

# **EWELL CASTLE SCHOOL**

## **REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2016**



**EWELL CASTLE SCHOOL**

**REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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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: P. Harris, MSc BSc PGCE NPQH

Deputy Head of Senior School: S. Bromley, BA PGCE

Head of Prep School: Ms. S. Bradshaw, B.Ed

Company Secretary: G.D. Holland, BSc, ACA

Auditors: Helmores UK LLP  
13 – 15 Carteret Street  
Westminster  
London  
SW1H 9DJ

Bankers: Barclays Bank PLC  
64, High Street  
Ewell  
Surrey  
KT17 1RN

Solicitors: A.J. Lutley  
Springfield  
Rookery Hill  
Ashtead Park  
Ashtead  
Surrey KT21 1HY

Rawlinson Butler  
Griffin House  
135 High Street  
Crawley  
West Sussex RH10 1DQ

## **EWELL CASTLE SCHOOL**

### **REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2016**

The Governors present their annual report and the audited financial statements of the company for the year ended 31 August 2016.

The financial statements comply with the Memorandum and Articles of Association and United Kingdom Generally Accepted Accounting Practice, including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

#### **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 and the running of the charity, 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 2016 was 7 (at 31 August 2015: 9).

The Principal is a member of the Society of Heads, and the Deputy Head of Senior School and Head of Prep School are also members of the Society as a 'Deputy Head' and Head of Prep School' respectively. In addition, the Head of Prep 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 the 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 through the Old Ewellians.

**EWELL CASTLE SCHOOL****REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2016  
(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 Deputy Head of the Senior School and Head of the Prep School. Furthermore advantage is taken of AGBIS workshops and other local groups for new Governors. Governors receive training in Child Protection issues.

**Organisational Management**

The Governors meet as a Board four times a school year (normally in October, January, March and June) 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.

**Pay Policy for Senior Staff**

The pay of the senior staff is reviewed annually and approved by the Finance Committee headed by the Chairman of Governors. Salaries are generally increased in line with the national teaching staff pay scale increases together with a performance related element as recommended by the Principal.

**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 and girls (3-18). The Governors announced that from September 2015 the School will be accepting girls into years 7 and 9 so that over the following three years it would become fully co-educational throughout.

**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 (2015-16)**

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;
- consolidate upon the introduction of co-education in the sixth form and at Year 7 and 9;
- plan for the construction of a new music building.

**EWELL CASTLE SCHOOL****REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2016  
(Continued)****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.

A significant amount of marketing was undertaken to attract girls into Years 7 and 9 in September 2015 and although no pupils joined year 7 and only a small number joined Year 9 prospects look healthy for September 2016.

The Governors have approved the use of funds to build a new music building and develop the local church meadow as a sports field.

**Overall Achievements and performance of the school**

The total number of students enrolled at the end of school year (July 2016) was within the acceptable range but slightly above the previous years. Numbers in September 2016 were consistent with recent years at the beginning of a new year. Entry to Year 7 (age 11 years) has improved and is at its highest level although numbers are somewhat lower at KS1 (age 5-7 years). Numbers at KS2 (age 8-11) are healthy although a little lower into Year 9 (age 13 years). Numbers in the Sixth Form (Year 12 at age 16+) are the largest on record, which reflects a high retention rate as well as good recruitment including girls. Figures overall remain within margins and the targets of the development plan.

A refurbishment programme of the classrooms, staff work areas and toilets has continued to raise the standard of the working environment.

We were pleased with the Ewell Castle Prep School Key Stage 2 SAT results for July 2016, 86% of children achieved the expected level in GPS, 69% in Reading and 55% in Maths.

We were very pleased with our excellent GCSE results which have seen an improvement from last year, with 21.3% of all the examinations sat being A\* or A grades. The percentage of pupils who have achieved the benchmark 5A\* to C grades was 88% (21.4% above the national average) and with 88% of candidates achieving 5 A\*-C including Maths and English. Particularly pleasing were the excellent results in Geography, History and Art all with an 20% increase. Five subjects attained 100% A\*-C, Additional Science, English IGCSE, RS, ICT and Art. Top performers gained

7 A\* (including A\* Further Maths IGCSE), 3 A, 1 B  
7A\*, 2A, 1B, 1C  
4A\*, 5A, 2B

A large proportion of our students now choose to stay on at Ewell Castle after their GCSEs, and we are particularly delighted with the high numbers of applications we have received from both boys and girls wishing to join us in the Sixth Form to study for their A Levels. We are very pleased with the growth of our Sixth Form which has received extra resources and facilities in recent years.

Our A Level results overall slipped a little from 71.4% last year to 61.7% this year A\*-C, with an overall pass rate of 93.6%, on average students gained 237 UCAS points per candidate and 14.9% of results being A\* or A grades. Notable performances included

AAA studying History at Magdalen College, Oxford University  
A\*AA studying Business and Management at the University of Exeter

**EWELL CASTLE SCHOOL**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2016  
(Continued)**

For those students who decided to apply to university this year (85% of the Upper Sixth) 65% of students achieved their first choice of university, although some students applied through the adjustment or clearing processes.

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 and girls) progressing to Ewell Castle Senior School and others acquiring places at grammar schools.

We have used the year to build on the progress made with Teaching and Learning that had been developed previously. Learning walks, peer observation, book scrutiny and an appraisal system have now been bedded in and all Heads of Department have regular line management meetings.

All Senior pupils take baseline assessments (online cognitive ability tests) to assess their potential which is used to set targets and monitor progress.

There has been a myriad of flourishing extra and co-curricular activities this year. The Prep and Senior Schools pride themselves not only with a vast range of sporting opportunities but also in the standards reached, individually and collectively. The Prep School sports programme includes the major sports of Football, Rugby and Cricket, and a link has been established to allow elite Prep School children to train and play fixtures for the Senior School. Athletics, cross country, hockey, netball and rounders also prosper. Over 50 pupils are enrolled on the Duke of Edinburgh programme. The Senior School Languages Day was a success again assisting as it does a greater appreciation of linguistic and cultural diversity. We have also other themed weeks which include Enterprise, STEM and Arts.

A Sports Academy was introduced in September 2014 with Tennis being the first academy sport where we have gone into partnership with Tennis Avenue Academy a short distance from the school and pupils travel there for their coaching. Cricket was also added from September 2015 which is run in house by a member of the PE department.

Sport at the school continues to go from strength to strength with a range of fixtures. The girls programme has also developed with fixtures in the main sports of hockey, netball and rounders.

Following the success of the School's first musical, Joseph, the previous year, the Epsom Playhouse was hired for a fantastic series of performances of Oliver! which brought both the Prep and Senior Schools together. There have been various concerts, recitals, a musical masterclass, evensong and plays during the year at the Senior School as well as Words and Music performed by each year group in the Prep School.

There have also been many trips to see plays and musicals in the West End, team buildings days for new pupils, A level subject specific conferences, local geography, history and RS field trips. There were additional international trips to Ireland, France, Italy, Spain, and skiing to Austria.

The Charitable Works Committee remains a hive of activity. Funds are most effectively raised by using Cake Sales and Mufti Days. Collectively over £6,000 has been raised this year. Principal beneficiaries have included The Children's Trust, Challenge Aid, The Passage and Shelter.

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

**EWELL CASTLE SCHOOL**
**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2016  
(Continued)**
**Public benefit**

The Governors confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity commission in exercising their powers and duties. In addition to the public benefit derived from activities outlined above, Ewell Castle is pleased to record continued further public benefit offered through means tested bursaries.

The School continued to maintain and develop its links with the community. Pupils in Years 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 Tennis Avenue Academy 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, Fitznells School of Music & Drama, The Associated Board of Royal School of Music examinations, Stewart Cricket Centre and Surrey County Cricket Club, a local allotment society, and the Mole Valley Bowmen – archery club. We also gladly share our sports facilities with local Primary and Junior Schools.

We offer holiday sports courses and play schemes as well as hours beyond normal school day 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 including the annual St Mary's Church 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.

**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) (Retired on 22 June 2016)  
Mrs J G Moran, MA, HDipEd  
Mrs J Thomas, MSc, Bed (Retired on 16 December 2015)  
N Bird, FGA, MIRV  
D Tucker, QPM (Vice-Chairman from 9 November 2016)  
A Evans, MRTPI  
Mrs D Parker, BSc DipSocSc (CQSW) PGCE  
Sean Sullivan BA



## **EWELL CASTLE SCHOOL**

### **REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2016**

#### **STRATEGIC REPORT**

##### **Financial Review**

The results of the charity are set out on page 12. The total income increased by £463k in the year and the expenditure increased by £377k, giving an increase in net movement in funds of £85k. Staff costs have increased by £263k.

##### **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 £800k to £1m.

Free reserves at 31 August 2016 amount to £1.4m (2015 - £1.2m). The Board will continue to review the reserves policy on an annual basis.

##### **Achievements and Performance**

Our achievements and performance are discussed in detail on pages 4 to 6 of this report.

##### **Going Concern**

The Governors have reviewed the budget for the next 12 months and consider the charity has adequate resources to continue for the foreseeable future.

##### **Related Parties**

None of the governors received remuneration or other benefits for their work for the charity. Any transactions between the charity and the governors or senior management or related parties must be disclosed to the Board. In the current year no such related party transactions were reported.

##### **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 principle risks identified:

- failure of Governance;
- failure to deliver educational standards;
- failure to safeguard pupil welfare;
- regulatory non-compliance;

## **EWELL CASTLE SCHOOL**

### **REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2016 (Continued)**

#### **STRATEGIC REPORT – Continued**

- 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.

#### **Future plans and developments**

The main annual objectives are recorded above. The School Development Plan, which is reviewed annually includes, as current priorities:

- Expansion of the Governing Body;
- Empower everyone to excel;
- Instil life skills, independence and create a cultural community of self-belief;
- Embed co-education in the senior school;
- Build a more whole school approach;
- Raise our profile in the wider community;
- Invest in staff, resources and the environment.

**EWELL CASTLE SCHOOL**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2016  
(Continued)**

**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 (including the Strategic 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.

**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.

Approved by the Board of Governors on 19 January 2017 and signed on its behalf by:



D Tucker – Vice Chairman

**EWELL CASTLE SCHOOL****INDEPENDENT AUDITORS' TO THE MEMBERS OF EWELL CASTLE SCHOOL**

We have audited the financial statements of Ewell Castle School for the year ended 31 August 2016 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, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland").

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 trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (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 Trustees' Annual Report including the Strategic Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 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 Trustees' Annual Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**EWELL CASTLE SCHOOL**

**INDEPENDENT AUDITORS' TO THE MEMBERS OF EWELL CASTLE SCHOOL**

**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 trustees' 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  
13 – 15 Carteret Street  
Westminster  
London  
SW1H 9DJ

*8 February 2017*

## EWELL CASTLE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
<b>INCOME</b>					
School fees	2	6,093,822	-	6,093,822	5,752,071
Other Educational Income	3	451,299	-	451,299	340,437
Other trading activities		16,857	-	16,857	18,285
Donations	4	22,167	8,345	30,512	16,781
Investment income - Bank Interest		8,403	-	8,403	10,661
<b>Total Income</b>		<b>6,592,548</b>	<b>8,345</b>	<b>6,600,893</b>	<b>6,138,235</b>
<b>EXPENDITURE</b>					
<b>Charitable Activities</b>	5	<b>6,333,910</b>	<b>481</b>	<b>6,334,391</b>	<b>5,957,067</b>
<b>Net Income before transfers</b>		<b>258,638</b>	<b>7,864</b>	<b>266,502</b>	<b>181,168</b>
<b>Transfers between funds</b>	13	<b>4,050</b>	<b>(4,050)</b>	<b>-</b>	<b>-</b>
<b>Net Movement in Funds for the year</b>		<b>262,688</b>	<b>3,814</b>	<b>266,502</b>	<b>181,168</b>
<b>Total Funds Brought Forward</b>		<b>6,749,498</b>	<b>10,032</b>	<b>6,759,530</b>	<b>6,578,362</b>
<b>Total Funds Carried Forward</b>		<b>7,012,186</b>	<b>13,846</b>	<b>7,026,032</b>	<b>6,759,530</b>


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 movement in funds for the year.

**EWELL CASTLE SCHOOL**  
**Company Registration no. 788782**  
**BALANCE SHEET**  
**AT 31 AUGUST 2016**

		2016		2015	
	Notes	£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	8		6,735,828		6,720,666
<b>Current Assets</b>					
Stocks		5,650		6,099	
Debtors	9	190,090		234,965	
Cash at Bank and in Hand		<u>2,650,248</u>		<u>2,143,596</u>	
		<u>2,845,988</u>		<u>2,384,660</u>	
<b>Creditors: Amounts falling due within one year</b>					
Bank Loan		56,169		106,979	
Fees Received in Advance		608,717		461,268	
Other Creditors		725,453		583,403	
Accruals and Deferred Income		<u>71,932</u>		<u>49,157</u>	
		<u>1,462,271</u>		<u>1,200,807</u>	
<b>Net Current Assets</b>			1,383,717		1,183,853
<b>Total Assets less Current Liabilities</b>			<u>8,119,545</u>		<u>7,904,519</u>
<b>Creditors: Amounts falling due after one year</b>	10		(1,093,513)		(1,144,989)
<b>Net Assets</b>			<u>7,026,032</u>		<u>6,759,530</u>
<b>The Funds of the Charity :</b>					
Restricted Funds	13		13,846		10,032
Unrestricted Funds			<u>7,012,186</u>		<u>6,749,498</u>
<b>Total Charity Funds</b>	12		<u>7,026,032</u>		<u>6,759,530</u>

Approved by the Board on 19 January 2017 and signed on its behalf by :

  
 David Tucker - Vice Chairman

## EWELL CASTLE SCHOOL

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2016

		2016	2015
	Notes	£	£
<b>Net cash provided by operating activities</b>	1	927,211	637,712
<b>Cash flows from investing activities:</b>			
Interest Received		8,403	10,661
Interest Paid		(37,473)	(43,918)
Proceeds from sale of property, plant and equipment		593	-
Purchase of property, plant and equipment		(289,797)	(114,716)
<b>Net cash used by investing activities</b>		(318,274)	(147,973)
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(102,285)	(593,218)
<b>Net cash used by financing activities</b>		(102,285)	(593,218)
<b>Change in cash in the reporting period</b>		506,652	(103,479)
<b>Cash at the beginning of the reporting period</b>		2,143,596	2,247,075
<b>Cash at the end of the reporting period</b>		2,650,248	2,143,596

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

	2016	2015
	£	£
Net movement in funds	266,502	181,168
Interest Receivable	(8,403)	(10,661)
Interest Payable	37,473	43,918
Depreciation charges	274,633	280,261
(Profit) Loss on Disposals of Tangible Fixed Assets	(593)	-
Movement in stocks	449	(1,902)
Movement in debtors	44,878	66,744
Movement in creditors	312,272	78,185
<b>Net cash provided by operating activities</b>	<b>927,211</b>	<b>637,712</b>



## **EWELL CASTLE SCHOOL**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2016**

#### **1. Accounting Policies**

##### **a) Accounting convention**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Ewell Castle School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes(s).

##### **Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required, and decided no restatement was necessary.

##### **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.

##### **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.

**EWELL CASTLE SCHOOL**
**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2016  
(Continued)**

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 participates in the Teachers' Pension Scheme (England and Wales) for its teaching staff. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department, and is currently 16.48% of pensionable earnings. Further details are included in note 7.

The school operates an auto-enrolment pension scheme for support staff. The basic contributions for this scheme are 2% of pensionable earnings by the School and 1% by employees although the School does pay up to 10% for certain employees.

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.

**j) Transition to FRS102**

No restatement of items has been required in making the transition to FRS102. The transition date was 1 September 2014.

**EWELL CASTLE SCHOOL**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2016  
(Continued)**

**k) Going Concern**

After reviewing a budget for 12 months from the date of signing the accounts, the trustees have reasonable expectations that the charity has adequate resources to continue acting as a going concern and has thus adopted this basis in preparing the accounts.

**l) Financial Instruments**

The school only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## EWELL CASTLE SCHOOL

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2016  
(Continued)

## 2. School Fees

	Total 2016 £	Total 2015 £
<b>School Fee Income Comprised:</b>		
Gross Fees	6,532,879	6,192,118
Less: Bursaries, Grants and Allowances	(439,057)	(440,047)
	<u>6,093,822</u>	<u>5,752,071</u>

## 3. Other Educational Income

	Total 2016 £	Total 2015 £
School Lunches	191,743	131,237
Other income	259,556	209,200
	<u>451,299</u>	<u>340,437</u>

## 4. Donations

	Total 2016 £	Total 2015 £
PSFA (see note 17)	20,277	15,921
Music Pavillion	8,345	-
Other	1,890	860
	<u>30,512</u>	<u>16,781</u>

## 5. Expenditure

	Staff Costs £	Other Costs £	Depreciation £	Total 2016 £	Total 2015 £
<b>Charitable Activities - education</b>					
Teaching	3,560,588	301,958	110,597	3,973,143	3,635,067
Premises	175,132	884,554	161,780	1,221,466	1,235,199
Support costs of schooling	550,415	544,056	2,257	1,096,728	1,045,782
PSFA (see note 17)	-	12,155	-	12,155	10,815
Governance	7,325	23,574	-	30,899	30,204
	<u>4,293,460</u>	<u>1,766,297</u>	<u>274,634</u>	<u>6,334,391</u>	<u>5,957,067</u>
<b>Governance Costs</b>					
Auditors Remuneration					
- as auditors	-	11,928	-	11,928	13,920
- other services	-	11,646	-	11,646	9,270
Staff costs	7,325	-	-	7,325	7,014
	<u>7,325</u>	<u>23,574</u>	<u>-</u>	<u>30,899</u>	<u>30,204</u>

**EWELL CASTLE SCHOOL**
**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2016  
(Continued)**
**6. Staff Costs**

	2016	2015
	£	£
Wages and Salaries	3,514,201	3,353,356
Social Security Costs	313,024	306,127
Pension Costs	466,235	370,660
	<u>4,293,460</u>	<u>4,030,143</u>

**7. Staff Particulars**

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

	2016	2015
Administrative Staff	18	16
Teaching Staff	68	65
Domestic Staff	7	9
	<u>93</u>	<u>90</u>

Employees receiving a Salary in excess of £60,000 for the year 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	£25,615	£12,764
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The key management personnel of the charity are the Principal, the Bursar, the Head of the Senior School and The Head of the Prep School. The total employee benefits of the key management personnel of the charity were £308,030 (2015:£292,800).

The charity trustees were not paid or received any other benefits from employment with the School in the year (2015 : £nil) neither were they reimbursed expenses during the year (2015 : £nil).

**Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £427,177 (2015: £336,405) and at the year-end £54,714 (2015 - £45,422) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest actuarial valuation of the TPS was prepared as at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also required to pay a scheme administrative levy of 0.08%, giving a total employer contribution rate of 16.48%.

This employer rate will be payable until the outcome of the next actuarial valuation, which is due to be prepared as at 31 March 2016, with any resulting changes to the employer rate expected to take effect from 1 April 2019. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Services Pension Act 2013.

The school operates an auto-enrolment pension scheme. The basic contributions for this scheme are 2% of pensionable earnings by the School and 1% by employees although the School does contribute up to 10% for certain employees.

The pension charge for the year includes contributions to support staff pensions of £38,605 (2015 - £34,255)

## EWELL CASTLE SCHOOL

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2016  
(Continued)

## 8. Tangible Fixed Assets

	Freehold Land and Buildings £	Leasehold Building Improvements £	Furniture and Equipment £	Motor Vehicles £	Total £
Cost					
Opening Balance	1,877,272	6,741,061	1,421,808	102,300	10,142,441
Additions	-	192,729	84,474	12,594	289,797
Disposals	-	-	-	(21,279)	(21,279)
	<u>1,877,272</u>	<u>6,933,790</u>	<u>1,506,282</u>	<u>93,615</u>	<u>10,410,959</u>
Depreciation					
Opening Balance	466,616	1,683,717	1,184,403	87,039	3,421,775
Charge for the Year	37,540	124,240	104,621	8,233	274,634
Disposals	-	-	-	(21,278)	(21,278)
	<u>504,156</u>	<u>1,807,957</u>	<u>1,289,024</u>	<u>73,994</u>	<u>3,675,131</u>
Net Book Value - 2016	<u>1,373,116</u>	<u>5,125,833</u>	<u>217,258</u>	<u>19,621</u>	<u>6,735,828</u>
Net Book Value - 2015	<u>1,410,656</u>	<u>5,057,344</u>	<u>237,405</u>	<u>15,261</u>	<u>6,720,666</u>

The leases on the leasehold properties expire in August 2077.

## 9. Debtors

	2016 £	2015 £
Fees Receivable	119,061	160,021
Others	19,177	2,136
Prepayments and Accrued Income	51,852	72,808
	<u>190,090</u>	<u>234,965</u>

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

	2016 £	2015 £
Bank Loan:		
Due Between One and Two Years	64,921	105,780
Due Between Three and Five Years	206,170	338,468
Due After Five Years	822,422	700,741
	<u>1,093,513</u>	<u>1,144,989</u>

The above loans together with the bank loan due within one year are secured by legal charges over the freehold property and leasehold interest in Ewell Castle, the net book value of which at 31 August 2016 was £6,498,949

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 2016  
(Continued)**

**11. Operating Leases**

	2016 £	2015 £
Rentals Charged in the Year:		
Land and Buildings	410,370	416,775

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

	Land and Buildings £
Leases expiring after more than five years	399,000
	<u>399,000</u>

**12. Analysis of net assets between funds**

	Tangible assets £	Net current assets £	Creditors due after one year	Total £
Unrestricted funds	6,721,982	1,383,717	(1,093,513)	7,012,186
Restricted funds	13,846	-	-	13,846
	<u>6,735,828</u>	<u>1,383,717</u>	<u>-</u>	<u>7,026,032</u>

**13. Restricted Funds**

	Balance at 01/09/2015 £	Incoming Funds £	Outgoing Funds £	Transfer Between Restricted Funds £	Transfer to Unrestricted Funds £	Balance at 31/08/2016 £
Music Pavillion	-	8,345	-	-	-	8,345
Library and Special Needs Educational Fund	8,503	-	(451)	-	(3,550)	4,502
Other	1,529	-	(30)	-	(500)	999
	<u>10,032</u>	<u>-</u>	<u>(481)</u>	<u>-</u>	<u>(4,050)</u>	<u>13,846</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 2016  
(Continued)**

**14. Connected Parties**

The Company paid an insurance premium amounting to £709 in respect of Governors' liability insurance.

**15. Capital Commitments**

Contracted for but not provided in these accounts - £664,200 (2015- £nil)

**16. Taxation**

The school is exempt from tax on income and gains falling within section 505 of Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**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.