
UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Gavin Brown Colin Duncan Sinclair Kurt Albert Langfield University of Liverpool HSBC Bank Plc
Trustees	Gavin Brown, Chair of Trustees Kurt Albert Langfield, Trustee Martin Anthony Matthew McDonnell, Trustee Lynda Margaret Stott, Trustee Patricia Young, Trustee (resigned 7 April 2020) Damian Haigh, Head Teacher (appointed 1 September 2019) Dei Harries, Trustee (appointed 11 May 2020) Dr. Mohammed Shaiyan Rahman, Trustee (appointed 11 May 2020) Anthony Patrick Rooney, Trustee (appointed 11 May 2020) John Thompson, Trustee (appointed 11 May 2020) Prof. Carsten Peter Welsch, Trustee (appointed 11 May 2020) Kerry Joanne Burnham, Trustee (appointed 15 July 2020) Victoria Carlin, Trustee (appointed 13 November 2020)
Company registered number	11686521
Company name	University of Liverpool Mathematics School
Principal and registered office	University Of Liverpool Foundation Building 765 Brownlow Hill Liverpool L69 7ZX
Senior management team	Damian Haigh, Headteacher Marie Black, School Business Manager
Independent auditor	Crowe U.K. LLP 3rd floor The Lexicon Mount Street Manchester M2 5NT

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustee's present their annual report together with the financial statements and auditor's report of the Trust for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustee's report and a directors' report under company law.

The Trust acts as a specialist mathematics school for 16-19 year olds studying A-Level qualifications in the Liverpool region.

Structure, governance and management

a. Constitution

The Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Trust.

The Trustee's of University of Liverpool Mathematics School are also the directors of the charitable company for the purposes of company law.

The charitable company is known as University of Liverpool Mathematics School ("ULMaS").

Details of the Trustee's who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

c. Method of recruitment and appointment or election of Trustees

The management of the Trust is the responsibility of the Trustee's who are elected and co-opted under the terms of the Memorandum of Association. The Trustees are appointed to the board by the Members of the Trust

d. Policies adopted for the induction and training of Trustees

Training provided for new Trustees depends upon their existing experience and is tailored specifically to the individual. Where necessary, training will be provided on charity, educational, legal and financial matters.

The Chair of Trustees and Accounting Officer, will undertake training and induction of any new Trustees. As part of the induction process, all new Trustees will be given a briefing on the aims, values and drivers of the school. Trustees will complete an annual skills audit, to identify any skills gaps. The Trust will then seek to procure relevant training to address such gaps.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

a. Objects and aims

The University of Liverpool Mathematics School opened on 1st September 2020. The objects and aims of the Trust are to enable children with a strong interest and high potential in the mathematical sciences to achieve global impact through careers in the mathematical sciences. Unusually, the scope of the school's work includes a significant engagement with students who are not on-roll at the school. Significant funding is provided to enable the school to conduct outreach work on science and mathematics with other children in the region.

b. Objectives, strategies and activities

The school opened in September 2020. The objectives during the 2019 and 2020 financial periods were to develop and prepare the school for opening by

- establishing a rigours and effective approach to governance;
- developing a full set of statutory and policies and necessary protocols and procedures;
- delivering the outreach plan written in the previous year;
- recruiting a teaching and leadership team for the school;
- recruiting administrative support for the school;
- recruiting a first cohort of students and establishing a marketing presence in the region for future recruitment of students;
- ensuring a suitably refurbished and equipped school was ready for occupation by September 2020;
- planning a curriculum which would be enjoyable, challenging and effective in ensuring that students receive a first class STEM education

c. Public benefit

In setting objectives and planning for activities, the Trustee's have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

d. Organisational Structure

The University of Liverpool Mathematics School Trust is governed by its Board of Trustees who are Directors of the Company limited by guarantee for the purposes of the Companies Act 2006 and Trustees for the purposes of charity legislation. The organisational structure of the Trust consists of three levels – (i) the Trust Board (ii) the Headteacher and (iii) the Senior Leadership team (SLT). The Trust Board is responsible for setting policy, strategy & monitoring the Trust's performance and there is a detailed Scheme of Delegation, which stipulates what tasks & responsibilities have been delegated to each committee. Certain elements are delegated to the following committees:

- Finance, Audit and Risk Committee (FAR)
- Education Committee
- Remuneration Committee (this committee meets twice a year to review the headteacher's salary and the pay scale for other staff)

The Headteacher is also the Accounting Officer and has executive responsibility for implementing the strategy and policy agreed by the Trustees and reporting back to them. The Headteacher is supported by the Assistant Headteacher and the School Business Manager (the Senior Leadership Team). The School Business Manager is the Chief Financial Officer. Further assistance is provided by the school's Leadership Team which is the SLT plus the school's four middle leaders.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

Strategic report

Achievements and performance

The school opened in early September 2020 with 30 students, in spite of delays to the building work caused by the COVID-19 pandemic. 2020 was probably the most difficult and unusual year for the United Kingdom since the end of the second World War, and a very challenging year in which to open a new school.

During the pre-opening year the school employed a Headteacher (principal designate) and a seconded member of University of Liverpool staff acting as Project Manager. A School Business Manager started work at the beginning of March 2020, just as the COVID-19 pandemic was starting to severely impact normal life in the UK.

The school delivered twice-weekly evening outreach classes at the University of Liverpool from October to March, and during March 2020 moved outreach teaching to an online model. The lessons went from being twice weekly evening mathematics classes to twice daily morning classes in Zoom. Attendance grew from around 20-30 students per session to a daily attendance of over 200 by the end of the summer term. The online outreach programme attracted very positive national publicity in the Times newspaper which prompted schools minister Rt Hon. Nick Gibb to request a meeting with the Headteacher.

The school demonstrated its ability to change plans in response to an emergency and in doing so considerably increased the reach and impact of its outreach work while significantly reducing costs. Based on the expertise and marketing reach developed in the 2019-2020 financial year, the school has subsequently developed a comprehensive online outreach offering which includes mathematics, physics and computer science from Key Stage 3 to Key Stage 5 University Entrance Preparation. Participation and reach continue to grow.

The school demonstrated its ability to change plans in response to an emergency and in doing so considerably increased the reach and impact of its outreach work while significantly reducing costs. The school now has a significant online outreach offering which continues to grow.

A similar adaptation was made to the marketing of the school, with a rapid move away from poster advertising to more intense social media advertising. Our aim for recruitment to the current cohort was an aspirational 60 with a minimum target of 32. We enrolled 30 students in September 2020. Although slightly short of the target of 32, this had little impact on the financial or educational aspects of school operation. This is because the bulk of funding in the first year comes from a fixed-rate allocation of £350 000 per year and the £128 000 leadership grant. The per-student funding of approximately £4,000 is a relatively small part of the school's income in the early stages of development.

The school entered into a Funding Agreement with the Secretary of State in May 2020 and passed its Pre-Registration Ofsted Inspection in June 2020. During April and May the school recruited 5 experienced and highly qualified teachers to make up its middle and senior leadership teams, and also recruited a highly skilled team of administrators who now help the Headteacher and School Business Manager to ensure that the school's business is conducted efficiently and rigorously. This excellent staff team was recruited entirely through online video interviews and the first few months of team development and training were all conducted without team members being able to meet physically because of the restrictions caused by the COVID-19 pandemic. The staff met each other physically for the first time in late August and quickly formed into a highly effective team with a clear mission and a shared enjoyment of mathematics and science.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

In September, the school continued to develop in-house marketing capabilities including the production of social media marketing materials and the capacity to manage social media advertising directly rather than through an agency, thus reducing costs and giving us the control we needed to manage marketing in a fluid environment. As a result, the school has already received 55 applications for places next year. Marketing and student recruitment for this cohort will continue until the end of August. The Trustees are confident of reaching their budget target of recruiting 48 students to the next cohort. The very enthusiastic staff team has created a wide range of content for social media, and expertise in managing advertising campaigns in Google, YouTube, Facebook and Instagram. Open Evenings and other pre-recruitment events have become online events which are also made available via YouTube

The school has developed a depth of online teaching expertise and efficient curriculum management which has enabled us to deliver a high-quality education to students self-isolating at home for periods of several weeks this term. The mock examinations completed last week demonstrate that these students have made strong progress in their learning in spite of being unable to attend school.

As a result of the school's clear vision the school has received a commitment for £300 000 worth of additional funding from XTX Markets over the next 3 years. This philanthropic donation comes from a company which provides market liquidity in the city of London using the XTX algorithm for machine learning. Alex Gerko, CEO of XTX is committed to developing social mobility through mathematics education and the school is collaborating with his broader projects to achieve this in addition to using the funds provided for our exclusive use. The first £100 000 of the XTX funding has already been received.

In February 2021 the school conducted feedback surveys of parents and students. The response was overwhelmingly positive with 100% of parents responding that they would recommend the school to other parents, and very strong agreement that the school was meeting its aim to ensure that students "think deeply and understand properly". Both students and parents endorsed the high quality of education being delivered by the school even in spite of the strictures due to the COVID-19 pandemic.

The school has developed a depth of online teaching expertise and efficient curriculum management which has enabled us to deliver a high-quality education to students self-isolating for periods of several weeks during the Autumn Term and then to all students during the third UK lockdown period in 2021. The mock examinations completed last week demonstrate that students have made strong progress in their learning in spite of being the challenges of education during COVID-19.

The governance of the trust developed considerably during the pre-opening year with several additions to the Board of Trustees including:

- 2 serving headteachers (one of a Special School and one of a Maths School)
- A Facilities Management Director
- A Consultant Psychiatrist
- The Head of the University of Liverpool Physics Department
- An experienced HR Lawyer (In-House Counsel, University of Liverpool)

All Trustees received online training in their roles and were provided with induction materials and access to the school's online governance drive, online training and other sources of advice and support.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

a. Going concern

The school has healthy financial resources, secure staffing and a student body whose parents are very happy with the quality of education being provided. At the time of writing there have been 55 applications for places for September 2021, with recruitment still due to continue for a further 6 months. The school is therefore confident that it will meet its recruitment target of 48 students joining Year 12 in September 2021. Funding from the Department for Education is assured at levels at least equivalent to those received this year. Staffing is secure, with 10 highly qualified and committed employees and recruitment in process to add two new teachers to the team for September 2021.

The school has set budgets with significant surpluses: £116 000 surplus planned for the end of the 20/21 FY, and £100 000 for the following year leading to total reserves of £216 000 by the end of 21/22. Spending is currently in line with the planned budget with no significant unexpected costs arising in the first 6 months of normal operation. The school is therefore very confident of being able to pay all its debts for at least 12 months from the date of publishing these accounts.

For this reason, the Board of Trustees continues to adopt the going concern basis in preparing the financial statements.

Financial review

a. Reserves policy

The policy of the Trust is to carry forward a prudent level of resources designed to meet the long term plans of the school and any unforeseen contingencies. Reserves are held to ensure the Trust has sufficient resources to continue the development of the school for opening and subsequently provide first class education to pupils. The school is currently expecting to carry forward over £100,000 from the first year of operation, which provides a useful buffer with which to accommodate future risks around student recruitment and unplanned expenditure. Current long-term budget projections show the reserve growing to £374,000 by the end of 2024/2025. Such a level of reserve would be in excess of the reasonable needs of the school so, as future annual budgets are prepared, spending will be planned to increase to be nearer to the annual income of the school, and excess reserves will be used to increase the provision of outreach activity to the local community.

b. Principal risks and uncertainties

The principal risks are reviewed by the Trustees. In the period to 31 August 2020 the Academy had not yet opened (opened in September 2020) and the key risks were:

- failing to recruit sufficient students to open the school
- failing to recruit staff of a sufficiently high calibre
- failing to complete the refurbishment of the Sir Alastair Pilkington Building in time for the school to open in September

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

By 31 December 2019 the school had received 30 applications for places, and it was clear at that point that the school would be viable. The Trust monitored this situation closely and modelled financial plans on different recruitment numbers, then developed a staffing model suitable for the possible range of numbers for students on-roll in September. By using the need to deliver Outreach as a flexible demand the trust was able to ensure that it could safely meet its curricular commitments and then use excess staffing to deliver outreach to the local community. Had recruitment ended at higher figures, extra resource could then have been procured to support the delivery of outreach.

The teaching staff and administrative support were recruited between April and June 2020 and the Trust was delighted with the high quality of applications and appointees.

The refurbishment work on the school building was delayed by COVID-19 and related contractual difficulties, but a flexible and risk-based approach to managing the project ensured that the portions of the building required to open the school were ready in the first week of September. The school then started to use other parts of the building as they became available.

Principle risks and uncertainties for the future are as follows:

- whether we will be able to recruit at least 48 students for September 2021 who would benefit from the particular provision available at this school
- whether the staff recruited to the 2 teaching vacancies will be of a similarly high standard to those currently employed
- whether the permanent building due to open in September 2022 will be completed on time

At the moment the Trust has received 55 applications for places, most of which are from students who are clearly well suited to the education being offered. While the COVID-19 pandemic has made the interview process more difficult, the school has devised a safe way of proceeding with this and is currently working operating an effective and safe selection process which is a positive experience for the students. The Trust is confident of recruiting sufficient students to maintain GAG income at a suitable level to ensure the growth and continued success of the school. The Maths School funding model (specifically the £350 000 fixed rate annual grant) means that if the school has to grow at less than its planned trajectory of 16 additional students (1 class) per year, this will not be a major issue in terms of financial sustainability.

The Trust has received a relatively high number of applications for the Teacher of Mathematics post, and some suitable applications for the Teacher of Computer Science post. The recruitment and selection process is currently underway. Risk here is now considered to be low.

The permanent building looks likely to be delayed somewhat from the original opening date of September 2022. The Trust has therefore entered into negotiations with the University about extending its lease, and has received assurances that the school will not be obliged to leave the temporary premises until the permanent home is complete and ready for occupation.

Residual risk is therefore considered to be low, and well mitigated.

c. Financial review

For the year ending August 2020 the Mathematics School starts its pre-opening phase using the Department for Education (DfE) Post Development Grant of £220k to finance the extensive work required to ensure a firm foundation is created for the Students' arrival in September 2020.

Part of the pre-opening phase is the procurement of capital investment for IT equipment and related services which is funded from the DfE Capital Grant of £225k. This is shown in full in the statement of financial activity (SFA) as a restricted fixed asset fund on page 16, however only £16k has been received and expended. Grants are included in the SFA on a receivable basis and as there are no outstanding conditions and the value has

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

certainty the full entitlement is included as an accounting adjustment and held in the Restricted Fixed Asset Fund on the balance sheet.

Alongside school opening preparations, Outreach is a key objective for the school helping the surrounding community to engage a wider group of students from all backgrounds. With the outreach funding of £46.5k a full face to face programme was unfortunately curtailed with the onset of Covid-19. However, on this occasion, this worked in our favour as classes moved to Zoom calls and attendance grew from 20-30 to 200 with a core of 60 students attending regularly. Due to the lack of physical events with associated costs the funding was underspent and a provision of £26k has been included in readiness of the clawback.

Next year, the School will operate from the Sir Alastair Pilkington Building on the University of Liverpool campus. The ESFA have made an advanced payment of £11k for building rental costs which will become due next year. This fund is held on the Balance Sheet in Restricted General Funds until paid to the University.

Expenditure on charitable activities totalled £250k of costs, staffing costs £140k (56%), direct costs of £25k and administration £85k (44%). There were two members of paid staff split between leadership and support and 8 trustees. A full analysis of costs can be found at Note 6 on page 25.

Net movement in funds reports a gain of £250k of which £224k relates to a Restricted Fixed Asset fund and £25k reduces Restricted General funds as outreach funds were received over two years.

ICT equipment and related services were procured via the DfE ICT Framework. The successful bidder for the ICT contract was Dataspire Ltd. They purchased and installed the ICT equipment during July, August and September of 2020 and lodged invoices in stages as per the agreed contract. The process for payment of invoices is that Dataspire invoice the trust, the trust then claims the money from the DfE and the invoice is paid once the funds are received by the trust. This resulted in a total claimed investment of £16k where a claim to the DfE had been received and paid on to the supplier. Several claims have been made in the following year. Please see page 17 for the Balance Sheet.

To present the full Capital Grant of £225k on the SFA, which is largely unpaid, there needs to be a corresponding debtor and the debtor on the balance sheet totals £210k. £207k relates to the unpaid capital grant (accrued income) and £2.5k an expense paid in advance.

Cash at the bank and in the hand at £102k is a comfortable level having increased by £25.7k after paying £17k for investment activities (fixed assets) and generating £42.7k from operating activities.

All the income received by the school is restricted which means it can only be used for the intended purpose. Note 15 on page 30 summarises all the funds showing; the opening balance plus, the movement in the year to give a year end closing balance. Restricted general funds are made up of Project Development Grant of £19k and the Lease grant of £11k, both will be utilised in the following year. The restricted Fixed Asset fund shows the school's full entitlement of £225k less depreciation and a transfer of £16.4k to show the remaining unspent grant of £208k and £16.4k representing paid Fixed assets.

Fundraising

The Trust does not use any external fundraisers. All fundraising undertaken during the period was monitored by the Trustees. Other than the donation from XTX, and the school's income from the DfE, no additional funding was received.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Disclosure of information to auditor

In so far as the Trustee's are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 24th May 2021 and signed on its behalf by:



Gavin Brown

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that University of Liverpool Mathematics School has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between University of Liverpool Mathematics School and the Secretary of State for Education. He will also be responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 6 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Gavin Brown, Chair of Trustees	7	7
Kurt Albert Langfield, Trustee	7	7
Martin Anthony Matthew McDonnell, Trustee	6	7
Lynda Margaret Stott, Trustee	7	7
Patricia Young, Trustee	0	3
Damian Haigh, Head Teacher	7	7
Dei Harries, Trustee	2	3
Dr. Mohammed Shaiyan Rahman, Trustee	3	3
Anthony Patrick Rooney, Trustee	2	3
John Thompson, Trustee	3	3
Prof. Carsten Peter Welsch, Trustee	1	3
Kerry Joanne Burnham, Trustee	0	1

Review of value for money

As accounting officer, the Headteacher has responsibility for ensuring that the Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Trust has delivered improved value for money during the period by performing their role of developing and promoting the school ahead of opening in September 2020.

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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. As the Trust's financial transaction were managed by the University of Liverpool finance office during the financial year 19/20, an appropriate system of internal control was well established and operated as per the University's usual systems. As the Trust has become independent in its financial management during the summer of 2020, it has taken on full responsibility for managing all financial transactions and established its own internal control systems. These are detailed in the Trust's Finance Handbook (which is available on request from school reception). A clear scheme of delegation has also been established which makes it clear who has the power to make which financial decisions, and what must be referred to the Board of Trustees. The school is procuring Internal Audit services from a firm of accountants which is independent of the school's External Auditors..

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The school was not fully operational this year. Since the year end the The Board of Trustees has decided to employ an internal auditor and is in the process of obtaining quotes for this service.

On a quarterly basis, the internal auditor will report to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities.

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GOVERNANCE STATEMENT (CONTINUED)

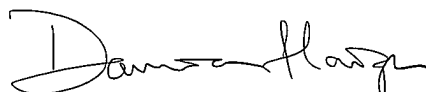
Review of effectiveness

The school's first Accounting Officer was appointed at the start of this year. During the pre-opening period, whilst the school is being set up, the Board of Trustees and Chair of Trustees are developing and implementing a system of internal control.

Approved by order of the members of the Board of Trustees and signed on their behalf by:



Gavin Brown
Chair of Trustees
Date: 24th May 2021



Damian Haigh
Accounting Officer

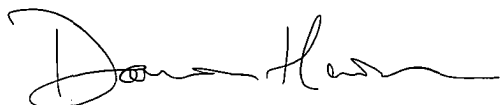
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of University of Liverpool Mathematics School I have considered my responsibility to notify the Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2019.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.



Damian Haigh
Accounting Officer
Date: 24th May 2021

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustee's (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustee's to prepare financial statements for each financial year. Under company law, the Trustee's 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustee's are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustee's are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee's are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustee's are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees and signed on its behalf by:



Gavin Brown
Chair of Trustees
Date: 24th May 2021

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL**

Opinion

We have audited the financial statements of University of Liverpool Mathematics School (the 'trust') for the year ended 31 August 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

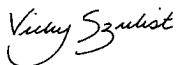
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the charitable Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable Trust's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Vicky Szulist (Senior statutory auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
3rd floor

The Lexicon
Mount Street
Manchester
M2 5NT

Date: 24th May 2021

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO UNIVERSITY
OF LIVERPOOL MATHEMATICS SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated [enter date here] and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by University of Liverpool Mathematics School during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to University of Liverpool Mathematics School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to University of Liverpool Mathematics School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than University of Liverpool Mathematics School and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of University of Liverpool Mathematics School's accounting officer
and the reporting accountant**

The accounting officer is responsible, under the requirements of University of Liverpool Mathematics School's funding agreement with the Secretary of State for Education dated 28 May 2020 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Trust's income and expenditure.

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO UNIVERSITY
OF LIVERPOOL MATHEMATICS SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Crowe UK LLP

Reporting Accountant
Crowe U.K. LLP

Statutory Auditor

3rd floor
The Lexicon
Mount Street
Manchester
M2 5NT

Date: 24th May 2021

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Charitable activities	3	277,500	224,944	502,444	76,500
Expenditure on:					
Charitable activities	5	252,007	471	252,478	44,737
Net movement in funds		25,493	224,473	249,966	31,763
Reconciliation of funds:					
Total funds brought forward		31,763	-	31,763	-
Net movement in funds		25,493	224,473	249,966	31,763
Total funds carried forward		57,256	224,473	281,729	31,763

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 23 to 38 form part of these financial statements.

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL

(A company limited by guarantee)

REGISTERED NUMBER: 11686521

**BALANCE SHEET
AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	16,488	-
		<u>16,488</u>	<u>-</u>
Current assets			
Debtors	12	210,485	-
Cash at bank and in hand		102,240	76,500
		<u>312,725</u>	<u>76,500</u>
Creditors: amounts falling due within one year	13	(47,484)	(44,737)
Net current assets		<u>265,241</u>	<u>31,763</u>
Total assets less current liabilities		<u>281,729</u>	<u>31,763</u>
Total net assets		<u><u>281,729</u></u>	<u><u>31,763</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	15	224,473	-
Restricted income funds	15	57,256	31,763
Total restricted funds	15	<u>281,729</u>	<u>31,763</u>
Total funds		<u><u>281,729</u></u>	<u><u>31,763</u></u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 20 to 38 were approved by the Trustees, and authorised for issue on 24th May 2021 and are signed on their behalf, by:



Gavin Brown

The notes on pages 23 to 38 form part of these financial statements.

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	17	42,699	76,500
Cash flows from investing activities	18	(16,959)	-
Change in cash and cash equivalents in the year		25,740	76,500
Cash and cash equivalents at the beginning of the year		76,500	-
Cash and cash equivalents at the end of the year	19, 20	<u>102,240</u>	<u>76,500</u>

The notes on pages 23 to 38 form part of these financial statements

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the 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) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The University of Liverpool Mathematics School opened on 1st September 2020 and is funded via government grants. The Trustees prepare budgets and forecasts in order to ensure that they have sufficient funds in place to operate.

In their assessment of going concern the Trustees have considered the current and developing impact on the school as a result of the COVID-19 virus.

The school has healthy financial resources, secure staffing and a student body whose parents are very happy with the quality of education being provided. At the time of writing there have been 55 applications for places for September 2021, with recruitment still due to continue for a further 6 months. The school is therefore confident that it will meet its recruitment target of 48 students joining Year 12 in September 2021. Funding from the Department for Education is assured at levels at least equivalent to those received this year. Staffing is secure, with 10 highly qualified and committed employees and recruitment in process to add two new teachers to the team for September 2021.

The school has set budgets with significant surpluses: £116 000 surplus planned for the end of the 20/21 FY, and £100 000 for the following year leading to total reserves of £216 000 by the end of 21/22. Spending is currently in line with the planned budget with no significant unexpected costs arising in the first 6 months of normal operation. The school is therefore very confident of being able to pay all its debts for at least 12 months from the date of publishing these accounts.

For this reason, the Board of Trustees continues to adopt the going concern basis in preparing the financial statements.

1.3 Income

All incoming resources are recognised when the Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Charitable activities**

These are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £1000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following basis:

Computer equipment	-	33% straight line basis
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A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.9 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.11 Pensions

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ("TPS"). This is a defined benefit scheme.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)

1.12 Fund accounting

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Unspent outreach income has been provided against as in the judgement of the Trustees this is likely to be clawed back.

3. Funding for the Trust's for development of school pre-opening

	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
DfE/ESFA grants			
Project Development Grant (PDG)	220,000	220,000	30,000
Outreach income	46,500	46,500	46,500
Dfe Capital Grant	224,944	224,944	-
Dfe Lease Grant	11,000	11,000	-
	<u>502,444</u>	<u>502,444</u>	<u>76,500</u>
<i>Total 2019</i>	<u>76,500</u>	<u>76,500</u>	

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

4. Expenditure

	Staff Costs 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Funding for the pre-opening development of the school:				
Direct costs	-	102,890	102,890	-
Allocated support costs	140,280	9,308	149,588	44,737
	<u>140,280</u>	<u>112,198</u>	<u>252,478</u>	<u>44,737</u>
<i>Total 2019</i>	<u>9,092</u>	<u>35,645</u>	<u>44,737</u>	

5. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Funding for the pre-opening development of the school:	<u>252,478</u>	<u>252,478</u>	<u>44,737</u>
<i>Total 2019</i>	<u>44,737</u>	<u>44,737</u>	

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

6. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Funding for the pre-opening development of the school:	102,890	149,588	252,478	44,737
<i>Total 2019</i>	-	44,737	44,737	

Analysis of direct costs

	Total funds 2020 £
Staff costs	87,647
Educational supplies	12,183
I.T. and Support Costs	3,060
	102,890

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Staff costs	52,633	9,092
Depreciation	471	-
Promotional events and catering	3,850	1,160
Advertising	27,741	17,096
I.T. and Support Costs	2,829	-
Telephone	60	-
Printing, Photocopying and Stationery	2,732	247
Legal and professional	2,073	1,983
Travel costs	6,088	326
Consultancy fees	28,650	14,545
Staff development & training	5,033	288
Bank charges	4,651	-
Subscriptions	1,618	-
Repairs, maintenance and cleaning	1,759	-
Governance costs	9,400	-
	149,588	44,737

7. Net income

Net income for the year includes:

	2020 £	2019 £
Depreciation of tangible fixed assets	471	-
Fees paid to auditor for:		
- audit	7,950	-
- other services	1,450	-

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

8. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	108,190	9,092
Social security costs	(7,778)	-
Pension costs	39,868	-
	<u>140,280</u>	<u>9,092</u>

b. Staff numbers

The average number of persons employed by the Trust during the year was as follows:

	2020 No.	2019 No.
Trustees	8	6
Leadership	1	-
Support staff	1	1
	<u>10</u>	<u>7</u>

c. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
In the band £60,001 - £70,000	<u>1</u>	<u>-</u>

d. Key management personnel

The key management personnel of the Trust comprise the Trustee's and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £110,613 (2019 £NIL).

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2020 £	2019 £
Damian Haigh	Remuneration	55,000 - 60,000	
	Pension contributions paid	20,000 - 25,000	

During the year ended 31 August 2020, expenses totalling £1,822 (2019: £Nil) were reimbursed to Damian Haigh for travel and subsistence.

10. Trustees' and Officers' insurance

The Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

11. Tangible fixed assets

	Computer equipment £
Cost or valuation	
Additions	16,959
At 31 August 2020	16,959
Depreciation	
Charge for the year	471
At 31 August 2020	471
Net book value	
At 31 August 2020	16,488

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

12. Debtors

	2020 £	2019 £
Due within one year		
Prepayments and accrued income	210,485	-

13. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	856	-
Other taxation and social security	6,728	-
Other creditors	21,250	44,737
Accruals and deferred income	18,650	-
	47,484	44,737

The University of Liverpool funded expenditure for the Mathematics School in the financial period 31 August 2020. Within other creditors is amounts owing to the University of Liverpool as at 31 August 2020 of £10,234 (2019: £44,737).

14. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at cost	102,240	76,500
	2020 £	2019 £
Financial liabilities		
Financial liabilities measured at cost	40,756	44,737

Financial assets measured at cost comprises cash at bank

Other financial liabilities measured at cost comprise trade and other creditors and accruals.

UNIVERSITY OF LIVERPOOL MATHEMATICS SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

15. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
Restricted general funds					
Project Development Grant (PDG)	(12,464)	220,000	(187,897)	-	19,639
Outreach income	44,227	46,500	(64,110)	-	26,617
Dfe Lease Grant	-	11,000	-	-	11,000
	<u>31,763</u>	<u>277,500</u>	<u>(252,007)</u>	<u>-</u>	<u>57,256</u>
Restricted fixed asset funds					
DfE Capital Grant - IT	-	224,944	(471)	(16,488)	207,985
Fixed assets	-	-	-	16,488	16,488
	<u>-</u>	<u>224,944</u>	<u>(471)</u>	<u>-</u>	<u>224,473</u>
Total Restricted funds	<u>31,763</u>	<u>502,444</u>	<u>(252,478)</u>	<u>-</u>	<u>281,729</u>

The specific purposes for which the funds are to be applied are as follows:

Restricted general funds have arisen during the year as a result of DfE grants received for pre-opening development of the school. There has been no material transfers between different classes of funds in the period.

Restricted fixed asset funds have arisen during the year as a result of DfE capital grants received to purchase ICT equipment and infrastructure for the school, as it develops pre and post opening in September 2020.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

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15. Statement of funds (continued)

Comparative information in respect of the preceding year is as follows:

	<i>Income</i>	<i>Expenditure</i>	<i>Balance at</i>
	<i>£</i>	<i>£</i>	<i>31 August</i>
			<i>2019</i>
			<i>£</i>
Restricted general funds			
Project Development Grant (PDG)	30,000	(42,464)	(12,464)
Outreach income	46,500	(2,273)	44,227
	<u>76,500</u>	<u>(44,737)</u>	<u>31,763</u>

16. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	16,488	16,488
Current assets	104,740	207,985	312,725
Creditors due within one year	(47,484)	-	(47,484)
Total	<u>57,256</u>	<u>224,473</u>	<u>281,729</u>

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16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Current assets	76,500	76,500
Creditors due within one year	(44,737)	(44,737)
Total	31,763	31,763

17. Reconciliation of net income to net cash flow from operating activities

	2020 £	2019 £
Net income for the period (as per Statement of financial activities)	249,966	31,763
Adjustments for:		
Depreciation	471	-
(Increase)/decrease in debtors	(210,485)	-
Increase in creditors	2,747	44,737
Net cash provided by operating activities	42,699	76,500

18. Cash flows from investing activities

	2020 £	2019 £
Purchase of tangible fixed assets	(16,959)	-
Net cash (used in)/provided by investing activities	(16,959)	-

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19. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	102,240	76,500
Total cash and cash equivalents	102,240	76,500

20. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	76,500	25,740	102,240
	76,500	25,740	102,240

21. Pension commitments

The Trust's employees belong to the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff. This is a multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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21. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £23,439 (2019 - £ -).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

22. Operating lease commitments

At 31 August 2020 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Rent of premises from University of Liverpool		
Not later than 1 year	73,000	-
Later than 1 year and not later than 5 years	292,000	-
	<u>365,000</u>	<u>-</u>

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23. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

24. Related party transactions

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

	2020	2019
Expenditure funded by University of Liverpool	<u>80,641</u>	<u>44,737</u>

The University of Liverpool is a member of the Trust. In addition, a number of members of the Trust and the Board of Trustees are employed by The University of Liverpool, which funded expenditure for the Mathematics School pre-opening. The balance outstanding for repayment as at 31 August 2020 was £11,534 (2019: £44,737).

In addition, the operating lease detailed in note 22 is with University of Liverpool