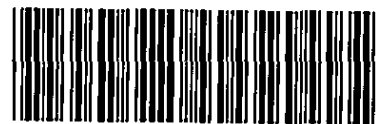


**THE NEW MONTESSORI PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
UNAUDITED DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST AUGUST 2008**

Company Number: 3908382

Charity Number: 1056853

TUESDAY



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THE NEW MONTESSORI PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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THE NEW MONTESSORI PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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Company Information

Board of Management	Mrs Rita Offen Mr R Bishop Mrs S Batchelor Miss K Clark Mrs R Rocheleau
Company Secretary	Mr R Bishop
Principal	Mrs R Shanahan
Registered Office	The Methodist Church Tarring Road WORTHING West Sussex BN11 4ET
Trading Address	The Methodist Church Tarring Road WORTHING West Sussex BN11 4ET
Bankers	CafCash Ltd PO Box 289 WEST MALLING Kent ME19 4TA Lloyds TSB Bank plc 41 South Street WORTHING West Sussex BN11 3AU
Accountants	TaxAssist Accountants Chartered Certified Accountants TaxAssist Accountants 12 New Broadway Tarring Rd Worthing BN11 4HP

THE NEW MONTESSORI PRE-SCHOOL

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(A COMPANY LIMITED BY GUARANTEE)

Directors' Report For the year ended 31st August 2008

The directors' present their report of the accounts for the year ended 31st August 2008

Status of the company and principal activities

The company, a pre-school, is registered under the Companies Act 1985 as a company limited by guarantee, registered number 3908382, and not having a share capital.

The company was registered as a charity on 31st May 2001, registered number 1086853.

The principal objectives of the company are:

- to advance the education of children below compulsory school age in accordance with the Montessori aims, philosophy and method.
- to provide, conduct, develop or otherwise support The New Montessori Pre-School currently established in Worthing, West Sussex.
- to advance the education and training of persons in the provision of such educational
- to encourage any other charitable activities through which parents and guardians may assist their children.

Review of the year

We were delighted in November 2007 to welcome Rita Offen as our new chairperson, the position having been vacant since Ailsa Stuart left us in 2006. Rita is a passionate advocate of Montessori education, whose own children attended an earlier incarnation of our own pre-school.

We started the year with a very healthy bank balance of just over £34,000, a significant improvement on previous years when paying the bills though the traditionally quiet first term has often been a nervous time. Having raised the session fee 5.6% to £13.20 we saw income increase by a modest 2% in total. Expenditure, on the other hand, driven mainly by additional wage costs, rose by 25%, leaving us with a deficit for the year of just under £13,500. As it seems that control of costs was the chief factor contributing to this result, the directors intend to put in place better budgeting and monitoring arrangements for 2008/9, and have approved the purchase of accounting software to help provide more timely management information.

The session fee for 2008/9, which had to be set before the final accounts for 2007/8 were available, has been increased by 4.5% to £13.80, but this may be reviewed during the year. The 2008/9 autumn term has already seen some cash flow problems, and we have borrowed £6,500 to cover a shortfall. As the numbers of booked sessions build up over the busier spring and summer terms we expect to be able to repay this quite quickly.

Starting in October 2007 the Management Committee and the Principal undertook a significant review of staff remuneration, which we believe resulted in a fairer, more transparent pay structure. In part this was driven by government initiatives to introduce performance-related pay and increased holiday entitlement, but we wanted to include other elements too, such as benefits for those who stay with the school longer, some checks that what we are paying is comparable with other similar jobs in the area, and structural changes to allow for the planned opening of additional classrooms. The increase in staff costs seen across 2007/8 is partly due to this review.

(A COMPANY LIMITED BY GUARANTEE)

**Directors' Report - continued
For the year ended 31st August 2008**

Striving to keep fees in line with ordinary child care whilst maintaining the much higher staff ratios that Montessori requires is perhaps our greatest challenge. The rapidly changing rules of free entitlement are conspiring to make it very difficult to sustain pre-schools like ours who want to provide an education service above the basic level of care the rules provide for. The Management Committee will be considering these issues very carefully over the coming months as government requirements continue to evolve, and has already resolved to open new free entitlement sessions in the spring term of 2009 which we hope will put Montessori education within reach of sections of our community who are not able to afford our full sessions.

We are delighted that so many of the staff continue to make the most of the training and development opportunities available through the pre-school. All of us on the Management Committee respect the dedication shown by those who undertake such personal and professional development. In addition to undertaking training the Principal and School Manager have made several presentations of their own on various aspects of the Montessori method during the year, helping to fulfill another of the charity's aims: to spread the word about Montessori in our local community. In the same vein, we are proud that the pre-school was approached by the University of Portsmouth to help them develop a module on the Montessori method for their degree course in early years education, and also by students at Chichester College studying Montessori as part of their course.

As ever, we are grateful to everyone who works so hard on the fundraising team led by Nikki Seberry-Edkins. Their contribution to the school is obvious to everyone who visits, particularly in the presence of the playhouse in the garden and in the beautiful new child-scale furniture.

Also this year, we were fortunate to have EDF Energy's community volunteering team in to make many improvements to the garden during the spring holidays. They painted the doors, fence and gate, removed all of the old bark chippings in preparation for new tarmac to be laid, installed play equipment and pressure-washed the "chalk wall", making the whole place look so much more welcoming. Our thanks go to Claire Morgan for arranging this and of course to EDF and their team.

Next year presents us with some financial challenges, but we believe that with the controls and measures being put in place, and with some new ideas for sources of additional grant funding, we will be better equipped to deal with them. With the new Early Years Foundation Stage framework bringing all pre-school education more into line with Montessori principles, we remain as convinced as ever that Montessori is the way forward.

(A COMPANY LIMITED BY GUARANTEE)

**For the year ended 31st August 2008
Directors' Report - continued**

Results for the year

Details of the results for the year are set out in the Statement of Financial Activities on page 6.

Directors

Members of the Management Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year were as follows:

Mrs Rita Offen
Mr R Bishop
Mrs S Batchelor
Miss K Clark
Mrs R Rocheleau
Mr S Ray
Mr P Edkins
Mrs D Fox

Each director is a member of the company and has a liability limited to £1. Directors are appointed in accordance with the Memorandum and Articles of Association.

Statement of directors' responsibility

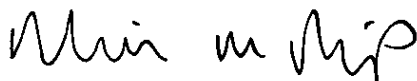
The directors' are required to prepare accounts for each financial period which give a true and fair view of the school's financial activities during the period and of its financial position at the end of the period. In preparing the accounts the directors are required to:

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

The directors are responsible for keeping the accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the accounts comply with applicable law and regulations. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company exemptions

The directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and was approved by the Board on 20th January 2008 and signed on their behalf.



**Mr R Bishop
Director and Company Secretary**

Dated: 29/06/09

(A COMPANY LIMITED BY GUARANTEE)

**Independent Examiners Report
For the year ended 31st August 2006**

This report is made solely to the company's members, as a body, in accordance with Section 249C of the Companies Act 1985. My reporting work has been undertaken so that I might state to the members those matters I am required to state to them in an independent examiners report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's members as a body, for my reporting work, for this report, or for the opinions I have formed.

Respective responsibilities of Directors and Independent Examiner

As described on page 8 the company's directors, who are also the Trustees of The New Montessori Pre-School for the purpose of charity law, are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is my responsibility to carry out procedures designed to enable me to report my opinion.

Basis of opinion

My procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as I considered necessary for the purposes of this report. These procedures provide only the assurance expressed in my opinion.

Opinion

In my opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act, and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year as specified in Section 249A(4) of the Act as modified by Section 249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).

**TaxAssist Accountants
Chartered Certified Accountants
12, New Broadway
Tarring Rd
Worthing BN11 4HP**

TaxAssist Accountants

Dated:

29/06/09

THE NEW MONTESSORI PRE-SCHOOL

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(A COMPANY LIMITED BY GUARANTEE)

**Statement of Financial Activities (including Income and Expenditure Account)
For the year ended 31st August 2008**

	Notes	Un Restricted Funds 2008 £	Restricted Funds (Friends) 2008 £	Total Funds 2008 £	Total Funds 2007 £
Incoming Resources					
Incoming resources from generated funds:					
Voluntary income:					
- Donations			1,501	1,501	2,845
- Grants		67,928		67,928	47,097
- Welfare Food Scheme					1,244
- Childcare Vouchers		13,711		13,711	10,871
- Gift Aid					
Activities for generating funds:					
- Fees		92,376		92,376	120,291
- Fundraising events			1,824	1,824	1,593
Investment income:					
- Bank interest		1,455		1,455	611
Other incoming resources					
- Insurance claim - camera		480		480	
Total incoming resources		175,950	3,325	179,275	184,552
Resources expended	2				
Costs of generating funds:					
Fundraising trading: costs of goods sold and other costs		183,752		183,752	149,723
Governance costs		18,687		18,687	11,503
Total resources expended		202,439		202,439	161,226
Net incoming/outgoing resources before transfers		(26,489)	3,325	(23,164)	23,326
Transfers					
Gross transfers between funds		5,762	(5,762)		
Reconciliation of funds					
Total funds brought forward		29,651	2,783	32,434	9,108
Total funds carried forward		8,924	346	9,270	32,434

THE NEW MONTESSORI PRE-SCHOOL
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Balance Sheet
As at 31st August 2008

	Notes	2008 £	2007 £
Fixed Assets			
Tangible fixed assets	4	<u>9,794</u>	5,716
Total fixed assets		9,794	5,716
Current assets			
Debtors	5	4,572	588
Cash at bank and in hand	6	<u>15,512</u>	<u>34,392</u>
Total current assets		20,084	34,980
Liabilities			
Creditors: due within one year	7		
- Various		(19,817)	(6,564)
- Loan		<u>(791)</u>	<u>(1,125)</u>
Total current liabilities		(20,608)	(7,689)
Net current assets or liabilities		(524)	27,291
Total assets less current liabilities		9,270	33,007
Creditors: due after more than one year			
- Loan (repayable 2 to 5 years)			(573)
Net assets or liabilities		<u>9,270</u>	<u>32,434</u>
Capital and Funds	8		
Unrestricted funds			
- General purpose		8,924	29,651
Restricted funds			
- Friends of The New Montessori (HSBC)		346	2,783
		<u>9,270</u>	<u>32,434</u>

THE NEW MONTESSORI PRE-SCHOOL

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(A COMPANY LIMITED BY GUARANTEE)

**Balance Sheet - continued
As at 31st August 2008**

The directors are of the opinion that the company is entitled to exemption from audit conferred by Subsection 1 of Section 249A of the Companies Act 1985 for the year ended 31st August 2008

The directors confirm that no member or members have requested an audit pursuant to Subsection 2 of Section 249B of the Companies Act 1985.

The directors confirm that they are responsible for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985,
- and preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These accounts were approved by the Board on 29/06/09 and signed on their behalf.



Mr R Bishop
Director and Company Secretary

Dated: 29/06/09

(A COMPANY LIMITED BY GUARANTEE)

**Notes to the Accounts
For the year ended 31st August 2008**

1 Accounting policies

1.1 Basis of accounting

The accounts are prepared under the historical costs convention and in accordance with applicable accounting standards and the Companies Act 1985, and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice revised 2005.

1.2 Income

Income for the year represents amounts receivable for grants and school fees and other sundry income. The value of services provided by volunteers has not been included.

Donations are accounted for when they are received.

1.3 Resources expended

Expenditure is included when incurred and has been attributed to specific activities.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Equipment	5% pa on reducing balance
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1.5 Taxation

The company is exempt from corporation tax on its charitable activities.

(A COMPANY LIMITED BY GUARANTEE)

Notes to the Accounts
For the year ended 31st August 2008

2	Total resources expended	2008 £	2007 £
	Fundraising trading; costs of goods sold and other costs		
	Wages inc NIC	140,846	110,943
	Rent	17,100	11,141
	Milk, juice, biscuits etc	2,887	3,272
	Topics	1,521	2,514
	Staff advert	128	481
	Insurance	1,068	565
	Equipment & materials	9,716	9,008
	Training costs	1,882	3,571
	IT Grant	200	
	Staff uniforms and welfare	1,050	549
	Cleaning	2,197	1,067
	Utilities	3,856	3,714
	Refund of fees	786	756
	Break in		493
	Depreciation	515	301
		183,752	148,375
	Governance costs		
	Wages inc NIC	4,487	3,199
	Stationery and post	3,840	3,949
	Telephone	1,059	568
	Bank charges	363	248
	Loan Interest	125	100
	Debt recovery costs	280	
	Reporting Accountants fees		70
	Independent Examiners fees	987	125
	Treasurers Honoraria	150	300
	Misc costs	1,416	1,704
	Building Maintenance	5,980	1,240
		18,687	11,503

THE NEW MONTESSORI PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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Notes to the Accounts
For the year ended 31st August 2008

3 Remuneration

No remuneration or expenses were paid to the directors during the year.

The total employee costs for the period amounted to £145,333. The average number of employees was 20 teachers and classroom assistants and 1 office administrator.

No employee earned more than £50,000.

4 Tangible fixed assets

**Furniture &
Equipment
£**

Cost

At 1st September 2007

7,829

Additions in the year

4,593

At 31st August 2008

12,422

Depreciation

At 1st September 2007

2,113

Charge for year

515

At 31st August 2008

2,628

Net book value

At 1st September 2007

5,716

At 31st August 2008

9,794

5 Debtors

2008

2007

£

£

Prepayments

- Insurance

588

- Fees unpaid

3,402

- Other

1170

0

4,572

588

THE NEW MONTESSORI PRE-SCHOOL

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(A COMPANY LIMITED BY GUARANTEE)

Notes to the Accounts For the year ended 31st August 2008

6	Cash at bank and in hand	2008	2007
		£	£
	- CAF Gold A/c	1,936	1,075
	- CAF Gold (Fixed) A/c	61	54
	- CAF High Interest Cheque A/c	12,917	3,317
	- Lloyds Treasurers A/c	229	1,400
	- Lloyds Instant Access A/c		
	- HSBC (Friends)	346	1,153
	- Cash in hand	23	161
		<u>15,512</u>	<u>7,160</u>

7	Creditors: Amounts falling due in one year	2008	2007
		£	£
	Accruals and deferred income		
	- Treasurers Honoraria	(450)	(300)
	- Accountants fees	(1,112)	(125)
	- Inland Revenue	(6,869)	(2,548)
	- Wages		(50)
	- Fees in advance	(10,786)	
	- Other creditors & Accruals	(600)	(13)
	- Loan	(791)	(1,125)
		<u>(20,608)</u>	<u>(4,161)</u>

8	Analysis of net assets between funds	Un restricted Funds	Restricted Funds	Total
		£	£	£
	Fixed Assets	9,794		9,794
	Current Assets	20,084	346	20,430
	Current Liabilities	(20,608)		(20,608)
	Liabilities more than one year			
		<u>9,270</u>	<u>346</u>	<u>9,616</u>

Restricted funds relate to the Friends of The New Montessori balance of donations and fund raising activities

9 Directors' Interests

Mrs S Batchelor, who is a director of the company, sent her child to the pre-school. Fees were charged at the current market value and at arms length.