

**EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

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**EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members	University of Exeter Exeter College Janice Kay John Laramy
Trustees	N Baglin T Bailey K Burnham, Headteacher ¹ L Cantle J French, Chair ¹ P Jenkinson S Kiff (appointed 23 September 2014) ¹ J Laramy A Oxborough A Parsons (appointed 23 September 2014) ¹ M Shoebridge ¹ ¹ Finance and Resources Committee
Company registered number	08515877
Principal and registered office	Rougemont House Castle Street Exeter EX4 3PU
Accounting Officer	K Burnham
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS
Bankers	Lloyds Bank 234 High Street Exeter Devon EX4 3NL

**EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2015. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 16 to 19 in Cornwall, Devon, Dorset and Somerset. It has a pupil capacity of 120 and had a roll of 34 in the school census on 6 October 2014.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy.

The Trustees of Exeter Mathematics School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Exeter Mathematics School.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

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 they cease to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £5,000,000.

TRUSTEES

Method of recruitment and appointment or election of Trustees

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 10 Trustees who are appointed – five by the University of Exeter and five by Exeter College.
- a minimum two Parent Trustees
- one staff Trustee
- the Headteacher who is treated for all purposes as being an ex officio Trustee.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and an opportunity to meet staff and pupils. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Trustees that have no prior school governance experience will receive specific training for new governors. The School subscribes to Babcock LDP's governor support service to provide this, and other training and support.

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for review and ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale. Link Governors are assigned key aspects of the School's function to scrutinise. Their findings are shared at the relevant committees to ensure trustees have an accurate understanding of current practice.

There are 3 committees as follows;

- Finance and Resources Committee - this meets at least five times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, receiving reports from the Responsible Officer and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- Curriculum and Student Experience Strategy Group - this meets five times a year to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- Appeals Committee which meets as necessary to deal with all matters relating to admissions appeals.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget and all other matters required by law to be taken by it.

The Headteacher is the Accounting Officer.

Connected Organisations, including Related Party Relationships

Whilst Exeter Mathematics School Academy Trust is sponsored by the University of Exeter and Exeter College, neither exercises control or significant influence over its decisions and operations.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a 16 to 19 academy, offering a curriculum appropriate to the needs of its students, with a strong emphasis on Mathematics and its applications.

Objectives, Strategies and Activities

Key priorities for the period were:

- Provide an outstanding educational experience for our first cohort of students
- Recruit 60 students to join the school in September 2015
- Recruit excellent teachers of Mathematics, Physics and Computer Science to join the school in September 2015
- Establish a comprehensive outreach programme to meet the needs of able students from Cornwall, Devon, Dorset and Somerset

**EXETER MATHEMATICS SCHOOL
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

- Secure accommodation to meet the needs of our residential students

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

STRATEGIC REPORT

Achievements and Performance

The School has successfully met its key priorities. All measures of the educational experience of students, indicates outstanding provision: high student and parent satisfaction, exceptional value-added scores for qualifications, high attendance and retention of students and high levels of engagement from the University of Exeter and other external providers.

The school is oversubscribed for 2015 and has recruited a far greater proportion of girls than previously. All teaching vacancies have been filled with high calibre teachers.

We have engaged with in excess of 100 schools through our outreach programme, working with teachers and students. We have established a Mathematics Student Community, hosted STEM events for the Further Mathematics Support Programme, the Royal Institution, the United Kingdom Mathematics Trust and the Institute of Physics, provided teacher CPD and delivered a range of bespoke workshops in schools.

We have secured new accommodation that enables us to meet the increase in demand for residential places. One third of our students board in Exeter during the week from Monday to Friday

Key Performance Indicators

Indicator	Target	Actual
Student Attendance	96%	98%
Exam Success	100%	100%
Retention	97%	100%
Value Added ALIS Score	80th percentile	99th percentile
Recruitment Numbers for 2015	60	60
Proportion of Female Students	40%	33%

The proportion of female students has risen from 1 in 5 to 1 in 3. This indicates significant progress towards our target of at least 40% of students being female, which is ambitious. Nationally, the proportion of female students taking Physics is approximately 20%, we have therefore achieved better than average but recognise this as an ongoing development

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Going concern policy.

FINANCIAL REVIEW

Financial Review

The income and expenditure of the Academy Trust in establishing the Exeter Mathematics School are set out within the Statement of Financial Position.

During the period ended 31 August 2015, total expenditure (excluding restricted fixed asset funds and the pension fund) of £584,633 was covered by grant funding from the EFA, together with other incoming resources of £689,879. The excess of income over expenditure for the year was £105,246.

**EXETER MATHEMATICS SCHOOL
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

At 31 August 2015 the net book value of fixed assets was £2,127,940 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Reserves Policy

The policy of the Governors is to maintain a level of reserves that will be adequate to ensure the stability of the Academy's organisational operations, to protect it so that it has the ability to adjust quickly to financial circumstances, such as large unbudgeted expenditure, cyclical maintenance and working capital.

The level of reserves will be determined by governors annually and can fluctuate depending on operational needs but the Governors have determined that the Academy should aim to have a minimum of £100,000 held in reserves. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

There is a deficit on The Local Government Pension Scheme, for which there is no repayment plan. Payments are made in line with agreed contribution rates.

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Financial Risks and Uncertainties – EFA funding for residential student bursaries has been supplied for two years. We are dependant on this to ensure equality of access for all students throughout Cornwall, Devon, Dorset and Somerset.

Governance and Management – successful recruitment, retention and training of Trustees with the required skillset is important to ensure governance and management are delivered effectively.

Staffing – success of the Academy is reliant on good staff and effective selection of students and supportive parents. Successful recruitment, retention and training of staff will be crucial.

Fraud and management of funds – regular review of appropriate internal controls, procedures and controlled access to assets to reduce the risk of fraud and error to a minimum, especially as there is a small number of staff.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its students at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with schools across the south west to promote the study of mathematics and related subjects.

The Trustees will aim to maximise the use of the school and its assets.

**EXETER MATHEMATICS SCHOOL
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

TRUSTEES INDEMNITIES

No third party indemnity provisions were made during the period or at the date of approval of the Trustees' Report.

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- 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 auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 3 December 2015 and signed on the board's behalf by:



J French
Chair of Trustees

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Exeter 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.

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 Exeter Mathematics School and the Secretary of State for Education. They are also 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 Trustees' responsibilities statement. 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
N Baglin	6	6
T Bailey	5	6
K Burnham, Headteacher	6	6
L Cantle	6	6
J French, Chair	5	6
P Jenkinson	6	6
S Kiff	3	5
J Laramy	6	6
A Oxborough	5	6
A Parsons	5	5
M Shoebridge	5	6

Governance reviews:

In summer 2015 the Trustees looked at governance issues and concluded that whilst broadly the committee structure adopted was meeting the school's needs, there would be merit in formally establishing a Governance Group and a Strategy Committee. The former would keep under review the composition of the Board, its skills and needs, attendance profiles and development opportunities; the latter would advise the Board on strategic priorities, aims and objectives. The Board also determined to seek greater private sector involvement at Board level. It is too early to evaluate the impact of these decisions.

The next governance review will take place in summer 2016.

The Finance and Resources committee has of its number a Parent Governor who is a qualified accountant and the University of Exeter seeks to appoint a representative who is also a qualified accountant to replace M Shoebridge on the Board and on the F&R committee when she resigns on 31st August 2015.

The Finance and Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to scrutinise key aspects of the School's finance function.

GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
J French, Chair	8	8
K Burnham, Headteacher	8	8
S Kiff	4	7
J Laramy	6	8
A Parsons	7	8
M Shoebridge	7	8

REVIEW OF VALUE FOR MONEY

As accounting officer, the Headteacher has responsibility for ensuring that the academy 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 available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Ensuring there is comprehensive monitoring of spending and budgets to ensure that all spending is within the school's long term financial plan. This monitoring was undertaken by the Head teacher, School Governors, and Internal and External Auditors.
- We have structured purchasing policies and guidelines. In addition a scheme of delegation clearly states individual levels of authority and accountability.
- A Risk Register records all the risks faced by the school, financial and otherwise. This register is reviewed annually by School Governors.
- Effective Purchasing - we have a dedicated member of staff responsible for all purchasing within the school allowing the academy to seek best value on purchases.
- There is a requirement that multiple quotes are obtained for all individual purchases over £1,000 and multiple item purchases over £3,000.
- We discuss purchasing with other local academies at termly review meetings. These meetings facilitate discussion relating to the control of expenditure and best value for money.
- The school takes opportunities to generate additional revenue, most notably through Grant funded Outreach activities. The additional revenue is used by the school to fund spending on educational activities.

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 ongoing process designed to identify and prioritise the risks to the achievement of Academy 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. The system of internal control has been in place in Exeter Mathematics School for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy 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 Academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

The Academy'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 Resources 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.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint A Parsons (Trustee) as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

- Payroll
- Purchases
- Income
- Accounting system

On an annual basis, the internal auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

However, for the first six months, the Finance and Resources Committee has met more frequently with the auditor present.

REVIEW OF EFFECTIVENESS

As accounting officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 3 December 2015 and signed on its behalf, by:



J French
Chair of Trustees



K Burnham
Accounting Officer

**EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Exeter Mathematics School I have considered my responsibility to notify the Academy Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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 EFA.



**K Burnham
Accounting Officer**

Date: 3 December 2015

**EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees (who act as governors of Exeter Mathematics School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- 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 Trustees 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 Trustees 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 EFA/DfE have been applied for the purposes intended.

The Trustees 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:



J French
Chair of Trustees

Date: 3 December 2015

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EXETER MATHEMATICS SCHOOL

We have audited the financial statements of Exeter Mathematics School for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the Academy'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 Academy's members those matters we are required to state to them in an Auditors' 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 Academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2015 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 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EXETER MATHEMATICS SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where 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.



Tim Borton FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date:

15 Dec 2015

**EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO EXETER
MATHEMATICS SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 16 July 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Exeter Mathematics School during the year 1 September 2014 to 31 August 2015 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 Exeter Mathematics School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Exeter Mathematics School and EFA 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 Exeter Mathematics School and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF EXETER MATHEMATICS SCHOOL'S ACCOUNTING OFFICER AND
THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Exeter Mathematics School's funding agreement with the Secretary of State for Education dated 22 May 2014, and the Academies Financial Handbook extant from 1 September 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 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 2014 to 2015 issued by EFA. 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 Academy's income and expenditure.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO EXETER
MATHEMATICS SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Tim Borton FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Date:

15 December 2015

EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES

(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds:						
Transfer from Local Authority on conversion	2	-	(12,000)	-	(12,000)	-
Other voluntary income	2	-	34,375	-	34,375	390,000
Activities for generating funds	3	1,380	-	-	1,380	-
Incoming resources from charitable activities:	4					
Education		18,090	575,541	-	593,631	2,165,000
Boarding		-	60,493	-	60,493	-
TOTAL INCOMING RESOURCES		19,470	658,409	-	677,879	2,555,000
RESOURCES EXPENDED						
Costs of generating funds:						
Fundraising expenses and other costs		2,406	-	-	2,406	-
Charitable activities		15,720	557,576	83,900	657,196	235,761
Governance costs	8	-	15,931	-	15,931	6,972
TOTAL RESOURCES EXPENDED	5	18,126	573,507	83,900	675,533	242,733
NET INCOMING RESOURCES BEFORE TRANSFERS		1,344	84,902	(83,900)	2,346	2,312,267

EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	16	-	(39,427)	39,427	-	-
NET INCOME FOR THE YEAR		1,344	45,475	(44,473)	2,346	2,312,267
Actuarial gains and losses on defined benefit pension schemes		-	(2,000)	-	(2,000)	-
NET MOVEMENT IN FUNDS FOR THE YEAR		1,344	43,475	(44,473)	346	2,312,267
Total funds at 1 September		-	70,454	2,241,813	2,312,267	-
TOTAL FUNDS AT 31 AUGUST		1,344	113,929	2,197,340	2,312,613	2,312,267

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 21 to 38 form part of these financial statements.

EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 08515877

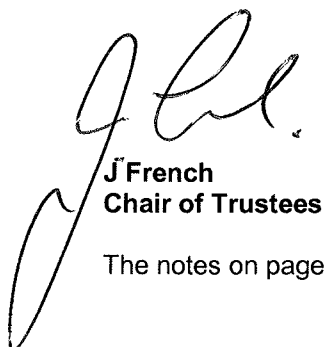
BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	13		2,127,940		2,082,691
CURRENT ASSETS					
Debtors	14	198,120		528,886	
Cash at bank and in hand		187,204		170,050	
			385,324	698,936	
CREDITORS: amounts falling due within one year	15	(179,651)		(469,360)	
NET CURRENT ASSETS			205,673		229,576
TOTAL ASSETS LESS CURRENT LIABILITIES			2,333,613		2,312,267
Defined benefit pension scheme liability	22		(21,000)		-
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			2,312,613		2,312,267
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	16	134,929		70,454	
Fixed asset funds	16	2,197,340		2,241,813	
Restricted funds excluding pension liability		2,332,269		2,312,267	
Pension reserve		(21,000)		-	
Total restricted funds			2,311,269		2,312,267
Unrestricted funds	16		1,344		-
TOTAL FUNDS			2,312,613		2,312,267

**EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET (continued)
AS AT 31 AUGUST 2015**

The financial statements were approved by the Trustees, and authorised for issue, on 3 December 2015 and are signed on their behalf, by:



J French
Chair of Trustees

The notes on pages 21 to 38 form part of these financial statements.

EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	18	62,123	175,874
Capital expenditure and financial investment	19	(44,969)	(5,824)
INCREASE IN CASH IN THE YEAR		17,154	170,050

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
Increase in cash in the year	17,154	170,050
MOVEMENT IN NET FUNDS IN THE YEAR	17,154	170,050
Net funds at 1 September 2014	170,050	-
NET FUNDS AT 31 AUGUST 2015	187,204	170,050

The notes on pages 21 to 38 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 FUND ACCOUNTING

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy at the discretion of the Trustees.

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

1.3 INCOMING RESOURCES

All incoming resources are included in the Statement of financial activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The value of donated services and gifts in kind provided to the Academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's policies.

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.4 RESOURCES EXPENDED

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred in the Academy's educational operations.

Governance costs include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

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. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold property	-	2% straight line
Fixtures and fittings	-	10% - 20% straight line
Computer equipment	-	33% straight line

1.7 TAXATION

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.8 PENSIONS

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the Academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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 quinquennial valuations using a prospective benefit method. As stated in note 22, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.9 AGENCY ARRANGEMENTS

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 25.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfer from Local Authority on conversion	-	(12,000)	(12,000)	-
Transfer of property from Exeter City Council	-	-	-	390,000
Donation for boarding provision	-	27,500	27,500	-
Donations	-	6,875	6,875	-
Subtotal	-	34,375	34,375	390,000
Voluntary income	-	22,375	22,375	390,000

EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings	1,380	-	1,380	-

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Education	18,090	575,541	593,631	2,165,000
Boarding	-	60,493	60,493	-
	18,090	636,034	654,124	2,165,000

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
Capital Grants	-	-	-	1,842,729
General Annual Grant	-	236,164	236,164	-
Start up Grants	-	195,920	195,920	-
Outreach grant	-	143,457	143,457	22,271
Start up Grants - Project Development	-	-	-	300,000
	-	575,541	575,541	2,165,000
Other funding				
Sales to students	17,958	-	17,958	-
Internal catering income	132	-	132	-
	18,090	-	18,090	-
	18,090	575,541	593,631	2,165,000

EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

5. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total	Total
	2015	Premises	Other	2015	2014
	£	2015	2015	£	£
		£	£		
Fundraising expenses	-	-	2,406	2,406	-
COSTS OF GENERATING FUNDS	-	-	2,406	2,406	-
Education	177,270	28,675	160,581	366,526	-
Boarding	27,320	-	3,548	30,868	-
Support costs	103,034	44,729	52,851	200,614	235,761
Support costs - Boarding	-	47,170	12,018	59,188	-
CHARITABLE ACTIVITIES	307,624	120,574	228,998	657,196	235,761
GOVERNANCE	-	-	15,931	15,931	6,972
	307,624	120,574	247,335	675,533	242,733

6. DIRECT COSTS

	Education	Boarding	Total	Total
	£	£	2015	2014
			£	£
Educational supplies	32,188	-	32,188	-
Examination fees	5,643	-	5,643	-
Staff development	3,402	-	3,402	-
Other costs	89,734	3,548	93,282	-
Technology costs	74	-	74	-
Wages and salaries	149,277	22,000	171,277	-
National insurance	9,320	1,353	10,673	-
Pension cost	18,673	3,967	22,640	-
Depreciation	58,215	-	58,215	-
	366,526	30,868	397,394	-

Direct costs are allocated to education and boarding activities on a usage basis.

EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

7. SUPPORT COSTS

	Education £	Boarding £	Total 2015 £	Total 2014 £
Staff development	-	-	-	312
Other costs	-	-	-	17,835
Recruitment and support	6,653	-	6,653	-
Maintenance of premises and equipment	16,340	3,931	20,271	-
Cleaning	2,447	-	2,447	-
Rent and rates	2,555	43,239	45,794	4,451
Energy costs	10,464	-	10,464	2,993
Insurance	810	-	810	6,734
Security and transport	6,514	-	6,514	-
Catering	3,369	7,115	10,484	-
Technology costs	9,019	-	9,019	-
Office overheads	9,679	-	9,679	2,506
Legal and professional	3,191	4,903	8,094	3,535
Bank interest and charges	854	-	854	14
Start up costs	-	-	-	93,255
Wages and salaries	75,568	-	75,568	104,126
National insurance	7,329	-	7,329	-
Pension cost	20,137	-	20,137	-
Depreciation	25,685	-	25,685	-
	200,614	59,188	259,802	235,761

Support costs are allocated to education and boarding activities on a usage basis.

8. GOVERNANCE COSTS

	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	5,200	5,150
Auditors' non audit costs	7,665	-
Legal and Professional	1,844	1,822
Other costs	1,054	-
Trustees expenses reimbursed	168	-
	15,931	6,972

EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

9. NET INCOMING RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	83,900	-
Auditors' remuneration	5,200	5,150
Auditors' remuneration - non-audit	9,509	-
Operating lease rentals:		
- other operating leases	31,444	-
	<u>31,444</u>	<u>-</u>

10. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	246,845	-
Social security costs	18,002	-
Pension costs	42,777	-
	<u>307,624</u>	<u>-</u>
Subcontracted staff wages and salaries	-	104,126
	<u>307,624</u>	<u>104,126</u>

b. Staff numbers

The average number of persons employed by the Academy during the year expressed as full time equivalents was as follows:

	2015 No.	2014 No.
Teachers	2	0
Administration and support	4	0
Management	2	0
	<u>8</u>	<u>0</u>

c. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2015 No.	2014 No.
In the band £60,001 - £70,000	1	0

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for this member amounted to £8,883.

EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

11. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 2 Trustees (2014: Nil) in respect of defined benefit pension schemes.

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: K Burnham: Remuneration £60,000 - £65,000 (2014: £Nil), Employer's pension contributions £5,000 - £10,000 (2014: £Nil), L Cattle: Remuneration £30,000 - £35,000 (2014: £Nil), Employer's pension contributions £0 - £5,000 (2014: £Nil).

During the year ended 31 August 2015, expenses totalling £168 (2014: £Nil) were reimbursed to 1 Trustee (2014: £Nil).

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. For the year ended 31 August 2015 the cover was provided through the Education Funding Agency's Risk Protection Arrangement. Accordingly, the cost of the trustee indemnity element is not separately identifiable (2014: £nil).

13. TANGIBLE FIXED ASSETS

	Long term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
COST				
At 1 September 2014	2,014,773	-	67,918	2,082,691
Additions	55,965	29,042	44,142	129,149
At 31 August 2015	2,070,738	29,042	112,060	2,211,840
DEPRECIATION				
Charge for the year	41,326	5,809	36,765	83,900
At 31 August 2015	41,326	5,809	36,765	83,900
NET BOOK VALUE				
At 31 August 2015	2,029,412	23,233	75,295	2,127,940
At 31 August 2014	2,014,773	-	67,918	2,082,691

EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

14. DEBTORS

	2015 £	2014 £
Trade debtors	2,473	-
Capital grants outstanding	99,798	171,131
EFA grants outstanding	43,000	22,271
Prepayments and accrued income	8,089	-
VAT recoverable	44,760	335,484
	<u>198,120</u>	<u>528,886</u>

15. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	45,490	-
Other taxation and social security	5,864	-
EFA creditor: abatement of GAG	8,267	-
Other creditors	32,518	328,807
Accruals and deferred income	87,512	140,553
	<u>179,651</u>	<u>469,360</u>

DEFERRED INCOME

	£
Deferred income at 1 September 2014	24,100
Resources deferred during the year	68,191
Amounts released from previous years	(24,100)
Deferred income at 31 August 2015	<u>68,191</u>

At the balance sheet date Exeter Mathematics School was holding funds received in advance for boarding, travel, trips and donations relating to the 2015/16 year.

EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

16. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General Funds	-	19,470	(18,126)	-	-	1,344
RESTRICTED FUNDS						
General Annual Grant (GAG)	-	236,164	(89,308)	(39,427)	-	107,429
Project Development Grant	70,454	-	(70,454)	-	-	-
Leadership diseconomies grant	-	195,920	(195,920)	-	-	-
Outreach grant	-	143,457	(143,457)	-	-	-
Trips and educational activities	-	6,875	(6,875)	-	-	-
Provision of boarding	-	87,993	(60,493)	-	-	27,500
Pension reserve	-	(12,000)	(7,000)	-	(2,000)	(21,000)
	<u>70,454</u>	<u>658,409</u>	<u>(573,507)</u>	<u>(39,427)</u>	<u>(2,000)</u>	<u>113,929</u>
RESTRICTED FIXED ASSET FUNDS						
Refurbishment Grant	1,842,729	-	(65,745)	-	-	1,776,984
Fixed assets transferred in	390,000	-	(7,800)	-	-	382,200
Fixed assets purchased from GAG	9,084	-	(10,355)	39,427	-	38,156
	<u>2,241,813</u>	<u>-</u>	<u>(83,900)</u>	<u>39,427</u>	<u>-</u>	<u>2,197,340</u>
Total restricted funds	<u>2,312,267</u>	<u>658,409</u>	<u>(657,407)</u>	<u>-</u>	<u>(2,000)</u>	<u>2,311,269</u>
Total of funds	<u><u>2,312,267</u></u>	<u><u>677,879</u></u>	<u><u>(675,533)</u></u>	<u><u>-</u></u>	<u><u>(2,000)</u></u>	<u><u>2,312,613</u></u>

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

Restricted Funds

General Annual Grant - Income from the EFA which is to be used for the normal running costs of the Academy, including education and support costs.

Project Development Grant – This represents one off funding received from the EFA to contribute towards start-up costs in the run up to the opening of Exeter Mathematics School.

EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

16. STATEMENT OF FUNDS (continued)

Leadership Diseconomies Grant - This represents post-opening funding received from the EFA during the first two years to reflect the additional cost in establishing a new publicly-funded school that has not yet reached capacity.

Outreach Grant - This represents funding from the EFA to provide enrichment activities for students and teachers in the region, and for raising awareness of Exeter Mathematics School and its programme of outreach.

Trips and educational activities - This represents donations towards educational trips.

Provision of boarding - This represents bursary funding and amounts paid by parents to enable a child to board at the Academy.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme.

Restricted Fixed Asset Funds

Refurbishment grant - This represents funding from the EFA to cover the refurbishment of the main building.

Fixed Assets Transferred In - This represents the building donated to the Academy from the Local Authority.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	2,127,940	2,127,940	2,082,691
Current assets	-	287,807	97,517	385,324	698,936
Creditors due within one year	1,344	(152,878)	(28,117)	(179,651)	(469,360)
Provisions for liabilities and charges	-	(21,000)	-	(21,000)	-
	<u>1,344</u>	<u>113,929</u>	<u>2,197,340</u>	<u>2,312,613</u>	<u>2,312,267</u>

EXETER MATHEMATICS SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

18. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	2,346	2,312,267
Net assets transferred on conversion	12,000	(390,000)
Depreciation of tangible fixed assets	83,900	-
Capital grants from DfE	(71,332)	(1,842,729)
Decrease/(increase) in debtors	320,216	(357,755)
(Decrease)/increase in creditors	(292,007)	454,091
Defined benefit pension scheme adjustments	7,000	-
NET CASH INFLOW FROM OPERATIONS	62,123	175,874

19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(116,301)	(1,677,422)
Capital grants from DfE	71,332	1,671,598
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(44,969)	(5,824)

20. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	170,050	17,154	-	187,204
NET FUNDS	170,050	17,154	-	187,204

21. 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.

NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Devon County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years 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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £18,189 (2014: £Nil).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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22. PENSION COMMITMENTS (continued)

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £24,000, of which employer's contributions totalled £18,000 and employees' contributions totalled £6,000. The agreed contribution rates for future years are 19.7% for employers and 5.5 - 7.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

The Academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	6.00	17	-	-
Gilts and bonds	6.00	2	-	-
Property	6.00	3	-	-
Cash	6.00	1	-	-
Target return portfolio	6.00	5	-	-
Infrastructure and alternative assets	6.00	2	-	-
Total market value of assets		30		-
Present value of scheme liabilities		(51)		-
(Deficit)/surplus in the scheme		(21)		-

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(51,000)	-
Fair value of scheme assets	30,000	-
Net liability	(21,000)	-

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22. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2015 £	2014 £
Current service cost	(25,000)	-
Interest on obligation	(1,000)	-
Expected return on scheme assets	1,000	-
	<u>(25,000)</u>	<u>-</u>
Total	<u>(25,000)</u>	<u>-</u>

Movements in the present value of the defined benefit obligation were as follows:

	2015 £	2014 £
Current service cost	25,000	-
Interest cost	1,000	-
Contributions by scheme participants	6,000	-
Actuarial Losses	1,000	-
Liability transferred on conversion	18,000	-
	<u>51,000</u>	<u>-</u>
Closing defined benefit obligation	<u>51,000</u>	<u>-</u>

Movements in the fair value of the Academy's share of scheme assets:

	2015 £	2014 £
Expected return on assets	1,000	-
Actuarial gains and (losses)	(1,000)	-
Contributions by employer	18,000	-
Contributions by employees	6,000	-
Asset transferred on conversion	6,000	-
	<u>30,000</u>	<u>-</u>
	<u>30,000</u>	<u>-</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £2000 loss (2014: £NIL).

The Academy expects to contribute £29,000 to its Defined benefit pension scheme in 2016.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2015	2014
Equities	57.00 %	- %
Gilts and bonds	10.00 %	- %
Property	11.00 %	- %
Cash	2.00 %	- %
Target return portfolio	15.00 %	- %
Infrastructure and alternative assets	5.00 %	- %

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NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS (continued)

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2015	2014
Discount rate for scheme liabilities	4.00 %	- %
Expected return on scheme assets at 31 August	6.00 %	- %
Rate of increase in salaries	4.50 %	- %
Rate of increase for pensions in payment / inflation	2.70 %	- %

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2015	2014
Retiring today		
Males	22.8	
Females	26.1	
Retiring in 20 years		
Males	25.1	
Females	28.4	

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £	2011 £
Defined benefit obligation	(51,000)	-	-	-	-
Scheme assets	30,000	-	-	-	-
Deficit	(21,000)	-	-	-	-
Experience adjustments on scheme liabilities	(1,000)	-	-	-	-
Experience adjustments on scheme assets	(1,000)	-	-	-	-

23. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015 £	2014 £	2015 £	2014 £
EXPIRY DATE:				
Within 1 year	151,650	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS
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24. RELATED PARTY TRANSACTIONS

Exeter College and The University of Exeter are both sponsors and members of Exeter Mathematics School.

During the year, The University of Exeter charged Exeter Mathematics School £14,841 (2014: £9,787) for marketing services provided by its Communications and Marketing Services department, £12,787 (2014: £30,000) for the cost of providing staff, £31,444 (2014: £Nil) for rent of the boarding residential premises and Brunel Close and £2,191 (2014: £Nil) for student mentor time. For student mentors the University of Exeter charges no add on and all other services are recharged to Exeter Mathematics School at the University's internal rate.

The University of Exeter also made a restricted donation of £27,500 towards future boarding accommodation.

As at the 31 August 2015 £4,224 (2014: £30,000) was owed to the University of Exeter and is included in trade creditors.

The following costs were incurred by Exeter College the above and reimbursed by Exeter Mathematics School:

<u>Support Cost</u>	<u>2015</u>	<u>2014</u>
Other Costs	£0	£326
Office Overheads	£10,745	£2,507
Legal and professional	£0	£1,401
Governance - legal	£0	£925

Furthermore Exeter College charged Exeter Mathematics School £18,983 (2014: Nil) for advertising services, student services and HR services. These were charged at cost.

In the prior year, Exeter Mathematics School reimbursed Exeter College £167,381 for the wages of the Headteacher and one other member of staff that transferred to the employment of Exeter Mathematics School on 1 September 2014.

As at the 31 August 2015, £22,800 (2014: £63,255) was owed to Exeter College and is included in trade creditors.

No other related party transactions took place in the period of account other than those identified in note 11.

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FOR THE YEAR ENDED 31 AUGUST 2015

ACADEMY BOARDING TRADING ACCOUNT

		2015 £	2014 £
INCOME			
Boarding income	60,493	-	
Boarding Donation	27,500	-	
	<u>87,993</u>		-
DIRECT COSTS			
Other costs	3,548	-	
Wages and salaries	22,000	-	
National insurance	1,353	-	
Pension costs	3,967	-	
	<u>30,868</u>		-
SUPPORT COSTS			
Maintenance of premises and equipment	3,931	-	
Rent and rates	43,239	-	
Catering	7,115	-	
Legal and professional	4,903	-	
Expended from Leadership Development Grant	(29,563)	-	
	<u>29,625</u>		-
SURPLUS / (DEFICIT)		<u>27,500</u>	-
SURPLUS / (DEFICIT) BROUGHT FORWARD		-	-
SURPLUS / (DEFICIT) CARRY FORWARD		<u><u>27,500</u></u>	<u><u>-</u></u>

25. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for the EFA. In the accounting period ending 31 August 2015 the trust received £3,784 and disbursed £3,784 from the fund. There is no amounts repayable to the EFA relating to undistributed funds at 31 August 2015.