

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

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EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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

Trustees	D Hayes, Chair M A Smith D M Perks R K Appiah C Carter M D Jain L L Katon N Lewis R Sunak M Taylor (resigned 14 April 2015) T W Ogg (resigned 16 September 2015) D Hayes (appointed 15 December 2014) S Verma (appointed 1 March 2015) A Sehgal Cuthbert (appointed 1 March 2015) S Lawes (appointed 21 January 2015)
Company registered number	07962059
Principal and registered office	The Clock Mill Three Mill End London E3 3DU
Senior management team	D M Perks, Principal P Cornish, Vice Principal P Sircar, Business Manager H Bhurruth S Turner M Gunnell L Mitchell (resigned 13 February 2015)
Independent auditor	MHA MacIntyre Hudson Chartered Accountants New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ
Bankers	Lloyds Lower Ground Floor 52-53 The Arcade Westfield Statford City E20 1EH
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditor's Report of academy trust (the academy) for the ended 31 August 2015. The Trustees confirm that the Annual Report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates an academy for secondary school aged pupils serving pupils across East London. The principal activity of the school is to advance, for the public benefit, education in East London by establishing, managing, maintaining and developing a secondary school offering a broad curriculum with a strong emphasis on the teaching of Science, Maths and ICT.

Structure, governance and management

CONSTITUTION

The Academy 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 Academy Trust.

The trustees of the Academy trust are also the directors of the charitable company for the purposes of company law. The Charitable Company is known as the East London Science School.

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

MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the 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.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The management of the academy Trust is responsibility of the trustees who are elected and co opted under the terms of the Academy deed. The board of trustees may appoint up to 10 Governors, whose term of office shall be 4 years, save that this time limit shall not apply to the Principal. Any trustee may be re elected. Two parent governors are elected for parents with children currently in school and also with the possibility of one staff governor if the Board decides to do so. The Board can also co-opt three governors.

The Governing body reviews the skills mix and seeks out individuals who can contribute to specific areas. Each Governor is allocated at least one committee to work with that best suits their skills set. Suitable training is sought for all Governors and specific training is provided to assist the Governors carry out their role on the Governing body. The Chair of governors is responsible for reviewing the Governors performance and reporting that back to the members.

EAST LONDON SCIENCE SCHOOL TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All prospective Governors must meet the Chair and the Principal to understand their role within the school before appointment. All new trustees will be given the opportunity of a tour of the school, have the chance to meet with staff and pupils and are provided with copies of key documents they need to fulfil their role as trustees. NPW has been engaged to carry out a detailed induction process for all the new governors. This training will be tailored specifically to the individuals. All governors will be given level two child protection training. All trustees are required to have an enhanced DBS disclosure.

The new trustees are required to attend one meeting as an observer before appointment. Particular aspects of training will be identified immediately and implemented over a reasonable time frame with safeguarding being made a priority where appropriate.

The School works closely with Newham Partnership Working to provide Governors with up to date training. All Governors are required to undergo the enhanced DBS check.

ORGANISATIONAL STRUCTURE

The organisational structure currently consists of four levels:

- the Governors, who are directors of the school;
- the committees (Curriculum; Finance & Administration; Admissions, behaviour and exclusions; Pay and Performance Management and site);
- the Senior Leadership Team.
- School Health & Safety Committee (Sub-committee of Finance and Admin)

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The connected organisations are Fishmongers and Physics Factory. The school received two separate donations from the Fishmongers company to support extra-curricular activities especially music and sport. The last donation funded two rowing machines and other sporting equipment.

Physics Factory is an independent charity working alongside the school. The Principal is the founding Director of the charity. The Physics Factory exists to promote the teaching of physics in the state schools and offers bespoke CPD to teachers across East London. It currently employs two members of staff and works with over 40 secondary schools in East London.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the academy is exposed, in particular those related to the operations and finances of the academy, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

EAST LONDON SCIENCE SCHOOL TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Objectives and Activities

OBJECTIVES, STRATEGIES AND ACTIVITIES

The Trustees are satisfied that the objectives set for the school have been attained with a modest budgetary surplus at the end of this financial year. The School worked towards and achieved a 'Good' OFSTED rating in June 2015.

The School is now working to build on this success in the longer term, specifically by launching GCSE curricula, strengthening the governing body and securing necessary temporary and permanent sites as we move forwards.

OBJECTS AND AIMS

The Academy's objective is set out in its Articles of Association. This is to establish, maintain, manage and develop a school offering a broad curriculum with an emphasis on, but in no way limited to, the STEM subjects. The academy aims to be an important centre for the teaching of science and computer science in East London by developing its subject specialism. This will mean opening in the future a large sixth form to deliver science and mathematics 'A' Levels. More broadly, the academy aims to offer the majority of its pupils the chance to achieve an English EBACC by offering a range of good qualifications at GCSE including an emphasis on language and humanities.

The academy also offers a wide ranging enrichment curriculum, which aims to broaden the outlook of every child.

PUBLIC BENEFIT

The Governors of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties.

East London Science School aims to be an outstanding and inclusive school for the local community, specifically the students who attend the school but also the wider community including local primary school and the public through the letting of its premises. The priority is a high quality education for its students in a safe and caring community.

EAST LONDON SCIENCE SCHOOL TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Achievements and performance

GOING CONCERN

After making appropriate enquiries, the Board of Trustees 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. Further details regarding the adoption of the going concern basis can be found in the Reserves section.

KEY FINANCIAL PERFORMANCE INDICATORS

Key financial performance indicators include:

- Pupil Intake
- Balance of incoming and outgoing resources
- Year-to-date spend against forecast
- Distribution of spend across categories (for example salaries, educational supplies, extra curricular activities)
- Ongoing capital investment
- Staff recruitment and retention

REVIEW OF ACTIVITIES

The School is recruiting pupils, curriculum development and delivery, site setup and ongoing maintenance, quality of teaching, DFE and OFSTED inspections, leadership. Managing day to day operating finance and dealing with the setup of IT.

INVESTMENT POLICY AND PERFORMANCE

The Trust has not investments at present but in future years, once reserves build up, it will develop an appropriate investment policy.

Financial review

FINANCIAL REPORT FOR THE YEAR

During the year ended 31 August 2015, the surplus of income over expenditure for the year (before recognised gains and losses and excluding capital restricted funds) equated to £47,909 (2014 – deficit £170,184), represented by total expenditure of £2,162,158 (2014 - £1,490,454) against income of £2,210,067 (2014 - £1,320,270).

The School funds carried forward as at 31 August 2015 are £646,214 (2014 - £561,394), including capital funds which are represented by fixed assets of £762,376 (2014 - £731,578).

The School's net assets (i.e. total reserves) as at 31 August 2015 were £646,214 (2014 - £561,394) comprising £638,600 (2014 - £530,035) of restricted funds and £7,614 (2014 - £31,359) of unrestricted general funds. At 31 August 2015 the School held cash balances of £152,165 (2014 - £22,059). The School assets will be used exclusively for providing education and the associated support services to the students of the School and the local community.

EAST LONDON SCIENCE SCHOOL TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

PRINCIPAL RISKS AND UNCERTAINTIES

The trustees have reviewed and identified the major risks to which the academy trust is exposed to and systems and procedures have been established to manage those risks. The key risks and uncertainties are summarised below:

Principal risks and actions to mitigate these risks include:

- Lack of demand for places leading to the school operating at less than 100% capacity.
- Mitigation: The School is exceeding demand year on year and is now exceeding it by four times in 2015

In order to proactively mitigate the risk of low intake:

- o The school runs an effective marketing and community outreach operation throughout the year.
- o Primary liaison with primary schools through school staff.
- o Physics factory established a CPD plan working across all of east London and potentially with local primary schools as well and good relationships between the Principal and other primary school heads.
- Uncertainty around the operating costs
 - o Mitigation: This is being managed through strategic financial planning and robust monitoring of school budget. The expenses being managed within an extremely tight budget and a robust system of centralised spending which is overseen by the finance committee. All expenses are staged throughout the year and are tied in with the clawback payment schedule on a cohort and long term basis.
- Temporary site setup and maintenance are being managed within a very tight budget and a centralised spending which is overseen by the finance committee
 - o Mitigation: the Trustees and the Principal maintain a rigorous and effective set of financial procedures to support their overall financial and risk management objectives.
- Mitigation of potential risks regarding split site and the future site arrangements
 - o Mitigation: Very close relationship between the SLT, Governors and the EFA to choose a future site.
 - o Clear lines of communication to GLA, LLDC and the ministers and Newham

The principal risks facing the Academy are:

- Reputational risk – mitigated by a very strong team working with admission, behaviour and work closely with outside services in both Newham and Tower Hamlets, including our local police force and social workers. A very strong pastoral system and an emerging PTA, all of which means that we have close relationship to both pupils and parents and School's reputation is growing year on year as an effective school.
- Performance risk – The Schools academic progress revolves around a very strong assessment system with regular reporting to the parents with transparency and honesty around pupil performance and hence clear targets and demands are set for improvement on a regular basis. The School anticipates a strong performance in the National exams and GCSE's which are some time away. The School tracks student performance against midys and reading age test to help develop strong intervention strategies to develop weaker pupil performance.

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

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

- Financial Risk – The principal financial risks are a reduction in pupil intake, reduction in central government funding and unbudgeted increase in teaching or support staff costs. The School continues to grow in each cohort year on year and hopes to be full in the third and subsequent years. The School's IT and FF&E budgets were consciously designed to allow the flexibility that the School may need if it has to move site.
- Risks associated with personnel –The School has a very committed and strong staff team including a robust teacher training system, which means that our staff feels supported and develops in terms of their careers and sees themselves working with us as they grow and develop with the school.

The Academy Trust practices through its Board, namely the Governing Body and the constituted committees, risk management principles. Any major risks highlighted at any sub committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior executive officers.

RESERVES POLICY

At present the School does not have any reserves but the Directors plan to review the reserve levels of the School annually once the reserves build up. None of the support staff opted in or contributed towards the Local Government Pension Scheme (LGPS) and hence there was no outstanding liability or deficit at the end of the year.

At 31 August 2015 the total funds comprised:

Unrestricted	7,614
Restricted - Fixed asset funds	762,376
Pension reserve	(9,000)
GAG	<u>(114,776)</u>
	646,214

Although there is still a claw-back of funding repayable of £183,252, this is being managed on schedule and within our cash flow budget. During the year the School has paid two instalments of £66,292 each. This will not impact the standard of learning and teaching at the school. The school will be monitoring and reviewing its financial situation at each step. The School does not foresee any problem in continuing its payment schedule.

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

Plans for future periods

FUTURE DEVELOPMENTS

The trustees intend to open a primary school under the Trust's umbrella to offer academically rigorous education to children from a variety of backgrounds.

- The Trust aims to grow year on year with each new cohort of year 7 and secondly to develop a Key Stage 4 curriculum starting from year 9 including options for more able to do more humanities and language qualifications. To develop strong links with businesses in the IT sector with links to our computer science curriculum and our careers education.
- To develop and grow our staff to ensure strong offer at GCSE over the next three years. Strengthen and develop our enrichment curriculum linked more closely to pupils option choices at GCSE.
- Start to future plan Sixth form provision within the next two years. Develop our temporary / permanent site to achieve our education objectives.
- Strengthen our reputation in areas of science and mathematics. Continue to develop our links with the local primary school.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The trust does not hold any funds as custodian trustee. In the future the School is looking to raise money through Eranda Foundation and Ogden Trust to support the work of the Physics Faculty.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This report was approved by order of the board of trustees on 15/12/2015 and signed on the board's behalf by:


D Hayes
Chair of Trustees

EAST LONDON SCIENCE SCHOOL TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As accounting officer, we acknowledge we have overall responsibility for ensuring that East London Science 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 trustees has delegated the day-to-day responsibility to the Principal, 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 East London Science School Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
M A Smith	2	4
D M Perks	4	4
R K Appiah	2	4
C Carter	3	4
M D Jain	1	4
L L Katon	2	4
N Lewis	1	4
R Sunak	0	4
M Taylor	2	2
T W Ogg	3	4
D Hayes	2	2
S Verma	2	2
A Sehgal Cuthbert	2	2
S Lawes	3	4

During the year there were the following key changes in the composition of the board of trustees and challenges that arose for the board.

At the beginning of this year the LGB was strengthened and individuals were brought in with skills to meet the requirement of each committee. The Chair of LGB went on an extensive training program. The LGB dealt with the conflict of running the school and at the same time developing a site by putting site development on the site while the main board remained focused on running the school i.e. finance, curriculum etc.

Governance reviews:

At present, the board has not carried out a governance review but has considered this in its programme of internal audit work for the forthcoming year.

EAST LONDON SCIENCE SCHOOL TRUST
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GOVERNANCE STATEMENT (continued)

The Finance (FC) Committee is responsible for all financial and resource management, all internal and external financial reporting, ensuring an effective internal control environment, human resources, legal, premises, any construction issues and to consider other general matters not falling within the remit of any other committee.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
T W Ogg	1	4
R Appiah	4	4
D M Perks	4	4
R Saunak	0	4
M Smith	4	4
D Hayes	2	2

REVIEW OF VALUE FOR MONEY

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- East London Science School is committed to delivering value for money as an integral part of its School strategy. It endeavours to achieve VfM from public funds and all other sources of funding. Similarly, the responsibility for pursuing VfM lies with all staff, and not just those with financial duties.

In order to meet its commitment to achieving VfM the School has set itself the following aims:

- To integrate VfM principles within the Schools existing management, planning, review and decision-making processes, particularly in regard to projects or activities with significant financial implications.
- To adopt recognised good practice where appropriate.
- To benchmark School's activities against other similar activities and Schools where this is considered useful.
- To respond to opportunities to enhance the economy, efficiency and effectiveness of the School's activities.
- To demonstrate actively to both internal and external observers that the achievement of VfM is sought in all activities undertaken.
- To ensure that all staff recognise their continuing obligation to seek VfM as part of their routine activities.

GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in East London Science School Trust for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

EAST LONDON SCIENCE SCHOOL TRUST
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GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have decided to use a separate team in MacIntyre Hudson to carry out periodic RO checks. In his capacity as the Chair Finance Committee Rodney Appiah, is responsible for reviewing the report and briefing the Governing body.

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

Periodically, the RO reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

During the year the RO carried out a half yearly visit and suggested some reinforcement and process refinement measures. This report was discussed at the finance committee and the suggested improvements were put in place.

REVIEW OF EFFECTIVENESS

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

- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 15/12/16 and signed on its behalf, by:


D Hayes
Chair of Trustees


D M Perks
Accounting officer

EAST LONDON SCIENCE SCHOOL TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE


As accounting officer of East London Science School I have considered my responsibility to notify the academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the academy board of trustees are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook (2014).

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

D M Perks
Accounting officer

Date: 15/12/15



EAST LONDON SCIENCE SCHOOL TRUST
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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

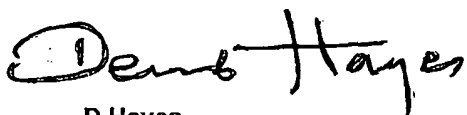
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 15/12/15 and signed on its behalf by:



D Hayes
Chair of Trustees

EAST LONDON SCIENCE SCHOOL TRUST
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST LONDON SCIENCE SCHOOL TRUST

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

This report is made solely to the academy's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's Trustees 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 academy and its Trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

EAST LONDON SCIENCE SCHOOL TRUST
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST LONDON SCIENCE SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.



Rakesh Shaunak FCA (Senior Statutory Auditor)
for and on behalf of
MHA MacIntyre Hudson
Chartered Accountants
New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ
Date: 21-12-15

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EAST LONDON SCIENCE SCHOOL TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by East London Science School Trust during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to East London Science School Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to East London Science 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 East London Science School Trust and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF EAST LONDON SCIENCE SCHOOL TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of East London Science School Trust's funding agreement with the Secretary of State for Education, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Reviewing the minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity.
- Review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy
- Testing of a sample of payroll payments to staff

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EAST LONDON SCIENCE SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)

- Testing of a sample of payments to suppliers and other third parties
- Testing of a sample of grants received and other income streams

CONCLUSION

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

MHA MacIntyre Hudson

MHA MacIntyre Hudson
Chartered Accountants
New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

Date: 21-12-15

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	-	-	-	-	10,000
Activities for generating funds	3	28,523	33,829	-	62,352	29,408
Investment income	4	148	-	-	148	-
Incoming resources from charitable activities	5	-	2,147,567	206,092	2,353,659	2,176,405
TOTAL INCOMING RESOURCES		28,671	2,181,396	206,092	2,416,159	2,215,813
RESOURCES EXPENDED						
Charitable activities	7	12,416	2,140,156	165,181	2,317,753	1,646,757
Governance costs	6	-	9,586	-	9,586	7,662
TOTAL RESOURCES EXPENDED	8	12,416	2,149,742	165,181	2,327,339	1,654,419
NET INCOMING RESOURCES BEFORE TRANSFERS		16,255	31,654	40,911	88,820	561,394

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	17	(40,000)	50,113	(10,113)	-	-
NET INCOME FOR THE YEAR		(23,745)	81,767	30,798	88,820	561,394
Actuarial gains and losses on defined benefit pension schemes		-	(4,000)	-	(4,000)	-
NET MOVEMENT IN FUNDS FOR THE YEAR		(23,745)	77,767	30,798	84,820	561,394
Total funds at 1 September 2014		31,359	(201,543)	731,578	561,394	-
TOTAL FUNDS AT 31 AUGUST 2015		7,614	(123,776)	762,376	646,214	561,394

All activities relate to continuing operations.

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

The notes on pages 23 to 39 form part of these financial statements.

EAST LONDON SCIENCE SCHOOL TRUST

(A Company Limited by Guarantee)

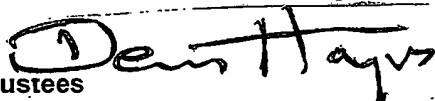
REGISTERED NUMBER: 07962059

BALANCE SHEET AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	14		762,376		731,578
CURRENT ASSETS					
Debtors	15	163,100		111,089	
Cash at bank		152,165		22,059	
		<u>315,265</u>		<u>133,148</u>	
CREDITORS: amounts falling due within one year	16	(422,427)		(303,332)	
NET CURRENT LIABILITIES			(107,162)		(170,184)
TOTAL ASSETS LESS CURRENT LIABILITIES			655,214		561,394
Defined benefit pension scheme liability	22	(9,000)			-
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>646,214</u>		<u>561,394</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	17	(114,776)		(201,543)	
Restricted fixed asset funds	17	762,376		731,578	
Restricted funds excluding pension liability		<u>647,600</u>		<u>530,035</u>	
Pension reserve		(9,000)		-	
Total restricted funds			638,600		530,035
Unrestricted funds	17		7,614		31,359
TOTAL FUNDS			<u>646,214</u>		<u>561,394</u>

The financial statements were approved by the Trustees, and authorised for issue, on 15/12/16 and are signed on their behalf, by:

D Hayes
Chair of Trustees



D M Perks
Principal



The notes on pages 23 to 39 form part of these financial statements.

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	19	325,933	864,714
Returns on investments and servicing of finance	20	148	-
Capital expenditure and financial investment	20	(195,975)	(895,544)
INCREASE/(DECREASE) IN CASH IN THE YEAR		130,106	(30,830)

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

	2015 £	2014 £
Increase/(decrease) in cash in the year	130,106	(30,830)
MOVEMENT IN NET FUNDS IN THE YEAR	130,106	(30,830)
Net funds at 1 September 2014	22,059	52,889
NET FUNDS AT 31 AUGUST 2015	152,165	22,059

The notes on pages 23 to 39 form part of these financial statements.

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Fund accounting

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

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

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

1.3 Incoming resources

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

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

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

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

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

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

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

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Resources expended

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

Assets costing £1,000 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 are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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 carrying value of the fixed assets and their recoverable amounts are recognised as impairments.

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

Fixtures and fittings	-	5 years straight line
Computer equipment	-	5 years straight line
Assets in course of construction	-	Nil

1.7 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 Taxation

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

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.9 Pensions

The academy trust operates a defined contribution pension scheme and the pension charge represents the amounts payable by the academy trust to the fund in respect of the year. Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS"). These are defined benefit schemes and the assets are held separately from those of the academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 22, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The trust does not currently employ any members of the Local Government Pension Scheme.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	-	-	-	10,000

3. FUNDRAISING INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Hire of facilities and miscellaneous income	28,523	-	28,523	11,200
Catering	-	33,829	33,829	18,208
	28,523	33,829	62,352	29,408

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Investment income	148	-	148	-
	<u>148</u>	<u>-</u>	<u>148</u>	<u>-</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Educational operations	-	2,342,629	2,342,629	2,176,405
Capital funding	-	11,030	11,030	-
	<u>-</u>	<u>2,353,659</u>	<u>2,353,659</u>	<u>2,176,405</u>

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General annual grant (GAG)	-	1,439,067	1,439,067	725,791
Other government grants	-	121,486	121,486	58,931
Pupil premium	-	103,750	103,750	43,206
Start up grants	-	153,500	153,500	185,000
Capital grants	-	195,062	195,062	895,544
Funding of building lease	-	329,764	329,764	267,933
	<u>-</u>	<u>2,342,629</u>	<u>2,342,629</u>	<u>2,176,405</u>

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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

6. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditor's remuneration	-	5,200	5,200	5,000
Legal and professional costs	-	3,474	3,474	2,610
Governance - trustees expenses reimbursed	-	912	912	52
	-	9,586	9,586	7,662

7. CHARITABLE ACTIVITIES

	Total funds 2015 £	Total funds 2014 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	946,637	595,503
National insurance	75,582	59,362
Pension cost	93,295	65,723
Educational consumables	149,271	95,980
Staff development	25,536	9,226
Technology costs	82,727	11,269
	1,373,048	837,063

SUPPORT COSTS - EDUCATIONAL OPERATIONS

Wages and salaries	150,751	150,333
National insurance	14,300	14,948
Pension cost	5,000	4,867
Depreciation	165,181	163,965
Recruitment and other staff costs	27,090	18,530
Repairs and maintenance	26,713	24,840
Cleaning contract	26,769	19,808
Rent, rates and water	357,581	289,838
Light and heat	13,958	12,685
Legal and professional services	10,295	12,978
Insurance	33,646	21,854
Other support costs	113,421	75,049
	944,705	809,695
	2,317,753	1,646,758

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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

8. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure Other costs	Total	Total
	2015	2015	2015	2014
	£	£	£	£
Educational operations	1,115,514	257,534	1,373,048	837,063
Support costs - educational operations	170,051	774,654	944,705	809,695
Charitable activities	1,285,565	1,032,188	2,317,753	1,646,758
Governance	-	9,586	9,586	7,662
	1,285,565	1,041,774	2,327,339	1,654,420

9. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly	Support costs	Total	Total
	2015	2015	2015	2014
	£	£	£	£
Educational operations	1,373,048	944,705	2,317,753	1,646,757

10. NET INCOMING RESOURCES

This is stated after charging:

	2015	2014
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	165,181	163,965
Auditor's remuneration	5,200	5,000
Operating lease rentals:		
- other operating leases	-	16,436

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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

11. STAFF

a. Staff costs

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	1,097,388	804,111
Social security costs	89,882	20,902
Pension costs (see note 22)	98,295	65,723
	<u>1,285,565</u>	<u>890,736</u>

b. Staff numbers

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

	2015	2014
	No.	No.
Teachers	26	20
Administration and support	8	2
	<u>34</u>	<u>22</u>

c. Higher paid staff

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

	2015	2014
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £90,001 - £100,000	1	1

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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

12. TRUSTEES' REMUNERATION AND EXPENSES

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as Trustees. The value of Trustees' remuneration fell within the following bands:

	2015 £	2014 £
D M Perks	90,000-95,000	90,000-95,000

Employer contributions to pension schemes in respect of the above totalled £13,377 (2014: £13,377). During the year ended 31 August 2015, expenses totalling £912 (2014 - £52) were reimbursed to xx Trustees (2014 - 1).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £86 (2014 - £86). The cost of this insurance is included in the total insurance cost.

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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

14. TANGIBLE FIXED ASSETS

	Assets in the course of const- ruction £	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2014	320,699	-	207,372	367,472	895,543
Additions	100,827	-	916	94,236	195,979
Transfer between classes	(320,699)	320,699	-	-	-
At 31 August 2015	100,827	320,699	208,288	461,708	1,091,522
Depreciation					
At 1 September 2014	-	-	41,474	122,491	163,965
Charge for the year	-	80,175	41,656	43,350	165,181
At 31 August 2015	-	80,175	83,130	165,841	329,146
Net book value					
At 31 August 2015	100,827	240,524	125,158	295,867	762,376
At 31 August 2014	320,699	-	165,898	244,981	731,578

15. DEBTORS

	2015 £	2014 £
Trade debtors	40,994	23,005
Prepayments and other debtors	122,106	88,084
	163,100	111,089

16. CREDITORS:
Amounts falling due within one year

	2015 £	2014 £
Trade creditors	87,954	38,548
Other taxation and social security	39,135	30,135
Other creditors	203,862	221,524
Accruals and deferred income	91,476	13,125
	422,427	303,332

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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

17. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds	31,359	28,671	(12,416)	(40,000)	-	7,614
Restricted funds						
Restricted Funds	(201,543)	2,168,396	(2,131,742)	50,113	-	(114,776)
Pension reserve	-	13,000	(18,000)	-	(4,000)	(9,000)
	<u>(201,543)</u>	<u>2,181,396</u>	<u>(2,149,742)</u>	<u>50,113</u>	<u>(4,000)</u>	<u>(123,776)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	731,578	206,092	(165,181)	(10,113)	-	762,376
Total restricted funds	<u>530,035</u>	<u>2,387,488</u>	<u>(2,314,923)</u>	<u>40,000</u>	<u>(4,000)</u>	<u>638,600</u>
Total of funds	<u>561,394</u>	<u>2,416,159</u>	<u>(2,327,339)</u>	<u>-</u>	<u>(4,000)</u>	<u>646,214</u>

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

Restricted Fixed Asset Fund - this represents the trust's investment in fixed assets, net of depreciation. Any unspent capital grants are held in this fund to be applied for the purpose intended by the grantor.

Restricted general funds will be used for educational purposes in line with the academy's objects and its funding agreement with the EFA. Unrestricted funds relate to donations and other income given without restriction to its purpose and can be used for the general purpose of the academy trust.

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

EAST LONDON SCIENCE SCHOOL TRUST
(A Company Limited by Guarantee)

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

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	31,359	28,671	(12,416)	(40,000)	-	7,614
Restricted funds	(201,543)	2,181,396	(2,149,742)	50,113	(4,000)	(123,776)
Restricted fixed asset funds	731,578	206,092	(165,181)	(10,113)	-	762,376
	<u>561,394</u>	<u>2,416,159</u>	<u>(2,327,339)</u>	<u>-</u>	<u>(4,000)</u>	<u>646,214</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	762,376	762,376	731,578
Current assets	10,194	294,041	11,030	315,265	133,148
Creditors due within one year	-	(422,427)	-	(422,427)	(303,332)
Provisions for liabilities and charges	-	(9,000)	-	(9,000)	-
	<u>7,614</u>	<u>(123,776)</u>	<u>762,376</u>	<u>646,214</u>	<u>561,394</u>

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	88,820	561,394
Returns on investments and servicing of finance	(148)	-
Depreciation of tangible fixed assets	165,181	163,965
(Increase)/ decrease in debtors	(52,011)	(92,091)
(Decrease)/ increase in creditors	119,091	231,446
FRS 17 adjustments	5,000	-
Net cash inflow from operations	<u>325,933</u>	<u>864,714</u>

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

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	148	-
	<u>148</u>	<u>-</u>
	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(195,975)	(895,544)
	<u>(195,975)</u>	<u>(895,544)</u>

21. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	22,059	130,106	-	152,165
	<u>22,059</u>	<u>130,106</u>	<u>-</u>	<u>152,165</u>
Net funds	<u>22,059</u>	<u>130,106</u>	<u>-</u>	<u>152,165</u>

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22. PENSION COMMITMENTS

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

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22. PENSION COMMITMENTS (continued)

The pension costs paid to TPS in the period amounted to £86,000 (2014: £66,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £18,000, of which employer's contributions totalled £12,000 and employees' contributions totalled £6,000. The agreed contribution rates for future years are 14.1% for employers and 6.4 - 11.2% for employees.

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

The amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(28,000)	-
Fair value of scheme assets	19,000	-
Net liability	(9,000)	-

The amounts recognised in the Statement of Financial Activities are as follows:

	2015 £	2014 £
Current service cost	(17,000)	-
Interest on obligation	(1,000)	-
Expected return on scheme assets	1,000	-
Total	(17,000)	-
Actual return on scheme assets	(1,000)	-

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22. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Current service cost	17,000	-
Interest cost	1,000	-
Contributions by scheme participants	6,000	-
Actuarial losses	4,000	-
	<u>28,000</u>	<u>-</u>
Closing defined benefit obligation		

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

	2015 £	2014 £
Expected return on assets	1,000	-
Contributions by employer	12,000	-
Contributions by employees	6,000	-
	<u>19,000</u>	<u>-</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £4,000 loss (2014 - £NIL).

The academy expects to contribute £10,000 to its Defined Benefit Pension Scheme in 2016.

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

	2015	2014
Equities	65.00 %	- %
Bonds	10.00 %	- %
Property	13.00 %	- %
Cash	8.00 %	- %
Property	13.00 %	- %
Alternative assets	5.00 %	- %

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

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

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22. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	22	-
Females	24	-
Retiring in 20 years		
Males	24	-
Females	27	-

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2015 £	2014 £
Defined benefit obligation	(28,000)	-
Scheme assets	19,000	-
Deficit	(9,000)	-
Experience adjustments on scheme liabilities	(4,000)	-

23. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	2015 £	2014 £	2015 £	2014 £
Expiry date:				
Between 2 and 5 years	-	-	25,290	16,436

24. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.