

EWELL CASTLE SCHOOL

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2006**

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*These pages do not form part of the statutory accounts of the Company.

Company Registration Number: 788782

Registered Charity Number: 312079

Registered Office: Church Street
Ewell
Surrey
KT17 2AW

WEDNESDAY



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COMPANIES HOUSE

**EWELL CASTLE SCHOOL
A COMPANY LIMITED BY GUARANTEE**

KEY PERSONNEL AND PROFESSIONAL ADVISERS

Principal:	A.J. Tibble, BSc, NPQH
Head of Senior School:	M. Holder-Williams, MA
Head of Junior School:	Mrs. H.M. Crossley, MA
Company Secretary:	G.D. Holland, BSc, ACA
Auditors:	Helmores Grosvenor Gardens House 35/37 Grosvenor Gardens London SW1W 0BY
Bankers:	Barclays Bank PLC 64, High Street Ewell Surrey KT17 1RN
Solicitors:	A.J. Lutley Springfield Rookery Hill Ashted Park Ashted Surrey KT21 1HY

EWELL CASTLE SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2006

The Governors present their annual report and the audited financial statements of the company for the year ended 31 August 2006.

The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities 2005.

Organisational structure and relationships

Ewell Castle School was established in 1926 and was incorporated on 22 January 1964 as a company limited by guarantee. It is governed by its Memorandum and Articles of Association. The company is a registered Charity. The Company changed its name from Ewell Castle School Limited to Ewell Castle School by a special resolution passed on 25 January 2006.

The company is organised with a Board of Governors, who are trustees and members of the charity, to oversee planning, with a member being nominated as chairman. Governors are elected at a Meeting of the Board of Governors on the basis of nominations received. Nominations are made by existing Governors and from the Senior Leadership team. Whilst the School is not required by constitution to have Parent Governors, the Principal regularly invites interest from the Parent body in the role of Governorship. The Board's specification for a Governor concerns personal competence, specialist skills and local availability. There is no fixed term of office for Governors. A trustee may be appointed by invitation to become a governor of the company and removed by a written request from all the other governors. The Principal and a small management team are responsible for the day-to-day running of the company.

The trustees are members of the charity but that entitles them only to voting rights. Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of a winding up. The total number of such guarantees at 31 August 2006 was 8 (2005 - 8). Mr G Tobin tendered his resignation from the Board in December 2006.

Ewell Castle is affiliated to the Society of Heads of Independent Schools (SHMIS) and IAPS (Independent Association of Preparatory Schools). The Principal is a member of SHMIS and of its Professional Development Committee, the Head of Senior School and Head of Junior School are also members of SHMIS. The HoJS is also a member of IAPS. As such members of SLT are able to promote and maintain the standards at Ewell Castle in general terms, and are also able to take part in peer group studies for the evaluation of quality and performance improvement methods.

We co-operate with many local and national charities, and other schools and organisations, in our ongoing endeavours to widen public access to our schooling and the school, to optimise the use of our cultural and sporting facilities and to awaken in our pupils an awareness of the social context of the education they receive at the school.

Ewell Castle also benefits from the generosity of a small but thriving Parent Teacher Association whose close support and contribution in respect of developments and activities we greatly appreciate and gladly acknowledge.

Former members of staff and former pupils also represent a growing body of parties offering valued support and structure to the School community.

EWELL CASTLE SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2006 (continued)

Induction and training of Trustees

New Governors are inducted into the workings of Ewell Castle as a school and also as a registered charity, including its Board Policy and Procedures. This is achieved with introductory meetings with the *Chairman of Governors* and with *members of the Senior Leadership Team (SLT) – Principal and two Heads of School*. Furthermore advantage is taken of AGBIS workshops and other local groups for (New) Governors.

Organisational Management

The Governors meet as a Board four times a year (in October, January, March and July) in addition to its Annual General Meeting in January. The work of implementing most of the Board's policies is carried out by the Chairman, the Principal and the Bursar, who meet three weeks before each meeting of the Governing Board and on other specific occasions eg. to review the budgets and annual accounts and reports. The day to day running of the School is delegated to the Principal and Bursar, supported by the other members of the Senior Leadership Team.

Risk management

The Board, with particular assistance from the Principal and the Bursar, continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time as well as the systems and procedures established to manage them. They monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate, by which those risks already identified can be mitigated.

Objectives & Activities

The Object of the Company, in accordance with its Memorandum of Association is the education of children aged 3-18. The principal activity therefore was that of an independent school for boys (3-18) and girls (3-11). There have been no changes in the company's objects or policies during the year.

Strategic Aim and intended effect

The School's strategic aim is to achieve the highest academic performance commensurate with cultivating a well-rounded development of the personality in our children. We also seek to widen public access to our school and system of schooling as much as possible within the constraints of our funding as an independent education provider.

Objectives for the Year

The Board's main objective continued to be to educate all the school's students to at least the same high standard achieved by the school in previous years, in order that they will be fully able and prepared to benefit from their next stage in education, or a move into employment.

Strategies employed to achieve the year's objectives

These included continuing to review the school's academic syllabus, benchmarking academic standards with external public examinations and value-added statistics, maintain/enhance the expertise of the teaching staff via appointments and staff training, and monitoring and maintaining the high level of support in extra curricular activities and pastoral care.

Overall Achievements and Performance of the School

The total number of students enrolled at Ewell Castle remained stable from September 2005 to September 2006 however this disguised a 5% drop in numbers in the Senior School – with a slightly lower uptake in Year 7 (11+) and Year 12 (Sixth Form), and a continuing and significant increase (8%) in the Junior School – as sought in the school development plan with the increased facilities. A plan to overcome the shortfall in Year 7 by an increased entry at Year 9 (from the Preparatory Schools) is in place, as is the need to ensure that a full cohort is enlisted in Year 7 for 2007. Increased marketing and investigation of school bus schemes is in hand.

The play area in the basin at the Castle was completed in the summer of 2006. Following the drought orders of 2006, arrangements for ensuring adequate water supply for the field areas were made with the installation of tanks and a supply contract for water.

EWELL CASTLE SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2006 (continued)

Overall Achievements and Performance of the School (continued)

All of the Year 13 leavers went to their chosen Higher Education course and those Year 6 leavers to their chosen Secondary School. Record levels were achieved in public examinations in 2006 at Key Stage 2 (11 years) and at Key Stage 3 (14 years). The pass rate at GCSE was 100% again, with records of 91% of grades at A*-C, of an average 8.6 awards (at A*-C) per student and of 94% of students achieving at least 5 GCSE awards at A*-C. At A Level a record 99% pass rate was achieved, with 66% at top grades A-C. The school was again well placed in the DfES Value Added statistics being in the top 25% nationally from KS2 to GCSE.

Pleasing as these results are, Ewell Castle does not measure its performance on these results and achievements alone, and certainly achieving such levels did not hinder achievements in other areas of school life.

Music and the Arts were to the fore again with many Music and Drama productions and a successful Art exhibition. A new initiative was the public performance at the Secombe Theatre, with Greenacre School, of a musical 'Disco Inferno'. Another highlight was the silver medal performance of the Junior Festival Choir at the Sutton Festival of Music. Four students achieved Gold standard in the National Mathematics Challenge and seven students achieved Duke of Edinburgh Silver award. The junior and senior sports teams acquitted themselves very well this year. There was also individual county representation by Ewell Castle students in athletics, cricket, rugby, table tennis and tennis. Furthermore there was a bronze medal in the European karate championships, and international representation in fencing and snowboarding.

Within the curriculum, preparation was completed for the introduction of Psychology as a new AS/A level and for the new single Business Studies GCSE and the new Science GCSEs. A significant number of tours and trips in and outside the UK took place and other extra curricular clubs and activities flourished.

The School continued to develop its links with the community – with other schools, Greenacre School – curriculum and extra curricular, Rosebery School – Open Award Centre for the Duke of Edinburgh Award Scheme, Collingwood Junior School – Athletics Sports facility.

Furthermore, in keeping with our policy of widening access to facilities, at fee rates below commercial levels, subsidised arrangements are enjoyed by Japanese and Korean Language Schools – holiday language courses, Fitznells School of Music, Associated Board of Royal School of Music – theory examinations, Stewart Cricket School and Surrey County Cricket Club, Chinthurst Preparatory School – cricket nets, and Mole Valley Bowmen – archery club.

Public benefit

Beyond the benefit outlined above, Ewell Castle is pleased to record continued public benefit offered in many respects in addition to means tested bursaries. Some of these activities can be summarised as follows.

The school has an established partnership with Kingston University, NESCOL and SWELTEC where we offer our services as a 'training' school for Initial Teacher Training (ITT). Our first experience of supporting the Graduate Teacher programme was successful.

Significant charitable works are undertaken by staff and pupils including support at a local charity shop, developing links with a Special Needs School and fund raising activities for local, national and international charitable organisations.

We also play host to an Age Concern Garden Party, Ewell Village Fete and various Heritage events and archaeological visits/works. Indeed the very upkeep of three listed buildings and sites within the village is itself of significant value to the community.

EWELL CASTLE SCHOOL**REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2006
(continued)****Future Plans & Developments**

A Strategic Review was completed in January 2007.

Planning discussions continue in relation to the proposed outdoor play area at Glyn House, development of the front of Chessington Lodge can now begin with a possible capital development at The Castle. The latter proposal is now possible following the agreement with the landlord upon a new 75 year lease, for the Castle and Chessington Lodge – the signing of which took place on 9th August 2006.

Planning for a new electronic reporting system and internet 'portal' access for parents was undertaken in 2005 ready for implementation in September 2006. A further improved service and benefit for parents and the public is the new telephone system installed in summer 2006.

Financial Review

The results of the charity's activities are set out on page 8. Income from Charitable Activities increased by 10.0% to £4.16m this year, reflecting higher fee levels and an increase in the number of pupils. Staff costs, which represented 70.8% of our total costs for 2005/6, rose by 13.7% whilst average staff numbers rose by 7%. Net incoming resources for the year increased from £388,000 to £597,000. The cash flow statement on page 10 shows an increase in cash balances of £577,000 and a reduction of loans of £39,000 over the year.

Investment Policy

There are no restrictions on the company's absolute powers of investment. The Board's policy continues to be to put any retained funds in higher-yielding deposit accounts.

Reserves Policy

The charity requires free reserves (that is those funds not tied up in fixed assets and restricted funds) in order to provide:

- an adequate level of working capital;
- a financial buffer to cover risks to which the charity is exposed;
- funds to enable the school to continue to invest to enhance the educational facilities it provides.

Free reserves at 31 August 2006 amounted to £1.4m (2005 £762,000). The Board has determined that the appropriate level of free reserves should fall within the range £600,000 to £800,000. The charity intends to utilise excess reserves towards future capital developments as outlined above. The Board will continue to review the reserves policy on an annual basis.

EWELL CASTLE SCHOOL

**REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2006
(continued)**

Governors

The Governors who served during the year were as follows:

D C M Hill, Esq. (Chairman)	P A Laughton, B.A.
A J Askew, Esq.	C E Moyle, Esq.
G Tobin, F.R.I.C.S. (resigned 31 December 2006)	Dr. H H B Perkins
P M Holland, Esq.	I L Ayres, Esq.

Auditors

The auditors, Helmores, have indicated their willingness to continue in office, and a resolution will be proposed at the Annual General Meeting for their re-appointment.

Statement of Governors' Responsibilities

The governors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the governors to prepare financial statements for each financial year. Under the law the governors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the governors are required to:

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

The governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the governors is aware, there is no relevant audit information of which the company's auditors are unaware, and each trustee has taken all the steps that he ought to have taken as a governor in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board of Governors on 30 January 2007 and signed on its behalf by



By Order of the Board
D.C.M. Hill - Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EWELL CASTLE SCHOOL

We have audited the financial statements of Ewell Castle School for the year ended 31 August 2006, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the 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 auditors

The governors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting are set out in the Statement of Governors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the governors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding governors' remuneration and other transactions are not disclosed.

We read the Governors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the governors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 August 2006 and of its net incoming resources and cash flows for the year then ended ;
- the financial statements have been prepared in accordance with the Companies Act 1985; and
- the information given in the Governors' report is consistent with the financial statements.



HELMORES
Chartered Accountants and Registered Auditors
Grosvenor Gardens House
35/37 Grosvenor Gardens
London
SW1W 0BY

30 January 2007

EWELL CASTLE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2006

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2006 £	Total 2005 £
INCOMING RESOURCES					
Incoming Resources from Charitable Activities					
School fees receivable	2	4,015,330	-	4,015,330	3,629,777
Other Educational Income	3	146,753	-	146,753	154,631
		<u>4,162,083</u>	<u>-</u>	<u>4,162,083</u>	<u>3,784,408</u>
Incoming Resources from Generated Funds					
Activities for Generating Funds	4	21,309	-	21,309	19,058
Voluntary Income		250	-	250	6,629
Investment income - Bank Interest		77,909	-	77,909	53,184
		<u>99,468</u>	<u>-</u>	<u>99,468</u>	<u>78,871</u>
Total Incoming Resources		<u>4,261,551</u>	<u>-</u>	<u>4,261,551</u>	<u>3,863,279</u>
RESOURCES EXPENDED					
Charitable Activities	5	3,647,243	507	3,647,750	3,459,107
Governance Costs	5	17,264	-	17,264	16,513
Total Resources Expended		<u>3,664,507</u>	<u>507</u>	<u>3,665,014</u>	<u>3,475,620</u>
Net Incoming Resources before transfers		597,044	(507)	596,537	387,659
Gross transfers between funds	12	10,771	(10,771)	-	-
Net Income/Movement in Funds for the year		607,815	(11,278)	596,537	387,659
Total Funds Brought Forward		2,288,291	59,645	2,347,936	1,960,277
Total Funds Carried Forward		<u>2,896,106</u>	<u>48,367</u>	<u>2,944,473</u>	<u>2,347,936</u>

All amounts relate to continuing activities.

The company made no recognised gains or losses in this or the preceding financial year other than the net incoming resources for the year.

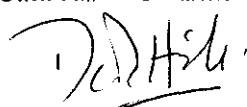
The notes on pages 11 to 16 form a part of these accounts.

EWELL CASTLE SCHOOL

BALANCE SHEET
AT 31 AUGUST 2006

		2006		2005	
	Notes	£	£	£	£
Fixed Assets					
Tangible Assets	8		2,146,538		2,230,240
Current Assets					
Stocks		7,467		19,567	
Debtors	9	145,264		101,820	
Cash at Bank and in Hand		<u>1,774,198</u>		<u>1,197,216</u>	
		<u>1,926,929</u>		<u>1,318,603</u>	
Creditors: Amounts falling due within one year					
Bank Loan		42,869		39,373	
Fees Received in Advance		261,791		183,958	
Other Creditors		197,968		185,284	
Accruals and Deferred Income		<u>24,478</u>		<u>147,597</u>	
		<u>527,106</u>		<u>556,212</u>	
Net Current Assets			1,399,823		762,391
Total Assets less Current Liabilities			<u>3,546,361</u>		<u>2,992,631</u>
Creditors: Amounts falling due after one year	10		(601,888)		(644,695)
Total Net Assets			<u>2,944,473</u>		<u>2,347,936</u>
Represented by:					
Restricted Funds	12		48,367		59,645
Unrestricted Funds			<u>2,896,106</u>		<u>2,288,291</u>
Total Funds			<u>2,944,473</u>		<u>2,347,936</u>

Approved by the Board on 30 January 2007 and signed on its behalf by
D.C.M. Hill - Chairman



The notes on pages 11 to 16 form a part of these accounts.

EWELL CASTLE SCHOOL

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2006

		2006	2005
	Notes	£	£
Net cash inflow from operating activities	1	638,286	564,983
Returns on Investments and Servicing of Finance			
Interest Received		77,909	53,184
Interest Paid		(43,590)	(45,772)
		34,319	7,412
Capital Expenditure			
Payments to acquire tangible fixed assets		(56,312)	(24,601)
		616,293	547,794
Financing			
Bank Loan		(39,311)	(37,644)
Increase (Decrease) in Cash	2	<u>576,982</u>	<u>510,150</u>

1. Reconciliation of net incoming resources to
net cash inflow from operating activities

	2006	2005
	£	£
Net incoming resources	596,537	387,659
Interest Receivable	(77,909)	(53,184)
Interest Payable	43,590	45,772
Depreciation charges	140,014	147,340
Movement in stocks	12,100	(16,101)
Movement in debtors	(43,444)	(36,785)
Movement in creditors	(32,602)	90,282
Net cash inflow from operating activities	<u>638,286</u>	<u>564,983</u>

2. Analysis of changes in net funds

	At Beginning of Year	Cash Flows	At End of Year
	£	£	£
Cash at Bank	1,197,216	576,982	1,774,198
Bank Loan:			
Due within 1 year	(39,373)	(3,496)	(42,869)
Due after 1 year	(644,695)	42,807	(601,888)
TOTAL	<u>513,148</u>	<u>616,293</u>	<u>1,129,441</u>

EWELL CASTLE SCHOOL**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2006****1. Accounting Policies****a) Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities: the Charities SORP 2005, the Companies Act 1985 and applicable accounting standards.

b) Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting discounts and bursaries.

c) Donations

Donations and voluntary income received for the general purposes of the charity are included as unrestricted funds. Donations for activities restricted by the wishes of the donor are included in restricted funds.

d) Resources Expended

- Expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, either by staff time or space occupied, as appropriate. Irrecoverable element of VAT is included with the item of expense to which it relates.
- **Governance costs**
This comprises the costs of managing and administering the charity and includes audit fees, costs of Governors' meetings and an apportionment of relevant staff costs.

EWELL CASTLE SCHOOL
**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2006
(Continued)**
e) School buildings and equipment

Part of the school buildings and grounds are subject to leases, which expire in August 2077. Building improvements and extensions costing more than £5,000, together with furniture and equipment costing more than £1,500 are capitalised and depreciated.

Depreciation is provided on a straight line basis so as to write off the cost of the tangible fixed assets over their estimated useful lives as follows:

Freehold Buildings	- 2% per annum
Improvements to Leasehold Property - pre 2002	- over original lease term
- post 2003	- 2% per annum
Furniture and Equipment	- 15% per annum
Computer Equipment	- 25% per annum
Motor Vehicles	- 25% per annum

f) Stocks

Stocks of foodstuffs and sports clothing are valued at the lower of cost and net realisable value.

g) Funds

Unrestricted funds are available for use for the general purposes of the charity. Restricted funds are subject to donor-imposed restrictions and are shown separately in the Statement of Financial Activities.

h) Pension schemes

The company contributes to the Teachers Pension Agency Pension Scheme in respect of staff who are eligible and have not opted out of the scheme. Employers' contributions, which are set by the Scheme Trustees, are currently 13.5% of pensionable earnings.

The company also runs a Stakeholder Pension Scheme for staff who are not eligible to join the Teachers Pension Agency Scheme. The company currently contributes 5% of pensionable earnings for those employees participating in the scheme.

Pension costs are charged to the Statement of Financial Activities as incurred.

i) Operating leases

The rentals payable under operating leases for equipment are charged to the Statement of Financial Activities on a straight-line basis over the lease term. Rent payable in respect of operating leases for school premises is based on the rent due under the relevant leases.

EWELL CASTLE SCHOOL

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2006
(Continued)**

2. School Fees

	Total 2006 £	Total 2005 £
The Schools' Fee Income Comprised:		
Gross Fees	4,174,042	3,765,279
Fees in Lieu of Notice	19,205	8,251
Less: Bursaries, Grants and Allowances	(177,917)	(143,753)
	<u>4,015,330</u>	<u>3,629,777</u>

3. Other Educational Income

	Total 2006 £	Total 2005 £
Registration Fees	9,690	10,232
Forfeited Deposits	11,300	8,140
Additional Courses and Tutorials	18,101	19,503
After School Care	8,293	4,623
School Lunches	97,802	111,666
Sundry Income	1,567	467
	<u>146,753</u>	<u>154,631</u>

4. Incoming Resources from Generated Funds

	Total 2006 £	Total 2005 £
Activities for Generating Funds		
Hire of Facilities	19,515	17,263
Commission Receivable	1,794	1,252
Sundry Income	-	542
	<u>21,309</u>	<u>19,058</u>

5. Total Resources Expended

	Staff Costs £	Other Costs £	Depreciation £	Total 2006 £	Total 2005 £
Charitable Activities - Education					
Teaching	2,208,562	136,178	41,268	2,386,007	2,117,931
Premises	99,324	550,313	97,904	747,541	881,730
Support costs of schooling	281,299	232,060	842	514,202	459,446
	<u>2,589,185</u>	<u>918,551</u>	<u>140,014</u>	<u>3,647,750</u>	<u>3,459,107</u>
Governance Costs					
Auditors Remuneration					
- as auditors	-	8,225	-	8,225	7,990
- other services	-	3,555	-	3,555	3,525
Staff costs	5,484	-	-	5,484	4,998
	<u>5,484</u>	<u>11,780</u>	<u>-</u>	<u>17,264</u>	<u>16,513</u>
	<u>2,594,669</u>	<u>930,331</u>	<u>140,014</u>	<u>3,665,014</u>	<u>3,475,620</u>

Total Resources Expended include: interest on bank loan of £43,590 (2005 - £45,772) and the hire of equipment of £43,906 (2005 - £42,578).

EWELL CASTLE SCHOOL

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2006
(Continued)

6. Staff Costs

	2006	2005
	£	£
Wages and Salaries	2,199,899	1,933,846
Social Security Costs	175,994	156,818
Pension Costs	218,776	192,656
	<u>2,594,669</u>	<u>2,283,320</u>

7. Staff Particulars

The average number of employees (full time equivalent) during the year was as follows:

	2006	2005
Administrative Staff	9	9
Teaching Staff	58	53
Domestic Staff	9	9
	<u>76</u>	<u>71</u>

Employees receiving emoluments in excess of £60,000 were as follows:

£60,000 - £70,000	nil	nil
£70,001 - £80,000	one	one

The above employee is a member of the Teacher's Pension Agency pension scheme.

Pension costs for higher paid employees	£10,486	£9,534
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EWELL CASTLE SCHOOL

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2006
(Continued)**

8. Tangible Fixed Assets

	Freehold Land and Buildings £	Leasehold Building Improvements £	Furniture and Equipment £	Motor Vehicles £	Total £
Cost					
Opening Balance	1,728,138	1,364,825	589,856	72,301	3,755,120
Additions	-	32,662	23,650	-	56,312
	<u>1,728,138</u>	<u>1,397,487</u>	<u>613,506</u>	<u>72,301</u>	<u>3,811,432</u>
Depreciation					
Opening Balance	103,526	862,896	489,627	68,831	1,524,880
Charge for the Year	34,559	63,345	38,644	3,466	140,014
	<u>138,085</u>	<u>926,241</u>	<u>528,271</u>	<u>72,297</u>	<u>1,664,894</u>
Net Book Value - 2006	<u>1,590,053</u>	<u>471,246</u>	<u>85,235</u>	<u>4</u>	<u>2,146,538</u>
Net Book Value - 2005	<u>1,624,612</u>	<u>501,929</u>	<u>100,229</u>	<u>3,470</u>	<u>2,230,240</u>

The lease on the property expires in August 2077

9. Debtors

	2006 £	2005 £
Fees Receivable	66,549	53,327
Others	1,359	693
Prepayments and Accrued Income	77,356	47,800
	<u>145,264</u>	<u>101,820</u>

10. Creditors: Amounts Falling Due After One Year

	2006 £	2005 £
Bank Loan:		
Due Between Two and Five Years	186,781	182,073
Due After Five Years	415,107	462,622
	<u>601,888</u>	<u>644,695</u>

The bank loan is secured under a Mortgage Debenture incorporating a fixed charge over the freehold property of Glyn House. The loan is fully repayable over 11 years to 2017. Interest is payable at 6.45% per annum fixed until May 2008. The proportion of the loan to the value of the asset mortgaged is 39%.

EWELL CASTLE SCHOOL

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2006
(Continued)**

11. Operating Leases

	2006 £	2005 £
Rentals Charged in the Year:		
Land and Buildings	210,000	283,471
Computer Equipment	43,907	42,578

Payments under operating leases due in the next year are as follows:

	Land and Buildings £	Computer Equipment £
Leases expiring within one year	-	25,197
Leases expiring within two to five years	-	23,571
Leases expiring after more than five years	210,000	-
	<u>210,000</u>	<u>48,768</u>

12. Restricted Funds

The restricted funds principally comprise the Appeal Fund, which was set up to raise funds for major building projects. The income of the fund is donations and any tax recoverable thereon. The transfer to unrestricted funds represents a relevant proportion of the depreciation charge for the year in respect of buildings partly financed by Appeal income. The appeal fund value carried forward is represented by the net book value of leasehold improvements partly financed by Appeal income (2006 - £46,670; 2005 - £57,441).

Restricted donations of £nil (2005 - £5,986) were received in the year. Unspent restricted donations carried forward of £1,697 comprise a fund to provide prizes in future years and a fund for library improvements.

13. Connected Parties

G Tobin is a Governor and a Partner in Andrews & Robertson, Chartered Surveyors. Andrews & Robertson received professional fees from the company totalling £nil during the financial year (2005: £4,700). No emoluments or reimbursed expenses were paid to or received by any of the Governors in respect of qualifying services as a governor of the company during the year. The Company paid an insurance premium amounting to £504 in respect of Governors' liability insurance during the year.

14. Capital Commitments

Contracted for but not provided in these accounts - nil (2005 - nil)

Authorised but not contracted for - nil (2005 - nil)

15. Taxation

The School is exempt from Corporation Tax on its charitable activities.