1,662) for the shared editing of the journal *Mathematics in School*.

Council member Miss C Moseley was paid £1,400 (2015: £700) for shared editing of the journal *Primary Mathematics*.

Council member Mr P Ransom was paid £580 (2015: £495) for editing the journal *SymmetryPlus*.

At the year end the balance owing to these Council members was £nil (2015: £nil).

14 Pension costs

Pension contributions are paid to defined contribution pension schemes on behalf of employees. The pension costs charge representing contributions payable by the charity during the year amounted to £3,915 (2015: £2,986). At the year end the balance owing was £nil (2015: £nil).

THE MATHEMATICAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 DECEMBER 2016

15 Library collection

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

Additions to the above:

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.

16 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.