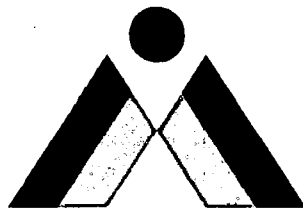


Company Number: 531204  
Charity Number: 313636



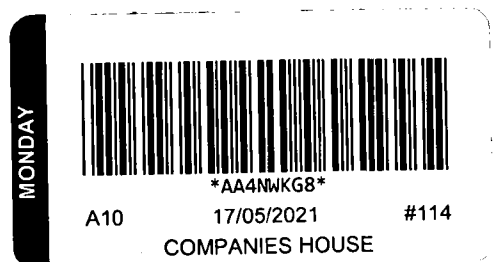
**MONTESSORI  
GROUP**

**CHILD LED, FUTURE FOCUSED**

**MONTESSORI ST NICHOLAS LIMITED  
(LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**



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COMPANIES HOUSE

**MONTESSORI ST NICHOLAS LIMITED  
(LIMITED BY GUARANTEE)**

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Year ended 31 August 2020**

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**MONTESSORI ST NICHOLAS LIMITED  
(LIMITED BY GUARANTEE)**

**GENERAL INFORMATION  
Year ended 31 August 2020**

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Montessori St Nicholas Limited is a charitable company, registered in the UK and limited by guarantee. The Charity uses an abbreviated name of Montessori St Nicholas – MSN.

<b>Company number</b>	531204
<b>Charity number</b>	313636
<b>Registered office and operational address</b>	4/4a Bloomsbury Square London WC1A 2RP
<b>Contact</b>	T: 020 7493 8300 E: <a href="mailto:reception@montessori.org.uk">reception@montessori.org.uk</a> W: <a href="http://www.montessori-group.com">www.montessori-group.com</a>
<b>Trustees</b>	Trustees who are also members and directors under company law, who served during the year and up to the date of this report were as follows:  A Bashenko A Howat J Barberis (appointed 18 March 2020) A Barron (appointed 4 December 2019) A El-Aghel (appointed 4 December 2019) S Thomas P Vickers (appointed 18 March 2020) A Joyce (appointed 18 March 2020, resigned 7 January 2021) J Osgood (appointed 4 December 2019, resigned 15 September 2020) M De Rudder (appointed 4 December 2019, resigned 19 June 2020) G Sidhu-Robb (appointed 15 May 2019, resigned 14 September 2020)
<b>Bankers</b>	HSBC Bank PLC PO Box 1EZ, 196 Oxford Street, London, W1C 1NT  Lloyds Bank PLC 399 Oxford Street, London, W1C 2BU
<b>Auditors</b>	Haysmacintyre LLP 10 Queen Street Place, London, EC4R 1AG
<b>Investment managers</b>	Newton Investment Management Limited BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA  Sarasin & Partners LLP Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU

## **MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT Year ended 31 August 2020**

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The Trustees present their report and accounts for the year ended 31 August 2020. The directors for Companies Act purposes are trustees under charity regulations.

#### **OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The main objects for which the Charity is established are:

To encourage and promote education in every way, in particular the education of children in accordance with the philosophy and methods of the late Dr Maria Montessori, by facilitating the unification of the Montessori movement across the UK, providing relevant training and funding research into the value and effectiveness of Montessori education, and making awards to support the development of Montessori education.

In the year to August 2020, the Charity achieved these objectives through:

- 1) Montessori teacher training and activities to set and uphold quality standards of Montessori practice, carried out by the Charity's trading subsidiary, St Nicholas Montessori Training Ltd, trading as Montessori Centre International (MCI).
- 2) Montessori Centre International co-hosted the Montessori Conference 2019, in collaboration with the UK's four Montessori training providers, and with over 700 delegates and speakers from several countries
- 3) Influencing and raising public awareness of the Montessori Method of education and providing information and digital resources to parents, carers, teachers, policymakers and the public
- 4) Making means-tested grants to students of Montessori Centre International, and grants and collaborations with other aligned organisations as described below

The Charity together with its trading subsidiary, St Nicholas Montessori Training Ltd, is known as the Montessori Group.

#### **ACHIEVEMENTS AND PERFORMANCE**

2020 has been a difficult time for everyone, particularly for families with young children. Covid-19 has severely impacted family life and our children's education; highlighting more than ever the inequalities and disadvantages in our society. The Charity's ongoing mission is to bring quality education to all children, and that has been brought to the forefront in these challenging times.

##### **Montessori Centre International**

From the time of the government's announcement of the first lockdown on 23 March 2020, the directors have had a continuous focus on understanding the potential impact on the current and planned future activities of the Group, and particularly of the Charity's 100% owned trading subsidiary, MCI.

While current operations were largely transitioned to a remote operating model, showing considerable operational flexibility and resilience, there were unplanned costs associated with the move to remote delivery. More significantly, the effects of the pandemic on new and existing student numbers, partners and collaborators remains challenging.

In response, the trustees and executive have reviewed the cost base of MCI and implemented significant cost saving measures, which continue into 2021. The associated reduction in activity unfortunately resulted in several roles becoming redundant.

In September 2020, the Charity entered into a funding collaboration agreement with Leeds Beckett University to set up the International Montessori Institute at the Leeds Carnegie School of Education. The purpose of the project is to secure the future of delivery of high-quality teacher-training at higher education level, and to fund research and development into the effectiveness of Montessori education in line with its charitable objects.

## **MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT**

**Year ended 31 August 2020**

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Accordingly, the decision has been taken for MCI cease direct provision of higher education, which will now be provided through the International Montessori Institute (IMI). Teaching continues as normal to existing students enrolled on higher education courses.

Since MCI delivers a significant proportion of its teaching through a digital Virtual Learning Environment, much of its teaching activity continued unaffected by the move to remote working. Classroom based teaching and workshops were adapted to allow social distancing or replaced by innovative digital solutions where necessary.

#### **United Nations' Sustainable Development Goals**

In 2015 the United Nations Member States all adopted an Agenda for Sustainable Development, with 17 Goals to achieve by 2030. Each Goal is an urgent call for action by all countries – developed and developing – in a global partnership. One of the key goals highlighted by the UN is Quality Education for all children.

Across the world more than 610 million children and adolescents are entering secondary education without basic proficiency in mathematics and literacy. Extensive research suggests this can be significantly attributed to a lack of quality education in these children's early years. 175 million children are not enrolled in early years education – half of the world's pre-school aged children.

This inequality is self-perpetuating, as children from disadvantaged backgrounds who have a poor start in education can struggle to succeed academically and professionally later on in life. The cycle continues with the next generation.

The Montessori Group has committed to supporting the UN's Sustainable Development Goals, particularly on Quality Education. As identified by the UN, the key unmet need is the number of early years' teachers in the world, particularly in disadvantaged communities and countries. A solution is needed to provide long-term sustainable relief to the under-resourced early years sector, to deliver more quality education to children currently not receiving any support.

The collaborations and projects undertaken by the Montessori Group reflect its deep commitment to tackling this global challenge, which has been made even more urgent this year by the pandemic.

#### **Jane Goodall Institute**

Our collaboration with the Jane Goodall Institute perfectly demonstrates how integral respect for nature and the environment is to a Montessori education. We have continued working closely with the Institute this year, at a time when the message to care for our planet and all life within it is so important.

- Support of the Roots & Shoots programme, which involved creating and providing Montessori lesson plans and supporting resources to 4,000 primary schools in the UK
- We devised 3 different lesson plans to help teachers educate children more effectively about the environment
- The Roots & Shoots programme has successfully been rolled out in 68 countries.

#### **Free #TalkingMontessori Webinars**

Since the Talking Montessori webinar programme re-launched in September 2020, we have received incredible feedback and engagement. We've hosted 23 guests from the Montessori and Early Years profession talking about a range of popular topics including: imagination and role play, sustainability, diversity and inclusion, the UN Convention on the Rights of the Child, supporting families during the Covid-19 pandemic and protecting the future of planet Earth. We've had some incredibly influential speakers join us, including: Dame Jane Goodall, Dr. Catherine McTamane, Michael Freeston, Nancy Stewart, Carolyn Silbert, Ann Marie Christian, Sonia Mainstone Cotton and many more. The engagement from our community and the broader public has also been very positive: with 1,168 people registering to join our zoom webinars, 31,156 people joining to watch our Facebook live stream and a further 84,700 reached on Facebook by the live stream video appearing on their news feed. We look

## **MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT Year ended 31 August 2020**

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forward to continuing our webinar series, with the winter programme live for programming and scheduling under way for our spring programme.

#### **Montessori at Home Free Online Course**

During these challenging times, the home has become the main place for life, work and learning; for children as well as their parents. With the absence of the school environment and routine, we recognised that parents may be feeling anxious about maintaining their child's educational journey and not disrupting their development, particularly during the important Early Years.

In response to this, the Charity developed a free online course for parents and carers of young children at home. The course looks at how to prepare a favourable learning environment for children within the home, recognising varying budgets and available space, as well as suggestions of activities to do with children to help with their development. The course also provided reassurance for parents and carers during these unprecedented times, and friendly support at a time when families may be feeling anxious.

#### **Policy and Influencing**

As one of the leading providers of Montessori teacher training in the UK, the Montessori Group has a responsibility to represent those it supports. Within the year the Covid-19 crisis has created both an unprecedented demand on early years settings, and it forced many to close their doors following financial decimation. The Montessori Group has lobbied and urged Government to recognise teachers and early years professionals as key frontline workers who need targeted support. This includes:

- Teachers and early years professionals to receive the Covid-19 vaccine as frontline workers
- Support for the #GiveUsACHANCEllor campaign, urging Government to spend more money on children's mental health and youth services.
- Joining forces with others in the sector to lobby the Government to recognise the expertise of the early years sector when making changes to the Early Years Foundation Stage (EYFS) standards.

#### **The Maiden Factor**

Around the world girls are being denied the opportunity to reach their full potential. 130 million girls are missing out on vital and basic education, which often goes hand in hand with poverty and poor health. The Covid-19 pandemic has disproportionately affected some communities more than others. The Montessori Group and Maiden Factor Foundation have joined together to provide practical, real support to the children most in need of our help.

In 2018 the Maiden Factor embarked on a world tour, working with local communities around the world to bring life-changing support to young girls to help them remain in school. Sadly, the pandemic has postponed the tour until it can be relaunched later in 2021. The Tour involved engaging with schools, youth groups and children at each stop, to inspire and empower young girls around the world through education. The Montessori Group has pledged to support these efforts by providing vital resources to teachers and classrooms all over the world to help build children's confidence and skills for learning. Over 600 Messages of Hope have been written by school children to girls without access to education. These messages are taken on tour and shared at each stopover, connecting children and communities all over the world.

#### **Skateistan**

In honour of International Women's Day 2020, the Montessori Group pledged support to Skateistan, an award-winning international charity which empowers children through skateboarding and education in Afghanistan, Cambodia and South Africa. By combining skateboarding with creative, arts-based education, the charity gives children the opportunity to become leaders for a better world. The charity focuses on supporting those often excluded from sports and education, particularly girls and children living with disabilities and from low-income backgrounds.

Skateistan's mission is reflected in the Montessori ethos, which promotes education through play and believes all children deserve the right to reach their full potential.

## **MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT**

**Year ended 31 August 2020**

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#### **Promoting Education**

The Charity CEO and other senior members of the team have spoken at global and national conferences to promote education and particularly the education of children using the Montessori approach.

#### **Premises and Remote Working**

As described above, charitable and support activities continued throughout the year with all employees working remotely. The unexpected effectiveness of this new remote operating model presented a significant opportunity to dispose of the Charity's headquarters, Marlborough House, thereby releasing significant free reserves for charitable activities, and reducing ongoing operational costs.

The decision to sell Marlborough House was taken in the summer of 2020, and the sale completed in November 2020.

#### **Strategy and Future Plans**

In 2020-2021, the Charity will continue primary purpose trading through Montessori Centre International, and continue to further its charitable objects through collaborations with the International Montessori Institute and others. Social impact work will be concentrated into 2 thematic programmes:

- 1) Promoting and supporting early years education, especially the Montessori pedagogy
- 2) Education for sustainability

## **FINANCIAL REVIEW**

The results presented in the Annual Report and Accounts are presented under Financial Reporting Standard 102 (FRS 102) and Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('the SORP').

The review relates to the Montessori St Nicholas group of companies i.e. the Charity, Montessori St Nicholas Ltd, and its subsidiary companies of St Nicholas Montessori Training Limited, trading as Montessori Centre International (MCI) and Longacre Childcare Limited (LCL) which has ceased trading and is in the process of being wound up.

#### **Financial Performance**

As discussed above, investment into the development of capability, capacity and infrastructure throughout the group that began in 2018/19 continued in this financial year. The group reported net expenditure of £2,271k, which is £641k smaller than the net expenditure of £2,912k reported in the prior year.

Income from continuing charitable activities in the year was £667k, (2019: £731k) and included income from MCI course fees of £493k (2019: £673k). Donations to the charity were £1k (2019: £254k).

Investment income in the year was £33k, lower than £91k in the previous year, while net investment losses arising from market movements were £7k compared to £13k gain in the prior year:

Longacre Childcare Ltd formerly operated two nurseries and ceased trading by the end of December 2018. The company is in the process of being wound up.

The two properties used to operate the nurseries were sold in the year, the first for £725k in September 2019 and the second for £710k in March 2020. The profit on disposal of the properties was £128k.

## **MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT Year ended 31 August 2020**

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During the year, the Charity awarded grants of £377,993 (2019: £438,058) to MCI in support of primary purpose trading activities undertaken by the subsidiary on behalf of the Charity. In addition, amounts of £1,897,193 owed by MCI to the Charity were written off during the year. This balance was in relation to primary purpose trading carried out by MCI in prior periods. Following careful scrutiny by the trustees, and having taken appropriate professional legal and accounting advice, it was concluded that the write off was in the best interests of the Charity to enable MCI to continue to carry out charitable trading activities on its behalf in future periods. The trustees are satisfied that the expenditure incurred by MCI is charitable and in furtherance of MSN's charitable objects. Considering the importance of MCI to the Charity in achieving its charitable objects, the trustees have agreed grant funding to MCI to support it in delivering its activities for the 2020/2021 financial year. This funding agreement is based on an agreed business plan for the group and restricts MCI's use of the grant to charitable activities.

#### **Balance sheet**

Consolidated net assets at the balance sheet date were £9.6 million.

Marlborough House, the charity's property in St John's Wood, London was put up for sale in June 2020 and therefore is classified in current assets held for sale at the year end, at the carrying value of £7.7 million. The property was sold in November 2020 for a sales price of £9 million.

The group's cash position at the year-end was £2.2 million.

#### **Investments and statement of investment policy**

In December 2019, the Charity liquidated the majority of its investment portfolios, leaving a residual investment balance of £17.5k at the balance sheet date. This was split between two portfolios, each managed by a firm of investment managers.

Following the sale of Marlborough House in November 2020, the investment strategy and policy were reviewed in conjunction with the budget.

Given that the group has not had income generating activities for some time, the group's reserves have been used to fund operations. This is expected to continue during the period for which the transformation is underway and until growth is achieved.

The Trustees' long-term objective is to achieve a balance between risk and return, with assets split according to the expected time horizon of the investment. The Charity also recognises that it does not generate income sufficient to cover costs and so will need to withdraw funds in order to carry out its charitable activities.

#### **Reserves and current financial position**

The Charity takes a risk-based approach to its reserves and therefore aims to retain sufficient free reserves to:

- 1) meet working capital requirements
- 2) manage the risks that the Charity is exposed to during the course of its business
- 3) respond to unplanned opportunities that arise to develop new initiatives in line with our aims and objectives

At 31 August 2020, free reserves totalled £1.879 million (2019: £2.71 million). The Trustees consider the level of free reserves to be appropriate for the purposes identified above.

#### **Going Concern**

The financial statements have been prepared on a going concern basis. The trustees consider there to be no material uncertainties about the Charity's (and the Group's) ability to continue as a going concern having considered the Charity's (and the Group's) reserves, financial position, and future plans. The successful sale of Marlborough

## **MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT**

**Year ended 31 August 2020**

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House after the balance sheet date has significantly increased the liquidity of the Charity's (and the Group's) balance sheet position, further supporting this position.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

Our corporate risks reflect the financial, legal, regulatory, and operational risks associated with our day-to-day operations.

The key strategic risk is that MCI's financial performance is negatively impacted by the outcomes of the pandemic or other factors outside of its control. This could delay MCI's return to profitability. There is a further strategic risk over the ability of MCI and MSN's partner organisations, such as IMI, to deliver charitable activities on behalf of the Charity as planned.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Charity, Montessori St Nicholas Limited, is a company limited by guarantee, company no. 531204, and a registered charity, no. 313636, regulated by the Charity Commission. It was registered on 25 April 1963. The Charity's name was changed from St Nicholas Training Centre for the Montessori Method of Education Ltd on 3 December 2020.

St Nicholas Montessori Training Limited, company no. 06429337, trading as Montessori Centre International (MCI), is a wholly owned trading subsidiary of the Charity. The primary activities of MCI are delivering higher education, further education, and internally accredited training, in accordance with the parent Charity's charitable objectives.

The Charity's main governing document is its Articles of Association which were fully updated on 18 November 2016.

The Board meets at least four times per year and the Finance, Audit & Risk Committee meets at least four times per year. Day to day management of the charity is delegated to the Chief Executive. The Chief Executive regularly reports to the Board of Trustees on the progress of key matters.

Management of MCI's strategy and operations is delegated to the MCI Board. The Chair of the MCI Board is the shareholder representative of the parent charity, Montessori St Nicholas Ltd to ensure transparency and clear communication between the Charity and MCI, while preserving the autonomy of MCI.

#### **Risk management**

The scope of the Finance Committee was extended during the prior year and has become the Finance, Audit & Risk Committee (FARC). The Board has delegated to the FARC the oversight of the risk register including actions to mitigate and manage risks appropriately, with regular reporting by the FARC to the Board.

The Executive Team makes a preliminary assessment of the corporate risks. The FARC oversees the progress of management actions via the corporate risk register and regular reporting at committee meetings.

The Trustees have assessed the major risks to which MSN and MCI are exposed, in particular those related to the operations and finances of MSN and MCI and are satisfied that systems and procedures are in place to mitigate the Charity's exposure to the major risks.

#### **Independent Assurance**

Haysmacintyre LLP have undertaken the statutory external audit of MSN and its subsidiary MCI. They also report on the adequacy and effectiveness of MSN's system of internal financial control as relevant to the preparation of the financial statements through, if considered necessary, the qualification of the annual financial accounts and the "management letter" issued to the trustees.

## **MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT Year ended 31 August 2020**

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#### **Trustee appointment and independence**

New Trustees are recruited following a search process and appointed to the Board by the existing Trustees.

Trustees do not receive remuneration from the Charity. No Trustee had any beneficial interest in any contract with the charitable company during the year

#### **Remuneration of Senior Staff and Chief Executive Officer**

Salaries for staff are set based on market rates adjusted for performance. An annual cost-of-living review is applied to all staff. Any additional performance related increases are made at the discretion of the Chief Executive.

The Board of Trustees decides the Chief Executive's remuneration, taking into account a salary benchmarking exercise from an independent HR consultant. Details of the remuneration of principle employees is set out in Note 9 on page 20.

#### **POST BALANCE SHEET EVENTS**

In September 2020 the Charity entered into a collaboration project with Leeds Beckett University in order to establish the International Montessori Institute. The purpose of the project is to secure delivery of high-quality teacher-training at higher education level, and to fund research and development into the effectiveness of Montessori education in line with its charitable objects.

The Charity sold its freehold property in November 2020 for £9.0m. The proceeds of the sale were invested in accordance with the investments policy.

#### **TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of Montessori St Nicholas Ltd) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. The Trustees are also responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and the group and of the surplus or deficit of the charitable company and group for that year.

In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 and group will continue its activities;
- ensure that the accounts comply with current statutory requirements and the Charity's governing document.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

**MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

**TRUSTEES' ANNUAL REPORT**  
**Year ended 31 August 2020**

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**Auditor**

Haysmacintyre LLP has indicated its willingness to be reappointed as statutory auditors.

So far as each trustee is aware, there is no relevant audit information of which the company's auditors are unaware.

Each trustee has taken all reasonable steps in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Accounts**

The accounts set out on pages 12 to 25 have been drawn up in accordance with the relevant provisions of the Companies Act 2006, and with the Statement of Recommended Practice (FRS102) (revised 2019 'Accounting and Reporting by Charities'). In preparing this report, the trustees have taken the exemption available from preparing a strategic report.

By order of the Trustees



**Andrew Howat**  
**Chair**

**Date: 30 March 2021**

## MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

### INDEPENDENT AUDITOR'S REPORT Year ended 31 August 2020

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#### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

##### Opinion

We have audited the financial statements of Montessori St Nicholas Limited for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *the Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2020 and of the group's and parent charitable company's net movement in funds, including the 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.

##### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement (set out on page 8), 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

##### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

##### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

## MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

### INDEPENDENT AUDITOR'S REPORT

Year ended 31 August 2020

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- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which incorporates the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included in the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

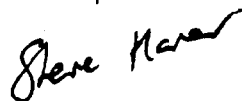
In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### Use of our report

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed



Steven Harper (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place  
London, EC4R 1AG

Date: 30 March 2021

**MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)****Year ended 31 August 2020**

	Note	2020 Unrestricted Funds £	2019 Unrestricted Funds £
<b>Income from:</b>			
Donations and legacies		1,050	254,192
Charitable activities	2	667,154	861,268
Investment income	3	32,813	90,617
Other income		291,535	4,924
<b>Total</b>		<b>992,552</b>	<b>1,211,001</b>
<b>Expenditure on:</b>			
Charitable activities	4	3,257,102	4,136,818
<b>Total</b>		<b>3,257,102</b>	<b>4,136,818</b>
Net expenditure before (losses)/gains on investments		(2,264,550)	(2,925,817)
Net (losses)/gains on investment	12	(6,717)	13,432
<b>Net expenditure</b>		<b>(2,271,267)</b>	<b>(2,912,385)</b>
<b>Net movement in funds</b>		<b>(2,271,267)</b>	<b>(2,912,385)</b>
<b>Reconciliation of Funds:</b>			
Funds brought forward at 1 September	19	11,823,793	14,736,178
<b>Funds carried forward at 31 August</b>	19	<b>9,552,526</b>	<b>11,823,793</b>

Included in the above are losses of £nil (2019: £115,916) relating to discontinued operations.

The notes on pages 15 to 25 form part of these financial statements.

**MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

**GROUP AND CHARITY BALANCE SHEETS**

Year ended 31 August 2020

Company number: 00531204

	Note	Group 2020	Group 2019 £	Charity 2020	Charity 2019 £
<b>Fixed assets</b>					
Tangible fixed assets	10,11	<b>94,524</b>	7,816,802	<b>52,785</b>	7,799,487
Investments	12	<b>17,499</b>	2,492,137	<b>17,599</b>	2,492,237
		<b>112,023</b>	10,308,939	<b>70,384</b>	10,291,724
<b>Current assets</b>					
Assets held for sale	14	<b>7,672,910</b>	1,294,252	<b>7,672,910</b>	1,294,252
Stock	15	<b>5,575</b>	6,020	-	-
Debtors	16	<b>143,885</b>	449,609	<b>53,211</b>	1,053,345
Cash at bank and in hand		<b>2,203,863</b>	782,680	<b>2,136,818</b>	639,029
		<b>10,026,233</b>	2,532,561	<b>9,862,939</b>	2,986,626
<b>Creditors: amounts falling due within one year</b>	17	<b>(585,730)</b>	(1,017,707)	<b>(229,781)</b>	(548,598)
<b>Net current assets</b>		<b>9,440,503</b>	1,514,854	<b>9,633,158</b>	2,438,028
<b>Net assets</b>		<b>9,552,526</b>	11,823,793	<b>9,703,542</b>	12,729,752
<b>Funds</b>					
Unrestricted funds					
Revaluation of investments		<b>6,595</b>	1,767,796	<b>6,595</b>	1,767,796
General reserves		<b>9,545,931</b>	10,055,997	<b>9,696,947</b>	10,961,956
<b>Total funds</b>	19	<b>9,552,526</b>	11,823,793	<b>9,703,542</b>	12,729,752

The notes on pages 15 – 25 form part of these financial statements

The deficit of the parent charity before consolidation was £3,026,210 (2019: surplus of £2,144,222)

The financial statements were approved by the board of trustees on 30 March 2021 and were signed on its behalf by: -



**Andrew Howat**  
Chair

**MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

**CONSOLIDATED CASH FLOW STATEMENT**  
**Year ended 31 August 2020**

	2020 £	2019 £
<b>Cash outflow from operating activities:</b>		
Net cash used in operating activities	A (2,329,093)	(2,750,285)
<b>Cash flows from investing activities:</b>		
Proceeds from sale of investments	2,467,920	2,600,001
Investment income received	31,459	90,557
Interest receivable	1,354	60
Purchase of tangible fixed assets	(44,936)	(75,543)
Sale of tangible fixed assets	1,294,479	-
Net cash provided by investing activities	3,750,276	2,615,075
<b>Change in cash and cash equivalents in the reporting period</b>	B 1,421,183	(135,210)
Cash brought forward at 1 September	782,680	917,890
<b>Cash carried forward at 31 August</b>	<b>2,203,863</b>	<b>782,680</b>

	2019 £	2019 £
<b>Notes to group cash flow statement</b>		
<b>A. Cash flows from operating activities</b>		
<b>Net expenditure</b>	(2,271,267)	(2,912,385)
<b>Adjustments for:</b>		
Net losses /(gains) on investments	6,717	(13,432)
Investment income received	(31,459)	(90,557)
Interest receivable	(1,354)	(60)
Depreciation of tangible fixed assets	51,717	49,540
Write down of tangible fixed assets	42,361	52,896
Decrease / (increase) in debtors	305,724	(212,061)
(Decrease)/ increase in creditors due within one year	(431,977)	374,145
Decrease in stock	445	1,629
<b>Net cash used in operating activities</b>	<b>(2,329,093)</b>	<b>(2,750,285)</b>

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
<b>B. Analysis of cash and cash equivalents</b>			
Cash at bank and in hand	782,680	1,421,183	2,203,863
<b>Total cash and cash equivalents</b>	<b>782,680</b>	<b>1,421,183</b>	<b>2,203,863</b>

## MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

### Notes to the Financial Statements Year ended 31 August 2020

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#### 1. Accounting Policies

##### **Basis of preparation**

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments at market value, and are in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('the SORP'), FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102') 2<sup>nd</sup> edition, the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019. The financial statements have been prepared on a going concern basis.

The preparation of the financial statements in accordance with FRS 102 requires the Trustees to make judgements, estimates and assumptions that affect the application of policies and reported amounts in the financial statements.

The Charity is a public benefit entity.

##### **Basis of consolidation**

The consolidated financial statements of the group incorporate the financial statements of Montessori St Nicholas Limited and its subsidiary undertakings.

As permitted by Section 408 of the Companies Act 2006, and also FRS 102, no separate Statement of Financial Activities is presented in respect of the parent charity.

Relevant income and expenditure incurred by the subsidiary companies is included within the Statement of Financial Activities as income or expenditure on charitable activities as they contribute to the charitable mission of the group.

One of the subsidiary companies, Longacre Childcare Limited, was dormant during the period.

##### **Going concern**

The financial statements have been prepared on a going concern basis. The trustees consider there to be no material uncertainties about the Charity's (and the Group's) ability to principle risks continue as a going concern having considered the Charity's (and the Group's) reserves, financial position, and future plans. The successful sale of Marlborough House in November 2020 has significantly increased the liquidity of the Charity's (and the Group's) balance sheet position, further supporting this position.

##### **Income**

Income is recognised in the Statement of Financial Activities (SOFA) when the conditions for receipt have been met (i.e. there is entitlement to the funds, it is probable that the funds will be received, and the funds can be reliably measured). Income from full and part-time courses is recognised over the duration of the course. Distributions of profit of the associated company by way of gift aid payment are recognised when declared by that company's board.

All income is stated net of VAT and discounts where applicable.

##### **Investment income**

Investment income is accounted for when receivable.

##### **Investments**

Investments are stated at market value. Net gains and losses that have resulted from both changes in holdings and in their market value are shown in the appropriate section of the statement of financial activities. The investments are quoted at market prices in an active market.

The Charity's unquoted investments in subsidiary and associated companies are stated at cost in note 13 and in the balance sheet on page 13, since there is no readily available market value and, in the opinion of the Trustees, the cost of obtaining a valuation outweighs the benefit to the users of the accounts.

##### **Short term investments**

Short-term investments include cash deposits surplus to immediate requirements.

##### **Expenditure**

All expenditure, except for grants payable, have been accounted for on an accruals basis. Irrecoverable VAT is included with the expense item to which it relates.

## MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

### Notes to the Financial Statements Year ended 31 August 2020

---

Grants payable are recognised in the year in which they are approved by the Grants and Awards Committee and announced to applicants.

#### **Charitable expenditure**

This includes all expenditure directly related to the objects of Montessori St Nicholas Limited and its subsidiaries.

#### **Tangible fixed assets**

Tangible fixed assets are stated in the balance sheet at cost less accumulated depreciation and any impairments. No depreciation is charged on the purchase cost of freehold land and buildings.

The depreciation of other assets is provided in equal annual instalments over the estimated useful lives of the assets as follows:

- Leasehold improvements 4 years
- Computer hardware and software 4-5 years
- Website and CRM 3-5 years
- Furniture, fixtures, fittings & equipment 3-5 years

#### **Stock**

Stocks are stated at the lower of cost and net realisable value.

#### **Financial Instruments**

The charity 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.

#### **Pensions**

Each company in the Group contributes towards the pension for each employee. Employees are automatically enrolled into the Group's workplace pension scheme, unless they chose to opt out. Pension costs are charged to the Statement of Financial Activities (page 12) as incurred.

#### **Irrecoverable VAT**

Any irrecoverable VAT is charged to the Statement of Financial Activities or capitalised as part of the cost of the related asset, where appropriate.

#### **Funds**

The Charity maintains unrestricted funds:

- General funds are funds that are expendable at the discretion of the Board of Trustees in the furtherance of the objects of the Charity. The unrestricted funds also included an investment revaluation reserve.

#### **Critical accounting judgements and estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statement.

Management considers whether fixed assets are impaired. Where an indication of impairment is identified, the estimation of the recoverable value of those assets requires estimation of the future cash contribution realised from those assets.

Income from full- and part-time courses and seminars is recognised over the term of the course. Any income received before the year end relating to courses running after the year-end is deferred.

**MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

**Notes to the Financial Statements  
Year ended 31 August 2020**

**2. Income from charitable activities**

	2020 £	2019 £
Professional training – fees	492,845	656,954
Early years education – fees	-	130,763
Montessori Magazine, MSA & MEAB	4,140	51,619
Montessori Conference	123,817	-
Other charitable income	46,352	21,932
	<u>667,154</u>	<u>861,268</u>

**3. Investment income**

	2020 £	2019 £
Bank interest	1,354	60
UK listed investments	31,459	90,557
	<u>32,813</u>	<u>90,617</u>

**4. Expenditure on charitable activities**

	2020 £	2019 £
Professional training	2,736,194	2,602,179
Early years education	-	555,087
Montessori Magazine, MSA & MEAB	48,576	491,412
Montessori Network	29,656	-
Grants, Social impact and Fundraising	212,201	488,140
Montessori Conference	230,475	-
	<u>3,257,102</u>	<u>4,136,818</u>

Included in the above are support costs which have been allocated as follows:

	2020 £	2019 £
Professional training	1,352,207	1,644,995
Early years education	-	350,904
Montessori International magazine (MIM)	19,305	22,757
Montessori Schools Association (MSA)	1,563	245,373
Montessori Network	14,656	-
Grants, Social impact and Fundraising	104,868	308,583
Montessori Evaluation and Accreditation board (MEAB)	3,137	42,521
Montessori Conference	113,899	-
	<u>1,609,636</u>	<u>2,615,133</u>

There has been a change in allocation of expenditure in 2019/20 due to the change in operations in the prior year, as explained below:

- Early Years Education refers to Activities carried out by Longacre Childcare Ltd, which ceased operations during 2018/19. Montessori Schools Association (MSA) was stopped in the same year.
- The launch of the Montessori Network in the year delivering free webinars and information to the Montessori community and general public.
- The Montessori Conference took place in September 2019 as a partnership between MCI and the Maria Montessori Institute.

## MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

### Notes to the Financial Statements Year ended 31 August 2020

#### 4. Expenditure on charitable activities (continued)

Included in the support costs are governance costs of £82,932 (2019: £142,253). Governance costs comprise the costs of the Board meeting expenses; external audit; allocation of indirect costs to cover support from the Chief Executive and other executive staff and legal costs relating to the governance of the Charity.

Significant items of support costs include staff payroll costs £857,138 (2019: £1,253,193), recruitment and other staff costs £107,384 (2019: £622,337), property and office costs £167,363 (2019: £233,055), legal and consultancy £119,696 (2019: £13,236) and depreciation and amortisation £51,717 (2019: £86,066).

#### 5. Net movement on funds after charging

	2020 £	2019 £
<b>Auditor's remuneration:</b>		
Audit services – Charity	7,500	7,250
Audit services – Subsidiary companies	6,200	6,500
Non-audit services – group	7,415	6,400
Depreciation of tangible fixed assets	51,717	49,540
Impairment of tangible fixed assets	42,360	52,896

#### 6. Grants

During the year, grants were awarded as follows:

	2020 No	2020 £	2019 No	2019 £
Individual scholarship grants	22	38,900	54	62,098

In addition, the parent charity awarded grants of £377,993 (2019: £438,058) to St. Nicholas Montessori Training Limited in respect of charitable activities undertaken by the subsidiary. These amounts are eliminated on consolidation.

#### 7. Financial activities of the Charity

The financial activities shown in the consolidated statement includes those of the Charity's wholly owned subsidiaries: St Nicholas Montessori Training Limited and Longacre Childcare Limited.

A summary of the financial activities undertaken by the Charity is set out below:

	2020 £	2019 £
<b>Gross income</b>	812,450	641,242
Total expenditure on charitable activities and cost of generating funds	(3,831,943)	(2,798,896)
Unrealised investment gains / (losses)	(6,717)	13,432
<b>Net income</b>	(3,026,210)	(2,144,222)
Total funds brought forward at 1 September	12,729,752	14,873,974
<b>Total funds carried forward at 31 August</b>	<b>9,703,542</b>	<b>12,729,752</b>

**MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

**Notes to the Financial Statements  
Year ended 31 August 2020**

**8. Subsidiaries' income and costs**

The information for all subsidiary entities is taken from the accounts for the respective company and therefore includes transactions undertaken with Montessori St Nicholas Limited. Longacre Childcare Limited's financial statements were not subject to audit for the year ended 31 August 2020.

	St. Nicholas Montessori Training Ltd		Longacre Childcare Ltd	
	2020 £	2019 £	2020 £	2019 £
Turnover	1,018,607	1,100,925	-	130,763
Cost of sales and administration costs	(2,142,759)	(1,753,181)	(16,023)	(246,677)
Other operating income	1,897,193	-	-	-
Interest received	5	9	-	-
<b>Net profit / (loss)</b>	<b>773,046</b>	<b>(652,247)</b>	<b>(16,023)</b>	<b>(115,914)</b>
<b>The assets and liabilities of the subsidiaries were:</b>				
Fixed assets	41,740	17,316	-	-
Current assets	180,283	499,027	26,468	72,729
Current liabilities	(398,118)	(1,465,486)	(1,287)	(31,525)
<b>Total net (liabilities)/assets</b>	<b>(176,095)</b>	<b>(949,143)</b>	<b>25,181</b>	<b>43,274</b>
<b>Allotted, called up and fully paid shares</b>	<b>100</b>	<b>100</b>	<b>1</b>	<b>1</b>

Longacre Childcare Limited ceased trading in December 2018.

**MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)****Notes to the Financial Statements  
Year ended 31 August 2020****9. Information regarding employees and Trustees**

	2020 £	2019 £
<b>Total Staff Costs</b>		
Gross salaries	1,490,664	1,528,855
Employer's National Insurance costs	158,808	135,181
Employer's pension contribution	60,443	56,747
Total payroll and staff related costs	<u>1,709,915</u>	<u>1,720,783</u>

In addition to the above, redundancy payments of £19,855 (2019: £15,399) were made to staff.

	Number	Number
The number of employees whose total emoluments, including benefits in kind) for the year (excluding employer pension costs), exceeded		
£60,000 - £69,999	-	1
£70,000 - £79,999	1	-
£80,000 - £100,000	-	1
£100,000 - £120,000	-	1
£120,000 - £130,000	1	-
£130,000 - £140,000	-	-
£140,000 - £150,000	<u>1</u>	<u>-</u>

The Trustees consider that members of the Principal staff who have authority and responsibility for planning, directing, and controlling the activities of the Group are considered to be key management personnel. Total remuneration paid in 2019/20 in respect of these individuals was £481,860 (2019: £368,265).

Members of Principal staff claimed expenses, reimbursing them for out of pocket travel and subsistence costs incurred in carrying out their duties, 2020: £2,650 (2019: £6,549).

The Group contributes to a company stakeholder pension (now a qualifying workplace pension scheme (The Peoples Pension)), or to an employee's personal pension scheme; all new employees are now auto-enrolled in the Peoples Pension unless they chose to opt out. The assets of the schemes are held separately from those of the Charity. The Balance Sheet includes 2020: £12,896 (2019: £9,607) in respect of accrued pension costs.

	2020 Number	2019 Number
<b>The average number of employees during the year:</b>		
Teaching and Nursery Staff	16	16
Administration and support	19	26
	<u>35</u>	<u>42</u>

**Trustee expenses**

No Trustee received any remuneration (2019: nil) from Montessori St Nicholas Limited during the year.

During the year the total expenses directly reimbursed to Trustees amounted to £102. (2019: £3,456).

**MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

**Notes to the Financial Statements  
Year ended 31 August 2020**

**10. Tangible fixed assets**

<b>For use by the Charity</b>	<b>Freehold property £</b>	<b>Leasehold improve- ments £</b>	<b>Computer hardware and software £</b>	<b>Website and CRM £</b>	<b>Fixtures and fittings &amp; equipment £</b>	<b>Total £</b>
<b>Cost:</b>						
At 1 September 2019	7,672,910	28,954	114,726	107,757	27,349	7,951,696
Additions	-	-	5,425	5,460	1,136	12,021
Impairment	-	-	(25,291)	(17,070)	-	(42,361)
Disposals	-	(28,954)	(227)	-	-	(29,181)
Transferred to current assets	(7,672,910)	-	-	-	-	(7,672,910)
<b>At 31 August 2020</b>	<b>-</b>	<b>-</b>	<b>94,633</b>	<b>96,147</b>	<b>28,485</b>	<b>219,265</b>
<b>Depreciation:</b>						
At 1 September 2019	-	28,954	56,593	49,912	16,750	152,209
Charge for the year	-	-	18,858	21,573	2,794	43,225
Adjustment for disposals	-	(28,954)	-	-	-	(28,954)
<b>At 31 August 2020</b>	<b>-</b>	<b>-</b>	<b>75,451</b>	<b>71,485</b>	<b>19,544</b>	<b>166,480</b>
<b>Net book value:</b>						
<b>At 31 August 2020</b>	<b>-</b>	<b>-</b>	<b>19,182</b>	<b>24,662</b>	<b>8,941</b>	<b>52,785</b>
At 31 August 2019	7,672,910	-	58,133	57,845	10,599	7,799,487

**11. Tangible fixed assets**

<b>For use by the Group</b>	<b>Freehold property £</b>	<b>Leasehold improve- ments £</b>	<b>Computer hardware and software £</b>	<b>Website and CRM £</b>	<b>Fixtures and fittings &amp; equipment £</b>	<b>Total £</b>
<b>Cost:</b>						
At 1 September 2019	7,672,910	41,463	160,275	122,757	64,376	8,061,781
Additions	-	-	33,465	5,460	6,011	44,936
Impairment	-	-	(25,291)	(17,070)	-	(42,361)
Reclassification	-	-	15,002	(15,002)	-	-
Disposals	-	(41,463)	(3,720)	-	(24,707)	(69,890)
Transferred to current assets	(7,672,910)	-	-	-	-	(7,672,910)
<b>At 31 August 2020</b>	<b>-</b>	<b>-</b>	<b>179,731</b>	<b>96,147</b>	<b>45,680</b>	<b>321,558</b>
<b>Depreciation:</b>						
1 September 2019	-	41,463	109,103	49,912	44,501	244,979
Charge for the year	-	-	26,402	21,573	3,742	51,717
Adjustments for:						
Reclassification	-	-	(6,153)	6,153	-	-
Disposals	-	(41,463)	(12,768)	-	(15,431)	(69,662)
<b>At 31 August 2020</b>	<b>-</b>	<b>-</b>	<b>116,584</b>	<b>77,638</b>	<b>32,812</b>	<b>227,034</b>
<b>Net book value:</b>						
<b>At 31 August 2020</b>	<b>-</b>	<b>-</b>	<b>63,147</b>	<b>18,509</b>	<b>12,868</b>	<b>94,524</b>
At 31 August 2019	7,672,910	-	66,172	57,845	19,875	7,816,802

**MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

**Notes to the Financial Statements  
Year ended 31 August 2020**

**12. Fixed asset investments**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Total investments:</b>				
Financial investments	17,499	2,492,137	17,499	2,492,137
Investments in subsidiaries	-	-	100	100
	<u>17,499</u>	<u>2,492,137</u>	<u>17,599</u>	<u>2,492,237</u>
<b>Total financial investments:</b>				
Market value 1 September	2,492,138	5,078,706	2,492,238	5,078,806
Disposals	(2,467,922)	(2,600,001)	(2,467,922)	(2,600,001)
Net investment gains in the year	(6,717)	13,432	(6,717)	13,432
Market value 31 August	<u>17,499</u>	<u>2,492,137</u>	<u>17,599</u>	<u>2,492,237</u>
Cost at 31 August	10,904	724,341	10,904	724,341
Investment in subsidiary	-	-	100	100
Cumulative unrealised gains	6,595	1,767,796	6,595	1,767,796
Total UK listed investments	<u>17,499</u>	<u>2,492,137</u>	<u>17,599</u>	<u>2,492,237</u>

**13. Subsidiaries**

Results for the below subsidiaries are included in the Group balances of these accounts:

Subsidiary undertaking	Country of registration and / or operation	Principal activities	Authorised and issued share capital
St. Nicholas Montessori Training Ltd – 100% direct holding Company No. 06429337	United Kingdom	The training of students in the Montessori Philosophy, providing recognised qualifications for students to teach.	Ordinary £100
Longacre Childcare Ltd 100% direct holding (Company No. 04633593)	United Kingdom	The provision of early years learning underpinned by the Montessori Philosophy, now discontinued.	Ordinary £1

**14. Current assets held for sale**

	Group & charity 2020 £	Group and charity 2019 £
Freehold property	<u>7,672,910</u>	<u>1,294,252</u>

**15. Stocks**

	Group 2020 £	Group 2019 £
Publications	<u>5,575</u>	<u>6,020</u>

**MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

**Notes to the Financial Statements  
Year ended 31 August 2020**

**16. Debtors**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Charity 2020</b>	<b>Charity 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	<b>49,689</b>	203,566	273	128,324
Other debtors	-	220	-	131
Due from subsidiary undertakings	-	-	-	772,372
HMRC – VAT	-	53,280	-	53,280
Prepayments and accrued income	<b>94,196</b>	192,543	52,938	99,238
	<b>143,885</b>	449,609	53,211	1,053,345

**17. Creditors falling due within one year**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Charity 2020</b>	<b>Charity 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	<b>103,694</b>	427,851	<b>55,500</b>	251,255
Other taxes and social security	<b>33,984</b>	12,011	<b>16,637</b>	-
Deferred income	<b>246,964</b>	338,672	<b>2,538</b>	25,300
Accruals	<b>172,498</b>	119,111	<b>132,177</b>	77,090
Due to subsidiary undertakings	-	-	<b>21,036</b>	72,391
Other creditors	<b>28,590</b>	120,062	<b>1,893</b>	122,562
	<b>585,730</b>	1,017,707	<b>229,781</b>	548,598

**18. Deferred income**

	<b>Balance 1 September 2019</b>	<b>Released from prior year</b>	<b>Deferred in Current year</b>	<b>Balance 31 August 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Group</b>				
Accreditation fees	-	-	2,538	<b>2,538</b>
Training courses	246,664	(246,664)	244,426	<b>244,426</b>
Tickets for event in September 2019	92,008	(92,008)	-	-
	<b>338,672</b>	<b>203,816</b>	<b>246,964</b>	<b>246,964</b>

	<b>Balance 1 September 2018</b>	<b>Released from prior year</b>	<b>Deferred in Current year</b>	<b>Balance 31 August 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Group</b>				
Training courses	203,816	(203,816)	246,664	<b>246,664</b>
Tickets for event in September 2019	-	-	92,008	<b>92,008</b>
	<b>203,816</b>	<b>(203,816)</b>	<b>338,672</b>	<b>338,672</b>

**19. Funds**

All of the funds held at 31 August 2020 and 31 August 2019 are unrestricted. This includes an investment reserve of £6,595 (2019: £1,767,796). The Investment reserves reflect unrealised gains on investments held by the Charity and are a revaluation reserve for company law purposes.

## MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

### Notes to the Financial Statements Year ended 31 August 2020

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#### 20. Commitments

The group's future minimum operating lease payments are as follows:

Group and Charity	Equipment	
	2020 £	2019 £
<b>Leases which expire:</b>		
Within one year	2,864	4,151
Within two to five years	-	2,574

#### 21. Members

Montessori St Nicholas Limited is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, the Trustees shall be the only members of Montessori St Nicholas Limited.

#### 22. Controlling Party

The charitable company is limited by guarantee and is under the control of the Trustees who are also the members.

#### 23. Taxation

As a registered charity, Montessori St Nicholas Limited is exempt from taxation under sections 466 – 493 Corporation Tax Act 2012. The group is not liable for taxation due to its sole active company, St. Nicholas Montessori Training Limited, being loss making. As and when the Company becomes profitable, profits will be gift aided to the parent charity.

**MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**

**Notes to the Financial Statements  
Year ended 31 August 2020**

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**24. Related Party Transactions**

During the year ended 31 August 2020, the following transactions occurred between the companies within the group.

	<b>Rent, Rates &amp; other property costs</b>	<b>Salaries</b>	<b>Other</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
MCI to MSN	22,945	393,403	26,192	<b>442,540</b>
MSN to MCI	-	34,027	-	-

During the year ended 31 August 2019, the following transactions occurred between the companies within the group.

	<b>Rent, Rates &amp; other property costs</b>	<b>Salaries</b>	<b>Other</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
MCI to MSN	95,456	124,861	243,601	<b>463,918</b>
MSN to MCI	-	17,890	-	<b>17,890</b>

In addition, MSN made grants to MCI totalling £377,993 (2019: £438,058) to further its charitable objectives.

Support costs are charged for shared services between the Charity (MSN) and St Nicholas Training Limited (MCI), on an agreed basis, which reflects the use of resources.

There are no further related party transactions that require disclosure.

**25. Post Balance Sheet Events**

The Charity sold its freehold property in November 2020 for £9.0m.