

GREIG CITY ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

Report and Financial Statements
Year Ended 31 August 2011

REGISTERED COMPANY NUMBER: 04220486

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**Greig City Academy
Report and Financial Statements
Year Ended 31 August 2011**

	Page
Legal and administrative information	3
Report of the Governors	4
Statement on Internal Control	22
Independent auditor's report	24
Statement Of Financial Activities	26
Balance sheet	27
Cashflow Statement	28
Principal accounting policies	29
Notes to the financial statements	32
Appendix - Detailed Income & Expenditure Report	47

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

LEGAL AND ADMINISTRATIVE INFORMATION

Greig City Academy - A company limited by guarantee
Company Registration Number 04220486

Governing Document

Memorandum and Articles of Association

Trustees & Directors and Committee Membership (see Page 4)	Date of Appointment	Appointing Body
Joye Manyan (4)	12/11/09	HS & SV Greig Trust
Jon Holt (1)	30/09/10	Elected Teacher Governor
Anne- Claire Edynbry (4)	01/09/10 to 31/07/11	Members of the Trust (Community)
Helen Drummond (4)	19/09/11	Members of the Trust (Community)
Mitford O'Dean (1)	20/05/06 to 08/11/10	East Haringey Deanery Synod
Shola Adigun (1)	12/11/10	East Haringey Deanery Synod
Helen Ormiston (1)	16/01/09 to 29/04/11	London Diocesan Board for Schools
Rachel Ogufere (2)	08/10/11	Elected Parent Governor
Richard Protasiewicz (3)	01/04/08	Elected Support Staff Governor
Benjamin Reynolds (1,5)	01/09/10	Members of the Trust (Community)
Paul Sutton (1, 2, 3, 4, 5)	01/09/04	Principal
Sheila Taylor (Chair) (1,2,3,4,5)	06/12/09	West Haringey Deanery Synod
David West (1)	01/01/08	Elected Parent Governor
Fr Tim Pike (2, 5)	01/09/10	Appointee Bishop of Edmonton
Virginia Ward (3, 5)	01/09/08	London Diocesan Board for Schools
Evan Reid (2, 4)	11/02/09	Parent Governor appointed by the Trust
Toby Boutle (3)	12/11/09	HS & SV Greig Trust
Helen Williams	01/01/12	London Diocesan Board for Schools

Company Secretary

Viv Oxley 29/11/04

Registered Office

High Street Hornsey
Hornsey
London
N8 7NU

Auditors

Baker Tilly UK Audit
LLP
25 Farringdon Street
London
EC4A 4AB

Bankers

HSBC Bank
Woodside Green Branch
Cheapside
London

Solicitors

Winckworth Sherwood
The Old Deanery
Deans Court
St Paul's
London EC4V 5AA

The Royal Bank of Scotland
London Camden Town
189-191 Camden High Street
London NW1 7BP

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Greig City Academy is a company limited by guarantee and an exempt charity, which was established on 21 May 2001 in place of the St David's and St Katherine's School, which ceased to exist on 31 August 2002. The company's memorandum and articles of association are the primary governing documents of the City Academy. The sponsors of the Company are the HS & SV Greig Trust and the London Diocesan Board for Schools (LDBS) with the DfE - Department for Education as the primary funder, the sponsors nominate the principal members of the Company.

Governors and Governance Arrangements

The Members of the Company are as set out below

- a) The London Diocesan Board for Schools ("the LDBS")
- b) The Chair for the time being of The Greig Trust (Mr Michael Baker)
- c) Two persons appointed by the LDBS (Mrs Virginia Ward and Ms Helen Ormiston)
- d) One person appointed by The Greig Trust (Mrs Joye Manyan)
- d) One person appointed by the Secretary of State (Ms Nasim Deilaminia YPLA)
- e) Any further members appointed by the above (None)

The affairs of the company are the responsibility of the governors of the school, who are also the trustees of the charity and directors of the company for the purposes of company law. The Articles of Association provide for the appointment or election of 15 governors, as follows

- (a) Two governors appointed by the London Diocesan Board for Schools
- (b) Two governors appointed by the Greig Trust
- (c) The Bishop of Edmonton or his appointee
- (d) 1 governor appointed by the West Haringey Deanery of the Diocese of London
- (e) 1 governor appointed by the East Haringey Deanery of the Diocese of London
- (f) The Principal of the Academy
- (g) Two elected parent governors
- (h) 1 elected teacher governor
- (i) 1 elected support staff governor
- (j) 1 parent governor appointed by members of the Trust
- (k) 2 governors drawn from the local community appointed by the members of the trust

During the period ending 31 August 2011, the full Governing Body met on 6 occasions and the Committees met at least once a term. The Governing Body has adopted a system of committees and terms of reference for those committees. The committees are as follows

- 1) Finance, Personnel & Premises Committee
- 2) Student & Community Committee
- 3) Audit Committee
- 4) Curriculum Committee
- 5) Standing Committee

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

Governors have delegated the day to day management of the school to the Principal and Senior Leadership Team. The SLT consists of the Principal, three Vice Principals and four Assistant Principals. One Vice Principal has responsibility for pastoral matters, one has responsibility for the curriculum and the third Vice Principal has responsibility for staffing and other matters.

The Governing Body has also adopted a set of procedures (in addition to the Articles of Association) and these are reviewed and adapted as the Company develops. The School is also bound by the provisions of the Funding Agreement which is an agreement between the school and the DfE.

As set out in the Articles of Association 'The Governors exercise their powers and functions with a view to fulfilling a largely strategic role in the running of the school and shall consider any advice given by the Principal'.

The Principal is responsible for the internal organisation, management and control of the Academy, and for advising on and implementing the Academy's strategic framework. In particular the Principal and his Senior Leadership Team formulate aims and objectives, policies and targets for the Governing Body to consider adopting. The Principal is responsible for discharging many responsibilities on the Governing Body's behalf, as well as for discharging his own responsibilities.

The Governing Body of Greig City Academy has three primary roles:

- To set the school's strategic direction: its mission, ethos, core values, overall aims and objectives
- To secure accountability for the school: for example by reporting to key stakeholder groups and providing information for those groups, or by hearing appeals against decisions of the school
- To monitor and evaluate the school's performance: for example against past performance, against other 'like' schools and against its own improvement plan, budgets and policies

In particular this means exercising responsibility for and oversight over the following:

- The overall policy and strategic direction of Greig City Academy
- The Mission and Vision of Greig City Academy
- The School Development Plan
- The adoption and monitoring of key targets for Greig City Academy
- The adoption of the annual budget and major financial decisions
- The overall curriculum
- The Annual Report and Accounts
- School policies
- The overall governance of Greig City Academy including oversight of committees and appointment of governors
- Any statutory inspection of the school
- Relations with the sponsors of Greig City Academy and the DfE

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

Trustees are appointed or elected in accordance with the guidelines in the Articles of Association. As part of the recruitment process, they attend governors' meetings as observers and hold meetings with the Principal and Chair of Governors. Trustee training is provided by the London Diocesan Board for Schools as well as seminars on specific areas of interest to governors in that capacity.

Related parties relationships

The LDBS contributed £464,000 towards the capital programme spread over the first five years of the Company's life. The LDBS also provides a number of services such as the provision of a Secondary schools advisor, a buildings and development advisor, governor and staff training and RE advice for the school as it does for all Church of England schools in the Diocese of London.

The HS & SV Greig Trust provided the majority of the private financing of the capital programme, approximately £1 536 million pounds over five years. The final capital payment of its contribution was made in 2006/7. One member of the governing body is also a trustee of the HS & SV Greig Trust.

The HS and SV Greig Trust has continued to provide further financial support to the school on an annual basis. The HS & SV Greig Trust allocated £130,000 between April 2011 and March 2012. Similar sums have been provided over the previous four years.

This very generous funding has enabled the school to provide a number of enrichment opportunities that are available for the benefit of all students in the school. The majority of the money is used to subsidise an extensive Outdoor Education programme which provides students with challenging experiences such as mountain biking, canoeing and other adventurous training.

The Governors and Sponsors, the HS & SV Greig Trust and The London Diocesan Board for Schools, have agreed a Memorandum of Understanding between the two sponsors and the Academy with regard to ongoing relationships and joint responsibilities for the continuing development of the school.

Greig City Academy will continue to maintain a relationship with the local education authority, Haringey. Some statutory funds for the Academy come through the LEA and the LEA is required to provide certain statutory functions for the Academy, even though the Academy is independent of the LEA.

Risk Management

The risk management register has been reviewed and approved at governors' meetings. The Trustees have reviewed the major risks to which the Academy might be exposed, including for example, risks linked to the education, finances, reputation, and staff and student welfare. Policies and procedures are in place to manage and minimise risks. e.g. the Responsible Officer reviews

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

the financial controls and procedures on a regular basis. A more formal review of the process will take place during the 2011-2012 academic year.

Internal Financial Controls

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 period financial reports which are reviewed and agreed by governors
- Regular reviews by the Finance, Personnel and Premises Committee of reports which indicate financial performance against forecast and of major purchase plans, capital works and expenditure programme
- 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 Governors have appointed a Responsible Officer who visits the Academy on a quarterly basis to perform a range of checks on the Academy's financial systems and to give advice on financial matters. He reports regularly to the Audit Committee and these reports, together with the response of the Director of Finance and Senior Leadership Team, are reviewed by members of the Audit Committee.

These arrangements provide reasonable but not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

During the school year 2010-11 the Responsible Officer visited the school on 5 occasions, including one to attend the Audit Committee meeting to discuss the 2009-2010 audited accounts. In addition, we have had three meetings with our external auditors, BakerTilly UK Audit LLP, as part of the audit planning, interim audit and general review process.

Objects, aims and objectives of Greig City Academy

The objects of the Academy are to advance, for the public benefit, education in The United Kingdom, by establishing, maintaining, operating and developing a Church of England secondary school offering a broad curriculum with a strong emphasis on technology, in particular Information Communications Technology to be conducted in accordance with the principles and practices of The Church of England.

The Governors and Senior Leadership Team are involved in a review of the schools' aims and objectives to coincide with the tenth anniversary of the school in September 2012. The purpose of the review is to identify the purpose, nature and characteristics of the school over the next ten years of the Academy.

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

The sole activity of the company is the operation of the Greig City Academy to provide education for pupils of different abilities between the ages of 11 and 19

The main objectives of the Academy during the year ended the 31st of August 2011 are summarised below

- To provide for every child high-quality education appropriate for their needs To support the education of every child by providing high-quality resources and care
- To maximise the standard of educational achievement of all pupils
- To monitor both the curriculum and organisational structure of the Academy to maintain and improve effectiveness
- To provide value for money throughout the Academy
- To comply with appropriate statutory and curriculum requirements
- To maintain and develop closer links with the wider school community
- To conduct all of the Academy's business in accordance with the principles and practices of The Church of England and the highest standards of integrity, probity and openness

Strategies and activities

The main strategy of the Academy is encapsulated in our mission statement 'Achievement in a Christian Community' This broad statement covers the activities provided which include

- Appropriate learning opportunities for all students to gain high-quality academic qualifications
- Training opportunities for all staff
- Within the framework of work experience for all, the placing of pupils with industrial and business partners
- An extensive programme of sporting and after school activities for all students
- A structured programme of off-site challenging outdoor activities including the Duke of Edinburgh scheme
- An accessible programme of advice for all students regarding careers and further education opportunities

School Policies

During the year the governors have reviewed and adopted the following school policies as part of an ongoing rolling programme

- CPD
- Performance Management
- Maternity and Paternity
- Curriculum
- Sex and Relationships Education
- School Equality Scheme overview

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

- Equality Impact Assessments
- Admissions Policy
- Whole School Healthy Living Policy
- Gifts and Hospitality
- Fraud and Whistle blowing

Equal Opportunities Policy

The governors recognise that equal opportunities should be an integral part of everyday practice within the workplace. The Academy aims to establish equal opportunity in all areas of its activities including creating a working environment in which the needs and contribution of the whole school community are fully valued.

Disabled persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy. The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy does this by adapting the physical environment, by making support resources available and through training and career development.

Achievements and Performance

This year has been the ninth full year of the Academy. The progress of previous years has been maintained at A level and the percentage of students achieving 5+ A*-C grades including Maths and English increased from 30% in 2010 to 37% in 2011. This partly reversed the dip in 2010 and was above the national benchmarking figure. The Academy continues to work towards achieving the status of becoming a truly high quality school and is on course to achieve this.

A number of school successes can be highlighted:

- Greig City Academy was mentioned in the Good Schools Guide. The school had achieved the highest results nationally in Boys' BTEC music assessments over the three year period 2008-2010.
- The school has appointed an experienced literacy coordinator who has had a great impact on raising the reading ages of students. This work was profiled in a half page article in the Daily Telegraph. It was described as 'A quiet revolution in literacy is taking place in a London classroom'.
- The school was awarded Healthy Living/Schools status.
- A number of opportunities were provided for some Sixth Formers to work at leading City of London firms such as Allen and Overy.
- A student had her work displayed on the Royal Academy website.
- Two of the school's girls' basketball teams are national champions. This is the second year running this has happened.
- The School was awarded Investor in People status.
- Bid and Grant by Anne Becker for Sixth Form extension work.

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

- The Principal, Mr Paul Victor Sutton was awarded an OBE in the June 2011 Honours List for his services to education
- Following the Ofsted visit to the Academy in November 2011, the Ofsted inspectors praised the Academy for driving up standards of education

Ofsted Inspection

The school was inspected by Ofsted in November 2011. The inspection finding was *'The academy offers all students a good education. Aspects of its provision, especially care guidance and support, the contribution students make to their own and the local community, and the work undertaken with parents and carers, are outstanding. Despite a dip in 2010, the academy's results are on an upward trend. GCSE results in 2011 met most targets and exceeded others. The inspirational leadership of the Principal, supported by a good management team, contributes to high student and staff morale. There is a strong desire to improve further.'*

Section 48 Inspection

As a Church of England School, there was a Section 48 denominational inspection after the Ofsted visit. This took place in January 2012. The inspection focussed on four areas of the school, Christian ethos, Collective Worship, Standards in RE and the leadership of a Church school. Three areas were judged to be good with Christian ethos being judged as Outstanding. At the last Section 48 inspection all four areas were judged good.

Duke of Edinburgh Award Scheme

Year 10 pupils were invited to join the Duke of Edinburgh Award Scheme in September 2010.

26 participants completed their Bronze Award expeditions during Activities Week at the end of the summer term.

Outdoor Education

The school continued to provide an extensive programme of Outdoor Education trips funded mainly by the continuing generosity of the Greig Trust.

- 728 students, 66% of the school, attended at least one off site overnight residential trip 56 more than the previous year
- There were 23 separate trips including trips to Ireland, Holland and Poland
- Outdoor Education activities included, Hill walking, mountain biking, climbing, canoeing, camping, rafting, wind surfing and gorge scrambling
- 48 different teaching and support staff helped run these trips

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

- Students in each year group had three opportunities to attend an overnight residential trip

Key Stage 4 Results

	2006-07	2007-08	2008-09	2009-10	2010-11	* National Average 2010
% of students achieving 5 A*-C grades or more	61%	53%	62%	58 %	64%	75 4%
% of students achieving 5 A*-C grades or more including both English and Maths	22%	30%	39%	30%	37%	53 4%
% of students achieving 5 A*-G grades or more	90%	98%	94%	94%	95 5%	92 8%
% of students achieving at least 1 A*-G grade	93%	98%	99%	99%	98 1%	98 1%
% of students gaining the English Baccalaureate Introduced in November 2011	N/A	N/A	N/A	6%	7 6%	16%

* National averages for 2011 will be available January 2012

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

The government set a national benchmark for GCSE of 30% of students achieving 5+ A*-C grades including English and Maths. This was increased to 35% and will be raised further in the next year.

In 2010 the school did not reach the 35% benchmark, only achieving 30%. This was mainly due to poor GCSE Maths results. The senior leadership team implemented a number of measures to raise attainment in GCSE Maths throughout the year. In 2011 37% of students gained 5 good GCSEs including English and Maths. Governors and SLT are aware that there is a need to continue to raise performance, particularly in the core subjects.

	Pupils	A*	A	B	C	D	E	F	G	U	NE/A	A to C
English	151	0.0%	7.9%	17.9%	26.5%	27.2%	14.6%	4.6%	0.0%	1.3%	0.0%	52.3%
English Literature	151	0.0%	2.6%	18.5%	15.9%	22.5%	21.2%	8.6%	6.6%	4.0%	0.0%	37.1%
Mathematics	151	0.7%	8.6%	11.9%	23.8%	23.8%	9.3%	10.6%	8.6%	2.6%	0.0%	45.0%
Science BTEC	64	0.0%	0.0%	0.0%	78.1%	0.0%	0.0%	0.0%	0.0%	0.0%	21.9%	78.1%
Science	45	0.0%	2.2%	11.1%	35.6%	37.8%	13.3%	0.0%	0.0%	0.0%	0.0%	48.9%
Biology	42	0.0%	4.8%	23.8%	57.1%	14.3%	0.0%	0.0%	0.0%	0.0%	0.0%	85.7%
Chemistry	42	0.0%	16.7%	45.2%	23.8%	11.9%	2.4%	0.0%	0.0%	0.0%	0.0%	85.7%
Physics	42	2.4%	11.9%	40.5%	28.6%	14.3%	2.4%	0.0%	0.0%	0.0%	0.0%	83.3%
Religious Education	151	0.7%	0.7%	6.0%	11.3%	13.9%	13.2%	21.2%	12.6%	20.5%	0.0%	18.5%
Citizenship	151	0.0%	7.9%	21.2%	15.9%	13.2%	18.5%	9.3%	7.9%	6.0%	0.0%	45.0%
Geography	51	0.0%	7.8%	17.6%	29.4%	17.6%	9.8%	7.8%	5.9%	3.9%	0.0%	54.9%
History	51	2.0%	11.8%	25.5%	9.8%	21.6%	17.6%	5.9%	3.9%	2.0%	0.0%	49.0%
Sociology	10	0.0%	0.0%	10.0%	60.0%	10.0%	0.0%	0.0%	20.0%	0.0%	0.0%	70.0%
Travel & Tourism - (First)	21	19.0%	9.5%	0.0%	52.4%	0.0%	0.0%	0.0%	0.0%	19.0%	0.0%	81.0%
Health and Social Care	11	0.0%	0.0%	18.2%	31.8%	31.8%	0.0%	4.5%	4.5%	9.1%	0.0%	50.0%
Business Studies	25	0.0%	16.0%	16.0%	20.0%	20.0%	12.0%	8.0%	8.0%	0.0%	0.0%	52.0%
Business Studies - (Nationals)	54	0.0%	9.3%	42.6%	38.9%	0.0%	0.0%	0.0%	0.0%	9.3%	0.0%	90.7%
Media Studies	51	0.0%	17.6%	21.6%	27.5%	19.6%	5.9%	3.9%	0.0%	3.9%	0.0%	66.7%
Information Technology	13	0.0%	7.7%	30.8%	53.8%	0.0%	0.0%	0.0%	0.0%	7.7%	0.0%	92.3%
ICT - (Nationals)	44	0.0%	18.2%	25.0%	39.8%	0.0%	0.0%	0.0%	0.0%	13.6%	0.0%	83.0%
Resistant Materials	43	2.3%	9.3%	4.7%	16.3%	27.9%	14.0%	16.3%	7.0%	2.3%	0.0%	32.6%
Graphics	3	0.0%	0.0%	0.0%	33.3%	33.3%	33.3%	0.0%	0.0%	0.0%	0.0%	33.3%
Textiles	5	0.0%	0.0%	60.0%	0.0%	20.0%	20.0%	0.0%	0.0%	0.0%	0.0%	60.0%

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

	Pupils	A*	A	B	C	D	E	F	G	U	NE/X	A to C
Food and Nutrition	18	0 0%	5 6%	16 7%	22 2%	27 8%	11 1%	16 7%	0 0%	0 0%	0 0%	44 4%
Catering	16	0 0%	6 3%	6 3%	12 5%	31 3%	18 8%	25 0%	0 0%	0 0%	0 0%	25 0%
French	9	0 0%	22 2%	22 2%	22 2%	11 1%	22 2%	0 0%	0 0%	0 0%	0 0%	66 7%
Spanish	21	4 8%	4 8%	66 7%	19 0%	0 0%	0 0%	0 0%	4 8%	0 0%	0 0%	95 2%
Art	20	0 0%	5 0%	15 0%	20 0%	15 0%	20 0%	25 0%	0 0%	0 0%	0 0%	40 0%
Music - (First)	33	36 4%	6 1%	39 4%	18 2%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	100 0%
Dance - (First)	11	0 0%	9 1%	9 1%	36 4%	0 0%	0 0%	0 0%	0 0%	45 5%	0 0%	54 5%
Drama	21	0 0%	4 8%	19 0%	33 3%	28 6%	9 5%	4 8%	0 0%	0 0%	0 0%	57 1%
Sports Studies	42	0 0%	0 0%	28 6%	31 0%	23 8%	11 9%	4 8%	0 0%	0 0%	0 0%	59 5%
Community lang etc	22	4 5%	27 3%	22 7%	9 1%	0 0%	0 0%	4 5%	31 8%	0 0%	0 0%	63 6%

Advanced Level

The pass rate for A2 level increased from 93 6% to 97% 2010-11 Pass Grades gained by Year 13 students at A2 Level in summer 2010 are as below

A Level

Subject	A*	A	B	C	D	E	U
Arabic					1		0
Art					1	2	0
Biology		1			1		4
Business Studies BTEC		6		11			
Chemistry		1					2
English Literature				2	5	2	
Geography			3	4	1	5	1
History			2	2	2		0
ICT (Applied ICT)				2	4	1	0
Media			1	7	5	2	1
Music Technology BTEC	6	16	8	2		3	
Philosophy					1		0
Physics			1	3			0
Graphics - Product Design					1		0
Resistant MaterialsProduct Design		1	1	1	3	2	0
Psychology				1		1	0
Sociology				2	1		0
Spanish				2	1		0
Sports Studies BTEC		3	2	1			0
Textiles			1	2	2		0
Travel and Tourism BTEC		5	3	7			0
Turkish				3			0

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

Destinations of Students

155 students in Year 11 in 2010- 2011 progressed as follows

GCA 6 th form	64%
Other Sixth Forms	1 2 %
Further Education College	32%
Employment	1 9%
Training	0%
Not in employment, education or training	0%
Unknown	0 9%

88 students finished their A2 / Level 3 courses, their destinations are shown below

University Degrees or Foundation Degrees	64
Further Education College	16
Not in education, employment or training	4
Unknown	4

Attendance

	2007-08	2008-09	2009-2010	2010-2011	National Average 2010 *
Attendance	92 87%	93 4%	92 3%	91 4%	93 1%
Authorised absence	5 78%	5 7%	5 8%	6 4%	5 5%
Unauthorised absence	1 35%	0 9%	1 86%	2 16%	1 4%
% of students with Persistent Absence	7 0%	3 6%	4 7%	3 72%	4 6%

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

Improved student behaviour and attitudes to learning

Visitors continued to be impressed by the orderly atmosphere in the school when they are shown around. There was one permanent exclusion from the school during the year 2010-11. Punctuality in the morning is slowly improving although it can still be improved upon. As general wear and tear increases and the ongoing maintenance of the Academy becomes a key activity, it is pleasing to report that there is very little in the way of deliberate damage to the premises.

Numbers on roll

The improvements at the school have been accompanied by increasing pupil numbers as the Academy establishes a good reputation within the local area. The school now recruits a full cohort of 200 Year 7 pupils every year. The vast majority of these students have Greig City Academy as their first or second choice. The growth in pupil numbers has been accompanied by an increase in the number of teachers and education support staff.

	September 2007	September 2008	September 2009	September 2010	September 2011
No of Students	890	965	1061	1125	1157
No of Year 7 students	204	200	200	199	195
No of Sixth Form Students	113	143	175	206	223
No of teaching staff	77	83	86	88	89

Governance and finance

During the year, Governors met in full on 6 occasions and the committees met at least once per term. During the course of full governing body meetings, governors considered regular reports, presented by the Principal and Vice Principals, and approved a range of policies which had been recommended by the relevant committees. Governors also reviewed and approved a number of targets and success indicators for the school and sections of the School Improvement Plan.

Other work included an analysis and full discussion of the 2010 GCSE and A level exam results and a review of the potential impacts of the Government White Paper on Education on the school. Governors also produced their Annual Report and Financial Statements for Year Ended 31 August 2010.

In March 2011, Governors began an exercise in strategic planning to review school values and compile a new vision statement based on these values, which would inform the creation of a new School Improvement Plan. This work was continued with governors and key members of the senior leadership team during a half-day strategy session in June 2011.

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

In July 2011, Governors considered proposed amendments to the Greig Learning Award and agreed the sum set aside for the next academic year

The 2011 Investors in People Review Report commented on governance, 'the governing body is considered to be very effective with a depth of knowledge and involvement in GCA and a good mix of skills and experience amongst the governors. They do challenge the senior team as well as provide good levels of support

Finance, Premises and Personnel Committee

At each meeting governors received reports on finance, premises and personnel with details of work and progress in these areas. Governors were informed of the Government funding changes and likely impact on Greig City Academy. They discussed the ways in which the generous grant from the Greig Trust was being spent and the plans for future expenditure. Governors reviewed in detail the Budget for 2011 - 2012. Governors were involved in a working party to oversee the successful retendering of the school catering contract and the appointment of Wilson Jones Catering Ltd. A governor was involved in the short-listing and interview panel to appoint a new Head of Maths.

Policies considered by this committee and recommended to the full governing body were continuing Professional Development, Performance Management and amendments to the Maternity & Paternity policy.

Student & Community Committee:

The committee heard reports on Student Voice, Section 48 (Christian Ethos) Working Party, Community Cohesion and the Police Liaison initiative. They discussed the annual surveys conducted with students and parents and examined the data presented by the Vice Principal of Pastoral Care on Rewards, Sanctions and Exclusions. There are a number of parents and students co-opted to this committee who provide a useful insight into the thoughts and concerns of students and parents.

Policies considered by this committee during the year were Sex and Relationships Education, School Equality Scheme overview, Equality Impact Assessments, Admissions Policy, Whole School Healthy Living Policy.

Curriculum Committee

During the year, the committee had reports from a number of Faculty Heads: Maths, English, Science, ICT and Modern Foreign Languages. These have provided governors with a good insight into the academic work of the school and the relative strengths of different faculty areas. The Literacy Co-ordinator gave a report on her work to raise student's reading ages. Governors examined and discussed the report on the Examination Review and Curriculum Response. They had a short presentation on the current Raise online data.

Policy considered by this committee during the year was the Curriculum policy.

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

Audit Committee:

Audit committee members received reports from the Responsible Officer who visited the school to review the work of the Finance Office and to test the financial controls in place. They discussed the management responses to his reports. Governors looked at progress on action following the Auditors review of issues raised by the annual audit. They discussed reviews of the recording, accounting and control processes. They looked at progress on completing the Fixed Asset register. Governors also discussed the Academy Financial Management and Governance Evaluation and the Three Year Recovery Plan produced by the Finance Director. Policies considered by this committee during the year were Gifts and Hospitality, Fraud and Whistle blowing.

Additional points and plans for future periods

The Academy continues to put in place a range of programmes and activities designed to improve levels of performance for both students and staff.

Sixth Form numbers improved significantly this year. The target figure for the Sixth Form of 200 has now been reached with increasing interest from students from outside the Academy. This success brings with it the need to find proper facilities for these students. A grant of £546,000 has been secured to create a purpose-built Common Room and study areas. Work began on this in October 2011 and will be finished during the school year 2011-12.

The School Improvement Plan is frequently reviewed by the Senior Leadership Team and Governors briefed on progress made. Following the 2009 Ofsted Inspection areas for improvement identified by the inspection team are now incorporated into this plan. These areas include the reinforcement of an existing target focused on raising standards and progress in the core subjects of English, Mathematics, Science, ICT and in Literacy and Numeracy.

Other areas covered the need to improve teaching and learning, making better use of assessment and detailed targets to challenge all students, and engage them in more interactive learning to enhance their independence. This particular target will have implications in terms of resource management if all pupils are to develop their own personalised learning. Finally, Ofsted identified the need to focus on lesson-monitoring and strategic plans more sharply to improve teaching and evaluate the impact of actions. The long-term intention is to develop, through proper training, more effective monitoring of middle leadership to address this issue.

As the school has grown towards its 1200 student capacity, the lack of teaching space has become a significant issue. The site has an extremely small footprint and we have no green spaces or obvious room for expansion. Imaginative solutions will be required if in the longer term we need to create additional teaching space. Governors are aware of these issues and that ultimately a decision will need to be made regarding limiting year group size to less than 200 or engaging in multi-million pound building developments.

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

Public Benefit

The key public benefit provided by the Academy is the provision of high quality education to its pupils. This is significant when placed within the context of the number of socially and economically disadvantaged students admitted at entry level. The school also aims to offer opportunities for personal development and success of students. We have achieved this through a wide range of extra curricular activities and educational trips.

Excellent care, guidance and support of our students mean that an increasing number of students are progressing to university this year and setting higher targets for themselves.

The school's facilities are widely used by the local community. The school provides adult learning courses to the local community. The London Borough of Haringey also runs several adult education classes at the school for the Adult Education programme at no cost. Furthermore, community groups hold various activities at the Academy ranging from sports to supplementary schools. These facilities are hired out at discounted rates to the community with the aim of promoting better engagement and social cohesion in the local community.

The Governors (also Charity Trustees) confirm that, to the best of their knowledge and belief, they have complied with Section 17 of the Charities Act 2011, in respect to having due regard to the Public Benefit guidance published by the Charity Commission.

Going Concern

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

FINANCIAL REVIEW

The financial position of the Academy at the end of the financial year was generally sound with the overall balance of funds managed by the Academy remaining in surplus at the year end.

Most of the Academy's income in the period ended 31 August 2011 was obtained from the Department for Education in the form of recurrent grants and from one of its sponsors, The Greig Trust, the use of which is restricted to particular purposes. The grants and sponsorship received during the period and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. Total income for the year was up by 5% on last year due largely to funding for an increased number of pupils on roll at the Academy. The Greig Trust continues to support the School financially and provided a grant of £130,000.

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

Financial Review (Continued)

Expenditure for the period was covered by grants from the DfE and sponsorship income and the excess of incoming resources over resources expenditure for the period (before depreciation) was £1,312,000. Depreciation amounted to £1,343,000, charged against the restricted fixed asset fund. Fixed asset additions in the year amounted to £291,000. Several IT equipment costing £7.9k were also written off.

The Academy held fund balances as at 31 August 2011 totalling £24,511,000 made up of £24,203,000 in restricted funds and £308,000 of unrestricted funds. The Academy's unrestricted funds at the year-end include the Governors Discretionary Fund of £196,550 now correctly re-classified as unrestricted reserves. This level of reserve is held while Governors consider how best to help the school and how the Governors Discretionary Fund will be spent.

Following the actuarial valuation at year-end, the defined pension deficit on the Local Government Pension scheme now stands at £302,000. While we do not envisage that the shortfall will crystallise and need to be funded on an ongoing basis, Academies have raised the issue of the deficit with Department for Education (DfE) with regard to addressing any potential additional funding to cover the shortfall. The Academy continues to exercise budgetary controls on available resources, with a view to building up our general unrestricted reserves to mitigate against the growing deficit. An actuarial gain of £405k has been recognised in the SOFA following the valuation by the Pension provider.

The balance sheet restricted fixed asset fund is being reduced by writing off amounts equivalent to any depreciation charges over the expected useful life of the assets concerned.

Movements in tangible fixed assets are shown in Note 11 to the financial statements. The assets are used exclusively for providing education and associated support services to the pupils of the Academy.

Negotiations have successfully taken place with teachers over the GCA Learning Award Scheme, following which the new scheme has been agreed and confirmation received from staff accepting that there are no further liabilities from the previous scheme due to them from the Academy.

Procurement irregularity

During the year, an irregularity in the procurement process for IT equipment was identified by the Academy. The procurement irregularity was discovered by the Academy on invoiced goods supplied to the value of £152,088.

Following a detailed review of IT purchases and fixed asset records and having taken professional advice, the governors have concluded that insufficient controls over IT assets have resulted in the loss of assets estimated to cost £7,920.

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

Procurement irregularity (continued)

This amount has been written off in the results for the year ended 31 August 2011. They have also identified failures to comply with the Academy's financial procedures in relation to the identification of business interests and authorisation of purchases.

The Academy is currently formally disputing amounts claimed as payable by the IT supplier concerned and is taking legal advice on this matter.

Work is ongoing to strengthen and embed the systems of internal control within the Academy to limit the likelihood of any further occurrences.

Policy on Reserves

The Governors are of the view that funds received from the DfE and via the local authority are all required for the annual running costs of the school and that these should not normally be allowed to accumulate as a reserve fund, other than those reserves which are represented in or earmarked for the tangible fixed assets of the School, namely the buildings and contents.

In addition the Governors would wish to see a positive balance in its unrestricted General Funds not exceeding 5% of the annual grants payable to it from the DfE and the local authority. This balance would be used to manage any unexpected calls on expenditure during the year. There are also Department for Education restrictions on the level of funding that can be carried forward from year to year.

Investment Policy and Practice

The Trustees' investment powers are governed by the Memorandum and Articles of Association, which permits the Academy's funds, not immediately required for the furtherance of its objects, to be invested in or upon such investments, securities or property, as may be thought fit, subject to such conditions and consents as may for the time being be imposed or required by law. The Charity has not engaged in any investment of surplus funds during the period under review.

Statement of payment practice

The Academy enjoys good relationships with all its suppliers and prompt payment for goods and services is important, especially for our smaller suppliers. Trade creditors at the end of the year amounted to £236,464 and payments to them amounted to £2,799,135. The average payment day on undisputed invoices was 38 days over the 365 day year. For the previous year comparable figures are £292,266 and £2,794,288 respectively, with payment days at 38 days on average.

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

Fund Review

Details of the Academy's funds are set out in note 15 to the financial statements. During the year to 31 August 2011, the Governors Discretionary fund (£197k) was re-classified as part of the unrestricted reserve of the Academy. The decision to reclassify the funds as unrestricted followed determination by Governors that the funds had not been restricted at source. The Governors are in the process of deciding how the funds will best be used to help the Academy, following which the funds may be designated for specific use by the school.

Auditors

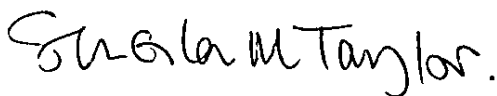
The auditors, Baker Tilly UK Audit LLP have expressed their willingness to continue in office.

Statement as to disclosure of information to the Auditor

The Governors (who are also company directors) who were in office on the date of the approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each Governor has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Approval

The report of the Governors was approved by order of the members of the Governing body on 27th March 2012 and signed on its behalf by



Sheila Taylor
Chair of Governors

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

Statement on Internal Control

Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Greig City Academy 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 Governing Body 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 Greig City Academy and the Secretary of State for Education. The Principal is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

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 Greig City Academy for the year ended 31 August 2011 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body 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 Governing Body 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 ending 31 August 2011 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

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 Governing Body,

GREIG CITY ACADEMY

REPORT OF THE GOVERNORS

Statement on Internal Control (cont'd)

- regular reviews by the Finance Personnel and Premises and Audit Committees 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 Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Robert Ashdown as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy financial systems. On a quarterly basis, the RO reports to the Governing Body through the Audit Committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. The RO function has been fully delivered in line with the YPLA's requirements.

During the year, the Responsible Officer recommended that the Academy prepare an up to date fixed asset register, address concerns around the tenancy of the caretaker's house as well as adhere to established procedures and cut off dates for payroll processing. The Academy is finalising work on the fixed asset register and Governors have considered and are seeking advice with regard to the tenancy of the caretaker's house. The systems of internal and financial controls are being reviewed with a view to strengthening and updating these at the Academy.

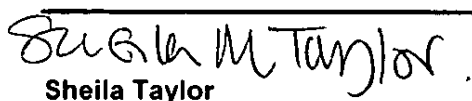
Review of Effectiveness

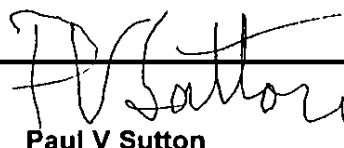
As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by

- the work of the Responsible Officer,
- the work of the external auditor,
- the financial management and governance self assessment process,

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance Personnel and Premises and the Audit Committees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 27 March 2012 and signed on its behalf by


Sheila Taylor


Paul V Sutton

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREIG CITY ACADEMY YEAR ENDING ON 31 AUGUST 2011

We have audited the financial statements of Greig City Academy for the year ended 31 August 2011 on pages 26 to 46. 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 2010/11 issued by the Young People's Learning 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditor

As explained more fully in the Statement of Governors' Responsibilities set out on page 25, the governors (who act as trustees for the charitable activities of the company, and are also the directors of the company 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2011 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 Companies Act 2006, and
- have been prepared in accordance with the Academies Accounts Direction 2010/11 issued by the Young People's Learning Agency.

Opinion on other matter

In our opinion, except as detailed below, grants made by the Department for Education have been applied for the purposes intended.

During the year the Academy identified irregular procurement practices that occurred between January and August 2011 involving the purchase of IT equipment. Consequently the Academy has incurred expenditure of £152,089 over which it has not complied with its financial procedures in relation to the identification of business interests and authorisation of purchases. The Academy has also had insufficient controls over the safeguarding of IT equipment resulting in an estimated loss of assets costing £7,920.

Opinion on other requirement of the Companies Act 2006

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREIG CITY ACADEMY
YEAR ENDING ON 31 AUGUST 2011**

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

- the charity has not kept adequate accounting records, 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 governors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Baker Tilly UK Audit LLP

SUDHIR SINGH (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
25 Farringdon Street
London
EC4A 4AB

Date *17 April* 2012

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The governors (who act as trustees for charitable activities of Greig City Academy and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Academies Accounts Direction 2010/11 issued by the Young People's Learning Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

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

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements 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 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 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 grants received from the YPLA/DfE have been applied for the purposes intended.

GREIG CITY ACADEMY
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure account)
for the Year Ended 31 August 2011

	Notes	2011					2010	
		Unrestricted	Fixed Assets	Capital	Restricted Funds		Total Funds	Total Funds
		Funds			General	Governors Fund		
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Incoming Resources								
<i>Incoming resources from generated funds</i>								
Voluntary Income	3	1	30	-	200	-	231	319
Activities for generating funds	4	44			1	-	45	54
Investment Income	5				3	3	6	2
<i>Incoming resources from charitable activities</i>								
Funding for the Academy's educational operations	2			605	8349	-	8954	8123
Total incoming resources		45	30	605	8553	3	9236	8498
Resources expended								
<i>Costs of generating funds</i>		21	30		7		58	14
<i>Charitable activities</i>								3
Academy's educational operations			1343	2	7763	-	9108	9137
	9	21	1373	2	7770		9166	9154
Governance	10	-	-	-	102	-	102	81
Total Resources expended		21	1373	2	7872	-	9268	9235
Net incoming/(outgoing) resources		24	(1343)	603	681	3	(32)	(737)
Gross Transfer between Funds		197	283		(283)	(197)	-	-
Net incoming/(outgoing) resources before other realised recognised gains and losses/net income/(expenditure) for the year		221	(1060)	603	398	(194)	(32)	(737)
Actuarial gains/(losses) on defined benefit schemes	19	-	-	-	405	-	405	(143)
Net Movement in Funds		221	(1060)	603	803	(194)	373	(880)
Fund balances brought forward at 1 September		87	24247	116	(506)	194	24138	25018
Net Funds as at 31 August		308	23187	719	297	-	24511	24138

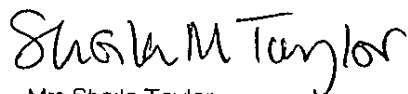
There are no recognised gains or losses other than those disclosed above. All of the Academy's activities are derived from continuing activities.

The notes on pages 29 to 46 form part of these financial statements.

GREIG CITY ACADEMY
BALANCE SHEET
As At 31 August 2011
COMPANY NUMBER 04220486

	Notes	2011 Total £'000	2010 Total £'000
Fixed Assets			
Tangible Assets	11	23187	24247
		<u>23187</u>	<u>24247</u>
Current Assets			
Stock	13	165	8
Debtors	12	431	398
Cash at bank and in hand		1612	963
		<u>2208</u>	<u>1369</u>
Creditors amounts falling due within one year	14	(582)	(831)
Net current assets		<u>1626</u>	<u>538</u>
Total Assets less Current Liabilities		24813	24785
Net Assets excluding pension liability		<u>24813</u>	<u>24785</u>
Pension Scheme Liability	19	(302)	(647)
Net Assets including pension liability		<u>24511</u>	<u>24138</u>
Funds of the Academy			
Restricted Funds			
Fixed Assets Fund	15	23187	24247
Capital Fund	15	719	116
General Fund	15	599	141
Governors Discretionary Fund	15	-	194
Pension Reserve	19	(302)	(647)
Unrestricted Funds	15	308	87
Total Funds		<u>24511</u>	<u>24138</u>

The financial statements were approved and authorised for issue by the Governors on 27th March 2012 and signed on their behalf by



Mrs Sheila Taylor
Chair of Governors

The notes on pages 29 to 46 form part of these financial statements

**GREIG CITY ACADEMY
CASH FLOW STATEMENT
for the year ended 31 August 2011**

	2011 £'000	2010 £'000
Operating activities		
RECEIPTS		
Recurrent grants received from the YPLA		
General Annual Grant (GAG)	7753	7072
Other receipts from Government	576	939
Private sponsorship	175	142
Other receipts	147	265
	<u>8651</u>	<u>8418</u>
PAYMENTS		
Staff costs	5872	5626
Other cash payments	2183	2595
	<u>8055</u>	<u>8221</u>
Net cash inflow from operating activities	<u>596</u>	<u>197</u>
Returns on investments and servicing of finance		
Interest received	6	2
Interest paid	(2)	(1)
	<u>4</u>	<u>1</u>
Taxation	<u>-</u>	<u>-</u>
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Capital grants from Government	332	54
Capital funding received from sponsors		25
Receipts from sale of tangible fixed assets		-
Purchase of tangible fixed assets	(283)	(158)
	<u>49</u>	<u>(79)</u>
Increase in cash	<u>649</u>	<u>119</u>
Reconciliation of net cash flow to movement in net funds		
Increase in cash	649	119
Change in net funds	649	119
Net funds at 1 September 2010	963	844
Net funds at 31 August 2011	<u>1612</u>	<u>963</u>

Analysis of changes in net funds

	As At 1 September 2010 £'000s	Cash flows £'000s	As At 31 August 2010 £'000s
Cash in hand and at bank including short-term deposits	963	650	1612

**GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2011**

1 Accounting policies

(a) Accounting convention

The Financial statements have been prepared in accordance with applicable Accounting standards in the United Kingdom the Statement of Recommended Practice (SORP 2005) Accounting and Reporting by Charities published in March 2005 and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently except where noted is set out below.

In light of its funding agreement with the Department of Education the Governors consider that the Academy has adequate resources to continue in operational existence for the foreseeable future and especially in the 12 months from the date of the signing of the Financial Statements. For this reason they continue to adopt the going concern basis in preparing the financial statements.

(b) Basis of accounting

The financial statements have been prepared under the historical cost convention.

Incoming resources

(c) Grants Receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for the specific purposes but not expended during the period is shown in the relevant funds in the Balance Sheet.

(d) Sponsorship Income

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of Financial Activities in the periods in which it is receivable.

(e) Donations

Donations are included in the Statement of Financial Activities on a cash received basis or an accrual basis where there is a reasonable certainty and the donations are receivable at the balance sheet date.

(f) Donated services and gifts in kind

The value of the donated services and gifts in kind provided to the Academy is recognised in the Statement of Financial Activities where a reasonable estimate can be determined and in the period which they are receivable. Where a reasonable estimate cannot be determined then a note to this effect is disclosed in the notes to the financial statements.

(g) Interest receivable

Interest receivable is included in the period in the Statement of Financial Activities on a receivable basis and is stated inclusive of related tax credits.

(h) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the charity and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes.

Restricted funds comprise grants from the DfE and other donors which have to be used in accordance with specific restrictions imposed by them or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

(i) Resources Expended

Resources expended are recognised in the period in which they are incurred and include irrecoverable VAT. They have been classified under headings that aggregate all costs relating to that activity.

(j) Allocation of costs

In accordance with the SORP 2005, expenditure has been analysed between the cost of generating funds the Academy's charitable activities and governance. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. Central staff costs are allocated on the basis of time spent on each activity and depreciation charges on the basis of the proportion of the assets' use by each category.

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2011

(k) Governance Costs

Governance costs include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meeting and reimbursed expenses. Such costs include both direct and allocated support costs.

(l) Tangible Fixed Assets

The fixed assets of the Academy comprise those transferred to it on incorporation, together with subsequent additions. Assets transferred upon incorporation have not been valued in the Balance Sheet as the Trustees believe their value to be immaterial. The Land and buildings occupied by the Academy are owned by a separate Charitable Trust, the "Site of the Greig City Academy Haringey" Charity Registration Number 1094173. The Land and buildings are occupied rent free by the Academy under a long lease, the value of which has been recognised as a gift in kind based on the estimated value in use to the Academy.

Where tangible fixed assets have been acquired with the aid of specific grants, they are included in the balance sheet at cost and are depreciated over their useful economic life. The related grants are credited to an appropriate restricted fund and subsequently transferred to an unrestricted fund over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Where substantially all risks and rewards of ownership of a leased asset are borne by the Academy, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the fair value of the asset at the inception of the lease.

(m) Depreciation

Tangible fixed assets are depreciated on a straight-line basis over their anticipated useful economic lives as follows:

	Annual Rate
Additions and improvements to premises	5%
Long leasehold buildings	2%
Long leasehold land (over the life of the lease)	99 years
Furniture and office equipment	15%
Computer and related equipment	25%
Motor Vehicles	20%

Individual fixed assets costing £1,000 or more are capitalised at cost with the exception of ICT equipment where purchases over £500 are capitalised. Other fixed asset items are charged to the Statement of Financial Activities in the year of acquisition. A full year's depreciation is charged against capitalised assets in the year of acquisition.

(n) Assets Impairment

Where assets are replaced before they are fully depreciated, the remaining depreciation value of the disposed assets is written off as well as the original cost value.

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2011

(o) Stock

Unused stock is valued at the lower of cost or net realisable value. Stock at year-end represents goods and supplies acquired for use in the following year.

(p) Leased Assets

Rental charges applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

Where substantially all risks and rewards of ownership of a leased asset are borne by the Academy, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the fair value of the asset at the inception of the lease. The value of the long leasehold buildings have been depreciated over the estimated useful life of the buildings, while the value of the long leasehold land has been depreciated over the life of the lease.

(q) Taxation

The Academy is an exempt charity and as such is exempt from income tax and corporation tax under the provisions of the Income and Corporation Taxes Act 1988. The cost of irrecoverable VAT incurred by the Academy has been included in the Statement of Financial Activities.

(r) Pensions

Academy staff are members of one of two pension schemes, both of which are defined benefit schemes. More details of the schemes are given in note 19.

(s) Rental Income policy

Rent receivable has been included in the SOFA on an accruals basis in accordance with the lease agreement.

Defined Benefit Scheme

Teachers' Pension Scheme

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory contributory, final salary scheme, is administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE). As the Academy is unable to identify its share of the underlying (notional) assets and liabilities of the scheme, the Academy has taken advantage of the exemption in Financial Reporting Standard (FRS) 17 and has accounted for its contributions to the Scheme as if it were a defined contribution scheme. The pension costs for the scheme represent the contribution payable by the Academy in the year.

Local Government Pension Scheme

Non-teaching members of staff form part of the LGPS, whose assets are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet. Any movement in the asset or liability between balance sheet dates is reflected in the Statement of Financial Activities.

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2011

	2011 Total £'000	2010 Total £'000
1) GENERAL ANNUAL GRANT (GAG)		
a. Results and Carry forward for the year		
GAG brought forward from previous year	(506)	(651)
GAG allocation for the current period	7753	7072
Total GAG available to spend	<u>7247</u>	<u>6421</u>
 Recurrent expenditure from GAG	(7180)	(6925)
Fixed assets from GAG	(283)	(158)
Transfer to Capital Fund	<u>(216)</u>	<u>(42)</u>
	(7679)	(7525)
 Maximum permitted GAG carry forward at the end of current year (12% of allocation for current year)	<u>930</u>	<u>849</u>
	(1146)	(1553)
 GAG to surrender to DfE		
12% rule breached if positive	Nil	Nil
 b Use of GAG brought forward from previous year for Recurrent purposes		
Of the amount carried forward each year a maximum of 2% of GAG can be used for recurrent purposes. Any balance up to a maximum of 12% can be used for capital purposes		
 Recurrent expenditure from GAG in current year	7180	6925
GAG allocation for the current year	(7753)	(7072)
GAG allocation for the previous year x 2%	<u>(141)</u>	<u>(135)</u>
GAG brought forward from the previous year in excess of 2% used on recurrent expenditure in the current year	(714)	(282)
 2) FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS		
 General Annual Grant (GAG)	7753	7072
 Other government grants		
Standard Grants	403	651
Devolved Formula Capital Grants	59	54
Teacher Training & Reimbursements	1	23
 Other Grants	192	298
 Capital Grants & Revenue		
Partnership for Schools	546	-
Greig Trust Sponsorship	<u>-</u>	<u>25</u>
	<u>8954</u>	<u>8123</u>

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2011

	Unrestricted	Restricted	2011	2010
	£'000	£'000	Total	Total
3) Voluntary Income			£'000	£'000
Greig Trust		130	130	142
Catering Income		65	65	67
Other donations	1	55	56	110
	<u>1</u>	<u>250</u>	<u>251</u>	<u>319</u>

4) Activities for generating funds

	Unrestricted	Restricted	2011	2010
	£'000	£'000	Total	Total
			£'000	£'000
Hire & Use of Facilities	42	1	43	41
Caretakers House Rental	2		2	13
	<u>44</u>	<u>1</u>	<u>45</u>	<u>54</u>

5) Investment Income

	2011	2010
	Restricted	Total
	£'000	£'000
Bank Interest received	6	2
	<u>6</u>	<u>2</u>

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2011

6) Staff Costs

The average number of persons (including senior post holders) employed by the Academy during the period expressed as Full Time Equivalents is as follows

	2011	2010
Charitable Activities		
Teachers	63	61
Administration and Support	45	44
Management	20	20
	<u>128</u>	<u>125</u>

Staff costs for the above persons

	2011 £'000	2010 £'000
Wages & Salaries	4846	4685
Other salary costs	31	13
Social security costs	409	387
Pension costs	586	541
	<u>5872</u>	<u>5626</u>
Current service cost	45	144
Total staff costs	<u>5917</u>	<u>5770</u>

The number of employees who earned over £60 000 during the year including benefits and employer's on costs is as follows

	2011	2010
£60 000 - £70 000	18	2
£70 001 - £80,000	4	3
£80 001 - £90,000	2	2
£100 000 - £110,000	1	-
£150 000 - £160,000	1	1

All but one of the above employees earning over £60 000 participated in the Academy's Pension schemes. During the period pension contributions for these staff amounted to £225 430 (2010 - £107 497)

7) Governors' remuneration and Expenses

The governors of the Academy did not receive any payment from the Academy (except for re-imbursement of properly incurred expenses) in accordance with the Memorandum of Association except for staff governors whose details are disclosed below

	Salary £	Employers Pension Contribution s £	GCA Learning Award £
Paul Sutton	123 051	17,350	2 400
Jon Holt	56 326	7 942	2 400
Richard Protasiewicz	28 589	3 860	-

Governors of the Academy receive no remuneration for their services in that capacity and none (2010 - 2) have been reimbursed for expenses incurred carrying out their activities as governors during the year (2010 - £253)

8) Governors' and Officers insurance

A premium of £1 016 was paid in the year (2010 - £1,016) on a professional indemnity policy to protect the Governors from loss arising from neglect or defaults of the governors or employees. The insurance provides cover up to £2 million per annum to indemnify governors in any one year of cover. Officers and employees are protected under the public liability policy for an aggregate of up to £25 million per annum

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2011

9) Resources Expended

The method used for the apportionment of support costs is disclosed in the accounting policies note (J) on page 29

Charitable Activities - Academy's Educational Operations and Activities for Generating Funds

	2011 Total £'000	2010 Total £'000
DIRECT COSTS		
Teaching and educational support staff costs	5420	5212
Depreciation charged to restricted tangible fixed asset fund	1141	1097
Educational Supplies and services	507	694
Examination fees	117	104
Staff Development	(43)	157
Professional fees curriculum	269	174
Catering	229	212
	7640	7650
ALLOCATED SUPPORT COSTS		
Support staff costs	456	318
Depreciation charged to restricted tangible fixed asset fund	202	193
Building & Ground maintenance	149	129
Cleaning and hygiene materials	174	180
Rent and rates	1	1
Energy	99	321
Insurance	62	59
Occupancy costs	29	30
Supplies and services	296	273
	1468	1504
TOTAL	9108	9154

	Staff Costs £'000	Non Pay expenditure Premises £'000	Other Costs £'000	Total £'000
Costs of generating voluntary income	15	9	34	58

10) Governance Costs

Strategic Management	4	11
Strategic Management - Salary costs	26	
Legal and professional fees	42	46
Audit fees current year	29	14
Audit fees relating to prior year		9
Insurance and indemnity fees	1	1
	102	81

Net movement in funds is stated after charging

Operating lease rentals	19	35
Auditors remuneration - Audit services	29	19
- Other services	-	-
Depreciation	1343	1290

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2011

11) Tangible Fixed Assets

	Long Leasehold land and Buildings	Furniture & Equipment	Computer Equipment	Motor Vehicles	2011 Total
	£'000	£'000	£'000	£'000	£'000
Cost or Valuation					
At 1 September	31432	566	915	5	32918
Additions	30	7	247	7	291
Disposals			(8)		(8)
At 31 August	31462	573	1154	12	33201
Depreciation					
At 1 September	7533	493	644	1	8671
Charge for year	1105	40	203	3	1351
Write off on disposal			(8)		(8)
At 31 August	8638	533	839	4	10014
Net Book Value					
At 31 August 2011	22824	40	315	8	23187
At 31 August 2010	23899	73	271	4	24247

The net book value at 31 August 2011 represents fixed assets used for

	Long Leasehold land and Buildings	Furniture & Equipment	Computer Equipment	Motor Vehicle	2010 Total
	£000s	£000s	£000s	£000s	£000s
Educational provision	19400	34	283	8	19725
Support services	3424	6	28	-	3458
Governance	-		4	-	4
	22824	40	315	8	23187

In addition to the above one of the two vans made available for the use of the Academy by Jon Holt was scrapped during the year. See note 17 on related party transactions. One minivan was purchased by the Academy during the year. One other van belonging to the Academy has a nil written down value.

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2011

12) Debtors	2011	2010
	£'000	£'000
Trade Debtors	43	186
Prepayments	7	201
Sundry debtors	381	11
Total	431	398

The figure for accrued income represents grants receivable and due

13) Stock	2011	2010
	£'000	£'000
Teaching supplies & Stationery	165	8

14) Creditors, amounts falling due within one year

	2011	2010
	£'000	£'000
Trade creditors	236	292
Other Creditors	127	191
Taxation and Social Security	142	140
GCA Training Allowance	-	124
Accruals & Deferred Income	77	84
Total	582	831

Deferred income

	£'000
Deferred Income at 1 September 2010	17
Resources deferred in the year	41
Amounts released from previous years	(17)
Deferred Income at 31 August 2011	41

The 16-19 Bursary fund paid in July 11 for the following academic year has been deferred for allocation in 2011/2012. Also included as deferred income is an apportionment of the Pupil premium grant of £17K.

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2011

15) Restricted funds

The restricted General Funds must be used to meet the normal operating costs of the Academy. The Academy is allowed to carry forward up to 12% of the current General Annual Grant. Of the carried forward amount, up to 2% can be used for general purposes at the discretion of the Academy, but any balance over 2% must be used for capital purposes.

The gross transfer from the restricted general fund to the restricted fixed assets funds represents the total capital expenditure from the General Annual Grant (GAG) during the year.

The Restricted Governors Discretionary Fund is set aside to generate income which can be utilised by the Academy for projects and activities that have been approved by the Governors. During the year the funds were correctly re-classified as general unrestricted funds.

The Restricted Capital Fund represents funds given specifically for future capital purchases. The Restricted Fixed Asset Fund reflects the net book value of tangible fixed assets and the written down value of long leasehold buildings on which the Academy pays nil rent.

	01/09/2010	Incoming Resources	Resources Expended	Gains/Losses & Transfers	31/08/2011
	£'000	£'000	£'000	£'000	£'000
General Annual Grant	41	7753	(7180)	(283)	331
Other Government Grants	2	576	(438)		140
Other Income	98	330	(300)		128
Restricted General Funds	141	8659	(7918)	(283)	599
Pension Reserve	(647)	-	(60)	405	(302)
 Governors Fund	 194	 3	 -	 (197)	 -
DfE Capital Grant	47	605	(2)	-	650
Private Sector Capital Sponsorship	69		-	-	69
 Restricted Capital Fund	 116	 605	 (2)	 -	 719
 Restricted Fixed Asset Funds	 24247	 30	 (1373)	 283	 23187
Total Restricted Funds	24051	9297	(9353)	208	24203
 Unrestricted Funds					
General Funds	87	45	(21)	197	308
	24138	9342	(9374)	405	24511

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2011

16) Analysis of Group Net Assets between Funds

	Unrestricted		Restricted		Total Funds
	General	Fixed Assets	Capital	General	
	Funds	Funds	Funds	Funds	
	£'000	£'000	£'000	£'000	£'000
Fund balances at 31 August 2011 are represented by:					
Tangible fixed assets	-	23187	-	-	23187
Current assets: Stocks and debtors	-	-	-	596	596
Cash and Bank	308	-	719	585	1612
Current liabilities	-	-	-	(582)	(582)
Pension Scheme Liabilities	-	-	-	(302)	(302)
Net Assets	308	23187	719	297	24511

17) Related Party Transactions

The HS & SV Greig Trust and London Diocesan Board for Schools appoint two trustees who are also directors of the company and Governors of the Academy. The HS & SV Greig Trust have donated a total of £130,000 towards the activities of the Academy. The accounts include accrued rental income from the caretaker's house. A minibus has been made available for use by the Academy, Jon Holt - School Governor. The minibuses are used mainly for taking pupils on school trips. The Academy remains responsible for all repairs and maintenance including vehicle insurance cover. Following the year-end, the minibus made available has been taken off the road to be scrapped.

A sum of £1,800 has been accrued in the accounts as rental income as at year-end. This represents 2 months rent due on the rent of the caretaker's house let to Mr Jon Holt who is a teacher Governor at the Academy. The start date of the lease was 1st July 2011 and the rent has been set at £900 per month. Mr Holt has given notice of his intention to resign as Governor following the Academy's AGM.

18) Capital Commitments

No capital contracts were committed to or entered into during the year. Following year-end the Academy has contracted the services of J Coffey construction Ltd to build the 6th Form extension. The contract has been funded by a grant of £546k from the Partnership for Schools.

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2011

19) RETIREMENT BENEFIT - Pension Commitments

The Academy'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 Haringey pension fund

The total pension cost to the Academy during the year ended 31 August 2011 was £585,802 (2010 - £539,571) of which £461,319 (2010 - £433,207) related to the TPS and £124,483 (2010 - £106,364) relates to LGPS

A pension liability should be allocated to a particular fund where it is demonstrable that a constructive liability arises to fund the deficit and could properly be met from that particular fund. School operations costs, including therefore staff costs, are funded through the GAG, so it is appropriate to allocate the pension liability to the Restricted General Fund, and to charge the pension costs through it.

Teachers Pension Scheme (TPS)

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 1997, as amended. These regulations apply to teachers in schools and other educational establishments in England and Wales maintained by local authorities, to teachers in many independent and voluntary-aided schools, and to teachers and lecturers in establishments of further and higher education. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

THE TEACHERS' PENSION ACCOUNT

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2011

19) RETIREMENT BENEFIT - Pension Commitments (continued)

VALUATION OF THE TEACHERS' PENSION SCHEME

Not less than every four years the Government Actuary (GA), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate (SCR) is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate. The last valuation of the TPS related to the period 1 April 2001 - 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR has been assessed at 19.75%, and the supplementary contribution rate has been assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years), a total contribution rate of 20.5%. This translates into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement has also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

A copy of the GA's 2004 valuation report can be found on the TeacherNet website at www.teachernet.gov.uk/pensions

Local Government Pension Scheme

The Academy is one of several employing bodies included within the London Borough of Haringey Local Government Pension Scheme (LGPS). The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2011

19) RETIREMENT BENEFIT - Pension Commitments

Local Government Pension Scheme (continued)

The total contribution for the year ended 31 August 2011 was £159,786 of which the employer's contribution was £124,483 and the employees' contribution totalled £53,422. The agreed employer contribution rate for the year was 13% and between 5.5% and 7.2% for employees.

Local Government Pension Scheme continued

Financial assumptions

Year Ended	31 Aug 2011	31 Aug 2010
	% p.a.	% p.a.
Inflation / Pension Increase Rate	2.6%	2.7%
Salary Increase Rate	4.9%	4.7%
Expected Return on Assets	6.2%	5.9%
Discount Rate	5.4%	4.8%

Breakdown of the expected return on assets by category

Year Ended	31 Aug 2011	31 Aug 2010
	% p.a.	% p.a.
Equities	6.8%	6.9%
Bonds	4.6%	4.3%
Property	4.8%	4.9%
Cash	3.9%	4.0%

Mortality

Life expectancy is based on the PFA92 and PMA92 tables, year of birth tables, with improvements from 2007 in line with the medium cohort and a 1% p.a. underpin.

Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	21.9 years	24.7 years
Future Pensioners	23.3 years	26.1 years

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2011

19) RETIREMENT BENEFIT - Pension Commitments

Local Government Pension Scheme (continued)

Disclosures as at 31 August 2011

Fair value of employer assets

Year Ended	31 Aug 2011	31 Aug 2010
	£'000	£'000
Equities	1,085	887
Bonds	306	357
Property	122	100
Cash	15	86
Total	1,528	1,430

The above asset values as at 31 August 2011 are at bid value as required under FRS17

Balance sheet

Year Ended	31 Aug 2011	31 Aug 2010
	£'000	£'000
Fair Value of Employer Assets	1,528	1,430
Present Value of Funded Liabilities	<u>(1,830)</u>	<u>(2,077)</u>
Net (Under) / Overfunding in Funded Plans	(302)	(647)
Net Asset / (Liability)	<u>(302)</u>	<u>(647)</u>

Year Ended	31 Aug 2011		31 Aug 2010	
	£(000)	% of pay	£(000)	% of pay
Current Service Cost	164	19.2%	144	17.6%
Interest Cost	103	12.1%	98	11.9%
Expected Return on Employer Assets	(88)	(10.3%)	(77)	(9.4%)
Past Service Cost / (Gain)	-	-	(134)	(16.3%)
Total	179	21.0%	31	3.8%
Actual Return on Plan Assets	95		139	-

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2011

19) RETIREMENT BENEFIT - Pension Commitments

Local Government Pension Scheme (continued)

Reconciliation of defined benefit obligation

Year Ended	31 Aug 2011	31 Aug 2010
	£(000)	£(000)
Opening Defined Benefit Obligation	2,077	1,722
Current Service Cost	164	144
Interest Cost	103	98
Contributions by Members	55	53
Actuarial Losses / (Gains)	(513)	204
Past Service Costs / (Gains)	-	134
Estimated Benefits Paid	<u>(56)</u>	<u>(10)</u>
Closing Defined Benefit Obligation	1,830	2,077

Reconciliation of fair value of employer assets

Year Ended	31 Aug 2011	31 Aug 2010
	£(000)	£(000)
Opening Fair Value of Employer Assets	1,430	1,143
Expected Return on Assets	88	77
Contributions by Members	55	53
Contributions by the Employer	119	106
Actuarial Gains / (Losses)	(108)	61
Benefits Paid	<u>(56)</u>	<u>(10)</u>
Closing Fair Value of Employer Assets	1,528	1,430

Amounts for the current and previous accounting periods

Year Ended	31 Aug 2011	31 Aug 2010	31 Aug 2009	31 Aug 2008	31 Aug 2007
	£'000	£'000	£'000	£'000	£'000
Fair Value of Employer Assets	1,528	1,430	1,143	1,056	961
Present Value of Defined Benefit Obligation	(1,830)	(2,077)	(1,722)	(1,331)	(1,084)
Surplus / (Deficit)	(302)	(647)	(579)	(275)	(123)
Experience Gains / (Losses) on Assets	(108)	61	(125)	(108)	18
Experience Gains / (Losses) on Liabilities	194	-	-	34	1

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2011

19) RETIREMENT BENEFIT - Pension Commitments

Local Government Pension Scheme (continued)

Analysis of projected amount to be charged to operating profit for the year to 31 August 2012

Year Ended	31 Aug 2012	
	£(000)	% of pay
Projected Current Service Cost	164	19.3%
Interest on obligation	103	12.1%
Expected Return on Plan Assets	(99)	(11.7%)
Past Service Cost / (Gain)	-	-
Loss/(Gains) on Curtailments and Settlements	-	-
Actual Return on Plan Assets	168	19.7%

Expected employers contributions to be paid to the scheme for the year to 31 August 2012 will be approximately £151,000

The cumulative actuarial loss at 31 August 2011 is £(144,000)

20) Lease commitments

As at 31 August 2011, the Academy had annual commitments for equipments under operating leases as follows

	2011	2010
	£	£
Operating leases which expire		
- within one year	19	34
- in the second to the fifth year inclusive	-	-

21) CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale or disposal by other means of an asset to which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State

GREIG CITY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2011

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to

- 1 the value at the time of the Academy's site and premises and the other assets held for the purpose of the Academy, and
- 2 the extent to which the expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement

22) MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member