

**EWELL CASTLE SCHOOL**

**REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2007**

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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

THURSDAY



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21/02/2008  
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 2007**

The Governors present their annual report and the audited financial statements of the company for the year ended 31 August 2007

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, interest from the Parent body in the role of Governorship is invited regularly. The Board's specification for a governor concerns personal competence, specialist skills and local availability. There is no fixed term of office for governors; however, a governor of the company can be removed by a written request from all the other governors. The Principal and a 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 2007 was 8 (2006 - 8).

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 (HoJS) are also members of SHMIS. The HoJS is also a member of IAPS. As such members of Senior Leadership Team (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.

Ewell Castle 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 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 2007  
(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 SLT – Principal and two Heads of School. Furthermore advantage is taken of Association of Governors of Independent Schools (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, subgroups of governors, the Principal and the Bursar. The day to day running of the School is delegated to the Principal and Bursar, supported by the Heads of School.

**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. A particular objective this year was the necessary preparation for the scheduled visit of the Independent Schools Inspectorate in October 2007.

**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 end of year Ewell Castle remained stable from August 2006 to August 2007 however beginning of year figures reflected a drop of some 9% in Junior School numbers – primarily in the Nursery and Early Years. The Senior School numbers were maintained overall however a large entry into the Sixth Form disguises a smaller intake into Year 7 (11+) for a second successive year. The plan to overcome some of the shortfall in Year 7 by an increased entry at Year 9 (from the Preparatory Schools) has been successful. Marketing analysis has been commissioned and a school bus scheme is in hand.

## **EWELL CASTLE SCHOOL**

### **REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2007 (continued)**

The long term lease on two of the sites has finally been achieved enabling a Master Plan also to be commissioned in preparation for a major capital development project. A new telephone system has been installed improving internal and external communication. Significant improvements have also been made in the area of Information technology benefiting education – eg interactive whiteboards, and administration – eg new servers. Significant expenditure has also taken place with the purchase of a laser cutter (computer aided manufacturing - CAM) for Design & Technology and in providing a much needed secondary electrical supply at the Castle. Sports facilities have been upgraded at Glyn House with the preparation of a grass playing area.

All of the Year 13 leavers went to their chosen Higher Education course and those Year 6 leavers to their chosen Secondary School – including much success in acquiring places at grammar schools. Ewell Castle could not match all the record levels achieved in public examinations in 2006 at Key Stage 2 (11 years), Key Stage 3 (14 years) and GCSE (16 years). However the pass rate at GCSE was 100% again, with 84% of grades at A\*-C, and at an average of 7.8 awards (at A\*-C) per student. 84% of students achieved at least 5 GCSE awards at A\*-C. At A Level a 94% pass rate was achieved, with 67% registered at top grades A-C. Whilst the school is no longer eligible for the DCSF Value Added statistics as they are now 'contextualised' our own statistics give no reason to suggest that we would not maintain our previous position in the top 25% nationally from KS2 to GCSE. Notable achievements were top grades AAAB, AAABC and 8A\* & 3A at A, AS and GCSE respectively. The A level student went on to Oxford University whilst the others are continuing their study at Ewell Castle. Record levels were however achieved at KS3 (Mathematics & English) and KS2 (Maths & Science). A notable achievement here was a 100% mark for one pupil in KS2 Mathematics.

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 fine Music and Drama productions and a successful Art exhibition incorporated within an Arts Week – a new venture. Students joined again in a public performance at the Secombe Theatre, with the girls of Greenacre School. Another highlight was the silver medal performance of the Junior Festival Choir at the Sutton Festival of Music. Five and nineteen students achieved Gold and Silver standard respectively in the National Mathematics Challenge (including Primary Mathematics Challenge for Junior Schools) and several students achieved Duke of Edinburgh awards. The junior and senior sports teams acquitted themselves very well this year. This year there was also individual county representation by Ewell Castle students in athletics, cricket and hockey, and international representation in fencing and snowboarding. There has been considerable expansion of Junior School extra curricular activities in the year including the introduction of mini musketeers (fencing), Street Dance and competition chess. Indeed district representation was achieved in chess.

Within the curriculum, Psychology was successfully introduced at AS level, the new Business Studies, Classical Civilisation and Science GCSEs. In the Junior School French is now introduced formally from Year 1. 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 maintain and develop its links with the community. Links with other schools includes those with Greenacre School – curriculum and extra curricular, Rosebery School – Open Award Centre for the Duke of Edinburgh Award Scheme, Collingwood Junior School – Athletics Sports facility, Chinthurst School – cricket practice 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 and practical examinations, Stewart Cricket School and Surrey County Cricket Club and Mole Valley Bowmen – archery club.

## **EWELL CASTLE SCHOOL**

### **REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2007 (continued)**

#### **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 for whom our services are used as a 'training' school for Initial Teacher Training (ITT). After our successful first experience of supporting the Graduate Teacher programme others are now planned.

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 several other local associations on an occasional basis eg bee keeping, guide group, musical group, 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.

Developments are planned with our website in order that we may share intellectual property through departments.

#### **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 and now a possible capital development at The Castle. The latter proposal is now possible following the relatively recent agreement with the landlord upon the new 75 year lease, for the Castle and Chessington Lodge.

Improvements continue with the new electronic reporting system, internet 'portal' access for parents and development of the website as above.

#### **Financial Review**

The results of the charity's activities are set out on page 8. Income from Charitable Activities increased by approx 3.62% to £4.3m this year, reflecting higher fee levels. Staff costs, which represented 71.5% of our total costs for 2006/07, rose by 7.5% whilst average staff numbers rose by 3.95%. Net incoming resources for the year fell from £597k to £558k. The cash flow statement on page 10 shows an increase in cash balances of £499k and a reduction of loans of £43k 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 2007 amounted to £1.982m (2005 £1.400m). 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 2007  
(continued)**

**Governors**

The Governors who served during the year were as follows

D C M Hill, Esq (Chairman)	J G Moran, Mrs (appointed 30 January 2007)
A J Askew, Esq (Vice Chairman)	C E Moyle, Esq (resigned 11 January 2008)
I L Ayres, Esq	Dr H B Perkins (resigned 9 October 2007)
P M Holland, Esq (resigned 13 September 2007)	G Tobin, F R I C S (resigned 31 December 2006)
P A Laughton, B A	

**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 23<sup>rd</sup> January 2008 and signed on its behalf by



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 2007, 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

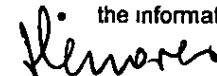
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 2007 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

24 January 2008

## EWELL CASTLE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2007

	Notes	Unrestricted Funds	Restricted Funds	Total 2007	Total 2006
		£	£	£	£
<b>INCOMING RESOURCES</b>					
<b>Incoming Resources from Charitable Activities</b>					
School fees receivable	2	4,154,064	-	4,154,064	4,015,330
Other Educational Income	3	158,654	-	158,654	146,753
		<u>4,312,718</u>	<u>-</u>	<u>4,312,718</u>	<u>4,162,083</u>
<b>Incoming Resources from Generated Funds</b>					
Activities for Generating Funds	4	19,521	-	19,521	21,309
Voluntary Income		6,211	11,500	17,711	250
Investment income - Bank Interest		108,540	-	108,540	77,909
		<u>134,272</u>	<u>11,500</u>	<u>145,772</u>	<u>99,468</u>
<b>Total Incoming Resources</b>		<u>4,446,990</u>	<u>11,500</u>	<u>4,458,490</u>	<u>4,261,551</u>
<b>RESOURCES EXPENDED</b>					
<b>Charitable Activities</b>	5	3,876,472	2,508	3,878,980	3,647,750
<b>Governance Costs</b>	5	21,829	-	21,829	17,264
<b>Total Resources Expended</b>		<u>3,898,301</u>	<u>2,508</u>	<u>3,900,809</u>	<u>3,665,014</u>
<b>Net Incoming Resources before transfers</b>		548,689	8,992	557,681	596,537
Gross transfers between funds	12	10,771	(10,771)	-	-
<b>Net Income/Movement in Funds for the year</b>		559,460	(1,779)	557,681	596,537
<b>Total Funds Brought Forward</b>		2,896,106	48,367	2,944,473	2,347,936
<b>Total Funds Carried Forward</b>		<u>3,455,566</u>	<u>46,588</u>	<u>3,502,154</u>	<u>2,944,473</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

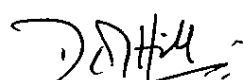
The notes on pages 11 to 16 form a part of these accounts

## EWELL CASTLE SCHOOL

BALANCE SHEET  
AT 31 AUGUST 2007

		2007		2006	
	Notes	£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	8		2,075,699		2,146,538
<b>Current Assets</b>					
Stocks		5,124		7,467	
Debtors	9	198,995		145,264	
Cash at Bank and in Hand		<u>2,273,541</u>		<u>1,774,198</u>	
		<u>2,477,660</u>		<u>1,926,929</u>	
<b>Creditors: Amounts falling due within one year</b>					
Bank Loan		45,693		42,869	
Fees Received in Advance		169,793		261,791	
Other Creditors		256,576		197,968	
Accruals and Deferred Income		<u>22,865</u>		<u>24,478</u>	
		<u>494,927</u>		<u>527,106</u>	
<b>Net Current Assets</b>			<u>1,982,733</u>		<u>1,399,823</u>
<b>Total Assets less Current Liabilities</b>			<u>4,058,432</u>		<u>3,546,361</u>
<b>Creditors, Amounts falling due after one year</b>	10		<u>(556,278)</u>		<u>(601,888)</u>
<b>Total Net Assets</b>			<u>3,502,154</u>		<u>2,944,473</u>
<b>Represented by:</b>					
Restricted Funds	12		46,588		48,367
Unrestricted Funds			<u>3,455,566</u>		<u>2,896,106</u>
<b>Total Funds</b>			<u>3,502,154</u>		<u>2,944,473</u>

Approved by the Board on 23rd January 2008 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 2007

		2007	2006
	Notes	£	£
Net cash inflow from operating activities	1	541,873	638,286
Returns on Investments and Servicing of Finance			
Interest Received		108,540	77,909
Interest Paid		(40,325)	(43,590)
		68,215	34,319
Capital Expenditure			
Payments to acquire tangible fixed assets		(67,960)	(56,312)
		542,128	616,293
Financing			
Bank Loan		(42,786)	(39,311)
Increase (Decrease) in Cash	2	499,342	576,982

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

	2007	2006
	£	£
Net incoming resources	557,681	596,537
Interest Receivable	(108,540)	(77,909)
Interest Payable	40,325	43,590
Depreciation charges	138,798	140,014
Movement in stocks	2,343	12,100
Movement in debtors	(53,731)	(43,444)
Movement in creditors	(35,003)	(32,602)
Net cash inflow from operating activities	541,873	638,286

## 2. Analysis of changes in net funds

	At Beginning of Year	Cash Flows	At End of Year
	£	£	£
Cash at Bank	1,774,198	499,343	2,273,541
Bank Loan			
Due within 1 year	(42,869)	(2,824)	(45,693)
Due after 1 year	(601,888)	45,610	(556,278)
TOTAL	1,129,441	542,129	1,671,570

**EWELL CASTLE SCHOOL**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2007**

**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 2007**  
**(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 14.1% of pensionable earnings. Further details are included in note 8.

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 2007  
(Continued)

## 2. School Fees

	Total 2007 £	Total 2006 £
<b>The Schools' Fee Income Comprised.</b>		
Gross Fees	4,309,717	4,174,042
Fees in Lieu of Notice	5,130	19,205
Less Bursaries, Grants and Allowances	(160,783)	(177,917)
	<u>4,154,064</u>	<u>4,015,330</u>

## 3. Other Educational Income

	Total 2007 £	Total 2006 £
Registration Fees	9,602	9,690
Forfeited Deposits	8,000	11,300
Additional Courses and Tutorials	26,152	18,101
After School Care	8,305	8,293
School Lunches	105,693	97,802
Sundry Income	902	1,567
	<u>158,654</u>	<u>146,753</u>

## 4. Incoming Resources from Generated Funds

	Total 2007 £	Total 2006 £
<b>Activities for Generating Funds</b>		
Hire of Facilities	18,196	19,515
Commission Receivable	1,325	1,794
	<u>19,521</u>	<u>21,309</u>

## 5. Total Resources Expended

	Staff Costs £	Other Costs £	Depreciation £	Total 2007 £	Total 2006 £
<b>Charitable Activities - Education</b>					
Teaching	2,372,767	154,083	40,076	2,566,926	2,386,007
Premises	107,396	585,434	97,904	790,734	747,541
Support costs of schooling	303,908	216,594	818	521,319	514,202
	<u>2,784,071</u>	<u>956,111</u>	<u>138,798</u>	<u>3,878,980</u>	<u>3,647,750</u>
<b>Governance Costs</b>					
Auditors Remuneration					
- as auditors	-	9,722	-	9,722	8,225
- other services	-	6,441	-	6,441	3,555
Staff costs	5,666	-	-	5,666	5,484
	<u>5,666</u>	<u>16,163</u>	<u>-</u>	<u>21,829</u>	<u>17,264</u>
	<u>2,789,737</u>	<u>972,274</u>	<u>138,798</u>	<u>3,900,809</u>	<u>3,665,014</u>

Total Resources Expended include interest on bank loan of £40,325 (2006 - £43,590) and the hire of equipment of £53,250 (2006 - £43,906)

**EWELL CASTLE SCHOOL****NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2007  
(Continued)****6. Staff Costs**

	2007	2006
	£	£
Wages and Salaries	2,354,435	2,199,899
Social Security Costs	191,058	175,994
Pension Costs	244,244	218,776
	<u>2,789,737</u>	<u>2,594,669</u>

**7. Staff Particulars**

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

	2007	2006
Administrative Staff	10	9
Teaching Staff	60	58
Domestic Staff	9	9
	<u>79</u>	<u>76</u>

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

£60,000 - £70,000	nil	nil
£70,001 - £80,000	nil	one
£80,001 - £90,001	one	nil

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

Pension costs for higher paid employees	£10,851	£10,486
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**Pension Scheme**

The School participates in the Teachers' Pension Scheme (England and Wales) ("the Scheme"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School.

The latest actuarial valuation of the Scheme by the Government Actuary issued in October 2006 relating to the period 1<sup>st</sup> April 2001 to 31<sup>st</sup> March 2004 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) exceeded the value of the Scheme's assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) by 2.0%.

From 1<sup>st</sup> January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution has been assessed at 19.75%, with a supplementary contribution of 0.75% to balance the Scheme's assets and liabilities within 15 years as required by the regulations. This translates into an employer contribution rate of 14.1% and an employee contribution rate of 6.4%. The cost-sharing agreement has also introduced - effective for the first time from the 2008 valuation - a 14% cap on employer contributions payable.

The pension charge for the year includes contributions payable to the scheme of £240,900 (2006 £215,551).

## EWELL CASTLE SCHOOL

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2007  
(Continued)

## 8 Tangible Fixed Assets

	Freehold Land and Buildings £	Leasehold Building Improvements £	Furniture and Equipment £	Motor Vehicles £	Total £
Cost					
Opening Balance	1,728,138	1,397,487	613,504	72,301	3,811,430
Additions	-	-	67,960	-	67,960
Disposals	-	-	-	(13,636)	(13,636)
	<u>1,728,138</u>	<u>1,397,487</u>	<u>681,464</u>	<u>58,665</u>	<u>3,865,754</u>
Depreciation					
Opening Balance	138,085	926,241	528,269	72,297	1,664,892
Charge for the Year	34,559	63,345	40,894	-	138,798
Disposals	-	-	-	(13,635)	(13,635)
	<u>172,644</u>	<u>989,586</u>	<u>569,163</u>	<u>58,662</u>	<u>1,790,055</u>
Net Book Value - 2007	<u>1,555,494</u>	<u>407,901</u>	<u>112,301</u>	<u>3</u>	<u>2,075,699</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>

The lease on the property expires in August 2077

## 9. Debtors

	2007 £	2006 £
Fees Receivable	109,562	66,549
Others	4,205	1,359
Prepayments and Accrued Income	85,228	77,356
	<u>198,995</u>	<u>145,264</u>

## 10. Creditors: Amounts Falling Due After One Year

	2007 £	2006 £
Bank Loan		
Due Between Two and Five Years	191,793	186,781
Due After Five Years	364,485	415,107
	<u>556,278</u>	<u>601,888</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 10 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 36%.

**EWELL CASTLE SCHOOL**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2007**  
**(Continued)**

**11. Operating Leases**

	2007 £	2006 £
Rentals Charged in the Year		
Land and Buildings	210,000	210,000
Computer Equipment	53,250	43,907

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

	Land and Buildings £	Computer Equipment £
Leases expiring within one year	-	20,101
Leases expiring within two to five years	-	41,669
Leases expiring after more than five years	210,000	-
	<u>210,000</u>	<u>61,770</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 (2007 - £35,900, 2006 - £46,670).

Restricted donations of £11,500 (2006 - £nil) were received in the year. Unspent restricted donations carried forward of £10,688 comprise a fund to provide prizes in future years, a fund for library improvements, a fund to purchase a new piano and a fund to upgrade Glyn House playground. These unrestricted funds are represented by part of the bank balances amounting to £10,688 (2006 - £1,697).

**13. Connected Parties**

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 £880 in respect of Governors' liability insurance during the year.

**14. Capital Commitments**

Contracted for but not provided in these accounts - nil (2006 - nil)  
 Authorised but not contracted for - nil (2006 - nil)

**15. Taxation**

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