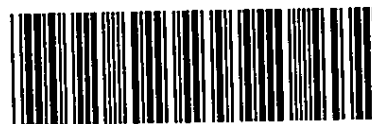


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EWELL CASTLE SCHOOL

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2013

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EWELL CASTLE SCHOOL

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2013**

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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

**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 UK LLP 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 2013

The Governors present their annual report and the audited financial statements of the company for the year ended 31 August 2013

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 school 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, primarily for when their children have left the school. 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 2013 was 8 (at 31 August 2012: 9).

The Principal is a member of the Society of Heads (formerly SHMIS), and the Head of Senior School and Head of Junior School are also members of the Society as a 'Deputy Head' and Head of Junior School' respectively. In addition, the Head of Junior School is also a member of IAPS (Independent Association of Preparatory Schools), and the Bursar is a member of ISBA (Independent Schools Bursars' Association). As such, members of Senior Leadership Team 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. The school is a member of AGBIS (Association of Governing Bodies of Independent Schools).

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 PSFA (Parents, School & Friends 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 2013 (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) – the Principal and the two Heads of School. Furthermore advantage is taken of AGBIS workshops and other local groups for (new) Governors. All Governors have received training in Child Protection issues.

Organisational Management

The Governors meet as a Board four times a school 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.

The principal risks identified

- failure of Governance,
- failure to deliver educational standards,
- failure to safeguard pupil welfare,
- regulatory non-compliance,
- impact of economic climate,
- major fraud or mismanagement,
- major catastrophe eg fire,
- adverse action by the freeholder, and
- loss of charitable status

The key controls used by the charity are

- formal agendas and minutes for all committee activity,
- induction procedures for new Governors,
- terms of reference & responsibilities for committees and certain individual Governors, in addition to job descriptions for Senior staff of the school,
- comprehensive planning incl strategic planning, budgeting and management accounting,
- professional advice,
- established organisational structures and lines of reporting,
- clear authorisation and approval levels for all transactions,
- appropriate levels of free reserves,
- formal written policies including comprehensive child protection measures and other health & safety matters to ISI regulatory standards, and
- vetting procedures for all staff as required by DCSF and ISI regulation, through the Criminal Records Bureau
- meeting requirements of Charity Commission

It is recognised that no system can give an absolute assurance against major risks

EWELL CASTLE SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2013 (Continued)

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 is that of an independent school for boys (3-18) and girls (3-11 & 16-18). 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 personal development of 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 in academic, sporting and artistic areas as 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. Furthermore the board sought to

- maintain the provision for means-tested bursaries and hardship grants whilst retaining tight financial control, so as to widen public access to the school and its resources,
- to achieve all the necessary permissions for a new Nursery building and to ensure erection of the building for September 2013
- prepare for the introduction of co-education in the Sixth Form (Years 12/13) in September 2013,
- to appoint a suitable successor to the current Principal upon the retirement on 31st December 2013, and to prepare for the transition period,

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, maintaining/enhancing 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. Continued monitoring of the bursary provision was undertaken, as was further activity from the Strategic Planning Group of Governors. Following the decision to draw down all funds made available, the Governors approved the use of a proportion of these funds to complete phase two of the Master Plan – the new Nursery building. Co-education was successfully introduced into the Sixth Form, with due regard for facilities, staffing & curriculum. The number of girls enrolled was in the target range and overall numbers into Year 12 increased by 60%. The governors engaged the services of an educational recruitment agency to assist in the search and selection of the new Principal, for January 2014.

Overall Achievements and Performance of the School

The total number of students enrolled at the end of school year (July 2013) was within acceptable range but below previous years. There was not the customary increase in numbers between the beginning and end of year. Numbers in September 2013 were consistent with recent years at the beginning of a new year. Numbers at KS2 and entry to Year 7 (age 11 years) are again below our norm however these are compensated to a degree by good numbers at KS1 (age 5-7 years), into Year 9 (age 13 years) and the Sixth Form (Year 12 at age 16+) – the latter reflecting a successful introduction of co-education to the Sixth Form with high retention as well as good recruitment incl girls. Figures overall remain within margins and the targets of the development plan. Similar experiences in other schools continues to reflect the delayed impact in this sector of current economic climate.

EWELL CASTLE SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2013 (Continued)

We were successful with permissions for the new Nursery building and this unit was established ready for the new school year in September 2013, completing phase 2 of The **Master Plan** – building developments, along with the completion of the Castle interior refurbishment. A successful opening ceremony was held for the Budgell Building, the Gadesden Library and the Harbour (Special Educational Needs) Suite. Chris Grayling, MP for Epsom & Ewell, Lord Chancellor and Secretary of State for Justice honoured us by opening the new facilities. Permission remains to extend the library externally and plans are being prepared for the interior refurbishment of the Pledger Building. The intended refurbishment of Glyn House was delayed due to a minor fire during the summer vacation period. The effected rooms were back in service for September, with temporary repairs affected. Plans for new outdoor changing and extension of the Sports Hall at the Castle are well advanced.

The most significant staffing change this year is the appointment of Mr Peter Harris to succeed Mr Andrew Tibble, who retires as Principal of Ewell Castle in December 2013. Meanwhile, Mrs Phillips, the Head of The Junior School, completed an excellent first year in post. A new position of Data Manager is to be advertised in the Autumn term (2013). This development reflects the desire to make full use of the information management system in particular areas of pupil tracking of performance and development of Old Ewellians.

All of the Year 13 leavers embarked upon their chosen Higher Education course and those Year 6 leavers went to their chosen Secondary School – many (boys) progressing to Ewell Castle Senior School and others acquiring places at grammar schools.

Ewell Castle enjoyed success in **public examinations** in 2013, although with fewer record figures than in recent years. At 'A' level a 98% pass rate was achieved with 78% of the grades at A*- C. The average UCAS points was our second best ever. The AS level performances, also produced some creditable achievements as 76% of subjects taken were passed, with 43% A-C. At GCSE the overall performance rose again after a disappointing dip in 2012. There was an 87% pass rate at A*- C with over 25% of these passes were awarded at A*/A.

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. Pleasing as all 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.

Public examinations are taken at the Junior School at the end of KS2 (11 years). The results, individually and collectively, were again of a good standard. 42% of the cohort reached Level 5 in Mathematics, with four pupils reaching Level 6. 38% achieved level 5 in English. (Level 4 is the nationally expected standard of achievement for 11 year olds.)

Regular changes in specifications for examination courses remain one of the greatest **curriculum** challenges for teaching staff. The latest and most significant development for us is the abolition of modular examinations at GCSE and A level – the existence of which had proved to be beneficial to our pupils. We now plan for a return to linear examinations ie assessment taken only at the end of the course. Regular parents' meetings, documentation and presentations keep our parents apprised and internal monitoring ensures satisfactory transitions and outcomes. Indeed, to keep abreast of good practice, to understand still further how pupils learn and to postulate current thinking, in-service training forms a fundamental part of the development at the school. In addition to individual INSET, this year has seen staff and parents focus upon 'Active Thinkers, Active Learning' an Independent Learning presentation. This followed a presentation on 'Thinking about Thinking and the way Children Learn' by an ISI and Ofsted Inspector. The Junior School introduced a 'Creative Curriculum Week' this year.

EWELL CASTLE SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2013 (Continued)

There has been a myriad of flourishing **extra and co-curricular activities** this year. The Junior and Senior Schools pride themselves not only with a vast range of **sporting opportunities** but also in the standards reached, individually and collectively. The Junior School sports programme includes the major sports of Football, Rugby and Cricket, and a link has been established to allow elite Junior School children to train and play fixtures for the Senior School. Athletics, cross country, hockey, netball and rounders also prosper.

It is pleasant to highlight a developing sport at Ewell Castle. Tennis teams were entered for the first time in the Aegon Schools League Championships. The senior team finished second and the juniors coming first in their respective divisions. The players also excelled as runners up in the Surrey league and performed creditably in the Independent Schools Tennis Championships. There are also opportunities to represent the school playing badminton, basketball and golf while some pursue individual sporting interests in fencing, shooting, wind surfing and kick boxing. This year's Sporting Roll of Honour for county representation includes Nathaniel Richards-Martin & Julius Banks (Rugby), Ramish Aziz and Nishan Jishani (Squash), Cameron Bell and Brandon Hammond (Golf) and Benedict McManus (Tennis). National Honours have been won by Henry Bloodworth in Windsurfing. Team of the year goes to the U13 rugby team who won the Pilkington Cup 7-a-side tournament, but praise also goes to the Junior School swimming team at the Surrey Schools Gala. Our own galas and sports' days were also successful events.

The **Arts** enjoy prominence in and out of school throughout the year. The end of the Autumn term brings a highlight of the year with our Nursery & Reception Christmas production 'Babushka'. St Mary's Church then hosted our Carols by Candlelight and the Senior School Lessons and Carols, as well as other Junior School regular services and a Schools' concert during the year. The Senior School Arts Week in the Spring term also provides a particular focus. This year, the Senior School Art department conducted 'sweet transfer' printing workshops as well as an all day mosaic workshop, the latter being inspired by the urban street artist 'Invader'. There was an Art Poster Competition, a 'House Reading Competition' and an Arts Quiz. Design & Technology invited an accomplished designer to run a 'Presentation and Rendering' workshop. GCSE Drama students were also treated to a stage lighting workshop led by a professional lighting designer who was short-listed for the Innovative Workshop of the Year Award. There was a lunch time concert and an Upper School Music Recital. The Junior School enjoyed hanging at a local Art Exhibition and took part in Mr Grayling's Art competition for Christmas cards. The Senior School artists exhibited on on-line galleries. Throughout the year the Orchestra, Concert Band, Ukulele Band, Guitar and Percussion Ensembles, Castle Ravens and the newly formed Castle Chorus, comprising of parents, staff and pupils, make regular performances. The culmination of the Arts programme is the Summer Evening at the Castle.

This year we were treated as the major school production, to an excellent rendition of Arsenic and Old Lace. Younger thespians delivered 'The Scholarship' and the GCSE students performed 'Neville's Island'. The Junior School completed their programme with each cohort delivering an evening of words and music, and drama workshops.

Regular visits to the theatre and concert halls are arranged. All year groups are targeted and this year's offerings have included Wicked (Apollo Victoria Theatre), Stomp (Ambassador Theatre), The 39 Steps (Criterion Theatre), Matilda (Cambridge Theatre), The Curious Incident of the Dog in the Night and the Royal Philharmonic at the Festival Hall. The Junior School visited the Polka Theatre for The Wind in the Willows and Too many Penguins', and saw 'The Lion King' at the Lyceum.

The desire to seek cultural and educational diversity abroad persists as colleagues look to extend the boundaries for learning in their subjects or other areas of interest. The Football Tour to Tenerife was successful as was the annual skiing trip to Austria. The Year 9 historians ventured to France on an overnight visit to The Somme Valley (battlefields) and the Classics trip to Naples was enjoyed by all involved, Pompeii, Herculaneum & Vesuvius. Sixth Form field trips in Snowdonia and to Iceland were also enjoyed.

EWELL CASTLE SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2013 (Continued)

Closer to home, there was a plethora of co-curricular activities/trips included visits to the Natural History and Bourne Hall museums, to Sutton synagogue, Bough Beech Reservoir, Sutton Ecology Centre, Wisley Garden Centre, the Kingswood Activity Centre on the Isle of Wight, Thames Young Mariners, Three Peaks Outdoor pursuits, Business Game (Surrey Satro) and National Mathematics and Multiplication Challenges

The Senior School Languages Day was a success again assisting as it does a greater appreciation of linguistic and cultural diversity

The **Charitable Works Committee** is as busy as ever ensuring the school community understands the on-going need for social awareness. Collectively over £3K has been raised with this year's beneficiaries including Help for Heroes, Meningitis UK, The Rifles Regiment Trust (Care for Casualties), MacMillan, The Salvation Army, Shelter, The British Legion, Action Aid, The British Heart Foundation and many more! The Games Department also uses an annual Charity Run / Fun Day to raise funds under the banner of 'School Children for Children'. Last year it raised nearly £4K

The Duke of Edinburgh Award Scheme retains its popularity with over 50 pupils working towards their Bronze Award

The School continued to maintain and develop its **links with the community**. Pupils in Yrs 5 & 6 are members of Bourne Hall Library, in their own right, and we remain grateful for the support from the Epsom Education Business Partnership. St Mary's Church and the Old Salesians are other significant partners

Furthermore, in keeping with our policy of widening **access to facilities**, at fee rates below commercial levels, subsidised arrangements are enjoyed by many groups eg a language school from Hong Kong – holiday language courses, sports clubs, Fitznell's School of Music & Drama, The Associated Board of Royal School of Music – theory and practical examinations, Stewart Cricket Centre and Surrey County Cricket Club, a local allotment society, Surrey Bee Keepers Association, and Mole Valley Bowmen – archery club. We also gladly share our sports facilities with local Primary and Junior Schools

The Parent Staff & Friends Association remain very active with highlights of social and fund-raising activities this year being the Fireworks Evening, Trivia Evening, and Summer Circus/Fair

Public benefit

In addition to the public benefit derived from activities outlined above, Ewell Castle is pleased to record continued further public benefit offered by means tested bursaries

The school has established partnerships with Kingston University, NESCOL and SWELTEC for whom our services are used as a 'training' school for Initial Teacher Training (ITT)

We offer holiday sports courses and play schemes as well as hours beyond normal school hours to our charges – ie early morning care and after school care. We have an established Mother & Toddler group aimed at assisting young mothers. We also play host to several other local associations on an occasional basis as indicated above, and also the Ewell Village Fair 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

Our staff and parents have also been active in lobbying the Epsom & Ewell Council for the protection of open spaces and playing fields, some of which are under threat from developers

EWELL CASTLE SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2013 (Continued)

Future Plans & Developments

The main annual objectives are recorded above. The **Strategic Plan**, which is reviewed annually includes as current priorities

- Expansion of the Governing Body
- Development Office, incl further development of Former Pupil Association and PSFA,
- Review of staffing levels incl outsourcing of catering, Reception & works areas,
- Enhanced use of the school information management system,
- Performance related pay incl non-teaching staff,
- Secure long term solution to increased playing fields,
- Website development and re-branding
- Continuation of the capital development 'master plan'

Financial Review

The results of the charity's activities are set out on page twelve. Although income for Charitable Activities remained relatively unchanged at £5.7m, expenditure increased by £400k over the year. The main contributory factors for this increase were staff costs (£123k), the result of the rent review (£48k), bank loan interest (£44k) and refurbishment costs (£58k). As a result, Net Incoming Resources decreased from £587k to £123k this year.

Investment Policy

There are no restrictions on the company's 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.

The Board has determined that the appropriate level of free reserves should fall within the range £600k to £800k.

Free reserves at 31 August 2013 amount to £1.2m (2012 - £1.7m). This decrease is partly as a result of the £400k investment in the new Nursery Building. The Charity intends to utilize the remaining excess free reserves on projects eg Outdoor changing and/or Senior School Classrooms over the next year. The Board will continue to review the reserves policy on an annual basis.

Governors

The Governors who served on the board during the year were as follows -

P Durnford-Smith, BA, MCIM (Chairman)
M Thomas, RIBA, SBID, FRSA (Vice-Chairman)
P A Laughton, BA
Mrs J G Moran, MA, HDipEd
N Terrington, ACIB
Mrs J Thomas, MSc, BEd
Mrs M Ainge, BSc, SRN (resigned 22 July 2013)
N Bird, FGA, MIRV
D Tucker, QPM

EWELL CASTLE SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2013 (Continued)

Auditors

The auditors, Helmores UK LLP, 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 (who are also directors of Ewell Castle School for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the governors to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgements 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,
- 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 proper accounting records that 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

In so far as the trustees are aware

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

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

Approved by the Board of Governors on 22 January 2014 and signed on its behalf by



P Durnford-Smith - 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 2013 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 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 auditor

As explained more fully in the Governors' Responsibilities Statement set out on page 9, the governors (who are also the directors of the charitable 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EWELL CASTLE SCHOOL
(Continued)**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the 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

Helmores UK LLP

Nigel Hough (Senior Statutory Auditor)
for and on behalf of Helmores UK LLP
Chartered Accountants and Statutory Auditors
Grosvenor Gardens House
35/37 Grosvenor Gardens
London SW1W 0BY

27/2/2014

EWELL CASTLE SCHOOL**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2013**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
INCOMING RESOURCES					
Incoming Resources from Charitable Activities					
School fees receivable	2	5,415,020	-	5,415,020	5,437,282
Other Educational Income	3	299,656	-	299,656	317,116
		<u>5,714,676</u>	<u>-</u>	<u>5,714,676</u>	<u>5,754,398</u>
Incoming Resources from Generated Funds					
Activities for Generating Funds		16,508	-	16,508	18,003
Voluntary Income		12,781	-	12,781	45,959
Investment income - Bank Interest		7,677	-	7,677	2,197
	4	<u>36,966</u>	<u>-</u>	<u>36,966</u>	<u>66,159</u>
Total Incoming Resources		<u>5,751,642</u>	<u>-</u>	<u>5,751,642</u>	<u>5,820,557</u>
RESOURCES EXPENDED					
Charitable Activities	5	5,597,297	3,804	5,601,101	5,208,385
Governance Costs	5	27,531	-	27,531	25,555
Total Resources Expended		<u>5,624,828</u>	<u>3,804</u>	<u>5,628,632</u>	<u>5,233,940</u>
Net Incoming / (Outgoing) Resources before transfers		126,814	(3,804)	123,010	586,617
Gross transfers between funds	13	9,131	(9,131)	-	-
Net Income/Movement in Funds for the year		135,945	(12,935)	123,010	586,617
Total Funds Brought Forward		6,242,851	42,487	6,285,338	5,698,721
Total Funds Carried Forward		<u>6,378,796</u>	<u>29,552</u>	<u>6,408,348</u>	<u>6,285,338</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

EWELL CASTLE SCHOOL
Company Registration no 788782
BALANCE SHEET
AT 31 AUGUST 2013

		2013	2012
	Notes	£	£
Fixed Assets			
Tangible Assets	8	7,019,118	6,477,187
Current Assets			
Stocks		4,656	5,399
Debtors	9	283,132	271,765
Cash at Bank and in Hand		<u>2,113,093</u>	<u>2,324,321</u>
		<u>2,400,881</u>	<u>2,601,485</u>
Creditors. Amounts falling due within one year			
Bank Loan		70,114	59,383
Fees Received in Advance		379,169	204,599
Other Creditors		641,609	552,914
Accruals and Deferred Income		<u>64,474</u>	<u>35,821</u>
		<u>1,155,366</u>	<u>852,717</u>
Net Current Assets		1,245,515	1,748,768
Total Assets less Current Liabilities		8,264,633	8,225,955
Creditors Amounts falling due after one year	10	(1,856,285)	(1,940,617)
Total Net Assets		6,408,348	6,285,338
Represented by:			
Restricted Funds	13	29,552	42,487
Unrestricted Funds		6,378,796	6,242,851
Total Funds	12	6,408,348	6,285,338

Approved by the Board on 22 January 2014 and signed on its behalf by


P Durnford-Smith - Chairman

EWELL CASTLE SCHOOL

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2013

		2013	2012
	Notes	£	£
Net cash inflow from operating activities	1	721,518	297,105
Returns on Investments and Servicing of Finance			
Interest Received		7,677	2,197
Interest Paid		(61,151)	(16,931)
		(53,474)	(14,734)
Capital Expenditure			
Payments to acquire tangible fixed assets		(805,672)	(1,074,045)
		(137,628)	(791,674)
Financing			
(Decrease) / Increase in borrowing		(73,600)	1,988,179
(Decrease) / Increase in Cash	2	<u>(211,228)</u>	<u>1,196,505</u>

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

	2013	2012
	£	£
Net incoming resources	123,010	586,617
Interest Receivable	(7,677)	(2,197)
Interest Payable	61,151	16,931
Depreciation charges	263,741	242,238
Movement in stocks	743	7,890
Movement in debtors	(11,367)	(116,068)
Movement in creditors	291,917	(438,306)
Net cash inflow from operating activities	<u>721,518</u>	<u>297,105</u>

2. Reconciliation in net cash

	At Beginning of Year	Cash Flows	At End of Year
	£	£	£
Cash at Bank	2,324,321	(211,228)	2,113,093
Bank Loan	(2,000,000)	73,600	(1,926,400)
	<u>324,321</u>	<u>(137,628)</u>	<u>186,693</u>

EWELL CASTLE SCHOOL

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2013**

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 2006 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 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 2013
(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 2002	- 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 Defined Benefits 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 7.

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 up to 10% 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 2013
(Continued)**
2. School Fees

	Total 2013 £	Total 2012 £
The Schools' Fee Income Comprised.		
Gross Fees	5,729,293	5,722,070
Less Bursaries, Grants and Allowances	(314,273)	(284,788)
	<u>5,415,020</u>	<u>5,437,282</u>

3. Other Educational Income

	Total 2013 £	Total 2012 £
School Lunches	143,992	129,588
Other income	155,664	187,528
	<u>299,656</u>	<u>317,116</u>

4. Incoming Resources from Generated Funds

	Total 2013 £	Total 2012 £
Hire of Facilities	16,508	18,003
PSFA (see note 17)	12,000	44,659
Bank interest	7,677	2,197
Other	781	1,300
	<u>36,966</u>	<u>66,159</u>

5. Total Resources Expended

	Staff Costs £	Other Costs £	Depreciation £	Total 2013 £	Total 2012 £
Charitable Activities - Education					
Teaching	2,899,427	255,057	108,994	3,263,478	3,115,743
Premises	164,427	996,443	152,523	1,313,393	1,203,961
Support costs of schooling	543,681	469,841	2,224	1,015,746	879,401
PSFA (see note 17)	-	8,484	-	8,484	9,280
	<u>3,607,535</u>	<u>1,729,825</u>	<u>263,741</u>	<u>5,601,101</u>	<u>5,208,385</u>
Governance Costs					
Auditors Remuneration					
- as auditors	-	13,842	-	13,842	12,480
- other services	-	6,668	-	6,668	6,167
Staff costs	7,021	-	-	7,021	6,908
	<u>7,021</u>	<u>20,510</u>	<u>-</u>	<u>27,531</u>	<u>25,555</u>
	<u>3,614,556</u>	<u>1,750,335</u>	<u>263,741</u>	<u>5,628,632</u>	<u>5,233,940</u>

Total Resources Expended include the hire of equipment of £Nil (2012 - £1,483)

EWELL CASTLE SCHOOL
**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2013
(Continued)**
6. Staff Costs

	2013	2012
	£	£
Wages and Salaries	3,072,372	2,955,472
Social Security Costs	241,648	242,922
Pension Costs	300,536	288,924
	<u>3,614,556</u>	<u>3,487,318</u>

7. Staff Particulars

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

	2013	2012
Administrative Staff	13	12
Teaching Staff	66	59
Domestic Staff	10	10
	<u>89</u>	<u>81</u>

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

£60,001 - £70,000	-	1
£80,001 - £90,000	-	-
£90,001 - £100,000	1	1

The above employees are members of the Teachers Pension Defined Benefit pension scheme

Pension costs for higher paid employees	£13,897	£21,577
Pension Scheme		

The School contributes to the Teachers' Pension Defined Benefits Scheme ("the Scheme"), for its teaching staff. This is a multi-employer pension scheme and it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with FRS 17 therefore, the scheme is accounted for as a defined contribution scheme.

On 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.

On 31 January 2013, the Department for Education published the outcome of the consultation on further contributions that will apply to members of the Scheme in the financial year 2013-14 as well as the removal of provisions governing scheme valuations and cap and share arrangements. From 1 April 2013 a revised 8 tier salary and employee contribution rate structure has been introduced with employee rates varying between 6.4% and 11.2%. Employer contributions have remained at 14.1%.

The pension charge for the year includes contributions payable to the scheme of £287,104 (2012 £275,234). The School also pays contributions towards a stakeholder scheme.

EWELL CASTLE SCHOOL
**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2013
(Continued)**
8. Tangible Fixed Assets

	Freehold Land and Buildings £	Leasehold Building Improvements £	Furniture and Equipment £	Motor Vehicles £	Total £
Cost					
Opening Balance	1,877,272	6,080,857	1,045,298	81,959	9,085,386
Additions	-	599,554	206,118	-	805,672
Disposals	-	-	-	-	-
	<u>1,877,272</u>	<u>6,680,411</u>	<u>1,251,416</u>	<u>81,959</u>	<u>9,891,058</u>
Depreciation					
Opening Balance	353,996	1,320,468	851,780	81,955	2,608,199
Charge for the Year	37,540	114,983	111,218	-	263,741
Disposals	-	-	-	-	-
	<u>391,536</u>	<u>1,435,451</u>	<u>962,998</u>	<u>81,955</u>	<u>2,871,940</u>
Net Book Value - 2013	<u>1,485,736</u>	<u>5,244,960</u>	<u>288,418</u>	<u>4</u>	<u>7,019,118</u>
Net Book Value - 2012	<u>1,523,276</u>	<u>4,760,389</u>	<u>193,518</u>	<u>4</u>	<u>6,477,187</u>

The leases on the leasehold properties expire in August 2077

Barclays Bank PLC has legal charges over the freehold property and leasehold interest in Ewell Castle, and their net book value at 31 August 2013 was £6,730,696

9. Debtors

	2013 £	2012 £
Fees Receivable	244,330	239,369
Others	1,956	2,064
Prepayments and Accrued Income	36,846	30,332
	<u>283,132</u>	<u>271,765</u>

**10. Creditors' Amounts Falling Due
After One Year**

	2013 £	2012 £
Bank Loan		
Due Between One and Two Years	351,511	340,134
Due After Five Years	1,504,774	1,600,483
	<u>1,856,285</u>	<u>1,940,617</u>

Interest was payable on the above loan at the rate of 2.6% over base rate

EWELL CASTLE SCHOOL

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2013
(Continued)

11 Operating Leases

	2013 £	2012 £
Rentals Charged in the Year		
Land and Buildings	444,000	416,000
Photocopier	713	1,483

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

	Land and Buildings £	Computer Equipment £
Leases expiring within one year	38,900	-
Leases expiring after more than five years	399,000	-
	<u>437,900</u>	<u>-</u>

12 Analysis of net assets between funds

	Tangible assets £	Net current assets £	Creditors due after one year	Total £
Unrestricted funds	6,999,472	1,235,609	(1,856,285)	6,378,796
Restricted funds	19,646	9,906	-	29,552
	<u>7,019,118</u>	<u>1,245,515</u>	<u>(1,856,285)</u>	<u>6,408,348</u>

13. Restricted Funds

	Balance at 01/09/2012 £	Incoming Funds £	Outgoing Funds £	Transfer Between Restricted Funds £	Transfer to Unrestricted Funds £	Balance at 31/08/2013 £
Library and Special Needs Educational Fund	38,618	-	(3,774)	-	(8,381)	26,463
Other	3,869	-	(30)	-	(750)	3,089
	<u>42,487</u>	<u>-</u>	<u>(3,804)</u>	<u>-</u>	<u>(9,131)</u>	<u>29,552</u>

The Library and Special Needs Fund is helping to finance the restructuring and refurbishment of the library and providing learning support including special educational needs

The transfer to unrestricted funds represents a relevant proportion of the depreciation charge for the year in respect of fixed assets financed by restricted funds

EWELL CASTLE SCHOOL

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2013
(Continued)**

14. Connected Parties

The Company paid an insurance premium amounting to £600 in respect of Governors' liability insurance

15. Capital Commitments

Contracted for but not provided in these accounts - £22,416 (2012- £288,596)

16. Taxation

The School is exempt from Corporation Tax on its charitable activities

17. The Parent, Staff and Friends Association

The accounts of The Parent, Staff and Friends Association (PSFA) have been included in the accounts of the school, as the association is a sub committee of the school