

**EWELL CASTLE SCHOOL**

**REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2010**

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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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03/02/2011  
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 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 Ashtead Park Ashtead Surrey KT21 1HY

## **EWELL CASTLE SCHOOL**

### **REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2010**

**Ewell Castle School  
Report of The Governors  
For the year ended 31 August 2010**

The Governors present their annual report and the audited financial statements of the company for the year ended 31 August 2010

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 2010 was 9 (2009 - 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 are also members of SHMIS. The Head of Junior School is also a member of IAPS. 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.

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 2010 (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. All Governors have received training in Child Protection issues.

#### **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.

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 2010 (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 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 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. 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. A further objective this year was to update regulatory matters and policies in accordance with changes identified by Department for Education (DFE) and the Independent Schools' Inspectorate (ISI) – 3<sup>rd</sup> cycle. This work follows on from recommendations adopted after the highly successful ISI (October 2007) and Ofsted (June 2008) inspection reports. Another key objective was the commencement of the first phase of the Master Plan for capital building development.

#### **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 and the establishment of procedures for annual updating and approval of policies by the Governing Body was a key strategy. Further activity from the Strategic Planning Group of Governors in respect of the implementation of phase 1 of the Master Plan. This activity included acquiring necessary planning permissions and listed building consents, approval from the landlord, a due diligence exercise with forward financial planning and acquisition of funding from the school's bank, and appointment of building contractors.

#### **Overall Achievements and Performance of the School**

The total number of students enrolled at the end of year remained constant from August 2009 to August 2010. A remarkable 1% increase overall is actually achieved as the result of a reduction of 2% in Senior School numbers but an increase of 7% at the Junior School. The corresponding beginning of year figures reflects a norm of c 200 (Junior School) and 350 (Senior School). Equally pleasing has been the largest Nursery figures for over a decade. We are in a welcome position of being oversubscribed and these numbers bode well for transition to Key Stage 1. Entry into Year 7 (age 11+) remains a concern. Particularly strong numbers into Year 9 (13+) only goes part of the way in compensation. Retention of pupils into the Sixth Form (Year 12 at age 16+) fell slightly whilst new recruits ensured a satisfactory intake. Undoubtedly the economic climate has had an impact at most stages however overall we are pleased with the stability of numbers, and that these figures are in keeping with the targets of the development plan.

The planning application and application for listed building consent for the major development at the Castle were submitted in November 2009. The planning committee unanimously agreed to the permissions and consents sought. Unsolicited praise was received from the committee for the design of the building. The necessary funding in the form of a bank loan was acquired in August 2010 and subsequent approval given by the Governing Body to proceed. Phase 1 of The Master Plan is scheduled to commence in September 2010. The build will entail a three storey building incorporating new kitchen, dining & cloakroom facilities, a Sixth Form Cafeteria, an exhibition area/foyer, and six classrooms.

## EWELL CASTLE SCHOOL

### REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2010 (continued)

The hard play area, play equipment and landscaping to the rear of Glyn House was completed in 2010 and this facility now enhances the grounds as well as providing welcome facilities for this part of the Junior School. At the Castle we were pleased to complete phase 1 of the library refurbishment in August 2010. This project has only been possible as a result of donations from the Worshipful Company of Grocers and the Harbour Foundation.

The school's new virtual learning environment (VLE) proved to be particularly beneficial to the school in January 2010 when adverse weather led to the temporary closure of the school. As part of the school emergency plan, work was provided on-line for students during the period of closure. In more normal circumstances, the facility encourages independent learning whereby students can follow and revise from courses posted by teachers.

The selection process of a new (internet-based) Information Management System was completed in the summer of 2010 and the introduction, incl. data transfer & staff training, is scheduled to begin in September 2010.

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 progressing to Ewell Castle Senior School and others acquiring places at grammar schools. Ewell Castle enjoyed an outstanding year in **public examinations** in 2010 with records in many categories. A 98% pass rate at A level was one point off the record, and 48% at A\*-B grades was impressive. At Key Stage 4 (16 years), 94.3% of awards were at (*pass*) grades (A\*-C), of which 39.6% were at A/A\* grades – both achievements representing records, as was the average number of (A\*-C) awards of 10.2. At KS2 (11 years), in excess of 40% achieved level 5 in Maths and English, compared with national figures of 35% & 33% respectively. (National assessments at KS3 (14 years) no longer exist.) Notable achievements were top individual performers with grades A\*A\*A\*a, A\*AAA and 9A\*/3A at A and GCSE levels respectively. In the English Speaking Board examinations 'merit plus' and distinctions were received by the majority.

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.

Changes in specifications for examination courses represent one of the greatest **curriculum** challenges for teaching staff. Preparations for the introduction of Spanish (GCSE) and Classical Civilisation (AS) for September 2010 were also completed. Academic Review Day is a feature now established in the Senior School with student target setting the order of the day.

There has been a myriad of co-curricular activities this year examples of which follow. There was a successful 'Languages Day' and prizes in local and regional public speaking competitions. Our Mathematicians enjoyed a busy year winning gold certificates and reaching the national finals. Closer to home and younger in age we embraced the 'Grand Multiplication Challenge' and welcomed 'The Countback Kid' to Ewell Castle. Not to be outdone, great fun and success was enjoyed with the SATIPS handwriting competition.

Ewell Castle Enterprise Week coincided this year with Global Entrepreneurship Week. Our keynote speaker was René Carayol, MBE, and year groups were engaged at various times with World Trade Games, The Business Game, Dragon's Den and 'Apprentice' activities. On a separate occasion we were honoured to welcome the then Shadow Home Secretary, Chris Grayling MP to face our 'question time'. Mr Grayling then returned the hospitality by offering our Sixth Formers a tour of the Palace of Westminster.

A significant number of tours and trips in and outside the UK took place including residential trips to France and America, to Austria for skiing, cricketers to the Midlands, Language, and Geography and History field trips to the Dorset and to the Somme Valley to study the Western Front of WW1 respectively. Examples of more local ventures were the classicists visited Fishbourne Roman Palace, and others to Garson Farm, Museum of London, Amberley Working Museum and Hampton Court Palace. For the more active there was the Three Peaks Activity and Thames Young Mariners Centres.

## EWELL CASTLE SCHOOL

### REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2010 (continued)

Other **extra and co-curricular** clubs and activities flourished within the extensive programmes at both schools

**Music and the Arts** were to the fore again with many fine Music and Drama productions and successful Art exhibitions. The highlights of the Senior School 'Arts Week', were a master class/ workshop on mosaics, the fruits of which now adorn the grass area by the cloisters at the Castle, and Steven Saville, successful writer of science fiction and horror being 'in residence' during the week. The bi-annual Wassail was enjoyed before Christmas by the family that is Ewell Castle. There was also a masterful rendition of Anthony Shaffer's 'Whodunnit'. The School Orchestra, Big Band and Percussion Ensemble were to the fore at Senior School recitals, and Junior School year groups performed admirably at performances of Words and Music. The Festival choir also supported a concert at St Marys Parish Church with the Senior School Big Band and other local schools. Inevitably there even more cultural excursions across a broad spectrum and including Legally Blonde, Sister Act, The 39 Steps, Enron, Red, James and the Giant Peach, Goldilocks, and the three Bears.

Several students achieved Duke of Edinburgh awards again this year, and pupils also performed well in the UK Chess Challenge, two of whom achieving national honours.

The Junior and Senior **sports** teams acquitted themselves very well this year in a variety of activities. Athletics, cricket, netball, rounders, soccer and now rugby, are established team sports in the Junior school. In the Senior School, a full weekly competitive programme of rugby, soccer, cricket and athletics is supplemented with 'minor sport matches in badminton, basketball, squash, and tennis. Further recreational activities eg sailing, table tennis, volleyball have also been enjoyed by others. There was also individual recognition this year, at County/Regional/International level, for Ewell Castle students in athletics, badminton, chess, cricket, ice skating, judo, karting, skiing, squash, tennis, water polo. All of these achievements and many more were celebrated at our annual Sports Dinner.

**Charity activities/recipients** this year included Barnado's, British Legion Poppy Appeal, British Lung Foundation, Christian Aid, Comic Relief, Cricket4Change, Cancer Research UK, Great Ormond Street, Haiti Appeal, Macmillan Nurses, 'Moonwalk', Race for Life, Rhianna's Fund, Salvation Army, Shelter, Sport Relief, St John's Ambulance, Water Aid, Wings of Hope, and Wellingara Primary School in The Gambia, West Africa.

We also continued to enhance our green credentials as an Eco school and were awarded our second Green Flag. Highlights were the establishment of pupil gardens/allotments and development of bio-diversity areas. The children marvel at the work of the eco club, with bird box and built-in camera, the ladybird house and bird bath.

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 a group of pupils undertook a local study, involving both a walk along the River Hogsmill and around the village. We have visited and took an active part in the 'dig' at Hatch Furlong. We joined in a celebration of the railway arriving in Ewell 150 years ago, with perhaps an inevitable poster competition. We are grateful for the support from the Epsom Education Business Partnership.

Links with other schools includes those with Greenacre School – in curriculum and extra-curricular spheres, Collingwood Junior School – athletics Sports facility, Ewell Grove Primary School – facilities to assist with church Carol/Nativity Services, and with Glyn School with a youth (neighbourhood) panel.

Increased Old Ewellian activity this year included a gathering of former pupils across the decades from 1940s, and the production of an OE news sheet. We commend former student Thana'a Mohajer Thacker, upon receipt of one of the Nuffield Foundation Scheme Bursaries to spend six weeks at Imperial College, as we congratulate former Senior School Head Boy Jason Wallis upon election as University Presidency of the Student Union at York. International recognition of former student Tom Allen competing in the American 'Orange Bowl' tennis competition.

## **EWELL CASTLE SCHOOL**

### **REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2010 (continued)**

We enjoy much liaison with the parish church. As well as the Junior School holding regular services at St Mary's, highlights were undoubtedly our own Nursery & Reception Christmas Nativity, Carols by Candlelight and the Senior School Lessons and Carols. This year the Junior School Festival Choir also journeyed the streets of the village carolling at Christmas.

This year a new initiative was taken, A 'Day of Service' took place with pupils tidying up the streets in the village as a mark of commemoration of Martin Luther King's birthday – he who is quoted "Everyone can be great because everyone can serve."

The Parent Teacher Association remain very active with a return of the Circus to the Castle and the Summer Ball at Epsom racecourse being highlights of social activity.

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 and sports clubs, Fitznells School of Music & Drama, The 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.

#### **Public benefit**

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

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 being considered.

We offer holiday sports courses and play schemes as well as hours beyond normal school hours – early morning care and after school care to our charges. In this year past we have established a Mother & Toddler group aiming to assist young mothers. We also play host to several other local associations on an occasional basis eg bee keeping, Guide group, musical group, 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.

Developments continue with our website in order that we may share intellectual property from within departments.

#### **Future Plans & Developments**

The Strategic Plan, as with the School Improvement Plan, are reviewed annually. The school was the recipient of a further donation of £100k during the last year, which when combined with a similar donation the previous year ensured completion of phase 1 of improving the Senior School library facilities. Phase 2 will be completed in 2010-11 with the movement of the Bursary office. The remainder of the restricted funding is to be used developing specific resources for special educational needs. The activity of the Strategic Development Group of Governors has intensified in respect of the major development planned and the implications of the development in respect of rationalisation of space and departmental areas in both the Castle and Glyn House. Other aspects of the Strategic Plan include further development of the performance spaces (Glyn House Hall and the Castle Hall), access for staff vehicles from the by pass, and new outdoor changing rooms on the Castle site.

Following the introduction of pupil and parent portals on our website, plans have been made to develop this area further, incorporating our Virtual Learning Environment (VLE) and to update our school Information Management System.



**EWELL CASTLE SCHOOL****REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2010  
(continued)****Financial Review**

The results of the charity's activities are set out from page eleven. Income from Charitable Activities increased by 2.3% to £5.09m this year while costs increased by 3.3% reflecting increased salaries and the cost of the library refurbishment. The receipt of the £100k donation has again helped to offset the loss of investment income this year due to the low interest rates. As a result Net Incoming Resources decreased from £662k to £599k this 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 2010 amounted to £2.6m (2009 £2.2m). 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 building the new kitchen, dining and classroom block as outlined above. The Board will continue to review the reserves policy on an annual basis.

**Governors**

The Governors who served during the year were as follows:

D C M Hill, (Chairman)  
 I L Ayres, MBA, BSc (Vice-Chairman) [resigned 9 March 2010]  
 P Durnford-Smith, BA, MCIM (vice-Chairman as of 7 July 2010)  
 P A Laughton, BA  
 Mrs J G Moran, MA, HDipEd  
 N Terrington, ACIB  
 Mrs J Thomas, MSc, BEd  
 M Thomas, DArch RIBA, MaPS, FRSA  
 Mrs M Ainge, BSc SRN [appointed 14 October 2009]  
 N Bird, FGA, MIRV [appointed 14 October 2009]

The Board wish to express their grateful thanks to all of the staff. Without their unstinting efforts, and those of our pupils, the range of activities and results detailed in this Report could never have been achieved.

**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 trustees (who are also directors of Ewell Castle School for the purposes of company law) are responsible for preparing the Trustees' 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 trustees 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 trustees are required to

**EWELL CASTLE SCHOOL**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2010  
(continued)**

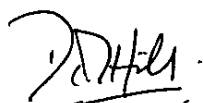
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures 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 trustees 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 trustees 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

Approved by the Board of Governors on 19 January 2011 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 2010 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial statements have been prepared under the accounting policies set out therein.

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 auditors

The governors' (who are also the directors of the company for the purpose of company law) responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view 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 (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Governors' Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

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 judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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 misstatements, 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 of the state of the charity's affairs as at 31 August 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Governors' Report is consistent with the financial statements.

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

Helmore UK LLP  
21 January 2011

## EWELL CASTLE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2010

	Notes	Unrestricted Funds	Restricted Funds	Total 2010	Total 2009
		£	£	£	£
<b>INCOMING RESOURCES</b>					
<b>Incoming Resources from Charitable Activities</b>					
School fees receivable	2	4,876,870	-	4,876,870	4,801,428
Other Educational Income	3	213,144	-	213,144	174,922
		<u>5,090,014</u>	<u>-</u>	<u>5,090,014</u>	<u>4,976,350</u>
<b>Incoming Resources from Generated Funds</b>					
Activities for Generating Funds	4	18,228	-	18,228	22,214
Voluntary Income		50	100,000	100,050	106,250
Investment income - Bank Interest		8,321	-	8,321	29,414
		<u>26,599</u>	<u>100,000</u>	<u>126,599</u>	<u>157,878</u>
<b>Total Incoming Resources</b>		<u>5,116,613</u>	<u>100,000</u>	<u>5,216,613</u>	<u>5,134,228</u>
<b>RESOURCES EXPENDED</b>					
<b>Charitable Activities</b>	5	4,520,701	73,693	4,594,394	4,451,371
<b>Governance Costs</b>	5	23,348	-	23,348	21,010
<b>Total Resources Expended</b>		<u>4,544,049</u>	<u>73,693</u>	<u>4,617,742</u>	<u>4,472,381</u>
<b>Net Incoming Resources before transfers</b>		572,564	26,307	598,871	661,847
Gross transfers between funds	13	12,506	(12,506)	-	-
<b>Net Income/Movement in Funds for the year</b>		585,070	13,801	598,871	661,847
<b>Total Funds Brought Forward</b>		4,274,064	128,148	4,402,212	3,740,365
<b>Total Funds Carried Forward</b>		<u>4,859,134</u>	<u>141,949</u>	<u>5,001,083</u>	<u>4,402,212</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 2010**

		2010		2009	
	Notes	£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	8		2,293,038		2,087,019
<b>Current Assets</b>					
Stocks		4,915		3,421	
Debtors	9	183,273		168,051	
Cash at Bank and in Hand		<u>3,178,821</u>		<u>2,780,051</u>	
		<u>3,367,009</u>		<u>2,951,523</u>	
<b>Creditors. Amounts falling due within one year</b>					
Hire Purchase Creditor		18,306		15,487	
Bank Loan		11,822		-	
Fees Received in Advance		247,454		256,866	
Other Creditors		348,728		326,909	
Accruals and Deferred Income		<u>21,627</u>		<u>18,762</u>	
		<u>647,937</u>		<u>618,024</u>	
<b>Net Current Assets</b>			2,719,072		2,333,499
<b>Total Assets less Current Liabilities</b>			5,012,110		4,420,518
<b>Creditors: Amounts falling due after one year</b>	10		(11,027)		(18,306)
<b>Total Net Assets</b>			5,001,083		4,402,212
<b>Represented by:</b>					
Restricted Funds	13		141,949		128,148
Unrestricted Funds			4,859,134		4,274,064
<b>Total Funds</b>			5,001,083		4,402,212

Approved by the Board on 19 January 2011 and signed on its behalf by



D C M Hill - Chairman

## EWELL CASTLE SCHOOL

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2010

		2010		2009	
	Notes	£	£	£	£
<b>Net cash inflow from operating activities</b>	1		807,041		1,013,977
<b>Returns on Investments and Servicing of Finance</b>					
Interest Received		8,321		29,414	
Interest Paid		(7,461)		(6,200)	
			860		23,214
<b>Capital Expenditure</b>					
Payments to acquire tangible fixed assets			(370,795)		(189,219)
			437,106		847,972
<b>Financing</b>					
Increase in borrowing			(22,849)		-
Capital element of Hire Purchase repayments			(15,487)		(37,057)
<b>Increase in Cash</b>	2		398,770		810,915

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

	2010	2009
	£	£
Net incoming resources	598,871	661,847
Interest Receivable	(8,321)	(29,414)
Interest Payable	7,461	6,200
Depreciation charges	164,776	150,626
Movement in stocks	(1,492)	578
Movement in debtors	(15,222)	14,506
Movement in creditors	60,968	209,634
<b>Net cash inflow from operating activities</b>	<b>807,041</b>	<b>1,013,977</b>

**2. Analysis of changes in net funds**

	At Beginning of Year	Cash Flows	Acquisitions excluding cash	At End of Year
	£	£		£
Cash at Bank	2,780,051	398,770	-	3,178,821
Hire Purchase Contracts	(33,793)	15,487	-	(18,306)
Bank Loan	-	(22,849)	-	(22,849)
<b>TOTAL</b>	<b>2,746,258</b>	<b>414,257</b>	<b>-</b>	<b>3,160,515</b>

**EWELL CASTLE SCHOOL**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2010**

**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 2010  
(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 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 2010  
(Continued)**

**2. School Fees**

	Total 2010 £	Total 2009 £
<b>The Schools' Fee Income Comprised</b>		
Gross Fees	5,137,185	5,038,173
Less Bursaries, Grants and Allowances	(260,315)	(236,745)
	<u>4,876,870</u>	<u>4,801,428</u>

**3 Other Educational Income**

	Total 2010 £	Total 2009 £
School Lunches	125,711	118,733
Other income	87,433	56,189
	<u>213,144</u>	<u>174,922</u>

**4. Incoming Resources from Generated Funds**

	Total 2010 £	Total 2009 £
<b>Activities for Generating Funds</b>		
Hire of Facilities	18,228	22,214
	<u>18,228</u>	<u>22,214</u>

**5. Total Resources Expended**

	Staff Costs £	Other Costs £	Depreciation £	Total 2010 £	Total 2009 £
<b>Charitable Activities - Education</b>					
Teaching	2,564,249	190,298	62,991	2,817,538	2,757,386
Premises	126,211	816,854	100,499	1,043,564	1,037,393
Support costs of schooling	439,009	292,997	1,286	733,291	656,592
	<u>3,129,469</u>	<u>1,300,149</u>	<u>164,776</u>	<u>4,594,394</u>	<u>4,451,371</u>
<b>Governance Costs</b>					
Auditors Remuneration					
- as auditors	-	10,154	-	10,154	10,154
- other services	-	6,633	-	6,633	4,537
Staff costs	6,561	-	-	6,561	6,319
	<u>6,561</u>	<u>16,787</u>	<u>-</u>	<u>23,348</u>	<u>21,010</u>
	<u>3,136,030</u>	<u>1,316,936</u>	<u>164,776</u>	<u>4,617,742</u>	<u>4,472,381</u>

Total Resources Expended include the hire of equipment of £13,277 (2009 - £34,486)

**EWELL CASTLE SCHOOL****NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2010  
(Continued)****6. Staff Costs**

	2010	2009
	£	£
Wages and Salaries	2,656,010	2,560,694
Social Security Costs	211,140	208,033
Pension Costs	268,880	266,437
	<u>3,136,030</u>	<u>3,035,164</u>

**7. Staff Particulars**

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

	2010	2009
Administrative Staff	11	11
Teaching Staff	58	60
Domestic Staff	9	9
	<u>78</u>	<u>80</u>

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

£80,001 - £90,001	one	one
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The above employee is a member of the Teacher's Pension Agency pension scheme

Pension costs for higher paid employees	£12,599	£12,179
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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 £256,268 (2009 £257,205). The School also pays a contribution towards a stakeholder scheme.

## EWELL CASTLE SCHOOL

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2010  
(Continued)**

**8. Tangible Fixed Assets**

	Freehold Land and Buildings £	Leasehold Building Improvements £	Furniture and Equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
Opening Balance	1,814,960	1,476,774	793,065	81,959	4,166,758
Additions	42,984	260,708	67,103	-	370,795
	<u>1,857,944</u>	<u>1,737,482</u>	<u>860,168</u>	<u>81,959</u>	<u>4,537,553</u>
<b>Depreciation</b>					
Opening Balance	241,762	1,116,275	657,216	64,486	2,079,739
Charge for the Year	37,154	63,345	58,453	5,824	164,776
	<u>278,916</u>	<u>1,179,620</u>	<u>715,669</u>	<u>70,310</u>	<u>2,244,515</u>
Net Book Value - 2010	<u>1,579,028</u>	<u>557,862</u>	<u>144,499</u>	<u>11,649</u>	<u>2,293,038</u>
Net Book Value - 2009	<u>1,573,198</u>	<u>360,499</u>	<u>135,849</u>	<u>17,473</u>	<u>2,087,019</u>

The leases on the leasehold properties expire in August 2077

**9. Debtors**

	2010 £	2009 £
Fees Receivable	145,170	118,674
Others	2,239	1,691
Prepayments and Accrued Income	35,864	47,686
	<u>183,273</u>	<u>168,051</u>

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

	2010 £	2009 £
Bank Loan		
Due Between One and Two Years	11,027	-
Hire Purchase Creditor		
Due Between One and Two Years	-	18,306
	<u>11,027</u>	<u>18,306</u>

## EWELL CASTLE SCHOOL

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2010**  
**(Continued)**

**11. Operating Leases**

	2010 £	2009 £
Rentals Charged in the Year		
Land and Buildings	371,000	371,000
Computer Equipment	13,277	34,486

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

	Land and Buildings £	Computer Equipment £
Leases expiring within one year	-	5,319
Leases expiring after more than five years	371,000	-
	<u>371,000</u>	<u>5,319</u>

**12 Analysis of net assets between funds**

	Tangible assets £	Net current assets £	Total £
Unrestricted funds	2,283,577	2,575,557	4,859,134
Restricted funds	9,461	132,488	141,949
	<u>2,293,038</u>	<u>2,708,045</u>	<u>5,001,083</u>

**13. Restricted Funds**

	Balance at 01/09/2009 £	Incoming Funds £	Outgoing Funds £	Transfer to Unrestricted Funds £	Balance at 31/08/2010 £
Appeal Fund	14,358	-	-	(10,771)	3,587
Library Fund	105,000	-	(73,693)	-	31,307
The Special Needs Educational Fund	-	100,000	-	-	100,000
Other	8,790	-	-	(1,735)	7,055
	<u>128,148</u>	<u>100,000</u>	<u>-</u>	<u>73,693</u>	<u>141,949</u>

The Appeal Fund was set up to raise funds for the sports hall

The Library fund is helping to finance the restructuring and refurbishment of the library

During the year £100,000 was donated towards resources for learning support including special educational needs provision

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 2010  
(Continued)**

**14. Connected Parties**

M Thomas, a governor of the school, is a director of MEB Design (Surrey) Limited who were paid £12,259 (2009 £2,551) during the year for architectural design work. The Company paid an insurance premium amounting to £556 in respect of Governors' liability insurance.

**15 Capital Commitments**

Contracted for but not provided in these accounts - £85,000 (2009 - £63,000)

**16. Taxation**

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

**17. Post Balance Sheet Events**

The School budgeted to spend a further £3,797,000 in constructing a new building to accommodate a kitchen, dining hall and six classrooms. Of this, letters of intent were signed in August 2010 in respect of £2,899,694 (plus VAT). Contracts for this expenditure were signed after 31 August 2010.