

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31st July 2020

	Notes	Unrestricted General Funds £	Designated Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Income and endowments:						
Donations and legacies		16,778	-	25,000	41,778	3,929
Income from charitable activities:						
Membership subscriptions		144,947	-	-	144,947	137,687
Publications – LMS Periodicals	7a	1,423,206	-	-	1,423,206	1,500,850
Publications – Ventures and Royalties	7c,d	281,628	313,702	-	595,330	568,171
Grants and contracts	22	61,137	-	11,000	72,137	50,946
Total income from charitable activities		1,910,918	313,702	11,000	2,235,620	2,257,654
Income from other trading activities	3	261,227	-	-	261,227	365,257
Income from Investments	2	521,591	162	7,921	529,674	518,901
Other income		7,263	-	-	7,263	4,007
Total Income		2,717,777	313,864	43,921	3,075,562	3,149,748
Expenditure:						
Costs of raising funds	4	314,297	-	-	314,297	309,527
Expenditure on charitable activities:						
Advancing the interests of mathematics	5	342,089	-	13,500	355,589	359,893
Enabling mathematicians to undertake research and collaboration	6	856,881	73,000	42,791	972,672	909,844
Disseminating mathematical knowledge:						
- Costs of publications	7b,c,d	432,118	205,779	-	637,897	569,403
- Conferences and meeting programmes	8	144,738	-	-	144,738	158,476
Promoting mathematical research and its benefits	9	380,284	-	-	380,284	389,409
Total expenditure on charitable activities		2,156,110	278,779	56,291	2,491,180	2,387,025
Total expenditure		2,470,407	278,779	56,291	2,805,477	2,696,552
Net income/(expenditure) before gains and losses on investment		247,370	35,085	(12,370)	270,085	453,196
Net losses on investment assets	15	(453,978)	-	(10,475)	(464,453)	(11,490)
Net (expenditure)/ Income for the year		(206,608)	35,085	(22,845)	(194,368)	441,706
Transfers between funds	19,20	(27,868)	(20,465)	48,333	-	-
Actuarial (loss)/ gain on defined benefit pension schemes	18	(11,719)	-	-	(11,719)	11,072
Net movement in funds for the year		(246,195)	14,620	25,488	(206,087)	452,778
Reconciliation of funds:						
Total funds brought forward		13,402,318	3,931,380	292,802	17,626,500	17,173,722
Fund balances carried forward		13,156,123	3,946,000	318,290	17,420,413	17,626,500

The comparative figures for each fund are shown in the notes to the accounts, (see note 24).

BALANCE SHEET
as at 31 st July 2020

		2020		2019	
	Notes	£	£	£	£
Fixed Assets					
Fixed Asset Investments					
Quoted Investment	14a	10,878,904		11,398,171	
Residential Property	14b	3,596,900		3,266,950	
			14,475,804		14,665,121
Tangible Fixed Assets					
Leasehold Property	16	1,210,069		1,254,887	
Fixtures, Fittings and Equipment	16	27,975		22,977	
			1,238,044		1,277,864
			15,713,848		15,942,985
Current Assets					
Medals in stock		1,531		1,531	
Debtors	17	144,133		241,861	
Cash at bank and in hand		2,752,292		2,412,290	
			2,897,956		2,655,682
Liabilities:					
<i>Creditors: Amounts falling due within one year</i>					
Creditors	18	882,279		692,894	
Deferred Income	18	138,382		120,262	
			1,020,661		813,156
Net current assets			1,877,295		1,842,526
<i>Creditors: Amounts falling due after more than one year</i>					
Provision of Pension Liability	18		(170,730)		(159,011)
Total Net Assets			17,420,413		17,626,500
Represented by:					
General Funds	20	13,156,123		13,402,318	
Designated Funds	20	3,946,000		3,931,380	
Restricted Funds	19	318,290		292,802	
			17,420,413		17,626,500

The notes on pages 49 to 68 form part of these financial statements.

Approved by the trustees on 16th October 2020 and signed on their behalf by:

Robert J. Curtis

Professor Robert Curtis
(Treasurer)

Cash Flow Statement
For the year ended 31 July 2020

	2020		2019	
	£	£	£	£
Cash flow from operating activities				
Net movements in funds	(206,087)		452,778	
Add / (Deduct) gains on investments (note 15)	464,453		11,490	
Add back re-invested gains (note 2)	74,297		63,582	
Add back investment management fees (note 4)	52,596		55,135	
Add back VAT on investment management fees	2218		2,206	
Deduct investment income (note 2)	(529,674)		(518,901)	
Add back depreciation charge (note 16)	57,724		54,143	
Decrease / (Increase) in debtors (note 17)	97,728		43,772	
Decrease / (Increase) in medals in stock	-		1,530	
(Decrease)/increase in creditors (note 18)	219,224		(76,839)	
	<hr/>		<hr/>	
Net cash (used in)/ provided by operating activities		232,479		88,896
Cash flow from Investing activities				
Purchase of tangible fixed assets (note 16)	(17,905)		(2,375)	
Purchase of fixed asset investments (note 14)	(404,176)		(63,605)	
Investment income (note 2)	529,674		518,901	
	<hr/>		<hr/>	
Net cash provided /(used in) by investing activities		107,593		452,921
		<hr/>		<hr/>
Change in cash and cash equivalent in the year		340,072		541,817
		<hr/>		<hr/>
Cash and cash equivalent at the beginning of the year				
Cash in bank and deposit		2,412,290		1,870,449
Cash held in investments		30		54
		<hr/>		<hr/>
		2,412,320		1,870,503
		<hr/>		<hr/>
Cash and cash equivalent at the end of the year				
Cash in bank and deposit		2,752,292		2,412,290
Cash held in investments		100		30
		<hr/>		<hr/>
		2,752,392		2,412,320
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2020

1. Accounting Policies

The accounting policies adopted by the Society are as detailed below:

a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Charities Act 2011.

The London Mathematical Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees have assessed whether the use of going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Society to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the impact of COVID-19 pandemic.

Whilst the conference income from De Morgan House is affected by the pandemic, this is partly mitigated by anticipated cost savings due to reduction in some of the Society's activities as a result of the pandemic. For example: volumes of grant applications have reduced, leading to fewer grants being awarded, some events have been postponed or cancelled and some events have been converted from face-to-face events to lower cost online events. From March 2020, with the onset of the COVID-19 pandemic and the associated government restrictions, the Society has had to rethink how it works, how it supports the mathematics community and how it delivers against its charitable objectives when face-to-face contact has been severely limited. The Society's staff have moved successfully to remote working and operations continue largely as normal with staff working from home. In addition, the Society has launched new grant schemes and set a reserve fund to support the community through the pandemic. The Society will continue to keep its response to the pandemic under review, particularly in terms of equality, diversity and inclusion as it is clear that the impact of the pandemic is being felt unevenly across the mathematics community. Significant reserves are held on deposit and in the form of investments which are readily available to convert into cash.

On this basis the trustees consider that the Society has adequate resources to continue in operational existence for the foreseeable future. The Society therefore continues to adopt the going concern basis in preparing its financial statements.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

An explanation and reconciliation of how the transition has affected the comparative balances is provided in the notes to the financial statements.

b) Judgements and key sources of estimation uncertainty

In the application of the Society's accounting policies, the trustees are required to make judgement, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from the estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

- Useful Economic Lives- The annual depreciation charge for property, fixture, fittings and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.
- Defined benefit scheme pension liability can be estimated based on recommended modeller provided by USS. For more details, see note 1 p.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2020

1. Accounting Policies (continued)

c) Financial Instruments

The Society has elected to apply the provision of Section 11 'Basic Financial Instrument's and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial Instruments are recognised in the Society's balance sheet when the Society becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. (See notes 17 and 18 for details)

d) Members' Subscriptions

Subscription income from members is recognised in the year to which it relates. During the year new members are allowed to pay pro-rata subscription fees depending on when they are elected during the membership year.

e) Donations

Cash donations are credited to the General Fund in the year of receipt but donations in kind are not recognised in these financial statements.

f) Fixed Assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off, on a straight-line basis, the cost less estimated residual value over their expected useful lives as follows:

Leasehold Property	Over 50 years
Fixtures, Fittings and Office Equipment	20%
Computer equipment	33.33%

The Society operates a policy of capitalising assets whose unit cost exceeds £1,000, with expenditure below this level written off as incurred.

g) Investments

The Society may invest up to 30% of its relevant assets in residential property, as valued at the time of purchase, with the remainder given over to the Society's investment managers. Investment in such residential property will be directly managed by the Society rather than by the investment managers. The percentage calculation excludes the value of De Morgan House, though this could be reviewed at any point. Also excluded are any investments made by the investment managers in the property area of asset classes.

• Quoted investments

All quoted investments are valued at their market value at the balance sheet date, giving rise to unrealised gains and losses which are included in the Statement of Financial Activities. The market value is determined as follows:

- i) Listed securities are valued at mid-market value ruling at the balance sheet date;
- ii) Unit trust and managed fund investments are stated at the mid-point of the latest prices quoted by the investment managers immediately prior to the balance sheet date;
- iii) Investments held in foreign currencies have been valued on the relevant basis and translated into sterling at the rate ruling at the balance sheet date.

The portfolio is invested in a range of equity, cash and fixed-interest investments in both UK and overseas markets. The key objective of the Society's portfolio is to produce a real return (capital growth) of at least 4% pa, and to provide an investment income determined by 'total return policy' of 3.5% pa (based on Yale model).

The Society in its total returns policy treats all cash withdrawals from the investment portfolio as investment income. This is analysed in the notes to the financial statements as investment income split between the various categories of investment based on information provided by the investment managers and the proportion of total return drawn down relating to gains. The balance of unrealised gains and losses on revaluation of investments, and realised gains and losses arising on disposal of investments are separately identified in the notes to the Financial Statements and on the SoFA.

• Residential property investment

As a safeguard against possible poor performance of the stock exchange, the Society expanded its investments portfolio to include residential property and now owns seven long lease residential properties (four in Central London and three in the Birmingham area), all of which are rented out. The rental derived is shown on the SOFA under 'Investment Income'. The growth in the value of the Society's residential property investment will be shown in the SoFA as Gains on investment assets. The primary long-term target of the Society's residential property is to produce a yield of 4% pa and to increase in capital value by at least the rate of inflation. The residential property investment is valued at balance sheet date using the local estate agent's guidance on the current housing market within the area where the properties are located.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2020

1. Accounting Policies (continued)

h) Publications

- i) Publications income from LMS journals is recorded based on an estimated accrued basis; other publications income is treated on a cash basis which is considered to be the most appropriate and prudent approach given the information available.
- ii) Income from the Society's contracts with publishers for the production, distribution and sales of its journals is determined as the best estimate for that proportion of the income (i.e. subscriptions less costs of production, distribution, sales and commission) relating to the number of issues published before the Balance Sheet date.
- iii) No account has been taken of costs incurred or sales proceeds received in respect of publication after the Balance Sheet date.
- iv) No valuation for accounting purposes is taken of any stocks of publications unsold at the Balance Sheet date.
- v) The cost of publishing rights and subscribers' lists are written off in the year of acquisition.
- vi) Royalties are taken into the Statement of Financial Activities as declared due by the relevant publishers.

i) Joint Ventures

The results of joint ventures are included in the accounts up to the year- end indicated.

j) Grants and Contracts

The Society has been awarded contracts and grants for some of its activities. These comprise: a contribution from IMU to support mentoring activities for mathematicians in Africa; shared costs of some activities with sister societies. The income and expenditure relating these are handled through this Fund.

k) Recognition of grant liabilities

Where the Society has contractual or constructive obligations to make grant payments these amounts are accrued in the accounts in accordance with the requirements of the SORP. The liability will be recognised within the year the grant is awarded. The unpaid grant commitments should normally be claimed by the end of the following financial year. However, the claim period may need to be extended for a further year (award year + 2) if the grant cannot be claimed by the end of the year following the award due to constraints on the start or end date of a grant, or due to other circumstances outside the control of the Society.

The Society also awards some grants with conditions for payment being a specific level of service or specific output to be delivered. Such grant awards (commitments) will be reserved in the Designated funds, and the grants are only recognised in the SoFA once the recipient of the grant has provided evidence of the specific service or output. Such grants are therefore reviewed annually and the grant payments subject to the condition of a progress report with satisfactory performance. If the project spans a number of years and satisfactory progress reports are received after year one, the first stage of the grant will be released from the Designated fund and that part of the grant expenditure will be recognised in the SoFA at that point.

Grants unclaimed by the end of award year +2 will be released back to the Society's general funds.

l) Grants payable

Grants payable out of existing revenues are provided for in full in the accounts. Those payable out of future resources are held in the Grant payable Reserve Fund (see also note 1(j)).

m) Taxation

The Society is a registered charity and no liability to taxation arises on the results of its business activities in support of its charitable purposes.

The Society has partial exempt status in respect of VAT, based on the split of its business and non-business activities. The proportion of VAT that cannot be recovered because of partial or fully exempt status of the activity is redistributed to the activities. The basis on which irrecoverable VAT have been allocated to the activities are set out in note 12.

n) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

o) Medals in stock

The medal stock for the prize is stated at the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2020

1. Accounting Policies (continued)

p) Pension costs

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

The total movement to the profit & loss account is a loss of £11,719 of (2019: gain of £11,072) as shown in note 18.

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date), which was carried out using the projected unit method. A valuation as at 31 March 2020 is underway but not yet complete.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumptions used in 2018 valuation are described below:

Pension increase (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.
Discount rate (forward rates)	<ul style="list-style-type: none"> • Years 1-10: CPI - 0.14% reducing linearly to CPI - 0.73% • Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21 • Years 21+ : CPI+ 1.55%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2018 valuation
Mortality base table	<p>Pre-retirement:</p> <ul style="list-style-type: none"> • 71% of AMC00 (duration 0) for males • 112% of AFC00 (duration 0) for females <p>Post retirement:</p> <ul style="list-style-type: none"> • 97.6% of SAPS S1NMA "light" for males • 102.7% of RFV00 for females.
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females.

The current life expectancies on retirement at age 65 are:

	2018	2017
Males currently aged 65 (years)	24.4	24.6
Females currently aged 65 (years)	25.9	26.1
Males currently aged 45 (years)	26.3	26.6
Females currently aged 45 (years)	27.7	27.9

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. 2020 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2020	2019
Discount rate	2.59%	2.44%
Pension Increases (CPI)	4.20%	2.11%

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2020

1. Accounting Policies (continued)

q) General Fund

The Unrestricted reserves are analysed between the General Fund and other Designated Funds. The General Fund, detailed in note 20 to the financial statements, is to provide for the general operation of the Society including its charitable activities not funded from Designated or Restricted Funds. Within the Society's reserves the General Fund is deemed an expendable reserve to be used in pursuit of the Society's objectives as Council may from time to time determine. At present it is managed to provide the income to be used to ensure the availability of resources for its grant schemes and other continuing charitable activities in future years.

r) Designated Funds

The Unrestricted reserves are analysed between general and designated funds. The Trustees have created the following designated funds:

(i) Building & Development Reserve Fund

This reserve is to meet the costs of (a) consequences of the temporary loss of De Morgan House, (b) periodic internal and external decoration and maintenance, (c) major modifications, developments or repairs.

(ii) Publication Reserve Fund

This reserve is to meet the costs of (a) breaches of copyright or libel actions against the Society, (b) special strategic and commercial initiatives (c) exploration and start-up costs of new ventures (d) consequential costs should the Society to cease publishing, (e) unpredictable annual fluctuations in the surplus.

(iii) Grants Payable Reserve Fund

This fund has been established to cover grants awarded and approved by Council to be paid in future accounting periods, subject to available finance and satisfactory report.

(iv) COVID-19 Emergency Fund

This fund is set aside to help mitigate the impact of the COVID-19 pandemic on mathematical research, including the 'people pipeline' of early career researchers.

(v) Compositio Fund

This fund holds the transaction relating to, and any year-end excess of income over expenditure, relating to the Society's joint venture with the Foundation Compositio to produce the journal Compositio.

s) Restricted Funds

The income of these restricted funds is to be used for the following purposes:

i) The Berwick Prize Fund

To support the Annual prize for mathematical work published by the Society

(ii) De Morgan Medal Fund augmented by the Sir Joseph Larmor Prize Fund

To support the award of the De Morgan Medal and the Larmor Prize, awarded every three years.

(iii) Lord Rayleigh's Fund

To support the general activities of the Society.

(iv) J. H. C. Whitehead Prize Fund

To support the cost of the Annual prizes awarded for lecturing and mathematical work.

(v) Fröhlich Fund

To support the cost of the Annual prizes awarded for lecturing and mathematical work.

(vi) Shephards Prize Fund

To support mathematics with a strong intuitive component which can be explained to those who have little or no knowledge of university mathematics.

(vii) A. J. Cunningham Research Fund

To support the cost of publication of work on the factorisation of large numbers.

(viii) Zeeman Fund

To support the cost of Undergraduate Research Bursaries named in honour of Professor Sir Christopher Zeeman.

(ix) Frank Gerrish Fund

To support the cost of promotion of expository articles and surveys within the Society's publications.

(x) Emmy Noether Fellowships

To support those re-establishing their research after a break or ongoing caring responsibilities.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st July 2020

1. Accounting Policies (continued)

t) Support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Society's Mathematical Sciences programmes and activities. The Governance costs include external audit, legal advice and the costs of trustee and committee meetings, as well as costs associated with constitutional and statutory requirements. Support and governance costs have been allocated between the costs of raising funds and charitable activities. The bases on which support and governance costs have been allocated to activities are set out in note 12.

u) Employee benefits

Termination benefits are recognised immediately as an expense when the Society is demonstrably committed to terminate the employment of an employee through, for example, redundancy, or to provide termination benefits.

2. Investment Income

2020	Unrestricted	Designated	Restricted	Total 2020
	£	£	£	£
a) Investment income receivable:				
Total returns/ Unit Trust Distribution <i>(Bond interest, Equities dividends, etc.)</i>	449,173	-	7,608	456,781
Re-invested total returns	(74,297)	-	-	(74,297)
Net investment income receivable	374,876	-	7,608	382,484
b) Residential property rental income	131,844	-	-	131,844
c) Interest receivable (Treasury Reserve and Bank deposits)	14,871	162	313	15,346
Total investment income 2020	521,591	162	7,921	529,674
2019	Unrestricted	Designated	Restricted	Total 2019
	£	£	£	£
a) Investment income receivable:				
Total returns/ Unit Trust Distribution <i>(Bond interest, Equities dividends, etc.)</i>	438,626	-	7,536	446,162
Re-invested total returns	(63,582)	-	-	(63,582)
Net investment income receivable	375,044	-	7,536	382,580
b) Residential property rental income	126,032	-	-	126,032
c) Interest receivable: (Treasury Reserve and Bank deposits)	10,005	97	187	10,289
Total investment income 2019	511,081	97	7,723	518,901

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2020

3. Income from other trading activities

	2020	2019
	£	£
a) DMH Conference facilities	146,296	246,294
b) DMH Rental income	110,301	114,031
c) Advertising in Newsletter	4,630	4,932
Total	261,227	365,257

4. Costs of raising funds

	2020		2019	
	£	£	£	£
a) Conference facilities				
General expenditure	22,935		33,734	
Apportioned support and governance costs	113,611		112,361	
		136,546		146,095
b) Service for tenants		65,138		62,821
c) Investment Management fees		52,596		55,135
d) Residential Investment Property costs		60,017		45,476
Total		314,297		309,527

5. Charitable activities: Advancing the interests of Mathematics

	2020		2019	
	£	£	£	£
Members' services:				
<i>LMS Newsletter</i>	22,812		21,878	
Other costs	7,414		9,783	
Unrecoverable subscriptions	1,413		1,999	
		31,639		33,660
Activities to support Women in Mathematics		1,195		2,367
Activities to support Maths -Computer Sciences		2,465		3,237
Library, binding and archives		9,024		6,077
EMS, IMU, ICIAM subscriptions & ICM costs		14,050		57,134
Prizes		18,061		20,540
Apportioned support and governance costs (note 12)		279,155		236,878
Total		355,589		359,893

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2020

6. Charitable activities: Enabling Mathematicians to undertake research and collaboration

	2020	2019		
	£	£	£	£
Grant Schemes				
Research Grants (Schemes 1 – 5)	367,211		345,692	
Research Workshop Grants	15,750		15,314	
Support for Mathematics in Africa	2,000		8,240	
Early Career Support (Schemes 8 and 9/ECR travel grants)	60,203		53,531	
Research School Grants	45,000		-	
Prospects in Mathematics Grants	7,000		7,000	
Summer School Grants	-		31,000	
Early Career Fellowship Grants	72,000		68,100	
Undergraduate Bursaries	33,366		-	
Computer Science Grants	7,296		7,330	
Teachers CPD Grants	9,206		8,313	
Small Educational Grants	18,241		15,989	
Women in Mathematics Grants (Event/Childcare/Diversity)	14,009		7,845	
Atiyah UK-Lebanon Fellowships	11,000		-	
	662,282		568,354	
Less: cancellation and refunds	(73,699)		(82,800)	
		588,583		485,554
Mentoring African Research in Mathematics (MARM) (Restricted)		16,000		-
Cecil King Grants (Restricted)		5,000		-
Emmy Noether Fellowship (Restricted)		21,791		-
INI/ICMS/ACME Grants (Designated)		73,000		80,000
Undergraduate Bursaries (Designated)		-		27,210
Ad hoc Grants to Mathematical Bodies (UK & International)		13,084		22,611
Charitable giving of LMS rooms		24,709		37,765
Training (Research School)		-		41,723
Apportioned support and governance costs (note 12)		230,505		214,981
Total		972,672		909,844
		2020		2019
		£		£
ANALYSIS OF GRANT AWARDS				
a) Grants: contractual commitments				
University of Cambridge (INI grant)		45,000		45,000
Heriot- Watt University (ICMS grant)		21,000		21,000
Royal Society (ACME grant)		7,000		7,000
Royal Statistic Society (ACME grant)		-		7,000
University of Leeds (Summer School grant)		-		31,000
		73,000		111,000
b) Other grant awards to institutions *		737,922		618,307
c) Other grant awards to individuals		53,235		79,868
Total grant awards		791,157		698,175
* Grant awards to each institution can be up to a maximum of £30k				
		2020		2019
		£		£
GRANT REFUNDS AND CANCELLATION				
Grant refunds		32,282		50,058
Grants not taken up (out of date)		41,417		32,742
Total grant refunds and cancellation		(73,699)		(82,800)
		2020		2019
		£		£
MOVEMENT IN OBLIGATION GRANT COMMITMENTS				
Grant recognised at the start of the year		238,989		205,943
New grants charged to the SoFA in year		791,157		698,175
Grants paid during the year		(515,323)		(632,387)
Grants not taken up ('out of date')		(41,417)		(32,742)
Amount of grant recognised at the end of the year		473,406		238,989

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2020

7. Charitable activities: Disseminating Mathematical Knowledge - Publications

	2020	2019
	£	£
a) Net Income from LMS journals	1,423,206	1,500,850
b) Direct costs of Publications		
<i>Journal of Computation and Mathematics</i>	(500)	(500)
Other Operational Costs	(23,991)	(25,902)
	(24,491)	(26,402)
Net LMS periodicals surplus before Support and governance costs	1,398,715	1,474,448
Apportioned support and governance costs (note 12)	(407,617)	(344,405)
Net LMS periodicals surplus after Support and governance costs	991,098	1,130,043
c) Ventures & Royalties (net income)		
<i>Nonlinearity</i>	157,870	146,980
Russian journals (Turpion/RAS/LMS joint venture)	51,320	61,190
TMMS (AMS/LMS joint venture)	21,030	13,500
LMS Books and Royalties	15,535	17,104
	245,755	238,774
<i>Compositio</i>		
Profit share & Management fee (see 7d)	107,923	104,425
Costs of <i>Compositio</i> (LMS - only)	(10)	-
	107,913	104,425
<i>Mathematika</i>	35,873	26,376
NET PUBLICATIONS SURPLUS	1,380,639	1,499,618

The Society was involved in the following publishing ventures in the year:

- (I) ***Nonlinearity*** – the journal co-owned with the IOP Publishing Ltd and is produced at the IOP Publishing Ltd, Temple Circus, Temple Way, Bristol BS1 6HG
- (II) The three translation journals ***Russian Mathematical Surveys, Sbornik: Mathematics and Izvestiya: Mathematics*** are owned and managed jointly by the Department of Mathematics Russian Academy of Sciences, Turpion Ltd and the LMS. The main business address is Turpion Ltd, c/o IOP Publishing Ltd, Temple Circus, Temple Way, Bristol BS1 6HG.
- (IV) The journal ***Transactions of the Moscow Mathematical Society (TMMS)*** is managed on a day-to-day basis at the American Mathematical Society, 201 Charles Street, Providence, RI 02904 - 2294, USA.
- (V) ***Compositio Mathematica*** – the journal is wholly owned by Foundation Compositio Mathematica & managed by the LMS.
- (VI) ***Mathematika*** – the journal is wholly owned by UCL and managed by the LMS.

	2020	2019
	£	£
d) <i>Compositio</i> management account		
Income	313,702	303,014
Expenditure		
Direct costs	(44,959)	(45,932)
Profit share to <i>Compositio</i> Foundation	(160,820)	(152,657)
	(205,779)	(198,589)
Net <i>Compositio</i> surplus before LMS fees and Profit share	107,923	104,425
Management fee to LMS	(39,000)	(39,000)
Profit share to LMS	(68,923)	(65,425)
Balance C/fwd on <i>Compositio</i> Fund	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2020

8. Charitable activities: Disseminating Mathematical Knowledge – Conference and meeting programmes

	2020		2019	
	£	£	£	£
Society meetings and regional workshops	21,307		27,502	
Hardy Lecturer	-		-	
Mary Cartwright Lecture	-		975	
Forder/Aitken Lecturer	-		6,134	
Invited Lectures	4,411		5,681	
		25,718		40,292
Apportioned support and governance costs (note 12)		119,020		118,184
Total		144,738		158,476

9. Charitable activities: Promoting Mathematical Research & its benefits

	2020		2019	
	£	£	£	£
Policy				
CMS	9,126		26,012	
Communication and External Relations	29,247		31,163	
Annual dinner	9,359		4,413	
Subscriptions to UK organisations	2,116		2,085	
Research Policy Activities	-		8,765	
		49,848		72,438
Education and young people, public engagement				
Holgate Lecturers	3,150		2,700	
Popular Lectures	-		10,770	
Other educational activities	542		3,386	
		3,692		16,856
Promoting Women in Mathematics activities		431		93
Apportioned support and governance costs (note 12)		326,313		300,022
Total		£380,284		389,409

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st July 2020

10. Governance and other committees' costs

	2020		2019	
	£	£	£	£
Professional services				
Solicitors fees	4,950		7,835	
Audit and accountancy fees	12,650		15,579	
Audit and accountancy fee under/over - accrual	(64)		1,750	
Other professional fees	35		35	
	<hr/>	17,571	<hr/>	25,199
Costs of meetings (<i>Catering/Accommodation/Travel/Subsistence</i>)				
Governance (Council/F&GPC/Nomination, etc.)	24,273		22,958	
Retreat	-		9,644	
Other Committees	15,917		24,635	
	<hr/>	40,190	<hr/>	57,237
Election of Trustees		6,634		4,002
General office and staff costs (<i>apportioned</i>) (note 11)		246,658		214,443
Total		<hr/> 311,053 <hr/>		<hr/> 300,881 <hr/>

11. Analysis of general support and governance costs

2020	Governance and Committee related	Other general support	Total 2020
	£	£	£
Staff costs	173,924	927,950	1,101,874
Office and Premises costs	34,074	149,530	183,604
IT costs	21,541	110,777	132,318
Depreciation	12,330	45,394	57,724
Irrecoverable VAT	4,789	13,699	18,488
Professional services	17,571	-	17,571
Costs of meetings	40,190	-	40,190
Elections of Trustees	6,634	-	6,634
Total 2020	<hr/> 311,053 <hr/>	<hr/> 1,247,350 <hr/>	<hr/> 1,558,403 <hr/>
2019	Governance and Committee related	Other general support	Total 2019
	£	£	£
Staff costs	159,172	874,743	1,033,915
Office and Premises costs	24,794	94,269	119,063
IT costs	12,842	72,590	85,432
Depreciation	12,930	41,214	54,144
Irrecoverable VAT	4,705	12,556	17,261
Professional services	25,199	-	25,199
Costs of meetings	57,237	-	57,237
Elections of Trustees	4,002	-	4,002
Total 2019	<hr/> 300,881 <hr/>	<hr/> 1,095,372 <hr/>	<hr/> 1,396,253 <hr/>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2020

12. Allocation of support and governance costs by activity

2020	Direct Staff	General Office	General Management and Finance	Governance and Committee	Total 2020
	£	£	£	£	£
Raising funds					
Conference facilities (DMH)	42,541	58,181	12,333	556	113,611
Services for tenants (DMH)	15,407	47,292	1,784	556	65,039
Managing Residential Property	12,148	2,866	1,573	556	17,143
Total support costs for raising funds	70,096	108,339	15,690	1,668	195,793
Charitable activities					
• Advancing the interest of Mathematics	90,764	54,725	71,789	61,877	279,155
• Enabling Mathematicians to undertake research and collaboration	84,113	38,837	45,678	61,877	230,505
• Disseminating Mathematical Knowledge – Publications	202,978	67,490	75,272	61,877	407,617
• Disseminating Mathematical Knowledge – Conference and meeting programmes	22,185	7,051	27,907	61,877	119,020
• Promoting Mathematics research and its benefits	161,485	46,079	56,872	61,877	326,313
Total support costs for Charitable activities	561,525	214,182	277,518	309,385	1,362,610
Total 2020	631,621	322,521	293,208	311,053	1,558,403
2019					
	Direct Staff	General Office	General Management and Finance	Governance and Committee	Total 2019
	£	£	£	£	£
Raising funds					
Conference facilities (DMH)	47,378	55,487	9,039	457	112,361
Services for tenants (DMH)	7,366	47,928	1,160	457	56,911
Managing Residential Property	8,941	1,991	1,122	457	12,511
Total support costs for raising funds	63,685	105,406	11,321	1,371	181,783
Charitable activities					
• Advancing the interest of Mathematics	83,392	37,990	55,594	59,902	236,878
• Enabling Mathematicians to undertake research and collaboration	77,911	28,670	48,498	59,902	214,981
• Disseminating Mathematical Knowledge – Publications	178,027	52,681	53,795	59,902	344,405
• Disseminating Mathematical Knowledge – Conference and meeting programmes	24,473	7,926	25,883	59,902	118,184
• Promoting Mathematics research and its benefits	146,207	41,334	52,579	59,902	300,022
Total support costs for Charitable activities	510,010	168,601	236,349	299,510	1,214,470
Total 2019	573,695	274,007	247,670	300,881	1,396,253

Basis of apportionment

Support costs include (a) **Staff costs** (salaries, benefits, training, H&S, recruitment, etc. of staff directly attributable to each of the above Society's activities); (b) **General Office Costs** (rent, rates, services, cleaning, equipment, maintenance, telephones, postage, equipment, stationery, etc., depreciation and Irrecoverable VAT, and IT costs such as computer hardware and software, network, internet access, websites, software development, etc.), (c) **General management and finance** (cost of services that cannot be directly attributed to an activity, i.e. general accounting and financial controls, HR and Executive Secretary's general management, etc.) (d) **Governance costs** (costs of meetings, trustees' expenses, and costs associated with constitutional and statutory requirements).

The costs of these are attributed across all the activities of the Society in proportion to (a) salary or f.t.e., (b) space occupied in De Morgan House, and (c) f.t.e. respectively, based on a time analysis undertaken by all staff.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2020

12. Allocation of support and governance costs by activity (continued)

Support and governance costs have been allocated between the costs of raising funds and charitable activities as:

- **Direct staff costs** = staff time directly attributable to each of the above Society's activities in proportion to the salary or pro rata to staff f.t.e. on a time analysis undertaken by all staff.
- **General Office costs** = (a) apportioned Building, Office and IT costs of staff who are directly attributable to (deal with) each of the above Society's activities as per staff time analysis and in proportion of the office space occupied, and (b) indirect costs, which are re-apportioned staff costs for those dealing with Building, Office and IT management.
- **General management and finance** = the costs of services that cannot be directly attributed to an activity (i.e. general accounting and financial controls, HR and Executive Secretary's general management, etc.) are attributed to each area of activity on the same basis as the original elements (i.e. staff time and space occupied, IT and office use etc.) , which includes re-apportioned costs of the office space occupied, the IT costs and other general office costs in dealing with HR, finance and general management.
- **Governance and committee costs** = apportionment made on the basis of (a) salary or pro rata to staff F.T.E. on a time analysis undertaken by all staff (b) meetings and staff office space occupied in De Morgan House in relation to governance and committee functions, and (c) Invoices and claims for catering, accommodation, travel and subsistence regarding governance and committee meetings, as well as costs of professional services (i.e. external audit, legal advice, etc.).

The Society has partial exempt status in respect of VAT, based on the split of its business and non-business activities. The proportion of VAT that cannot be recovered because of partial or fully exempt status of the activity is redistributed to the activities on the same basis as the original elements (i.e. staff time and space occupied, IT and office use etc.), under General Office costs.

Support costs for each area of the above activities can be higher or lower than last year due to staff time allocation. This changes from year to year and will have an effect on direct staff costs, general office costs, general management costs and governance costs.

13. Employment Costs	2020	2019
	£	£
Total employment costs of all staff including taxable benefits for the year comprise:		
Salaries and Wages	804,755	774,204
Employer's National Insurance Contributions	89,341	86,584
Employer's Pension Contributions	150,202	127,715
Total	1,044,298	988,503

The total employment costs (Salaries/NIC /Pension) for the Executive Management Team amounted to £415,444 (2019: £404,205). This team is considered to be Key Management Personnel and consists of the Executive Secretary, Head of Finance, Head of Society Business, and the Head of Conference and Building.

The number of employees earning £60,000 per annum or more was:

	2020	2019
	No.	No.
£60,000 - £70,000	2	2
£80,000 - £90,000	1	-
£110,000 - £120,000	-	1

The pension payments for the above members of staff amounted to £46,185 (2019: £46,681). These contributions were paid into a defined benefits pension scheme.

The average number of employees over the year (and full time equivalent) was:

	2019/2020		2018/2019	
	Total	FTE	Total	FTE
Management and administration	16.0	12.9	15.0	12.8
Publishing and editorial	3.0	3.0	3.0	2.8
Total	19.0	15.9	18.0	15.6

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st July 2020

14. Fixed Asset Investments

	£	2020 £	£	2019 £
a) Quoted investments	<i>Investment Assets in the UK</i>	<i>Investment Assets outside the UK</i>	<i>Total</i>	<i>Total</i>
Total Market value at 31st July 2020	2,719,726	8,159,178	10,878,904	11,398,171

In the prior year, £4,901,214 of investment assets were in the UK with the remaining £6,496,957 being outside the UK.

Reconciliation of opening and closing market values:

Market value at 1 st August 2019	11,398,171	11,324,053
Additions at cost	74,226	63,605
Disposals proceeds	-	-
Realised & Unrealised gains (note 15a)	(464,453)	131,460
Movement in cash	(129,040)	(120,947)
Total Market value at 31st July 2020	10,878,904	11,398,171
Analysis by Fund:		
Restricted Funds	222,560	229,928
Unrestricted Funds	10,656,344	11,168,243

**% value of
portfolio**

Details of material investments are as follows:

CMAF holdings above	5%
Vanguard S&P 500 ETF	11.2%
Schroder QEP Global Core Fund,	10.9%
iShares Physical Metals plc	5.9%
Troy Trojan Income Fund	5.3%

	2020 £	2019 £
b) Residential Property		
Market value at 31st July 2020	3,596,900	3,266,950
Reconciliation of opening and closing market values:		
Market value at 1st August 2019	3,266,950	3,409,900
Additions at cost	329,950	-
Unrealised losses (note 15b)	-	(142,950)
Total Market value at 31st July 2020	3,596,900	3,266,950

Represents purchase of property for residential letting purposes to diversify the Society's investment portfolio. The rental derived is shown on the SoFA under 'Investment Income'.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st July 2020

15. Gains and losses on investment assets

2020	Unrestricted funds £	Restricted funds £	Total £
a. Quoted investments			
Realised gain on sale of investments	129,110	-	129,110
Unrealised loss in market value of investments	(583,088)	(10,475)	(593,563)
	<hr/>	<hr/>	<hr/>
Realised and Unrealised loss (Fixed Asset Investments: Note 14)	(453,978)	(10,475)	(464,453)
	<hr/>	<hr/>	<hr/>
b. Residential property investment			
Realised gain on sale of investments	-	-	-
Unrealised losses in market value of the Properties	-	-	-
	<hr/>	<hr/>	<hr/>
Realised and Unrealised losses (Fixed Asset Investments: Note 14)	-	-	-
	<hr/>	<hr/>	<hr/>
Total losses	(453,978)	(10,475)	(464,453)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
2019	Unrestricted funds £	Restricted funds £	Total £
a. Quoted investments			
Realised gain on sale of investments	119,575	1,348	120,923
Unrealised gain in market value of investments	10,419	118	10,537
	<hr/>	<hr/>	<hr/>
Realised and Unrealised gain (Fixed Asset Investments: Note 14)	129,994	1,466	131,460
	<hr/>	<hr/>	<hr/>
b. Residential property investment			
Realised gain on sale of investments	-	-	-
Unrealised loss in market value of the Properties	(142,950)	-	(142,950)
	<hr/>	<hr/>	<hr/>
Realised and Unrealised loss (Fixed Asset Investments: Note 14)	(142,950)	-	(142,950)
	<hr/>	<hr/>	<hr/>
Total (losses)/gains	(12,956)	1,466	(11,490)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st July 2020

16. Tangible Fixed Assets	Leasehold Property	Fixtures Fittings and Equipment	Total
	£	£	£
Cost			
Brought forward at 1st August 2019	2,175,353	148,032	2,323,385
Additions	-	17,905	17,905
Carried forward at 31st July 2020	<u>2,175,353</u>	<u>165,937</u>	<u>2,341,290</u>
Depreciation			
Brought forward at 1 st August 2019	920,466	125,055	1,045,521
Charge for the year	44,817	12,907	57,724
Carried forward at 31st July 2020	<u>965,283</u>	<u>137,962</u>	<u>1,103,245</u>
Net book value			
At 31st July 2020	<u><u>1,210,070</u></u>	<u><u>27,975</u></u>	<u><u>1,238,045</u></u>
At 31 st July 2019	<u><u>1,254,887</u></u>	<u><u>22,977</u></u>	<u><u>1,277,864</u></u>

• Part of the leasehold property is let out and the rental derived is shown on the SOFA under 'Activities for Generating Funds'.

17. Debtors	2020	2019
	£	£
Publications	51,320	61,189
Conference facilities	-	26,815
Other debtors	52,594	109,593
Gift-aid receivable	2,389	515
Prepayments and accrued interest	37,830	43,749
	<u><u>144,133</u></u>	<u><u>241,861</u></u>

18. Creditors and Deferred Income	2020	2019
	£	£
Creditors: amounts falling due within one year		
Accruals	32,501	35,689
Grant creditors	473,405	238,989
Taxation and other Social Security creditors	56,471	84,667
Other creditors	319,902	333,549
	<u><u>882,279</u></u>	<u><u>692,894</u></u>
Deferred income:		
Unexpired publications' subscriptions:		
Balance brought forward	120,262	167,375
Amount released in year	(120,262)	(167,375)
Income deferred to future years	138,382	120,262
Balance carried forward	<u><u>138,382</u></u>	<u><u>120,262</u></u>
Creditors: amounts falling due after more than one year		
Brought Forward Pension Provision	159,011	170,083
Movement	11,719	(11,072)
Carried Forward Pension Provision	<u><u>170,730</u></u>	<u><u>159,011</u></u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st July 2020

19. Restricted Funds

2020	Balance at 1.08.19 £	Other & Investment Income £	Expenditure £	Investment loss £	Transfers £	Balance at 31.07.20 £
<u>Prize (Capital) funds</u>						
Berwick Fund	32,246	161	-	-	-	32,407
De Morgan Medal & Larmor Fund	30,407	152	-	-	-	30,559
<u>Prize (Income) funds</u>						
Berwick Fund	20,471	678	(1,500)	(933)	-	18,716
De Morgan Medal & Larmor Fund	47,109	1,558	-	(2,146)	-	46,521
Lord Rayleigh's Fund	18,705	619	-	(852)	-	18,472
J.H.C. Whitehead Fund	-	-	(9,000)	-	9,000	-
Fröhlich Fund	15,529	514	(1,500)	(707)	-	13,835
Shephards Fund	37,865	1,253	(1,500)	(1,725)	-	35,893
<u>Other funds</u>						
A.J. Cunningham Research Fund	90,249	2,986	-	(4,111)	-	89,124
Zeeman Fund	221	-	-	-	-	221
Frank Gerrish Fund	-	-	-	-	32,542	32,542
MARM Grant	-	6,000	(16,000)	-	10,000	-
Cecil King Grant	-	5,000	(5,000)	-	-	-
Liber Stiftung donation (for Emmy Noether Fellowship)	-	25,000	(21,791)	-	(3,209)	-
Total Funds	292,802	43,921	(56,291)	(10,475)	48,333	318,290

- The transfer of £9,000 from the General Fund to Restricted Funds is to cover a shortfall in income for the Whitehead prizes.
- The transfer of £32,542 from Designated Fund represent Frank Gerrish as Restricted Fund
- The transfer of £10,000 from General Fund to Grants and Contracts represent LMS's contribution for MARM grant. (see note 22)
- The transfer of £3,209 from Restricted fund to General fund represent that the fund is allocated for other unrestricted Women in mathematics activities

2019	Balance at 1.08.18 £	Other & Investment Income £	Expenditure £	Investment gain £	Transfers £	Balance at 31.07.19 £
<u>Prize (Capital) funds</u>						
Berwick Fund	32,150	96	-	-	-	32,246
De Morgan Medal & Larmor Fund	30,316	91	-	-	-	30,407
<u>Prize (Income) funds</u>						
Berwick Fund	21,122	711	(1,500)	138	-	20,471
De Morgan Medal & Larmor Fund	46,730	1,573	(1,500)	306	-	47,109
Lord Rayleigh's Fund	17,982	605	-	118	-	18,705
J.H.C. Whitehead Fund	-	-	(10,500)	-	10,500	-
Fröhlich Fund	14,929	502	-	98	-	15,529
Shephards Fund	36,402	1,225	-	238	-	37,865
<u>Other funds</u>						
A.J. Cunningham Research Fund	86,761	2,920	-	568	-	90,249
Zeeman Fund	221	-	-	-	-	221
Total Funds	286,613	7,723	(13,500)	1,466	10,500	292,802

- The transfer of £10,500 from the General Fund to Restricted Funds is to cover a shortfall in income for the Whitehead prizes.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st July 2020

20. Unrestricted Funds

2020	Balance at 01.08.19	Income	Expenditure	Gain/(loss) on investments	Actuarial gains (losses) on pension scheme	Transfer	Balance at 31.07.20
	£	£	£	£	£	£	£
General Fund: (see note 1(q))	13,402,318	2,717,777	(2,470,407)	(453,978)	(11,719)	(27,868)	13,156,123
Designated Funds:							
a) Building & Development Reserve Fund	600,000	-	-	-	-	-	600,000
b) Publication Reserve Fund	3,000,000	-	-	-	-	-	3,000,000
c) Grants Payable Reserve Fund	299,000	-	(73,000)	-	-	-	226,000
d) Special Activities Reserve Fund	32,380	162	-	-	-	(32,542)	-
e) Compositio Fund	-	313,702	(205,779)	-	-	(107,923)	-
f) COVID-19 Emergency Fund	-	-	-	-	-	120,000	120,000
	<u>3,931,380</u>	<u>313,864</u>	<u>(278,779)</u>	<u>-</u>	<u>-</u>	<u>(20,465)</u>	<u>3,946,000</u>
	<u>17,333,698</u>	<u>3,031,641</u>	<u>(2,772,477)</u>	<u>(453,978)</u>	<u>(11,719)</u>	<u>(48,333)</u>	<u>17,102,123</u>

d) The transfer of £32,542 from the Designated fund represent that Frank Gerrish Fund as Restricted Fund

e) The transfer of £107,923 from the Compositio Fund to General Fund represents the management fee and the LMS's profit share relating to the journal.

f) The transfer of £120,000 from General Fund is in respect of the COVID-19 Emergency Fund.

2019	Balance at 01.08.18	Income	Expenditure	Gain/(loss) on investments	Actuarial gains (losses) on pension scheme	Transfer	Balance at 31.07.19
	£	£	£	£	£	£	£
General Fund: (see note 1(q))	13,285,017	2,838,914	(2,377,253)	(12,956)	11,072	(342,476)	13,402,318
Designated Funds:							
a) Building & Development Reserve Fund	541,144	-	-	-	-	58,856	600,000
b) Printing & Publication Reserve Fund	2,977,930	-	-	-	-	22,070	3,000,000
c) Grants Payable Reserve Fund	14,000	-	(80,000)	-	-	365,000	299,000
d) Special Activities Reserve Fund	32,283	97	-	-	-	-	32,380
e) Undergraduate Research Bursaries Fund	36,735	-	(27,210)	-	-	(9,525)	-
f) Compositio Fund	-	303,014	(198,589)	-	-	(104,425)	-
	<u>3,602,092</u>	<u>303,111</u>	<u>(305,799)</u>	<u>-</u>	<u>-</u>	<u>331,976</u>	<u>3,931,380</u>
	<u>16,887,109</u>	<u>3,142,025</u>	<u>(2,683,052)</u>	<u>(12,956)</u>	<u>11,072</u>	<u>(10,500)</u>	<u>17,333,698</u>

a) The transfer of £58,856 from General Fund to the Building Fund is to maintain the reserve for external and internal refurbishment of the building

b) The transfer of £22,070 from General Fund to the Publication Fund is to maintain the reserve for strategic and commercial initiatives

g) The transfer of £104,425 from the Compositio Fund to General Fund represents the management fee and the LMS's profit share relating to the journal.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2020

21. Analysis of net assets between funds

2020	Unrestricted funds		Restricted Funds £	Total Funds £
	General £	Designated £		
Fund balances are represented by				
Tangible fixed assets	1,238,044	-	-	1,238,044
Investments	10,307,244	3,946,000	222,560	14,475,804
Current assets	2,802,226	-	95,730	2,897,956
Current liabilities	(1,020,661)	-	-	(1,020,661)
Long-term liabilities	(170,730)	-	-	(170,730)
Total net assets	13,156,123	3,946,000	318,290	17,420,413

2019	Unrestricted funds		Restricted Funds £	Total Funds £
	General £	Designated £		
Fund balances are represented by				
Tangible fixed assets	1,277,864	-	-	1,277,864
Investments	10,536,193	3,899,000	229,928	14,665,121
Current assets	2,560,428	32,380	62,874	2,655,682
Current liabilities	(813,156)	-	-	(813,156)
Long-term liabilities	(159,011)	-	-	(159,011)
Total net assets	13,402,318	3,931,380	292,802	17,626,500

22. Grants and Contracts Management account

	2020		2019	
	£	£	£	£
CMS/BMI				
Income (IMA/RSS/EdMS/ORS contributions)	56,408		50,946	
Expenditure (including support costs)	(101,378)		(90,348)	
LMS's Contribution to the CMS		(44,970)		(39,402)
MARM				
Income from IMU	6,000		-	
Expenditure	(16,000)		-	
LMS's Contribution to the MARM		(10,000)		-

23. Transactions with Trustees and connected persons

Trustees receive reimbursement only for expenses actually incurred in attending meetings. No remuneration is paid to trustees except as disclosed below. The gross amount that has been reimbursed in respect of attendance of meetings in the period amounted to £12,689 for 19 Trustees (2019: £22,071 for 20 Trustees).

During the year £450 was paid to Dr A. Gardiner for delivering Holgate lectures. As this work falls outside of his duties as a trustee, a written agreement was produced between the Society and Dr Gardiner.

As disclosed in the Trustees' Report, where grants are awarded to Trustees the payment is always made to the relevant institution.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st July 2020

24. Comparison figures of each fund (2018/19 financial statements)

	9	Notes	Unrestricted General Funds £	Designated Funds £	Restricted Funds £	2019 Total Funds £
Income and endowments:						
Donations and legacies			3,929	-	-	3,929
Income from charitable activities:						
Membership subscriptions			137,687	-	-	137,687
Publications – LMS Periodicals		7a	1,500,850	-	-	1,500,850
Publications – Ventures and Royalties		7c, d	265,157	303,014	-	568,171
Grants and contracts		22	50,946	-	-	50,946
Total income from charitable activities			1,954,640	303,014	-	2,257,654
Income from other trading activities		3	365,257	-	-	365,257
Income from Investments		2	511,081	97	7,723	518,901
Other income			4,007	-	-	4,007
Total Income			2,838,914	303,111	7,723	3,149,748
Expenditure:						
Costs of raising funds		4	309,527	-	-	309,527
Expenditure on charitable activities:						
Advancing the interests of mathematics		5	346,393	-	13,500	359,893
Enabling mathematicians to undertake research and collaboration		6	802,634	107,210	-	909,844
Disseminating mathematical knowledge:						
- Costs of publications		7b,c,d	370,814	198,589	-	569,403
- Conferences and meeting programmes		8	158,476	-	-	158,476
Promoting mathematical research and its benefits		9	389,409	-	-	389,409
Total expenditure on charitable activities			2,067,726	305,799	13,500	2,387,025
Total expenditure			2,377,253	305,799	13,500	2,696,552
Net income/(expenditure) before gains and losses on investment			461,661	(2,688)	(5,777)	453,196
Net gains on investment assets		15	(12,956)	-	1,466	(11,490)
Net Income /(expenditure) for the year			448,705	(2,688)	(4,311)	441,706
Transfers between funds		19,20	(342,476)	331,976	10,500	-
Actuarial losses on defined benefit pension schemes		18	11,072	-	-	11,072
Net movement in funds for the year			117,301	329,288	6,189	452,778
Reconciliation of funds:						
Total funds brought forward			13,285,017	3,602,092	286,613	17,173,722
Fund balances carried forward			13,402,318	3,931,380	292,802	17,626,500