

Company Number: 531204
Charity Number: 313636



MONTESSORI ST NICHOLAS LIMITED
(LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

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

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

**GENERAL INFORMATION
Year ended 31 August 2021**

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.

Company number	531204
Charity number	313636
Registered office and operational address	4/4a Bloomsbury Square London WC1A 2RP
Contact	T: 020 7493 8300 E: info@montessori.org.uk W: www.montessori-group.com
Trustees	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: S Bryan (appointed 11 August 2021) ∞ P Busslinger (appointed 11 August 2021) S Mitra (appointed 11 August 2021) C Stone (appointed 11 August 2021) ∞ C Thum (appointed 11 August 2021) *S Sidhu-Robb (appointed 15 May 2019, resigned 14 September 2020, re-appointed 9 April 2021) ∞ J Barberis S Thomas A Barron A El-Aghel **A Howat (resigned 4 June 2021) ∞ A Bashenko (resigned 8 April 2021) ∞ P Vickers (resigned 8 April 2021) A Joyce (resigned 7 January 2021) J Osgood (resigned 15 September 2020) M De Rudder (resigned 19 June 2020) * Chair from 4 June 2021 ** Chair until 4 June 2021 ∞ Members of Finance, Audit & Risk Committee
Bankers	HSBC Bank PLC PO Box 1EZ, 196 Oxford Street, London, W1C 1NT Lloyds Bank PLC 399 Oxford Street, London, W1C 2BU
Auditors	Haysmacintyre LLP 10 Queen Street Place, London, EC4R 1AG
Investment managers	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
Chief Executive	Leonor Stjepic

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT **Year ended 31 August 2021**

The Trustees present their report and accounts for the year ended 31 August 2021. 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.

The Charity achieves these objectives through relationships with and grants to other organisations but especially to:

- 1) St Nicholas Montessori Training Ltd, trading as Montessori Centre International (MCI)
- 2) The International Montessori Institute at Leeds Beckett University
- 3) Small project collaborations with other NGO's

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

The trustees confirm they have had regard to the Charity Commission's guidance on the Public Benefit requirement under the Charities Act 2011.

It is understood from the media and other sources that 2020 and 2021 were a challenging time for most charities, both large and small. This all puts into stark contrast the work and achievements of the Montessori Group during this time. We have spent 2021 not just firefighting but successfully achieving what we set out to do.

During 2021, along with the purpose of carrying out Montessori training, our aim was to create societal change using Montessori education as the tool to do so. This goes right back to the vision of Maria Montessori, of making a difference. She was a pioneer in education but also campaigned for social change e.g. advocating for women's equal pay, peace education etc. Our ongoing aim is to bring Maria Montessori's vision to life in the modern world.

Our new model is more powerful and has the potential to have more breadth and coverage and most importantly, impact.

ACHIEVEMENTS AND PERFORMANCE

Our achievements this year have fallen into the following areas:

1. Creating a strong foundation to build growth
2. Promoting high quality education and teacher training
3. Research
4. Working with external partners
5. Positioning ourselves as the global voice of modern Montessori
6. Starting our plan for growth

1. Creating a strong foundation to build growth

The last 12 months has a much reduced cost base, with operating costs lower this year compared to 2020. Some of this reduction has arisen because of the sale of Marlborough House in November 2020, however, a strategic shift in how we are now able to deliver service has also had an impact.

Some activities have been successfully outsourced to external partners who are able to deliver impact with much improved efficiency. We have also created strong professional relationships with freelancer tutors, assessors and QA representatives to ensure we have the best possible resources to call upon as and when needed, introducing flexibility of cost base and the ability to scale activity when required.

2. Promoting high quality education and teacher training

The International Montessori Institute at Leeds Beckett University's Carnegie School of Education, enrolled 11 students onto the first year of the accelerated degree course in 2021. We operate a long term collaboration agreement with LBU that includes £50,000 in scholarship funding in order to incentivise applicants at the initial launch of this new BA programme. This funding allocation is included within a wider formal partnership contract.

We have restructured our Further Education and Professional Development qualifications and courses, via an expansion of our curriculum portfolio both in level, intended audience and discipline specific content. This enables a more diverse range of provision for our graduate and practitioner community, both within established Montessori practice and the wider professional education sector.

This is important to ensure that our training and development offer is broad, effective for professional recognition and development and in demand for practitioners seeking to upskill as necessary for professionals working in education and early years today.

This programme of training and qualifications (also in partnership with leading awarding organisation, NCFE CACHE) is made available to the public via our network of Host Centres, regionally and internationally present to respond to the needs of their communities and ensure that our training is offered to suit the cultural and contextual needs of each location. The network of centres is managed and supported through our Standards & Training Accreditation Review (STAR) framework enabling us to quality assure and oversee the highest standards for delivery and assessment wherever our portfolio is offered.

3. Research

In recent years we have carried out range of research activity ranging in scope and scale, including:

- * Work into the statistical landscape of educational professionals and the Montessori workforce
- * An exploratory study relating to Montessori and dementia
- * Small-scale investigative work into the Montessori Network community needs and professional issues.

Our new research strategy launched in May 2021 including a major focus on the research outputs to be expected from the International Montessori Institute with Leeds Beckett University. The chosen projects in focus remain wide ranging and professionally focused in order to provide research findings and impact reports that will be disseminated widely through conference events, research partners activity and published papers to feature across a range of peer-reviewed sector publications.

These outputs will be supported by a new co-created sector review series in collaboration with Bloomsbury Publishing (first issue launch in 2022/2023). This series publication will see two editions per year providing a platform for robust, peer scrutinised evidence based research articles and case studies across Early Years education.

We have allocated £75,000 to a European Research Fund over 3 years which will ensure a collaborative, sector relevant project gain support and professional input (through the Director from the International

Montessori Institute). This has been awarded through a professional application process and is due to start in Spring 2022.

We have allocated over £80,000 to a collaborative project with the University of Plymouth to explore and engage the early years professional sector in curriculum decisions and pedagogical choices in practice. This is part of our Early Years Insight Fund and will lead to published papers and policy recommendation due Spring/ Summer 2022. This project also aims to provide a recognised route to credit accumulation for professionals in the early years sector looking to learn more about progression opportunities within their roles as educators.

4. Working with external partners

- We have successfully completed Year 1 of a now 6-year project with the Jane Goodall Institute. Co-created educational resources were disseminated to 383 teachers in state primary schools
- We trained 12 teachers in Afghanistan who are teaching girls
- We co-created Montessori activities for children with Humanimal Trust, distributed to 23,000 people on their network
- Our support allowed Cities for Children, teach 500 street children in Pakistan. Our partnership has also allowed them to create new partnerships that will benefit a further 1,500 street children and appoint a part time coordinator for the project.
- We have partnered with the Chartered College for Teaching (CCT) in order to establish the first Early Years Hub of professional support and resources in the UK. This provision will enable a wide range of professionals (newly qualified graduates, experienced educators and / or managers and leaders) to access high-quality and inspirational support material and development their professional knowledge and skills. This will lead to a firm opportunity for those accessing this level of support to successfully engage with the CCT's professional recognition scheme and achieve membership - increasing and broadening their professional recognition within their sector and within their community of peers.

5. Positioning ourselves as the global voice of modern Montessori

- We are the only Montessori organisation speaking to overseas Governments, UK politicians and policy makers and we have a seat on the All Party Parliamentary Group (APPG) for Childcare and Early Education and the APPG for Women and Work.
- We have had 169 articles and coverage in press media reaching a potential 590 m readers across the world
- We worked with Global Thinkers Forum to support and participate in discussions about global leadership and mentoring. In 2022 we are hosting two panels of Global Conversations on International Women's Day where we shared conversations with other panels around the world

6. Starting our plan for growth

Our aim is to find strategic partnerships where we can deliver social impact, promote Montessori principles and raise income in the future.

- Chains
- Governments
- Other institutions
- UNESCO

We have spoken to World Bank representatives in various countries who are interested in having us as partners in their work with Governments in different countries.

Fundraising: we are creating a case for support that will cover all our charitable work and a pipeline of potential donors.

St Nicholas Montessori Training Ltd, trading as Montessori Centre International (MCI)

MCI undertakes charitable objectives on behalf of MSN through a grant award agreement which is reviewed and agreed annually. The agreement details the annual value, terms and conditions of the grant, and details objectives which must be achieved. A quarterly report is prepared for review by the directors of MCI and trustees of MSN which includes variance analysis of the grant award to date and a forecast for year end. To the extent there is any unused grant at the end of the year, this is either refunded to the Charity or rolled forward to the following year, subject to a further grant agreement being entered into. The amount of grant awarded during the year was 2021: £1,152,000 (2020: £377,993).

The Chief Executive of the Charity is also the Chair of the MCI Board as shareholder representative of the parent charity, to ensure transparency and clear communication between the Charity and MCI, while preserving the autonomy of MCI.

STRATEGY AND FUTURE PLANS

In the next 12 months we will continue to develop our vision for the future and how we will achieve it. Meanwhile, we will continue to carry out our social impact work through the following strands:

a) Building teacher training and professional education capacity

We support this by:

- a. Continued support of the International Montessori Institute based at Leeds Beckett University (IMI)
- b. Build on Maria Montessori's legacy of taking teacher training where needed, launching host centres across the world.
- c. Through a partnership with the Chartered College of Teaching to provide an Early Years Hub for early years practitioners.
- d. MCI continues to maintain a wide portfolio of NCFE CACHE accredited and internally awarded qualifications and courses available to support practitioners and trainees
- e. Bursaries to those seeking to support their professional development but for whom finances may be an obstacle

b) Support for families, especially those most socially disadvantaged

- a. **Healthy Eating:** Raising awareness of the issues around healthy eating through our Champions, food writer Annabel Karmel OBE, Japanese food educator, Akem Yokoyama and restaurateur and food writer, Chantelle Nicholson
- b. **Working Internationally:** with two projects which support disadvantaged families, continuing our work with Cities for Children in Pakistan and Udruga IKS based in Croatia

c) Identifying and supporting quality education

- Continuing our membership on two All Party Parliamentary Groups (APPGs), Childhood and Early Education, and Women and Work.
- Promoting our STAR framework internationally, supporting applications for early years recognition of the highest quality, endorsement of programmes and Host Centre provision to ensure a wide and varied network of study and training choices for students worldwide.

- Continued commitment to expansion of resources and free to access materials to support families, home based practitioners and educators globally. This includes high quality assets within our repository to represent timely articles, interactive resources and engaging audio-visual materials supporting the promotion of Montessori for Now, current and relevant for educational practice of today.

- d) Global responsible leadership based on Montessori principles**
 - To encourage and support globally responsible leadership through our membership of two organisations – The Globally Responsible Leadership Initiative and Charter for Compassion
 - Develop a Montessori and Leadership programme of training that we hope will be adopted internationally in the future
 - Continue to work with Global Thinkers Forum

- e) Education for Sustainability and Peace**
 - Year 2 of our partnership with Jane Goodall Institute to provide teachers packs to state primary schools in the UK to support children to learn more about the natural world.

- f) Influencing policy makers**
 - Partnerships with other international organisations
 - Research strategy introduced in May 2021 and outlined above

Key Performance Indicators (KPI's)

The Group considers the Key Performance Indicators to be:

- For all grant funded projects, milestones set out in the grant award contract
- STAR Phase One: Accreditations by end of 2022, minimum 50 settings at certification (UK and International)
- STAR Phase Three: Host Centre, successful applications, 6 by 31 August 2022, increasing to 15 by 31 August 2023
- Engagement through Montessori Network, currently 2,000 members with a 50% uplift anticipated in the next 12 months
- Generating donations to fund future plans in healthy eating, literacy and creativity outlined above

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, being 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

Marlborough House, the charity's property in St John's Wood, London was sold in November 2020 at a sales price of £9m. The carrying value of the property was £7.7m achieving a profit on disposal, after costs and tax, of £1.1m.

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Income from other sources, including trading income, investment income and donated services in the year to 31 August 2021 totalled £0.4m (2020: £1.0m). The decrease year on year is primarily due to lower trading activity in MCI.

Costs were also significantly reduced year-on-year, because of the lower trading activity in MCI, and a re-organisation of the operating model which were started in the prior year and continued into 2021. Together, these created year-on-year cost savings of over £1m, giving charitable expenditure in the year of £2.1 m (2020: £3.3 m).

Together, this gives net expenditure, before unrealised gains on investments, of £0.7m (2020: £2.3m). In December 2020, £7m of the proceeds from the sale of Marlborough House were invested in line with the investment strategy described below. During the year, and continuing into 2022, there has been considerable volatility affecting the market value of the investments. The carrying value of investments is adjusted to fair value at the balance sheet date, giving unrealised gains recognised in the year to 31 August 2021 of £0.3m (2020: £nil).

Net decrease in funds, after unrealised gains on the investment portfolio, was £0.4m in the year (2020: £2.3m).

During the year, the Charity awarded grants of £1.3m (2020: £0.4m), of which £1.2m (2020: £0.4m) was to MCI to deliver charitable trading activities in support of the Charity's objects. 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 further grant funding of £1.1m to MCI to support it in delivering its activities for the 2021/2022 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.

In August 2020, the Charity committed to a five-year funding collaboration arrangement with Leeds Beckett University in order to set-up the International Montessori Institute. £183k was recognised in charitable expenditure in the year ended 31 August 2021, the first year of the grant.

Balance sheet

Consolidated net assets at the balance sheet date were £9.1m (2020: £9.6m), the decrease reflecting net expenditure in the year as described above. There were no restricted or designated reserves at the balance sheet date

The investments balance of £7.3m is shown in fixed assets in accordance with the SORP because it is the Charity's intention to hold the investments for a period of more than twelve months, to generate investment return, however the investment portfolio is held entirely in liquid funds, which allows any proportion of the investment portfolio to be realised in cash in less than 30 days as required.

Assets held for sale at the previous balance sheet date £nil (2020: £7.7m) comprised the carrying value of Marlborough House, which was sold in the year as described above, thus significantly increasing the funds readily available to the Trustees for charitable expenditure.

Cash as bank at 31st August 2021 was £1.9m (2020: £2.1m).

Investments and statement of investment policy

Following the sale of Marlborough House in November 2020, the investment strategy and policy were reviewed, together with expected cash needs of the Charity.

The Board of MSN has delegated to the Finance Audit and Risk Committee (FARC) the responsibility of determining investment plans and making recommendations for investment for presentation and approval by the Board subject to compliance with the investments policy.

There are two primary investment objectives:

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- To provide sufficient liquidity to fund the short to medium term objectives of the group; and
- To maximise return on investments, within an acceptable risk profile and ethical framework.

Brought forward reserves have been used to fund deficits incurred from 2017 to date. The new strategy for growth expects deficits to continue until at least 2025 whilst the new sustainable income generation plan is implemented.

To meet these objectives, assets are invested by discretionary asset managers on behalf of the Charity, into funds with a diversified portfolio of underlying investments. The risk profiles of funds are chosen according to the expected length of time the investment will be held, itself based on the expected cash needs of operations, and taking account of operational risks.

Reserves and current financial position

Funds held at 31 August 2021 amounted to £9.1m (2020: £9.6m), all of which were unrestricted. At 31 August 2021, free reserves, being total reserves less committed funds, amounted to £7.4m (2020: £1.8m). The Trustees reviewed and updated the reserves policy at their December 2021 board meeting, following the change in financial position arising from the sale of Marlborough House.

The policy recognises that the Charity is in a period of deficit as outlined in the investment strategy. During this time, deficit will be funded by brought forward reserves to allow time to develop sustainable, reliable fundraising income streams.

The trustees have agreed that a minimum of £1m, or sufficient cash to meet operational needs for a 6-month period (whichever is greater), is held in cash at bank.

The trustees will continue to monitor free reserves, and will use them to mitigate future risks and uncertainties during this transitional period. During the next 6 months the Charity intends to prepare a detailed 5 year business plan. The reserves policy will be reviewed in the context of the plan once finalised.

PRINCIPAL RISKS AND UNCERTAINTIES

Our corporate risks reflect the financial, legal and regulatory risks associated with our day-to-day operations. The Executive Team makes a preliminary assessment of the corporate risks. The scope of the Finance Committee was extended during the prior year and has become the Finance, Audit & Risk Committee. This Committee oversees the progress of management actions via the corporate risk register and regular reporting at committee meetings.

The key strategic risks are:

- MCI is not able to carry out the charitable activities of the Charity on its behalf as planned
- MCI's financial performance is negatively impacted because of the outcomes of the pandemic in the various countries
- Financial turnaround doesn't happen as quickly as required, as limited by the reserves position

COVID-19

The trustees have maintained a focus on understanding the impact on the current and planned future activities of the Group, and in particular of MCI. A remote operating model which was introduced in 2020 and enables us to be more agile, has become our new normal way of operating. The impact of ongoing lockdowns has resulted in lower than planned activity in the near to medium term as a result. Cost reductions completed in 2021 means we are now a Group which is well positioned to continue to operate flexibly in the future and to grow in response to need. This revised operating environment is now factored into the budgets and forecasts of the Group.

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.

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

The Board meets four times per year and the Finance, Audit & Risk Committee meets 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.

Six new trustees were appointed during the year. New trustees are recruited by external recruitment, using an agency, and by existing trustees reaching out to personal networks. The induction of new trustees is undertaken by the Chief Executive who forwards an induction pack, the Company Secretary, and the Head of Finance. Trustees are given copies of the Articles of Association and the Charity Commission's guidance CC3, 'The Essential Trustee', together with a link to the Charity Commission's 5 minute guides for charity trustees. Trustees are signposted to relevant training opportunities during the year by the Head of Finance and Chief Executive.

How executive pay is set

Our overall policy on pay and reward is approved by the Board of Trustees and this includes reviewing and approving recommendations from the Chief Executive regarding the Executive Team's remuneration. The organisational policy on pay operates on the basis of performance related pay, whereas, when financially viable, the Charity makes a cost of living rise to all staff each year and gives an additional increase based on performance.

The process for setting the pay of the Chief Executive is set out in a policy which was approved by the Board of Trustees in March 2021. The Board of Trustees commission an external HR consultant to carry out a salary benchmarking exercise which is shared with the Trustees. The appraisal of the Chief Executive and the benchmarking recommendations are reviewed by trustees who come to a decision on the performance related element of any pay award.

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;

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- 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.

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 14 to 26 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

Sangeeta Sidhu-Robb

Sangeeta Sidhu-Robb
Chair

Date: 10 March 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTESSORI ST NICHOLAS LIMITED

Opinion

We have audited the financial statements of Montessori St Nicholas Limited for the year ended 31 August 2021 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 2021 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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

INDEPENDENT AUDITOR'S REPORT
Year ended 31 August 2021

- 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.

Responsibilities of trustees for the financial statements

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, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission and Office for Students, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, payroll taxes, and sales taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in making accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT

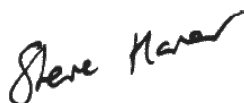
Year ended 31 August 2021

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing minutes of Board meetings during the year;
- Identifying and testing journals, in particular journal entries posted around the year-end; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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. This description forms part of our auditor's 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 2022

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

Year ended 31 August 2021

	Note	2021 Unrestricted Funds £	2020 Unrestricted Funds £
Income from:			
Donations and legacies	2	65,000	136,399
Charitable activities	2	202,266	667,154
Investment income	3	64,362	32,813
Profit on disposal of tangible fixed assets		1,066,183	-
Other income		31,061	156,186
Total		1,428,872	992,552
Expenditure on:			
Charitable activities	4	2,106,467	3,257,102
Total		2,106,467	3,257,102
Net expenditure before (losses)/gains on investments		(677,595)	(2,264,550)
Net (losses)/gains on investment	12	271,778	(6,717)
Net expenditure		(405,817)	(2,271,267)
Net movement in funds		(405,817)	(2,271,267)
Reconciliation of Funds:			
Funds brought forward at 1 September	19	9,552,526	11,823,793
Funds carried forward at 31 August	19	9,146,709	9,552,526

All of the above relate to continuing activities.

The notes on pages 17 to 26 form part of these financial statements.

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

GROUP AND CHARITY BALANCE SHEETS

Year ended 31 August 2021

Company number: 00531204

	Note	Group 2021	Group 2020 £	Charity 2021	Charity 2020 £
Fixed assets					
Tangible fixed assets	10,11	67,396	94,524	23,224	52,785
Investments	12	7,289,277	17,499	7,289,377	17,599
		7,356,673	112,023	7,312,601	70,384
Current assets					
Assets held for sale	14	-	7,672,910	-	7,672,910
Stock	15	-	5,575	-	-
Debtors	16	75,629	143,885	102,688	53,211
Cash at bank and in hand		1,973,405	2,203,863	1,944,476	2,136,818
		2,049,034	10,026,233	2,047,164	9,862,939
Creditors: amounts falling due within one year	17	(258,998)	(585,730)	(352,043)	(229,781)
Net current assets		1,790,036	9,440,503	1,695,121	9,633,158
Net assets		9,146,709	9,552,526	9,007,722	9,703,542
Funds					
Unrestricted funds					
Revaluation of investments		278,373	6,595	278,373	6,595
General reserves		8,868,336	9,545,931	8,729,349	9,696,947
Total funds	19	9,146,709	9,552,526	9,007,722	9,703,542

The notes on pages 17-26 form part of these financial statements

The deficit of the parent charity before consolidation was £695,820 (2020: deficit of £3,026,210)

The financial statements were approved by the board of trustees on 10 March 2022 and were signed on its behalf by:

Sangeeta Sidhu-Robb

Sangeeta Sidhu-Robb
Chair

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 August 2021

	2021 £	2020 £
Cash outflow from operating activities:		
Net cash used in operating activities	A (2,032,588)	(2,329,093)
Cash flows from investing activities:		
Proceeds from sale of investments	-	2,467,920
Investment income received	64,359	31,459
Interest receivable	3	1,354
Purchase of tangible fixed assets	(16,636)	(44,936)
Purchase of investments	(7,000,000)	-
Sale of tangible fixed assets	8,754,404	1,294,479
Net cash provided by investing activities	1,802,130	3,750,276
Change in cash and cash equivalents in the reporting period	B (230,458)	1,421,183
Cash brought forward at 1 September	2,203,863	782,680
Cash carried forward at 31 August	1,973,405	2,203,863

	2021 £	2020 £
Notes to group cash flow statement		
A. Cash flows from operating activities		
Net expenditure	(405,817)	(2,271,267)
Adjustments for:		
Net losses /(gains) on investments	(271,778)	6,717
Investment income received	(64,359)	(31,459)
Interest receivable	(3)	(1,354)
Profit on sale of fixed assets	(1,066,183)	-
Depreciation of tangible fixed assets	28,453	51,717
Write down of tangible fixed assets	-	42,361
Decrease / (increase) in debtors	68,256	305,724
(Decrease)/ increase in creditors due within one year	(326,732)	(431,977)
Decrease in stock	5,575	445
Net cash used in operating activities	(2,032,588)	(2,329,093)

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
B. Analysis of cash and cash equivalents			
Cash at bank and in hand	2,203,863	(230,458)	1,973,405
Total cash and cash equivalents	2,203,863	(230,458)	1,973,405

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements Year ended 31 August 2021

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') 2nd 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 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 2021 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.

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

Donated goods, facilities and services

Donated goods, facilities and services received for our own use are recognised in the accounts when received, provided the value of the gift can be measured reliably, on the basis of the value of the gift to the charity.

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 its subsidiaries are stated at cost in note 13 and in the balance sheet on page 15, 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.

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements Year ended 31 August 2021

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.

Bursaries are recognised in the year in which they are approved and announced to applicants. Other grants are recognised when payable under the terms of the grant.

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 14) 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 2021****2. Income from donations, legacies, and charitable activities**

Income from charitable activities	2021	2020
	£	£
Professional training – fees	70,117	206,253
Early years education – fees	129,362	281,446
Montessori Magazine, MSA & MEAB	1,062	135,935
Other charitable income	1,725	43,520
	202,266	667,154

Income from donations and legacies include the value of donated legal services of 2021: £60,000 (2020: £nil).

Investment income

	2021	2020
	£	£
Bank interest	3	1,354
UK listed investments	64,359	31,459
	64,362	32,813

3. Expenditure on charitable activities

	2021	2020
	£	£
Professional training	1,028,765	2,671,163
STAR Affiliation Services	42,565	-
Accreditation	1,061	6,197
Montessori Network	118,258	70,175
Grants & Social impact	843,048	207,158
Fundraising	72,770	77,412
Montessori Conference	-	224,997
	2,106,467	3,257,102

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

	2021	2020
	£	£
Professional training	592,247	1,320,069
STAR Affiliation Services	24,504	-
Accreditation	611	-
Montessori Network	68,080	3,063
Grants & Social impact	485,333	34,680
Fundraising	41,893	102,376
Montessori Conference	-	111,192
	1,212,667	1,609,636

There has been a change in allocation of expenditure in 2020/21 due to the change in operations in the prior year, as explained below:

- The launch of STAR Affiliation Services as a framework for accreditation and endorsement of nurseries and other settings, replacing the MEAB accreditation scheme.
- Montessori Schools Association (MSA) and Montessori international Magazine were both discontinued during 2019/20 and have been superseded by the Montessori Network.
- The launch of the Montessori Network in the year delivering webinars, podcasts and information to the Montessori community and general public.
- The Montessori Conference took place in September 2020 as a partnership between MCI and the Maria Montessori Institute.

Notes to the Financial Statements
Year ended 31 August 2021

4. Expenditure on charitable activities (continued)

Included in the support costs are governance costs of £105,699 (2020: £82,932). 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 £476,033 (2020: £857,138), recruitment and other staff costs £32,479 (2020: £107,384), property and office costs £100,316 (2020: £167,363), legal and consultancy £77,795 (2020: £119,696) and depreciation and amortisation £28,453 (2020: £51,717).

5. Net movement on funds after charging

	2021 £	2020 £
Auditor's remuneration:		
Audit services – Charity	7,900	7,500
Audit services – Subsidiary companies	6,500	6,200
Non-audit services – group	2,500	7,415
Depreciation of tangible fixed assets	28,453	51,717
Impairment of tangible fixed assets	295	42,360

6. Grants

During the year, grants were awarded as follows:

	2021 No	2021 £	2020 No	2020 £
Individual scholarship grants	5	6,846	22	38,900

MSN awarded grants of £1,152,000 (2020: £377,993) to St. Nicholas Montessori Training Limited in respect of charitable activities undertaken by the subsidiary. These amounts are eliminated on consolidation.

A further grant award of £137,500 (2020: £nil) was made to The International Montessori Institute at Leeds Beckett University's Carnegie School of Education as part of our partnership agreement with them to support a new BA programme.

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:

	2021 £	2020 £
Gross income	1,391,155	812,450
Total expenditure on charitable activities and cost of generating funds	(2,423,753)	(3,831,943)
Unrealised investment gains / (losses)	271,778	(6,717)
Net income	(760,820)	(3,026,210)
Total funds brought forward at 1 September	9,703,542	12,729,752
Total funds carried forward at 31 August	8,942,722	9,703,542

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**Notes to the Financial Statements
Year ended 31 August 2021****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 2021.

	St. Nicholas Montessori Training Ltd		Longacre Childcare Ltd	
	2021	2020	2021	2020
	£	£	£	£
Turnover	1,363,217	1,018,607	--	-
Cost of sales and administration costs	(1,066,975)	(2,142,759)	(6,240)	(16,023)
Other operating income	-	1,897,193	--	-
Interest received	1	5	--	-
Net profit / (loss)	296,243	773,046	(6,240)	(16,023)
The assets and liabilities of the subsidiaries were:				
Fixed assets	44,172	41,740	-	-
Current assets	312,769	180,283	18,941	26,468
Current liabilities	(265,722)	(398,118)	-	(1,287)
Total net (liabilities)/assets	120,148	(176,095)	18,941	25,181
Allotted, called up and fully paid shares	100	100	1	1

Longacre Childcare Limited ceased trading in December 2018. Costs were incurred in January 2021 to digitise and archive the records of the company. The company has subsequently been dormant.

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements Year ended 31 August 2021

9. Information regarding employees and Trustees

	2021 £	2020 £
Total Staff Costs		
Gross salaries	881,564	1,490,664
Employer's National Insurance costs	94,118	158,808
Employer's pension contribution	47,746	60,443
Total payroll and staff related costs	<u>1,023,428</u>	<u>1,709,915</u>

In addition to the above, redundancy payments of £61,281 (2020: £19,855) were made to 12 members of staff (2020:7)

	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	2	-
£70,000 - £79,999	1	1
£80,000 - £100,000	-	-
£100,000 - £120,000	-	-
£120,000 - £130,000	1	1
£130,000 - £140,000	-	-
£140,000 - £150,000	1	1

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 the Executive Team. Total remuneration paid in 2020/20 in respect of these individuals was £333,063 (2020: £481,860). The Executive Team comprises from MSN, the Chief Executive, and from MCI the Chief Executive Officer and Chief Operating Officer.

Members of Executive Team claimed expenses, reimbursing them for out-of-pocket travel and subsistence costs incurred in carrying out their duties, 2021: £1,429 (2020: £2,650).

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 2021: £4,869 (2020: £12,896) in respect of accrued pension costs.

	2021 Number	2020 Number
The average number of employees during the year:		
Teaching and Nursery Staff	7	16
Administration and support	13	19
	<u>20</u>	<u>35</u>

Trustee expenses

No Trustee received any remuneration (2020: nil) from Montessori St Nicholas Limited during the year.

During the year the total expenses directly reimbursed to Trustees amounted to £nil. (2020: £102).

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

**Notes to the Financial Statements
Year ended 31 August 2021**

10. Tangible fixed assets

For use by the Charity	Computer hardware and software £	Website and CRM £	Fixtures and fittings & equipment £	Total £
Cost:				
At 1 September 2020	94,633	96,147	28,485	219,265
Additions	-	-	100	100
Impairment	-	-	-	-
Disposals	(57,570)	(45,429)	(24,891)	(127,890)
Transferred to current assets	-	-	-	-
At 31 August 2021	37,063	50,718	3,694	91,475
Depreciation:				
At 1 September 2020	75,451	71,485	19,544	166,480
Charge for the year	7,400	9,894	622	18,006
Adjustment for disposals	(53,696)	(45,428)	(17,111)	(116,235)
At 31 August 2021	29,155	36,041	3,055	68,251
Net book value:				
At 31 August 2021	7,908	14,677	639	23,224
At 31 August 2020	19,182	24,662	8,941	52,785

11. Tangible fixed assets

For use by the Group	Computer hardware and software £	Website and CRM £	Fixtures and fittings & equipment £	Total £
Cost:				
At 1 September 2020	144,606	131,272	45,680	321,558
Additions	1,966	14,570	100	16,636
Impairment	-	-	-	-
Disposals	(66,630)	(45,429)	(37,360)	(149,419)
At 31 August 2021	79,942	100,413	8,420	188,775
Depreciation:				
1 September 2020	116,586	77,636	32,812	227,034
Charge for the year	10,418	17,142	893	28,453
Disposals	(62,756)	(45,428)	(25,924)	(134,108)
At 31 August 2021	64,248	49,350	7,781	121,379
Net book value:				
At 31 August 2021	15,694	51,063	639	67,396
At 31 August 2020	28,020	53,636	12,868	94,524

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

**Notes to the Financial Statements
Year ended 31 August 2021**

12. Investments

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Total investments:				
Financial investments	7,289,277	17,499	7,289,277	2,492,137
Investments in subsidiaries	-	-	100	100
	7,289,277	17,499	7,289,377	2,492,237
Total financial investments:				
Market value 1 September	17,499	2,492,138	17,499	5,078,706
Additions	7,000,000	-	7,000,000	-
Disposals	-	(2,467,922)	-	(2,600,001)
Net investment gains in the year	271,778	(6,717)	271,778	13,432
Market value 31 August	7,289,277	17,499	7,289,277	2,492,137
Cost at 31 August	7,010,904	10,904	7,010,904	724,431
Investment in subsidiary	-	-	100	100
Cumulative unrealised gains	278,373	6,595	278,373	1,767,796
Total UK listed investments	7,289,277	17,499	7,289,377	2,492,237

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 2021 £	Group and charity 2020 £
Freehold property	-	7,672,910

15. Stocks

	Group 2021 £	Group 2020 £
Publications	-	5,575

16. Debtors

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements
Year ended 31 August 2021

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Trade debtors	1,685	49,689	-	273
Other debtors	16,366	-	1,229	-
Prepayments and accrued income	122,578	94,196	101,459	52,938
	140,629	143,885	102,688	53,211

17. Creditors falling due within one year

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Trade creditors	34,271	103,694	23,273	55,500
Other taxes and social security	18,497	33,984	-	16,637
Deferred income	178,855	246,964	-	2,538
Accruals	86,265	172,498	33,689	132,177
Due to subsidiary undertakings	-	-	293,768	21,036
Other creditors	6,110	28,590	1,313	1,893
	258,998	585,730	352,043	229,781

18. Deferred income

	Balance 1 September 2020	Released from prior year	Deferred in Current year	Balance 31 August 2021
	£	£	£	£
Group				
Accreditation fees	2,538	(2,538)	9,408	9,408
Training courses	244,426	(139,979)	-	104,447
Grant Income	-	-	65,000	65,000
	246,964	(142,517)	74	178,855

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

19. Funds

All of the funds held at 31 August 2021 and 31 August 2020 are unrestricted. This includes an investment reserve of £278,373 (2020: £6,595). The investment reserve reflects unrealised gains on investments held by the Charity and are a revaluation reserve for company law purposes.

20. Commitments

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

Group and Charity	Equipment	
	2021	2020
	£	£
Leases which expire:		
Within one year	580	2,864

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements Year ended 31 August 2021

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 as its trading subsidiary, St. Nicholas Montessori Training Limited has significant brought forward trading losses. As and when the trading subsidiary becomes profitable, profits will be gift aided to the parent charity.

24. Related Party Transactions

During the year ended 31 August 2021, the following transactions occurred between the companies within the group.

	Grants	Rent, Rates & other	Salaries	Other	Total
	£	property costs	£	£	£
		£			
MCI to MSN	-	43,625	117,324	4,487	165,435
MSN to MCI	1,152,000	-	-	42,419	1,194,419

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

	Grants	Rent, Rates & other	Salaries	Other	Total
	£	property costs	£	£	£
		£			
MCI to MSN	-	22,945	393,403	26,192	442,540
MSN to MCI	377,993	-	34,027	-	412,020

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.

In February 2021, £6,450 was paid for coaching services provided to the Chief Executive to Nosh Detox Delivery Limited. Nosh Detox Delivery Limited is a private company limited by shares in England and Wales, of which S Sidhu-Robb, our Chair of Trustees, is sole director and holds over 75% of the shares and voting rights.

There are no further related party transactions that require disclosure.