

Company Registration No. 08475184 (England and Wales)

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2016

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Governors' report	3 - 9
Governance statement	10 - 13
Statement on regularity, propriety and compliance	14
Statement of Governors' responsibilities	15
Independent auditor's report on the accounts	16 - 17
Independent reporting accountant's report on regularity	18 - 19
Statement of financial activities including income and expenditure account	20 - 21
Balance sheet	22
Statement of cash flows	23
Notes to the accounts including accounting policies	24 - 42

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

Professor A Wolf (Chair of Finance & General Purpose Committee, Co-opted Governor)
Professor Alice Rogers (College Governor)
Mrs Margaret Peacock (College Governor)
Dr Claire Craig (Deputy Chair & College Governor) (Resigned 30 June 2016)
Mr Daniel Abramson (Accounting Officer)
Professor Margaret Brown (Chair of Education Committee & Co-opted Governor)
Mr Robert Milne (Co-opted Governor)
Mr Page Starr (Parent Governor)
Dr Joan Keating (Parent Governor)
Mr David Benello (Chair & College Governor)
Ms Clare Delmar (Parent Governor) (Appointed 18 April 2016)
Mr Kevin White (Co-opted Governor) (Appointed 29 February 2016)
Ms Clare Duncan (Parent Governor) (Appointed 5 October 2016)
Ms Rosalind Gravatt (Parent Governor) (Appointed 1 September 2016)

Members

Professor Edward Byrne
Professor Karen O'Brien
Professor Evelyn Welch
Professor Alison Wolf

Senior management team

- Principal and Accounting Officer Mr Daniel Abramson

Clerk to the Governors Mrs Magdalen Meade

Company registration number 08475184 (England and Wales)

Registered office 80 Kennington Road
London
SE11 6NJ

Independent auditor UHY Hacker Young
Quadrant House
4 Thomas More Square
London
E1W 1YW

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Royal Bank of Scotland
36 St Andrew Square
Edinburgh
EH2 2YB

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The Governors present their annual report together with the accounts and independent auditor's reports of the charitable company for the year ended 31 August 2016. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

King's College London Maths School Trust was set up by King's College London to run a free school for students of 16 to 19 years under the Government's academy and free school initiative.

This is the third report and financial statement of the Trust. The school opened to its first students in September 2014 and these first students graduated from the school in 2016. This period covers its second full year of operation.

Structure, governance and management

Constitution

The Trust 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 Trust.

The Governors are the Trustees of King's College London Maths School Trust and are also the Directors of the charitable company for the purposes of company law. Details of the Governors who served during the year 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 charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Governors' indemnities

The Trust provides third party indemnity cover for Governors in their duties as Trustees and Directors of the Trust.

Method of recruitment and appointment or election of Governors

The Trust shall have as Governors up to five people appointed by the members, the Head Teacher of the school and a minimum of two parent Governors. Parent Governors will be elected by parents of students registered with the school. In addition, co-opted Governors may be appointed by Governors who are not themselves co-opted.

The term of office of any Governor is four years unless, in the case of co-opted Governors, a different term is specified on their appointment. Subject to remaining qualified, any Governor may be re-appointed or re-elected.

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Policies and procedures adopted for the induction and training of Governors

New Governors receive an induction pack prepared by the Clerk and Officers. They also receive new Governor training: in the case of this year's new Trustees (Parent Governors) training was provided by the London Borough of Lambeth.

The School undertook an audit of Governors' skills in January 2015 to ensure that the Board has all the necessary skills and knowledge to discharge its duties successfully and competently. Governors have also been attending training sessions offered by Lambeth Council in their specialist areas; and we have arranged training sessions for the whole Governing Body, and Governors individually, with particular reference to their role in challenging the management team, and the demands of an Ofsted inspection.

We have instigated link governors in key areas of the school's operations. Governors have been paired with key members of school staff and have prepared to visit the school in their link capacity from September 2016.

Organisational structure

Subject to the Companies Act 2006, the Articles and any directions given by special resolution, the Board of Governors is responsible for the direction and management of the business of the Trust.

In addition to the main Board, the Governors have established two committees of the Board, the Education Committee and the Finance and General Purposes Committee which advise the Board on educational strategy and financial policy respectively.

The Governors appoint the Head Teacher of the school. Responsibility for the day to day running of the school is formally delegated to the Head Teacher.

Related parties and other connected charities and organisations

All the members of the company and three of the Governors are currently members of staff of King's College London which acted as sponsor to the Trust.

Objectives and activities

Objects and aims

The Academy Trust's objects are specifically restricted to the following:

- (a) to advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing an academy for pupils aged 16 to 19 offering a curriculum appropriate to the needs of its students; and
- (b) to promote for the benefit of the inhabitants of London and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and the object of improving the condition of life of the said inhabitants.

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Public benefit

In setting the Trust's vision, aims and objectives and the strategic planning of activities and corporate development, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

The Trust operates under a Funding Agreement with the Secretary of State for Education. The Trust is incorporated as Company Limited by Guarantee and is an exempt charity. The Trust's Articles of Association have been endorsed by the Charity Commission under section 198 of the Charities Act (2011).

The objects of the Trust are the advancement of education and in particular to establish and maintain a publicly funded school and related activities. It aims to provide high-quality education for males and females from the ages of 16-19, with a focus on specialist education provision in the areas of mathematics, physics and related subjects. The Trust seeks to increase participation in these subjects particularly amongst disadvantaged communities and groups.

The Trust seeks to provide a structured educational environment that develops its students' knowledge, capabilities, competences and skills. The Trust promotes the academic, technical, moral and career development of its students through its academic and technical curriculum, pastoral care, enrichment and extra-curricular provision and other activities.

Strategic report

Achievements and performance

This was the second full year of the school's existence and has seen the graduation of the first student cohort. Particular achievements were:

The first set of A level results, which included:

- 100% of the cohort received an A* or A grade in Mathematics
- 83% of the cohort received an A* in Mathematics
- 100% of grades in Further Maths were B grade or better
- 95% of all grades were B or better
- The value added placed the school in the top 1% of all schools

University placements of the first graduating class, which included:

- 14% of university applicants with a place at Oxford or Cambridge
- 71% of university applicants with a place at a Russell Group university
- 85% of university applicants with a place at a Sutton Trust university

The AS level results: 92% of all AS grades were A*-B. For both AS and A level results, students achieved on average more than half a grade better in each subject than predicted by their GCSE performance.

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Achievements in the year also included:

- Continuing to run an extensive programme of outreach for both teachers and students of mathematics across London, in line with the mission of the school to be a centre of excellence for the learning and teaching of mathematics. The programme includes a GCSE enrichment programme for over 200 students who each visit the school fortnightly, a professional development course for Further Maths Teachers, and a weekly mathematics challenge posted on the school website.
- Successfully managing the doubling in size of the school by implementing an improved leadership structure involving increases to both middle and senior leadership.
- Establishing a set of values that represents the school community: curiosity, ambition, compassion, tenacity and integrity.
- Maintaining the breadth of the curriculum and of opportunity provided beyond academics by, for example, putting on a musical production of Little Shop of Horrors.

Going concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the academy trust 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.

Financial review

Funding was provided by the EFA (excluding capital) to a total of £1,324,975. This was made up of 'basic rate' per-student funding, a per-student maths school top-up, a start-up grant: the latter will not be available in future and capital grants. Additional income (for initial teacher training/sponsored staff, from donations, largely for outreach activities, capital grants and from other funds generation) totalled £252,407, giving income over the year of £1,577,382.

The school has a carried forward balance at the yearend of £2,683,631.

Reserves policy

The Governors are keen to establish a level of reserves which will provide the school with an adequate cushion against unforeseen events and ensure that the school will remain a going concern. There is a sinking fund, based on replacement costs and expected life of major items; and the 3 year budget provides for regular payment into reserves of additional amounts. A tight projected budget (based on expected levels of government funding and a very conservative estimate of donations) means that the contribution to reserves is currently projected for a level lower than the governors would like. The School therefore proposes to undertake a concerted effort to fundraise and ensure that donations are maintained at a higher level, and reserves can be accumulated faster. In the Governors' opinion, after careful consideration of the detailed budget, it is not possible to find major savings from current expenditures.

As at the balance sheet date, the Trust had general reserves of £519,041. This consists of restricted general reserves of £362,673 and unrestricted reserves of £156,368.

The total pension reserves at the 31 August 2016 was £3,000 The total restricted fixed assets reserves at the balance sheet date were £2,167,589.

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Principal risks and uncertainties

The Governors periodically review the risks and uncertainties facing the Trust and ensure that there are adequate systems and procedures in place to manage those risks including a risk management policy (reviewed annually) and a risk register (updated annually). The dates, within the annual cycle, for governors to consider these are detailed in the governance calendar of the school.

The Governors have approved Financial Regulations which set out the requirements for reliable systems of internal control, reporting and value for money and are reviewed annually. These supplement the Academies Financial Handbook.

An operating budget for 2016/17 and budget forecasts for 2017/18 and 2018/19 have been approved by the Board of Governors and the budget for 2016/17 submitted to the Education Funding Agency.

The Board of Governors has identified the principal risks and uncertainties that it faces, as follows:

1. Operational risks

- Loss of key staff - notably the Head Teacher
- Inability to recruit staff of the skill/experience level required to achieve the academic goals of the school
- Inability to attract non-teaching staff of sufficient quality. The relative inexperience of staff at many different levels in the school has a negative impact on outcomes
- Health and safety risk including accidents and stress related issues

2. Strategic and reputational risks

- Failure to build and defend school's reputation
- Failure to respond to market changes as a result of demand or quality issues
- Poor governance (insufficient or poorly documented visits, insufficient training, lack of challenge)
- Failure to ensure the objectives of the school are met
- Failure to make timely, complete and accurate submissions

3. Financial risks

- Financial viability is adversely affected due to a shortfall in pupil recruitment, revision of DfE fee levels, or need for significant review in staff salaries
- Lack of effective budgetary management and control procedures (accuracy, timeliness, and quality of reporting) due to lean administration staffing
- Unforeseen major expenditure in respect of school buildings
- Failure of internal controls
- Failure to maintain an adequate sinking fund
- Non-compliance with funding agreement
- Inability to produce a balanced budget due to the relatively small size of the school

All of these are being addressed on a regular basis. With respect to the principal operational risks, the school has developed a detailed pay policy designed to reward excellent performance and retain high-quality staff: its reserves and fund-raising activities are intended to ensure that, should core funding from DfE fall significantly, we will still be able to attract and reward high quality staff in a competitive field. Mentoring, coaching and support have been introduced for staff who are less experienced or not yet performing as desired. The general quality of the school, and its distinctive programme, have attracted good applicants, and it is increasingly well known in the mathematics education community.

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Compliance risks have been addressed during the year by the development of a very detailed governance calendar, which ensures that policies are checked, approved and updated on a regular basis, with committee and officer responsibilities clearly designated. Governors also examine and address individual principal risks on a rolling basis. Governors are fully aware of their own responsibilities in this area, and we have increased the number of governor visits, and clarified individual governor responsibilities.

Under-recruitment of pupils clearly threatens the short and long-term financial viability of the school. Last year we varied our offer:place ratio to reduce the risk of under-recruitment and secure more high quality candidates at an early stage. Actual enrolment (November 2016) is slightly above expected levels, but this covers the shortfall in pupils on roll in year 13. The projected expenditures still fall within revised budget levels, but this reduces the likely size of reserves.

Other financial risks are being addressed by the establishment of a sinking fund, and reserves are at a healthy level. The Financial and General Purposes Committee, whose members have extensive financial and risk management experience, is very actively involved in the development of budget forecasts and risk register updates, and we have also an annual contract for support with a specialist firm, which provides our business manager with professional assistance during (a) preparation for audit and (b) the annual budget planning exercise. The pay policy allows for clear forecasting of salaries, and our budget forecasts build in an element for point increases and bonuses.

Financial and risk management objectives and policies

Credit Risk

With the vast majority of the academy funding coming from the EFA, the academy is confident in its primary source of funding, this is backed up by positive and consistent student numbers. The Trustees consider the Trust to have a low level of credit risk exposure. The Trust has a low level of debtor balances and transactions, and the finance department located at each academy regularly monitor any debtor balances that do occur.

Cash flow and liquidity

The Trust continues to maintain significant cash balances which represent a high degree of liquidity. With most cash paid regularly and equally to the academy from the EFA, the academy regularly reviews its cash-flow position to ensure it can meet its immediate and longer term liabilities.

Plans for future periods

The board of Governors have agreed the current goals for the school:

- to keep results stable or better;
- to maintain excellent destinations;
- to stabilise the balance of work and life outside work as staff move from start-up to more routine, and
- to improve and increase outreach as a separate activity, possibly involving dedicated staff.

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

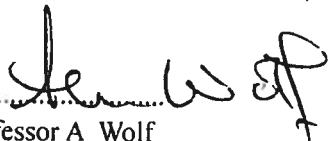
Auditor

In so far as the Governors are aware:

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

A resolution proposing that UHY Hacker Young be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on ~~15/12/16~~ and signed on its behalf by:

.....

Professor A Wolf

Chair of Finance & General Purpose Committee, Co-opted Governor

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

Scope of responsibility

As Governors we acknowledge we have overall responsibility for ensuring that King's College London Maths School Trust 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 Governors has delegated the day-to-day responsibility to the Head Teacher, 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 King's College London Maths School Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met 4 times during the year. Details of membership and attendance are as follows:

Governors	Meetings attended	Out of possible
Professor A Wolf (Chair of Finance & General Purpose Committee, Co-opted Governor)	3	4
Professor Alice Rogers (College Governor)	4	4
Mrs Margaret Peacock (College Governor)	3	4
Dr Claire Craig (Deputy Chair & College Governor) (Resigned 30 June 2016)	3	4
Mr Daniel Abramson (Accounting Officer)	4	4
Professor Margaret Brown (Chair of Education Committee & Co-opted Governor)	3	4
Mr Robert Milne (Co-opted Governor)	2	4
Mr Page Starr (Parent Governor)	4	4
Dr Joan Keating (Parent Governor)	4	4
Mr David Benello (Chair & College Governor)	4	4
Ms Clare Delmar (Parent Governor) (Appointed 18 April 2016)	1	1
Mr Kevin White (Co-opted Governor) (Appointed 29 February 2016)	0	1
Ms Clare Duncan (Parent Governor) (Appointed 5 October 2016)	0	0
Ms Rosalind Gravatt (Parent Governor) (Appointed 1 September 2016)	0	0

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

In addition, Mr Robin Shonfeld and Mr Graham Keniston-Cooper serve as co-opted members of the Finance and General Purposes Committee; Mr Steve Leppard serves as a co-opted member of the Education Committee.

Attendance at meetings of the Education committee in the year was as follows:

Governors	Meetings attended	Out of possible
Professor Alice Rogers (College Governor)	4	4
Mrs Margaret Peacock (College Governor)	3	4
Dr Claire Craig (Deputy Chair) (Resigned 30 June 2016)	3	4
Mr Daniel Abramson (Accounting Officer)	4	4
Professor Margaret Brown (Chair of Education Committee)	3	4
Mr Robert Milne (Co-opted Governor)	2	4
Dr Joan Keating (Parent Governor)	4	4

The Finance and General Purposes Committee is a sub-committee of the main Board of Governors. Its purpose is to :

- be responsible to the Governing Body for the effective assurance of the management and control of the financial affairs, assets and human resources of the school;
- Formulate, for the approval of the Governing Body, strategies and policies for the effective management and control of the financial affairs of the school, and
- Discharge other responsibilities as may be delegated by the Governing Body through the Committee's terms of reference.

Attendance at meetings of the Finance and General Purpose Committee in the year was as follows:

Governors	Meetings attended	Out of possible
Professor A Wolf (Chair of Finance & General Purpose Committee, Co-opted Governor)	3	3
Mr Daniel Abramson (Accounting Officer)	3	3
Mr David Benello (Chair & College Governor)	3	3
Mr Kevin White (Co-opted Governor) (Appointed 29 February 2016)	1	1

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Review of value for money

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

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Governors where value for money can be improved. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

Accounting Officer of the Academy Trust has delivered improved value for money during the year by:

- Maintaining a list of preferred suppliers and reviewing this to ensure value for money continues to be received;
- In particular in 2016, undertaking a comprehensive review of the buildings plant and boiler maintenance to obtain a higher quality service at a lower price;
- Hosting mathematical challenges and competitions at the school, raising profile with our target pupils while incurring minimal overhead;
- Maintaining robust financial procedures to control outgoings, with multiple electronic signatures for all expenditure.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in King's College London Maths School Trust for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and accounts.

A risk management policy for the school has been developed and adopted formally by the Board of Governors. The policy, and the risk register, are reviewed annually, in the autumn, by the Finance and General Purposes Committee, and go to Governing Body in the spring.

The school is included in the King's College London cycle of internal audit. The recommendations from KCL's audit in 2015 have been implemented and the school expects to be audited within the 2016/17 cycle of work.

Capacity to handle risk

The Board of Governors has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and accounts. This process will be regularly reviewed by the Board of Governors.

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

The risk and control framework

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

- comprehensive budgeting and monitoring systems with a detailed annual budget; a three-year forward budgeting procedure; and periodic financial reports which are reviewed and agreed by the Board of Governors at each of their meetings;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks, including through internal audit and regular updating of the risk register.

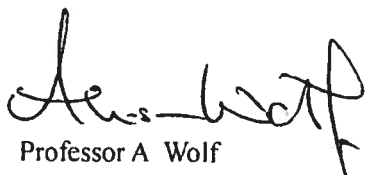
The school's financial regulations and procedures are reviewed annually.

As noted above, the Board of Governors has considered the need for a specific internal audit function and has decided to appoint King's College London as internal auditor. The auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems.

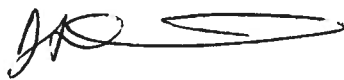
Review of effectiveness

As Accounting Officer the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the Board together with the Head Teacher and his staff has worked closely with the Director of Audit and Business Assurance of King's College London to further develop an effective risk management framework, alongside the system of financial control which was established prior to the school's opening. This framework is reviewed and addressed on a regular basis with committee and officer responsibilities clearly designated. Governors have also examined and addressed individual principal risks on a rolling basis.

Approved by order of the Board of Governors on 15/12/16 and signed on its behalf by:



Professor A Wolf
Chair of Finance & General Purpose
Committee, Co-opted Governor



Mr Daniel Abramson
Accounting Officer

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2016

As Accounting Officer of King's College London Maths School Trust I have considered my responsibility to notify the Trust Board of Governors 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 Trust and 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 Trust's Board of Governors are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2015.

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 Governors and EFA.



Mr Daniel Abramson
Accounting Officer

15/12/16...

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2016

The Governors (who act as trustees for King's College London Maths School Trust and are also the directors of King's College London Maths School Trust for the purposes of company law) are responsible for preparing the Governors' Report and the accounts 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 Governors to prepare accounts for each financial year. Under company law the Governors must not approve the accounts 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 accounts, the Governors are required to:

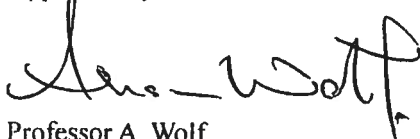
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors 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 accounts 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 Governors 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 that grants received from EFA/DfE have been applied for the purposes intended.

The Governors 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the Board of Governors on ...15/12/16... and signed on its behalf by:



Professor A Wolf

Chair of Finance & General Purpose Committee, Co-opted Governor

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF KING'S COLLEGE LONDON MATHS SCHOOL TRUST

We have audited the accounts of King's College London Maths School Trust for the year ended 31 August 2016 set out on pages 20 to 42. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of Governors and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 15, the Governors, who are also the directors of King's College London Maths School Trust for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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 accounts

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/auditscope/private.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts.

**INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF
KING'S COLLEGE LONDON MATHS SCHOOL TRUST (CONTINUED)**

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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**Colin Wright (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young**

**Chartered Accountants
Statutory Auditor**

Dated: *19 December 2016*

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO KING'S COLLEGE LONDON MATHS SCHOOL TRUST AND THE
EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 23 September 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by King's College London Maths School Trust during the period 1 September 2015 to 31 August 2016 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 King's College London Maths School Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the King's College London Maths School Trust 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 King's College London Maths School Trust and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of King's College London Maths School Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of King's College London Maths School Trust's funding agreement with the Secretary of State for Education dated 6 November 2012 and the Academies Financial Handbook, extant from 1 September 2015, 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 2015 to 2016. 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 period 1 September 2015 to 31 August 2016 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 2015 to 2016 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 Trust's income and expenditure.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO KING'S COLLEGE LONDON MATHS SCHOOL TRUST AND THE
EDUCATION FUNDING AGENCY (CONTINUED)**

The work undertaken to draw our conclusion includes:

- Evaluation of the general control environment
- Confirmation that the internal delegations have been approved by the governing body, and conform to the limits set by the Department for Education
- Review of the declaration of interests to ensure completeness
- Review of minutes for evidence of declaration of interest
- A sample of payments has been reviewed to confirm that each item has been appropriately authorised in accordance with the academy trust's delegated authorities
- A sample of cash payments were reviewed for unusual transactions
- A sample of expenditure items were reviewed against specific terms of grant funding within the funding agreement
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities for matters relating to regularity and propriety.

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 period 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

UHY Hacker Young

Colin Wright
Reporting Accountant
UHY Hacker Young

Dated: 19 December 2016

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Notes	Unrestricted Funds £	Restricted funds: General	Fixed asset £	Total 2016 £	Total 2015 £
Income and endowments from:						
Donations and capital grants	2	-	42,000	29,533	71,533	850,661
Charitable activities:						
- Funding for educational operations	3	-	1,355,585	-	1,355,585	1,051,742
Other trading activities	4	147,329	895	-	148,224	90,957
Investments	5	2,039	-	-	2,039	-
Total income and endowments		<u>149,368</u>	<u>1,398,480</u>	<u>29,533</u>	<u>1,577,381</u>	<u>1,993,360</u>
Expenditure on:						
Charitable activities:						
- Educational operations	7	-	1,321,649	284,595	1,606,244	1,224,602
Total expenditure	6	<u>-</u>	<u>1,321,649</u>	<u>284,595</u>	<u>1,606,244</u>	<u>1,224,602</u>
Net income/(expenditure)		149,368	76,831	(255,062)	(28,863)	768,758
Transfers between funds		-	(30,589)	30,589	-	-
Reconciliation of funds						
Total funds brought forward		<u>7,000</u>	<u>313,431</u>	<u>2,392,062</u>	<u>2,712,493</u>	<u>1,943,735</u>
Total funds carried forward		<u>156,368</u>	<u>359,673</u>	<u>2,167,589</u>	<u>2,683,630</u>	<u>2,712,493</u>

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

Comparative year information Year ended 31 August 2015	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2015 £
Income and endowments from:					
Donations and capital grants	2	9,000	74,250	767,411	850,661
Charitable activities:					
- Funding for educational operations	3	-	1,051,742	-	1,051,742
Other trading activities	4	6,879	84,078	-	90,957
Total income and endowments		<u>15,879</u>	<u>1,210,070</u>	<u>767,411</u>	<u>1,993,360</u>
Expenditure on:					
Charitable activities:					
- Educational operations	7	2,000	964,651	257,951	1,224,602
Total expenditure	6	<u>2,000</u>	<u>964,651</u>	<u>257,951</u>	<u>1,224,602</u>
Net income/(expenditure)		13,879	245,419	509,460	768,758
Transfers between funds		(16,467)	(42,970)	59,437	-
Reconciliation of funds					
Total funds brought forward		9,588	110,982	1,823,165	1,943,735
Total funds carried forward		<u>7,000</u>	<u>313,431</u>	<u>2,392,062</u>	<u>2,712,493</u>

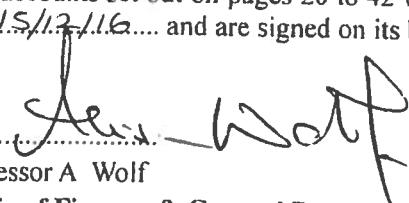
KING'S COLLEGE LONDON MATHS SCHOOL TRUST

BALANCE SHEET

AS AT 31 AUGUST 2016

	Notes	2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	11		2,111,589		2,364,062
Current assets					
Debtors	13	96,963		44,523	
Cash at bank and in hand		774,777		525,173	
		<u>871,740</u>		<u>569,696</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(296,699)		(221,265)	
Net current assets			575,041		348,431
Net assets excluding pension liability			<u>2,686,630</u>		<u>2,712,493</u>
Defined benefit pension liability	18		(3,000)		-
Net assets			<u>2,683,630</u>		<u>2,712,493</u>
Funds of the Trust:					
Restricted funds	16				
- Fixed asset funds			2,167,589		2,392,062
- Restricted income funds			362,673		313,431
- Pension reserve			(3,000)		-
Total restricted funds			<u>2,527,262</u>		<u>2,705,493</u>
Unrestricted income funds	16		156,368		7,000
Total funds			<u>2,683,630</u>		<u>2,712,493</u>

The accounts set out on pages 20 to 42 were approved by the Board of Governors and authorised for issue on 15/12/16 and are signed on its behalf by:



 Professor A Wolf
 Chair of Finance & General Purpose
 Committee, Co-opted Governor

Company Number 08475184

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Net cash provided by operating activities	19		250,155		494,311
Cash flows from investing activities					
Dividends, interest and rents from investments		2,039		-	
Capital grants from DfE and EFA		29,533		767,411	
Payments to acquire tangible fixed assets		(32,123)		(798,847)	
			(551)		(31,436)
Change in cash and cash equivalents in the reporting period					
			249,604		462,875
Cash and cash equivalents at 1 September 2015					
			525,173		62,298
Cash and cash equivalents at 31 August 2016					
			774,777		525,173

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

King's College London Maths School Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Governors' report.

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

1.1 Basis of preparation

The accounts of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

King's College London Maths School Trust meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts of King's College London Maths School Trust prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

The Governors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants receivable

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

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement 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

Sponsorship income provided to the Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.4 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

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

Governance costs

These include the costs attributable to the Trust's compliance with constitutional and statutory requirements, including audit, strategic management, Governors' meetings and reimbursed expenses.

1.5 Tangible fixed assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on 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 Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies **(Continued)**

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

Leasehold land and buildings	over the life of the lease
Building Improvements	over the life of the lease
Computer equipment	two to three years
Fixtures, fittings & equipment	three to five years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

1.6 Liabilities

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

1.7 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 Taxation

The Trust 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 Trust 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.

1.9 Pensions benefits

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS'). This is a defined benefit scheme and the assets are held separately from those of the Trust.

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 18, the TPS is a multi-employer scheme and the Trust 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 are recognised as they are paid each year.

The LGPS is a defined benefit funded scheme and the assets are held separately from those of the Trust 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 credit 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 the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.10 Fund accounting

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

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 Education Funding Agency/Department for Education.

1.11 Critical accounting estimates and areas of judgement

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

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Depreciation

The Governors estimate the useful economic lives and residual values of Buildings, Computer Equipment, and Fixtures and Fittings in order to calculate the depreciation charges. Changes in these estimates could result in changes being required to the annual depreciation charges in the profit and loss account and the balance sheet.

The Governors have reviewed the carrying values of the Trust's Buildings, Computer Equipment, Fixtures and Fittings, and do not consider the assets to be impaired

Critical areas of judgement

The trustees consider that they have not made any critical judgements in the preparation of the financial statements.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Capital grants	-	29,533	29,533	767,411
Other donations	-	42,000	42,000	83,250
	<u>-</u>	<u>71,533</u>	<u>71,533</u>	<u>850,661</u>

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

3 Funding for the Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
DfE / EFA grants				
General annual grant (GAG)	-	1,075,725	1,075,725	740,380
Start up grants	-	60,000	60,000	304,004
Other DfE / EFA grants	-	189,250	189,250	7,358
	-	1,324,975	1,324,975	1,051,742
Other government grants				
Local authority grants	-	30,610	30,610	-
Total funding	-	1,355,585	1,355,585	1,051,742

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Hire of facilities	109,335	-	109,335	74,670
Music tuition	-	-	-	405
Parental contributions	-	895	895	9,408
Other income	37,994	-	37,994	6,474
	147,329	895	148,224	90,957

5 Investment income

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Short term deposits	2,039	-	2,039	-

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

6 Expenditure

	Staff costs & equipment £	Premises equipment £	Other costs £	Total 2016 £	Total 2015 £
Academy's educational operations					
- Direct costs	681,321	-	84,129	765,450	490,471
- Allocated support costs	103,585	327,256	409,953	840,794	734,131
	<u>784,906</u>	<u>327,256</u>	<u>494,082</u>	<u>1,606,244</u>	<u>1,224,602</u>
Total expenditure	<u>784,906</u>	<u>327,256</u>	<u>494,082</u>	<u>1,606,244</u>	<u>1,224,602</u>

Net income/(expenditure) for the year includes:

	2016 £	2015 £
Fees paid to auditor for audit services	8,500	7,500
Operating lease rentals	244,596	230,824
Depreciation of tangible fixed assets	279,695	257,951
Loss on disposal of fixed assets	4,900	-
	<u>537,691</u>	<u>546,275</u>

7 Charitable activities

	2016 £	2015 £
All from restricted funds:		
Direct costs - educational operations	765,450	490,471
Support costs - educational operations	840,794	734,131
	<u>1,606,244</u>	<u>1,224,602</u>

	2016 £	2015 £
Analysis of support costs		
Support staff costs	103,585	83,483
Depreciation and amortisation	284,595	257,951
Technology costs	14,000	33,252
Premises costs	351,184	304,268
Other support costs	71,012	36,813
Governance costs	16,418	18,364
	<u>840,794</u>	<u>734,131</u>

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

8 Staff costs

	2016	2015
	£	£
Wages and salaries	581,969	408,174
Social security costs	50,578	31,977
Operating costs of defined benefit pension schemes	86,205	53,535
	<u>718,752</u>	<u>493,686</u>
Staff costs	718,752	493,686
Supply staff costs	44,911	9,542
Staff development and other staff costs	21,243	16,731
	<u>264,854</u>	<u>269,854</u>
Total staff expenditure	<u><u>784,906</u></u>	<u><u>519,959</u></u>

Staff numbers

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

	2016	2015
	Number	Number
Teachers	11	7
Administration and support	3	3
Management	2	2
	<u>16</u>	<u>12</u>

Higher paid staff

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

	2016	2015
	Number	Number
£60,001 - £70,000	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the Trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £87,770

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

9 Governors' remuneration and expenses

The Head Teacher only receives remuneration in respect of services they provide undertaking the role of Head Teacher, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy trust in respect of his role as Governors. During the year, travel and subsistence payments totalling £135 (2015: £844) were reimbursed to 2 Governors (2015: 2 Governors).

The value of Governors' remuneration was as follows:

D Abramson (Head Teacher) remuneration: £65,000 - £70,000
pension: £10,000 - £15,000

Other related party transactions involving the Governors are set out within the related parties note.

10 Governors and officers insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2016 was £435.

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

11 Tangible fixed assets

	Building Improvements £	Leasehold land and buildings £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost					
At 1 September 2015	1,610,698	750,000	150,282	111,033	2,622,013
Additions	24,516	-	5,936	1,671	32,123
Disposals	-	-	(53,043)	-	(53,043)
At 31 August 2016	1,635,214	750,000	103,175	112,704	2,601,093
Depreciation					
At 1 September 2015	123,630	61,321	46,805	26,195	257,951
On disposals	-	-	(48,143)	-	(48,143)
Charge for the year	125,696	61,327	64,293	28,380	279,696
At 31 August 2016	249,326	122,648	62,955	54,575	489,504
Net book value					
At 31 August 2016	1,385,888	627,352	40,220	58,129	2,111,589
At 31 August 2015	1,487,068	688,679	103,477	84,838	2,364,062

12 Financial Instruments

	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	827,351	552,595
Carrying amount of financial liabilities		
Measured at amortised cost	197,787	201,155

The trustees have considered the Academy Trust's exposure to credit, cash flow and liquidity risks as part of its annual risk assessment procedures. Risks are assessed within the Academy Trust's risk register and monitored throughout the year. The trustees do not consider the Academy Trust to be materially exposed to credit, cash flow or liquidity risk, owing to sufficient bank balances and limited debtor exposures.

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

13 Debtors	2016	2015
	£	£
Trade debtors	-	300
VAT recoverable	19,549	7,008
Prepayments and accrued income	77,414	37,215
	<u>96,963</u>	<u>44,523</u>

Prepayments and accrued income include £33,026 (2015: £20,114) relating to grants due from the EFA for premises insurance and rates.

14 Creditors: amounts falling due within one year	2016	2015
	£	£
Trade creditors	16,059	17,089
EFA creditors	110,332	59,300
Other creditors	1,756	1,079
Accruals and deferred income	168,552	143,797
	<u>296,699</u>	<u>221,265</u>

15 Deferred income	2016	2015
	£	£
Deferred income is included within:		
Creditors due within one year	97,832	20,110
	<u>97,832</u>	<u>20,110</u>
Deferred income at 1 September 2015	20,110	32,000
Released from previous years	(20,110)	(32,000)
Amounts deferred in the year	97,832	20,110
Deferred income at 31 August 2016	<u>97,832</u>	<u>20,110</u>

Deferred income relates to the grant income for the 2016/2017 academic year received in advance.

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

16 Funds

	Balance at 1 September 2015	Incoming resources	Resources expended	Gains, losses & transfers	Balance at 31 August 2016
	£	£	£	£	£
Restricted general funds					
General Annual Grant	313,431	1,075,725	(995,894)	(30,589)	362,673
Start up grants	-	60,000	(60,000)	-	-
Other DfE / EFA grants	-	189,250	(189,250)	-	-
Other government grants	-	30,610	(30,610)	-	-
Other restricted funds	-	42,895	(42,895)	-	-
	<u>313,431</u>	<u>1,398,480</u>	<u>(1,318,649)</u>	<u>(30,589)</u>	<u>362,673</u>
Funds excluding pensions	313,431	1,398,480	(1,318,649)	(30,589)	362,673
Pension reserve	-	-	(3,000)	-	(3,000)
	<u>313,431</u>	<u>1,398,480</u>	<u>(1,321,649)</u>	<u>(30,589)</u>	<u>359,673</u>
Restricted fixed asset funds					
DfE / EFA capital grants	2,392,062	29,533	(284,595)	30,589	2,167,589
	<u>2,392,062</u>	<u>29,533</u>	<u>(284,595)</u>	<u>30,589</u>	<u>2,167,589</u>
Total restricted funds	<u>2,705,493</u>	<u>1,428,013</u>	<u>(1,606,244)</u>	<u>-</u>	<u>2,527,262</u>
Unrestricted funds					
General funds	7,000	149,368	-	-	156,368
	<u>7,000</u>	<u>149,368</u>	<u>-</u>	<u>-</u>	<u>156,368</u>
Total funds	<u>2,712,493</u>	<u>1,577,381</u>	<u>(1,606,244)</u>	<u>-</u>	<u>2,683,630</u>

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

16 Funds

(Continued)

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

General Annual Grant

The General Annual Grant must be used for the normal running costs of the Academy including salary costs, overheads, premises costs and curriculum costs. 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 2016.

Start-Up Grant

The Start-Up Grant must be used for the development of the Academy including salary costs, overheads and premises costs as the school develops.

Other DfE/EFA and government grants

Other grants include funding received from the DfE and Local Education Authorities for specific purposes.

Other Restricted funds

Other restricted funds are voluntary funds and funds generated from activities in the year that have been received or generated for a specific purpose.

Capital Grant

The Capital Grant must be used for the acquisition of capital assets as agreed upon with the EFA.

Transfers between funds

A transfer from restricted general funds to the restricted fixed asset fund was necessary to fund capital expenditure carried out during the year. A transfer between unrestricted general and restricted general funds was necessary to reflect the funding of activities and assets in the year.

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds:		Total 2016 £
		General £	Fixed asset £	
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	2,111,589	2,111,589
Current assets	188,030	627,710	56,000	871,740
Creditors falling due within one year	(31,662)	(265,037)	-	(296,699)
Defined benefit pension liability	-	(3,000)	-	(3,000)
	<u>156,368</u>	<u>359,673</u>	<u>2,167,589</u>	<u>2,683,630</u>

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

18 Pensions and similar obligations

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the London Borough of Lambeth. Both are multi-employer 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 that of the LGPS related to the period ended 31 March 2013.

There were no outstanding in contributions at the end of the financial year (2015:£nil).

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%

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

18 Pensions and similar obligations

(Continued)

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

The employer's pension costs paid to the TPS in the period amounted to £69,630 (2015: £42,278).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. 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 Trustees have elected not to obtain a pension valuation for the LGPS deficit at the year end, as they consider the impact on the financial statement or to users of the accounts would not be material. The valuation included in the accounts is as at 31 August 2015. The valuation was obtained after the publication of accounts to 31 August 2015. The trustees determined that the accounts at 31 August 2015 would not be materially affected by the inclusion of the valuation and therefore no valuation was included in those accounts.

The Trust had only one part time member of the LGPS during the year (2015: 1 part time member). The Trustees have made their determination by assessing the deficit valuations of similar sized free schools in the local area, where those schools also have a small number of LGPS members. The Trustees determined that any deficit valuation would likely have an impact of £3,000 or less on the financial statements. As this is not material, the Trustees consider that any costs in obtaining the valuation would outweigh the benefits of the disclosure, and have therefore opted not to obtain a valuation.

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.

Total contributions made	2016
	£
Employer's contributions	3,000
Employees' contributions	10,000
Total contributions	<u>13,000</u>

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

18 Pensions and similar obligations

(Continued)

Principal actuarial assumptions	2016
	%
Rate of increases in salaries	4.6
Rate of increase for pensions in payment	2.7
Discount rate	3.8

The below table, as produced by Hymans Robertson LLP (actuary) sets out the impact of a small change in the discount rates on the defined benefit obligations and projected service cost along with a plus/minus 1 year age rating adjustment to the mortality assumption.

Adjustment	Increase in Liability	
	%	£'000
1 year increase in member life expectancy	3%	-
0.5% increase in the Salary Increase Rate	5%	1
0.5% increase in the Pension Increase Rate	7%	1

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

	2016
	Years
Retiring today	
- Males	21.7
- Females	24.0
Retiring in 20 years	
- Males	24.3
- Females	26.6

KING'S COLLEGE LONDON MATHS SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

18 Pensions and similar obligations	(Continued)
The Trust's share of the assets in the scheme	2016
	Fair value
	£
Equities	7,000
Bonds	4,000
Property	1,000
Other assets	1,000
	<u>13,000</u>
Total market value of assets	<u>13,000</u>
Actual return on scheme assets - gain/(loss)	<u>270</u>
Amounts recognised in the statement of financial activities	2016
	£
Current service cost (net of employee contributions)	<u>13,000</u>
Changes in the present value of defined benefit obligations	2016
	£
Current service cost	13,000
Employee contributions	3,000
	<u>16,000</u>
At 31 August 2016	<u>16,000</u>
Changes in the fair value of the Trust's share of scheme assets	2016
	£
Employer contributions	3,000
Employee contributions	10,000
	<u>13,000</u>
At 31 August 2016	<u>13,000</u>

KING'S COLLEGE LONDON MATHS SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

19 Reconciliation of net income/(expenditure) to net cash flows from operating activities

	2016	2015
	£	£
Net income/(expenditure) for the reporting period	(28,863)	768,758
Adjusted for:		
Capital grants from DfE/EFA and other capital income	(29,533)	(767,411)
Investment income	(2,039)	-
Defined benefit pension costs less contributions payable	3,000	-
Depreciation of tangible fixed assets	279,695	257,951
Losses/(profits) on disposals of fixed assets	4,900	-
(Increase)/decrease in debtors	(52,440)	1,280,139
Increase/(decrease) in creditors	75,435	(1,045,126)
Net cash provided by operating activities	<u>250,155</u>	<u>494,311</u>

20 Related party transactions

The members of the Trust and some of the Trustees are employees of King's College London. King's College London ('the College') is therefore considered to be a related party of the Trust.

During the prior period, a set up period, some of the expenditure of the Trust was paid for by the College and some services provided to the Trust by staff of the College were recharged to the Trust at cost. During the current year the College did provide certain services to the Trust under service level agreements, including IT infrastructure and support and building maintenance and facilities. These were charged at cost. The value of services provided in the year was £36,562 (2015: £35,495).

At the year-end there were no amounts owed to the College for the provision of services (2015: £35,495 due from the College).

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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.