

Montessori St Nicholas Ltd

England & Wales · Charity number 313636

Details

Other names	Montessori St Nicholas Charity, ST NICHOLAS' TRAINING CENTRE FOR THE MONTESSORI METHOD OF EDUCATION LIMITED, St Nicholas' Training Centre for the Montessori Method of Education Limited, THE MONTESSORI ST NICHOLAS CHARITY
Status	Registered
Legal form	Charitable company
Company number	00531204
Registered	1963-04-25
Register	View on the Charity Commission register

Contact

Address	33 Colston Avenue Bristol BS1 4UA
Phone	020 74938300
Email	connect@montessori.org.uk
Website	www.montessori.org.uk

Activities

Objects: 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, promoting the Montessori philosophy and values as a way to benefit society, providing relevant training, education, funding and research into the value of educational practice and aligned activities, and the particular effectiveness of a 'Montessori' education, and making awards to support the development of the Montessori approach.

Activities: The Charity achieves its objectives through relationships and grants to other organisations, especially to St Nicholas Montessori Training Ltd, trading as Montessori Centre International (MCI) and smaller project collaborations with NGOs and community providers. Bursaries and professional development support projects to expand access to Montessori are also supported.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** Education/training
- **Who:** Children/young People, Other Defined Groups

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£160,127	£964,922	-	-
2023-08-31	£279,000	£2,006,000	-	-
2022-08-31	£290,496	£2,306,281	-	-
2021-08-31	£1,428,872	£2,106,467	£9,146,709	20
2020-08-31	£992,552	£3,257,102	£9,552,526	35

Trustees

Name	Role	Appointed
Amira Bashir El-Aghel		2025-02-12
Diana Man Chen		2026-05-14
Georgina Howlett		2025-02-12
Joshua Beagelman		2025-02-12
Manisha Patel		2024-11-01
Saachi Jotwani		2024-03-19
Sasha Young		2024-11-01
Simren Anthea De Bourbel Priestley		2024-03-19

Montessori St Nicholas Ltd

England & Wales - Charity number 313636

Accounts

Company Number: 531204
Charity Number: 313636



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

**TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 AUGUST 2024

MONTESSORI ST NICHOLAS LIMITED
(LIMITED BY GUARANTEE)

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MONTESSORI ST NICHOLAS LIMITED
(LIMITED BY GUARANTEE)

GENERAL INFORMATION
Year ended 31 August 2024

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: montessori-globaleducation.org
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: ∞ P Busslinger (Resigned 28/08/2024) C Stone (Resigned 28/08/2024) ∞ C Thum (Resigned 28/08/2024) *S Sidhu-Robb S Thomas (Resigned 13/02/2025) J Clarke (Resigned 30/11/2024) S Jotwani (Appointed 19/03/2024) S Priestley (Appointed 19/03/2024) S Young (Appointed 08/11/2024) ∞ M Patel (Appointed 08/11/2024) ∞ S Foster (Appointed 08/11/2024) J Beagelman (Appointed 12/02/2025) G Howlett (Appointed 12/02/2025) A El-Aghel (Appointed 12/02/2025) * Chair ∞ 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	Price Bailey LLP 24 Old Bond Street, London, W1S 4AP
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	Karen Chetwynd

TRUSTEES' ANNUAL REPORT
Year ended 31 August 2024

The Trustees present their report and accounts for the year ended 31 August 2024. 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 a variety of small-scale project collaborations and other relationships with, and grants to aligned organisations including St Nicholas Montessori Training Ltd, trading as Montessori Centre International (MCI); European counterparts in local and national project working with young people and in the UK, a particular project with The International Montessori Institute at Leeds Beckett University.

For all practical activity and branding, the Charity, together with its trading subsidiary, St Nicholas Montessori Training Ltd (MCI), are collectively known as Montessori Global Education.

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

Through 2023-2024, the charity reinforced the commitment made in 2021, continuing to align with the purpose of carrying out Montessori training 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. While being a pioneer in education, Maria Montessori also campaigned for positive social change and education for all. Our activities and projects all serve to promote and position Maria Montessori's philosophy as being relevant to contemporary society and current issues.

During the year, under new leadership with a change of CEO from early 2024, the charity took time to review its operational strategy and re-set the overall vision for all parts of Montessori Global Education. A revised five-year strategy was agreed to ensure due focus on the core mission, to advance the lives of children and young people everywhere through the power of the Montessori Approach to education. We believe that Montessori is for everyone, everywhere, and so our attention has been on developing practical frameworks for sustainable educator development globally. This includes focus and recognition of community provision, family life and recognition of the varying challenges and opportunities afforded by a global network of educators keen to access support and guidance in order to promote a truly child-centred, Montessori approach to education for all.

ACHIEVEMENTS AND PERFORMANCE

With the confirmation of a new CEO, formally in post from 2024, the organisation has worked diligently to identify and support the programmes and services offered by Montessori Global Education that remain the highest value. This is measured by potential to scale, add positive change and impact to communities and support progression and growth to the associated services across the wider organisation.

Securing a core staff team and global network of associates has been a vital focus this year and analysis of several key markers in our community development (both internationally and sector driven) have shown a marked increase in engagement with the revised vision and mission for the organisation.

Of particular note were collaborative projects with HundrED, a mission-driven organisation helping every child flourish through education innovation. HundrED are dedicated to improving the access and quality of education through impactful and scalable innovations. They curate innovations through a robust research process and share and promote this work through a well-established like-minded community of partners, funders and educational enthusiasts, in over 100 countries. In preparation for release in 2025, Montessori Global Education have partnered with HundrED to deliver a thematic Spotlight (project and research call) that will result in identification of up to 20 impactful and scalable children-centred education innovations. Being featured in a HundrED Spotlight report allows innovators to connect with others in the same space, as well as education stakeholders, to help education change for the better.

TRUSTEES' ANNUAL REPORT

Year ended 31 August 2024

The development of Montessori Global Education's "Network" has been significant this year following our review phase, ensuring renewed focus on its design, accessibility and functionality, as a repository of Montessori insight and educational provision for professionals, families and communities to learn and challenge their understanding of child-centred practice. Work has been on-going to create further engagement strategies with our audiences around the world and to deliver additional content and services for our members.

Our research activity has developed from initial work with LBU, University of Plymouth and support for the Early Childhood Hub from the Chartered College for Teaching which hosts content by and for early childhood education practitioners, with a focus on pedagogy and practice in early childhood education. We have also added profiling opportunities and provided platforms for new emerging researchers and look forward to enhancing this aspect of our work in the coming year.

We continue to grow our professional and community audiences for STAR Accreditation, Approvals and Endorsements. STAR is our delivery and professional recognition framework supporting provision of Standards, Training, Accreditation and Review processes across our services. This year, STAR has endorsed educational services and resources from leading partners including Babbu, Home-Start West Somerset, the International School of Musicians. STAR has also supported the establishment of training centres with applications from across Africa (Ghana, Nigeria, Zimbabwe and regulatory interest from Zambia), Europe and the Global South.

Across the world Early Years Education remains high on the agenda for many Government Departments and Ministries, and MCI retains a firm, robust position as a leading training provider for NCFE globally. Montessori Global Education's close strategic partnership with Awarding Organisation NCFE has developed this year and we are positive for further qualifications and projects activity to be launched early in the new year.

Operationally, the last 12 months has framed a concerted effort to reduce costs across the organisation and evoke a lean management and operational model. A focus of effectiveness and efficiency towards the core mission of the organizations has been successful and sets the organization up well for the years ahead. We continue to have strong professional relationships in place with independent contractors, assessors, moderators and external advisors. Engaging with these representatives 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.

Through analysis of our reporting for the "Transition Year 2023-2024", we are eager to build on our momentum and pave the way for further connections, collaborations and partnerships that will secure our vision for Montessori Global Education in 2024-2025, our "Year of Opportunity". We are looking to attract new audiences and wide sector coverage aligned to our important step change this year, shifting perceptions of Montessori training and support for the education sector, increasing access and committing to inclusive collaboration in support of our global community.

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. Regular reporting is prepared to the 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 offered. 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. The amount of grant awarded during the year was £594,000 (inclusive of roll-over from 2023).

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).

Financial Performance

Total Income for the year totalled to £160.1k. This includes an investment income of £138.6k

Total Operating costs for the year were £1.518m before depreciation and gains on investment. Net operating expenditure after depreciation and movements on investments £0.965m.

The closing book value of the investments were £3.921m in 2024 (£4.543 in 2023). There are no restricted funds. The carrying value of the net assets at end 2024 is £4.148m, and these are classed as general reserves.

Acknowledging the service role of MCI to the Charity in achieving its charitable objects, the Trustees agreed grant funding to MCI of £594k to support delivery of organisational activities for the 2023/2024 financial year. This funding agreement is based on an agreed business plan for the group and restricts MCI's use of the grant to agreed activities.

Balance sheet

Consolidated net assets at the balance sheet date were £4.148m (2023: £5.113m), the decrease reflecting the net expenditure in the year as described above. There were no restricted or designated reserves at the balance sheet date

The investments balance of £3.921m 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 month, 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.

Cash as bank on 31st August 2024 was £212.3k (2023: £620.9k).

Investments and statement of investment policy

During the year, the full investment portfolio for the organisation has been consolidated and funds directed towards a significantly impact-conscious portfolio, mindful of the charity's obligations under its operational and charitable objectives. Assets are invested by discretionary asset managers on behalf of the Charity, into funds with a diversified portfolio of underlying investments. We are confident that our partnership with our investment team illustrates our strategic alignment to grow and protect capital in a way that benefits society. We have agreed to take a global, long-term, thematic approach to investing through integrated environmental, social and governance (ESG) considerations, active stewardship and impactful policy outreach. We align this intention with a considered approach to the expected length of time each investment will be held, and the expected cash needs of operations going forwards.

Reserves and current financial position

Net reserves held on 31 August 2024 amounted to £4.148m (2023: £5.113m), all of which were unrestricted. The Trustees will continue to monitor free / general reserves. The Charity's Reserves Policy has been reviewed and will be due for further consideration in Q2 2024 /2025, to reflect further cash flow forecast analysis.

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 Finance, Audit & Risk Committee (FARCo) continues to oversee the progress of management actions via the Corporate Risk Registers, receives regular reports and recommends changes to the Risk Registers where appropriate at regular 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. An unforeseeable event causes significant disruption and impact on the operational performance of the charity and/or MCI

TRUSTEES' ANNUAL REPORT

Year ended 31 August 2024

- External economic & political factors e.g., change in policy. Inflation and how the pound is continuing to perform poorly against other currencies
- Financial income streams do not materialise as expected or as quickly as required, as limited by the reserves position. The planned financial performance of investments does not take place, or is less successful than hoped; and the Income and Fundraising strategies are less successful than anticipated

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, continues to allow us to operate in an agile and responsive way and is our normal way of operating. Cost reductions continue, and as a committed, cost-conscious organisation, we are 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 across the organisation.

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 most recently updated and adopted by special resolution on 14 October 2022.

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

When a vacancy arises, new trustees are recruited by external recruitment and by existing trustees reaching out to personal networks. The recruitment process includes an introductory/informal meeting with the Chief Executive Officer, followed by formal meetings with the Chair of the Board of Trustees and other Trustees as appropriate. New trustees need to be formally appointed and ratified by the Board of Trustees during the Board Meeting. Completion of documents as requested legally by the Charity Commission is mandatory.

Induction of new trustees is undertaken by the Chief Executive Officer (who forwards an induction pack), the Company Secretary, the Finance Team. Trustees are given copies of the Articles of Association and the Charity Commission's guidance CC3, 'The Essential Trustee'. Trustees are signposted to relevant training opportunities during the year by the Head of Finance and Chief Executive.

During the financial year 2023-2024, the Board reports that two new directors have been appointed:
Saachi Jotwani – appointed on 19 March 2024
Simren Anthea De Bourbel Priestley – appointed on 19 March 2024

During the financial year 2023-2024, the Board reports that three directors resigned, as follows:
Philippe Busslinger – resigned on August 11 2024,
Carole Stone – resigned on August 11 2024,
Catja Marion Thum – resigned on August 11 2024.

Post year-end, five new Directors have been appointed: Sasha Dickson Young, Manisha Patel, and Stacey Foster were all appointed on November 1st 2024; while Georgina Howlett and Joshua Beagelman were appointed on February 12th 2025. Post year-end, two Directors resigned: Jeremy Edwin Clarke – on November 22nd 2024, and Dr Sarah Thomas – on February 12th 2025.

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, and mindful of the wider external environment and rises in the cost of living and inflation, the Charity makes a

TRUSTEES' ANNUAL REPORT
Year ended 31 August 2024

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. A group of trustees meets as a remuneration committee of the Board to discuss pay recommendations. The Board of Trustees also commissioned 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 2019 (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.

Auditor

External Auditors were appointed in 2022 - Price Bailey LLP.

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 11 to 22 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 advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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

Sangeeta Sidhu-Robb
Chair

INDEPENDENT AUDITOR'S REPORT
Year ended 31 August 2024

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

Opinion

We have audited the financial statements of Montessori St Nicholas Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2024 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Group Statement of Cash Flows and notes to the financial statements, including 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 parent charitable company's affairs as at 31 August 2024, and of the group's incoming resources and application of resources including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company 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 group 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 and parent charitable company'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 other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

INDEPENDENT AUDITOR'S REPORT
Year ended 31 August 2024

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 Report of the Trustees for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements; and
- the Report of the Trustees 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 parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the report of the Trustees.

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

- adequate and proper 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's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- The Trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the report of the trustees.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the parent 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 and 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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:

INDEPENDENT AUDITOR'S REPORT

Year ended 31 August 2024

We gained an understanding of the legal and regulatory framework applicable to the Charitable Group and the sector in which it operates and considered the risk of the Charitable Group not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting and tax legislation. In relation to the operations of the Charitable Group and parent this included compliance with the Companies Act 2006, Charities Act 2011, and SORP 2019. The risks were discussed with the audit team and we remained alert to any indications of non-compliance through the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and enquiries of management and officers of the Charitable Group. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We reviewed systems and procedures to identify potential areas of management override risk. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at:

<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable groups members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Cooper-Davis FCCA ACA (Senior Statutory Auditor)

For and on behalf of:

Price Bailey LLP

3rd Floor

24 Old Bond Street

Mayfair

London

W1S 4AP

Date:

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
Year ended 31 August 2024

	Note	2024 Total Unrestricted Funds £	2023 Total Unrestricted Funds £
Income			
Donations and legacies	2	2,000	69,046
Charitable activities	2	18,454	92,998
Investment	2	138,607	116,819
Other income		1,066	50
Total income		160,127	278,913
Expenditure			
Charitable activities	3	1,537,493	1,898,456
Loss on disposal of tangible assets		92	2,940
Total Expenditure		1,537,585	1,901,396
Net expenditure before losses on investments		(1,377,458)	(1,622,483)
Net Gain/(losses) on investment	12	412,536	(104,291)
Net expenditure		(964,922)	(1,726,774)
Net movement in funds		(964,922)	(1,726,774)
Reconciliation of Funds:			
Funds brought forward at 1 September		5,113,654	6,840,428
Funds carried forward at 31 August		4,148,735	5,113,654

The notes on pages 11 to 22 form part of these financial statements.

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

GROUP AND CHARITY BALANCE SHEETS

Year ended 31 August 2024

Company number: 00531204

	Note	Group 2024	Group 2023 £	Charity 2024	Charity 2023 £
Fixed assets					
Tangible fixed assets	10,11	33,812	45,297	817	1,365
Investments	12	3,921,522	4,543,846	3,921,622	4,543,946
		<u>3,955,334</u>	<u>4,589,143</u>	<u>3,922,439</u>	<u>4,545,311</u>
Current assets					
Stock	15	-	-	-	-
Debtors	16	73,512	83,735	44,738	51,949
Cash at bank and in hand		212,325	620,944	194,600	590,149
		<u>285,837</u>	<u>704,679</u>	<u>239,338</u>	<u>642,098</u>
Creditors: amounts falling due within one year	17	(92,436)	(180,168)	(327,247)	(269,776)
Net current assets		<u>193,401</u>	<u>524,511</u>	<u>(87,909)</u>	<u>372,322</u>
Net assets		<u>4,148,735</u>	<u>5,113,654</u>	<u>3,834,530</u>	<u>4,917,633</u>
Funds					
Unrestricted funds					
General reserves		4,148,735	5,113,654	3,834,530	4,917,633
Total funds	18	<u>4,148,735</u>	<u>5,113,654</u>	<u>3,834,530</u>	<u>4,917,633</u>

The notes on pages 13-22 form part of these financial statements

The deficit of the parent charity before consolidation was £1,083,103 (2023: £1,763,980)

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies requirements.

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

Sangeeta Sidhu-Robb
Chair

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 August 2024

	2024	2023
	£	£
Cash outflow from operating activities:		
Net cash used in operating activities	A (1,574,730)	(1,844,084)
Cash flows from investing activities:		
Proceeds from sale of investments	1,034,860	2,732,324
Investment income received	134,595	112,843
Interest receivable	3,881	3,976
Purchase of tangible fixed assets	(7,225)	(16,980)
Purchase of investments	-	(1,631,112)
Sale of tangible fixed assets	-	1,154
Net cash provided by investing activities	1,166,111	1,202,205
Change in cash and cash equivalents in the reporting period	B (408,619)	(641,879)
Cash brought forward at 1 September	620,944	1,262,823
Cash carried forward at 31 August	212,325	620,944

	2024	2023
	£	£
Notes to group cash flow statement		
A. Cash flows from operating activities		
Net expenditure	(964,919)	(1,726,772)
Adjustments for:		
(Gain)/Net losses on investments	(412,536)	11,439
Investment income received	(134,595)	(112,843)
Interest receivable	(3,881)	(3,976)
Loss on sale of fixed assets	91	2,940
Depreciation of tangible fixed assets	18,619	23,173
Decrease in debtors	10,223	12,052
Decrease in creditors due within one year	(87,732)	(50,419)
Decrease in stock	-	322
Net cash used in operating activities	(1,574,730)	(1,844,084)

	At 1 September 2023	Cash flows	At 31 August 2024
	£	£	£
B. Analysis of changes in net debt			
Cash at bank and in hand	620,944	(408,619)	212,325
Total cash and cash equivalents	620,944	(408,619)	212,325

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 Company's functional and presentational currency is GBP.

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.

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 for the foreseeable future (being at least twelve months from the date of approving these financial statements) having considered the Charity's (and the Group's) reserves, financial position, and future plans.

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 14, 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.

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements

Year ended 31 August 2024

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.

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:

- | | |
|------------------------------------|-----------|
| - Computer hardware and software | 4-5 years |
| - Website and CRM | 3-5 years |
| - Fixtures, fittings and 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 13) 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.

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**Notes to the Financial Statements**
Year ended 31 August 2024

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.

2. Income from donations, legacies, and charitable activities

	2024	2023
	£	£
Professional training and Qualifications – fees	10,815	88,657
STAR Accreditation and Recognition	7,455	3,467
Other charitable income	184	874
	<u>18,454</u>	<u>92,998</u>

Income from donations and legacies are: 2024: £2,000 (2023: £69,046).

Investment income

	2024	2023
	£	£
Bank interest	4,012	3,976
UK listed investments	134,595	112,843
	<u>138,607</u>	<u>116,819</u>

3. Expenditure on charitable activities

	2024	2023
	£	£
Professional training and Qualifications	356,436	442,726
STAR Accreditation and Recognition	12,079	14,950
Montessori network	98,012	121,303
Grants & Social impact	742,385	912,811
Fundraising	314,739	389,534
Academic research	13,842	17,132
	<u>1,537,493</u>	<u>1,898,456</u>

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

	2024	2023
	£	£
Professional training and Qualifications	233,964	301,830
STAR Accreditation and Recognition	7,929	10,229
Montessori Network	64,335	82,997
Grants & Social impact	484,122	624,552
Fundraising	206,595	266,522
Academic research	9,086	11,721
	<u>1,006,031</u>	<u>1,297,851</u>

4. Expenditure on charitable activities (continued)

Included in the support costs are governance costs of £144,901 (2023: £128,729). 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 £469,036 (2023: £650,442), recruitment and other staff costs £37,252 (2023: £37,174), property and office costs £18,016 (2023: £61,179), legal and consultancy £73,879 (2023: £30,917) and depreciation and amortisation £18,615 (2023: £23,176).

5. Net movement on funds after charging

	2024	2023
	£	£
Auditor's remuneration:		
Audit services – Charity	11,385	11,250
Audit services – Subsidiary companies	9,020	9,250
Non-audit services – group	5,005	4,550
Depreciation of tangible fixed assets	<u>18,619</u>	<u>23,176</u>

6. Grants

During the year, grants were awarded as follows:

	2024	2024	2023	2023
	No	£	£	£
Individual scholarship grants	-	-	3	9,300
Grants to institutions	3	740,000	2	763,500

MSN awarded grants of £594,000 (2023: £604,000) to St. Nicholas Montessori Training Limited in respect of charitable activities undertaken by the subsidiary. These amounts are eliminated on consolidation.

A grant award of £127,500 (2023: £159,500) was made to The International Montessori Institute at Leeds Beckett University's Carnegie School of Education as part of our partnership agreement.

A grant award of £18,500 (2023: £ Nil) was made to Home Start West Somerset the project is to raise the quality of provision of Montessori-inspired, child-centred programmes of engagement for families, parents and children across West Somerset.

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**Notes to the Financial Statements**
Year ended 31 August 2024**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.

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

	2024 £	2023 £
Gross income	141,542	185,915
Total expenditure on charitable activities and costs of generating funds	(1,637,181)	(1,845,604)
Unrealised investment gains / (losses)	412,536	(104,291)
Net loss	(1,083,103)	(1,763,980)
Total funds brought forward at 1 September	4,917,633	6,681,613
Total funds carried forward at 31 August	3,834,530	4,917,633

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

	St. Nicholas Montessori Training Ltd	
	2024 £	2023 £
Turnover	612,585	696,998
Cost of sales and administration costs	494,404	(659,851)
Interest received	-	59
Net profit	118,181	37,206
The assets and liabilities of the subsidiaries were:		
Fixed assets	32,995	43,932
Current assets	339,608	211,100
Current liabilities	(58,298)	(58,908)
Total net assets	314,305	196,124
Allotted, called up and fully paid shares	100	100

Notes to the Financial Statements
Year ended 31 August 2024

9. Information regarding employees and Trustees

	2024	2023
	£	£
Total Staff Costs		
Gross salaries	430,379	594,470
Employer's National Insurance costs	67,289	65,974
Employer's pension contribution	14,791	33,157
Total payroll and staff related costs	<u>512,459</u>	<u>693,601</u>

In addition to the above, redundancy payments of £184,719 (2023: £5,377) were made to (1) members of staff (2023: 2)

	Number	Number
The number of employees whose total emoluments, including benefits in kind) for the year (excluding employer pension costs), exceeded		
£60,000 - £70,000	1	2
£90,000 - £100,000	-	1
£110,000 - £120,000	1	-
£190,000 - £200,000	-	1
£220,000 - £230,000	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 2023/24 in respect of these individuals was £378,636 (2023: £352,964). The Executive Team comprises from MSN, the Chief Executive, and from MCI the Chief Executive Officer.

Members of Executive Team claimed expenses, reimbursing them for out-of-pocket travel and subsistence costs incurred in carrying out their duties, 2024: £1,451 (2023: £3,866).

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 2024: £2,157 (2023: £4,460) in respect of accrued pension costs.

	2024	2023
The average number of employees during the year:	Number	Number
Teaching and Further Education support	-	4
Administration and support	7	4
	<u>7</u>	<u>8</u>

Trustee expenses

No Trustee received any remuneration £Nil (2023: nil) from Montessori St Nicholas Limited during the year.

During the year the total expenses directly reimbursed to Trustees amounted to £132 (2023: £264).

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements
Year ended 31 August 2024

10. Tangible fixed assets

For use by the Charity

	Computer hardware and software £	Website and CRM £	Fixtures, fittings & equipment £	Total £
Cost:				
At 1 September 2023	19,515	45,258	100	64,873
Additions	-	-	-	-
Disposals	(15,654)	(45,258)	-	(60,912)
At 31 August 2024	3,861	-	100	3,961
Depreciation:				
At 1 September 2023	18,206	45,258	46	63,511
Charge for the year	435	-	-	435
Disposals	(15,563)	(45,258)	20	(60,801)
At 31 August 2024	3,078	-	66	3,144
Net book value:				
At 31 August 2024	783	-	34	817
At 31 August 2023	1,309	-	54	1,365

11. Tangible fixed assets

For use by the Group

	Computer hardware and software £	Website and CRM £	Fixtures, fittings & equipment £	Total £
Cost:				
At 1 September 2023	28,811	120,105	100	149,016
Additions	-	7,225	-	7,225
Disposals	(15,654)	(45,258)	-	(60,912)
At 31 August 2024	13,157	82,072	100	95,329
Depreciation:				
1 September 2023	19,872	83,801	46	103,719
Charge for the year	3,017	15,582	20	18,619
Disposals	(15,563)	(45,258)	-	(60,821)
At 31 August 2024	7,326	54,125	66	61,517
Net book value:				
At 31 August 2024	5,831	27,947	34	33,812
At 31 August 2023	8,939	36,304	54	45,297

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements Year ended 31 August 2024

12. Investments

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Total investments:				
Financial investments	3,921,522	4,543,846	3,921,522	4,543,846
Investments in subsidiaries	-	-	100	100
	<u>3,921,522</u>	<u>4,543,846</u>	<u>3,921,622</u>	<u>4,543,946</u>
Total financial investments:				
Market value 1 September	4,543,847	5,656,498	4,543,947	5,656,498
Additions	-	1,631,111	-	1,631,111
Disposals	(1,034,861)	(2,732,324)	(1,034,861)	(2,732,324)
Net investment gains in the year	412,536	(11,439)	412,536	(11,439)
Market value 31 August	<u>3,921,522</u>	<u>4,543,846</u>	<u>3,921,622</u>	<u>4,543,846</u>
Cost at 31 August	3,705,294	4,733,165	3,705,294	4,733,165
Investment in subsidiary	-	-	100	100
Cumulative unrealised gains	216,228	(189,319)	216,227	(189,319)
Total UK listed investments	<u>3,921,522</u>	<u>4,543,846</u>	<u>3,921,622</u>	<u>4,543,946</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

14. Debtors

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade debtors	-	530	-	-
Other debtors	43,430	41,577	36,691	31,041
Prepayments and accrued income	30,082	41,628	8,047	20,908
	<u>73,512</u>	<u>83,735</u>	<u>44,738</u>	<u>51,949</u>

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**Notes to the Financial Statements
Year ended 31 August 2024****15. Creditors falling due within one year**

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Trade creditors	30,538	56,737	9,937	55,477
Other taxes and social security	13,706	26,847	1,840	13,545
Deferred income	12,068	17,782	-	-
Accruals	33,352	71,926	22,361	51,735
Due to subsidiary undertakings	-	-	293,109	148,516
Other creditors	2,772	6,876	-	503
	92,436	180,168	327,247	269,776

16. Deferred income

	Balance 1 September 2023	Released from prior year	Deferred in Current year	Balance 31 August 2024
	£	£	£	£
Group				
Accreditation fees	14,010	(9,810)	7,868	11,535
Training courses	3,772	(3,737)	500	533
	17,782	(13,547)	8,368	12,068

	Balance 1 September 2022	Released from prior year	Deferred in Current year	Balance 31 August 2023
	£	£	£	£
Group				
Accreditation fees	8,367	(4,267)	9,910	14,010
Training courses	65,880	(68,160)	2,280	3,772
	74,247	(72,427)	12,190	17,782

17. 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.

18. Controlling Party

The charitable company is limited by guarantee and there is no ultimate controlling party under joint control of the board of trustees.

19. 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.

Notes to the Financial Statements
Year ended 31 August 2024

20. Related Party Transactions

During the year ended 31 August 2024, the following transactions occurred between the companies within the group.

	Grants £	Rent, Rates & other property costs £	Salaries £	Other £	Total £
MCI to MSN	-	-	83,766	29,024	112,790
MSN to MCI	594,000	-	29,032	72,818	695,850

During the year ended 31 August 2023, the following transactions occurred between the companies within the group.

	Grants £	Rent, Rates & other property costs £	Salaries £	Other £	Total £
MCI to MSN	-	-	35,077	8,515	43,592
MSN to MCI	685,268	24,344	39,762	17,162	81,268

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 July and August 2024, £8,000 (2023: £ Nil) was paid for board coaching services provided to the Board of Trustees by Wcorp Ltd. Wcorp Ltd 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.

Montessori St Nicholas Ltd

England & Wales - Charity number 313636

Accounts

Company Number: 531204
Charity Number: 313636



MONTESSORI ST NICHOLAS LIMITED
(LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL
STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

MONTESSORI ST NICHOLAS LIMITED
(LIMITED BY GUARANTEE)

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MONTESSORI ST NICHOLAS LIMITED
(LIMITED BY GUARANTEE)

GENERAL INFORMATION
Year ended 31 August 2023

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 (resigned 14/03/2023) ∞ P Busslinger S Mitra (resigned 16/10/2023) C Stone ∞ C Thum *S Sidhu-Robb ∞ J Barberis (resigned 14/03/2023) S Thomas J Clarke (Appointed 12/07/2023) S Jotwani (Appointed 19/03/204) S Priestley (Appointed 19/03/204) * Chair ∞ Members of Finance, Audit & Risk Committee Derek Anthony Germon as secretary. (resigned 08/09/2023)
Bankers	HSBC Bank PLC PO Box 1EZ, 196 Oxford Street, London, W1C 1NT Lloyds Bank PLC 399 Oxford Street, London, W1C 2BU
Auditors	Price Bailey LLP 24 Old Bond Street, London, W1S 4AP
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	Karen Chetwynd

The Trustees present their report and accounts for the year ended 31 August 2023. 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 a variety of small-scale project collaborations and other relationships with, and grants to, organisations including St Nicholas Montessori Training Ltd, trading as Montessori Centre International (MCI); The International Montessori Institute at Leeds Beckett University and the Udruga Montessori Global Education (Croatia).

For all practical activity and branding, the Charity, together with its trading subsidiary, St Nicholas Montessori Training Ltd (MCI) and Udruga Montessori Global Education are collectively known as Montessori Global Education.

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

Through 2022-2023, the charity has reinforced the commitment made in 2021, continuing to align with the purpose of carrying out Montessori training 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. While being a pioneer in education, Maria Montessori also campaigned for social change e.g., advocating for women's equal pay, peace education etc. Our activities and projects all serve to promote and position Maria Montessori's philosophy as being relevant to contemporary society and current issues.

Our five-year strategy was designed to respond to the current crises we face as a global community and to the needs and priorities of children and their educators, especially in disadvantaged communities across the globe. Our attention has been focused on three strategic, inter-connected priorities, which represent an intentional and responsive approach to the global educational challenges, and which will best leverage Montessori's brand, expertise and leadership potential. We have promoted and applied Montessori to expand equitable access to high-quality learning and thus improve children's lives today with the skills of tomorrow.

ACHIEVEMENTS AND PERFORMANCE

Our achievements this year have fallen into the following areas:

1. Creating a strong foundation to build growth

The last 12 months has continued to benefit from some lower operating costs due to the continued use of a remote operating model for teams and activity coordination following the sale of the main physical property asset, Marlborough House, in November 2020. Specific activities continue to be outsourced to external partners who are able to deliver impact with improved efficiency (projects and programmes). We continue to have strong professional relationships in place with independent contractors, assessors, moderators and external advisors. Engaging with these representatives 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. We are continuously reviewing our cost-base and model of business to ensure that the charity operates in a sustainable way. Promoting high quality education and teacher training

Our partnership with Carnegie School of Education and Leeds Beckett University continued during the financial/academic year 2022-2023. The now established International Montessori Institute (IMI) continued to deliver its BA, MA Montessori Education programmes.

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

This year, we continued to build our research portfolio, in line with the approved research strategy. The chosen projects 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.

We see our commitment to research as being essential if we are to positively influence the position and recognition of the value that Montessori can bring to educational practice worldwide. Our research fund will help shape modern day early years education through the promotion of relevant, professionally collaborative quality research into Education and the Montessori approach in the 21st century.

The charity supported the research work of the IMI in the Carnegie School of Education, in line with the partnership agreement between the above mentioned. Dr Nathan Archer and Jeremy Clarke from the IMI explored the work of Montessori leaders working in low-income areas of England. This is the first research to focus on these early childhood settings, their leaders and their work. The project included in-depth interviews with nine leaders in Montessori education settings in underserved areas.

In addition a funding collaboration agreement between the charity and the Research Group Progressive Education, Saxon University of Applied Sciences has been formalised. The agreement relates to the 'European Research Fund 2022-2025'. Their research work will result into the report named "Preparing for the 21st century: The Montessori method and children's executive Functioning". This research will help inform the future of early years practice and educational programmes, shaping a modern, emerging understanding of the importance of the Montessori method, and its dynamic and flexible application, to ensure every child receives a quality education and has the opportunity to achieve their full potential.

4. Working with external partners

Our work with local, national, and international partners is wide and varied. In some cases the collaborations and relationships are framed within STAR which reflects our operational activity, but in some other partnerships this year we are simply aligned in ethos and willing to share networks of communication and access to resources. Partners are selected based on specific criteria including their strategic intentions; commercial or grant funded status and potential for benefit to the charity's reputation/ delivery partners.

For example, our support for Cities for Children, Pakistan resulted in: expansion of "Partners in Learning" which empowers older children ('Big Partners') to teach younger children ('Little Partners'), with focus on playful, socio-emotional learning, guided by Montessori principles; Supported children in urban areas - especially slums - working with existing schools and shelter homes; New development - four-session science programme, comprising video content which can be shared freely online. Next plans for SEL resource; Our funding helped more than 100 'Big Partners' and 500 'Little Partners'; they also piloted the new content with intention for further work related to promotion of social and emotional learning.

Montessori on Wheels, Freethinking Foundation, India – results: takes early learning to the doorstep of marginalized children aged 2.5 to 6 years who reside in slums regions; radically different to schooling, traditionally bound by the classroom; Freedom underpins the initiative as children can choose to explore nature in a park nearby or learn in a scientifically designed learning environment on the bus; The multi-age group

thematic activities allow for sharing that encourages them to be reflective, make connections, and further their language and social skills; Award winner and STAR Endorsement pending.

Our work with Home-Start: West Somerset Home-Start is part of the wider Home-Start UK federation, which works with families in communities across the UK. Support is provided in families' own homes and during community group sessions. On average, each year, Home-Start West Somerset supports nearly 500 families. Home-Start UK supports nearly 27,000 families (approx. 56,000 children), during their most challenging times. Our results: 7 community leaders joined the Introduction to Montessori (a free to access courses in our Network) and Integrating Montessori Practice: Infant and Toddler Specialism * courses. This is the first time we have delivered (anywhere in the world) to a group of community practitioners not just fully qualified educators. This adds validation to our delivery model. Our courses have enabled practitioners to understand and apply the Montessori pedagogy to their existing practice, especially with focus on independence and resilience. STAR Endorsement pending and moving towards STAR Approval. We aim for HomeStart UK to be STAR Affiliated.

Other STAR connections that have resulted to public facing collaborations include:

- Rushbrook Primary - our professional development support and community workshops - STAR Host Centre approval competed with planning for commercial income model from 2024.
- Udruga IKS, Petrinja – our work with Udruga IKS continued through the year; some members of IKS expressed their wish to proceed with our STAR training next to enhance their commitment and capacity for annual monitoring that

Our partnership with the Chartered College for Teaching (CCT) continued. Together, we established the first Early Years Hub of professional support and resources in the UK. This provision enables 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.

FUNDRAISING

We have developed a comprehensive Fundraising Strategy which sets out an ambitious plan for the charity to grow internationally and in the UK and to develop our work and secure our future for the next five to ten years and beyond. Working with fundraising consultants, we are in discussions with a number of individuals and entities on a range of philanthropic initiatives, gifts, matched funding projects and joint initiatives. These include corporate partners, High NetWorth (HNW) individuals, charitable trusts and charitable foundations.

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 £604,000 (2022: £740,000).

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.

UDRUGA MONTESSORI GLOBAL EDUCATION

This year, following the discussions that indicated partners and donors based in continental Europe as a potential source of charitable grants, donations and EU funds, we have established an European entity – a non-profit association (“Udruga”) based in Croatia. An European-based association has the potential to allow us to expend funds on the charitable activities that are undertaken by the Group in Europe.

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:

- Building teacher training and professional education capacity including leadership based on Montessori principles

We support this by: building on Maria Montessori’s legacy of taking teacher training where needed, launching host centres across the world. We also continue to nurture and grow our existing partnerships, supporting MCI to maintain a wide portfolio of NCFE CACHE accredited and internally awarded qualifications and courses available to support practitioners and trainees.

- Identifying and supporting quality education

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.
- Influencing policy makers

Partnerships with other international organisations, and with the aid of the Research strategy introduced in May 2021.

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

Total Income for the year totalled to £279k, this included donations and legacies £69k, Charitable activities £93k and investment income 117k.

Total Operating costs for the year were £1.901m before depreciation, investment gains and losses. Net operating expenditure after depreciation and movements on investments £2.006m.

The carrying value of investments is adjusted to fair value at the balance sheet date, giving unrealised losses recognized of £104k.

The closing book value of the investments were £4.54m in 2023 (£5.6m in 2022).

TRUSTEES' ANNUAL REPORT
Year ended 31 August 2023

During the year, the Charity awarded grants of £813k, of which £594k plus a further £10k was awarded to MCI (2022: £0.7m). The award is to ensure MCI 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 to MCI of £594k to support it in delivering its activities for the 2023/2024 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. The group commenced a strategic review for consideration by the Boards of MSN and MCI in late 2022. As part of the review, it is proposed that the majority of MCI's operations transfer to MSN over the course of 2023, meaning that the charity, MSN, will undertake the majority of activities in support of the charitable objects once the transfer has completed.

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. £155k was recognised in charitable expenditure in the year ended 31 August 2023, the third year of the grant.

Balance sheet

Consolidated net assets at the balance sheet date were £5.1m (2022: £6.8m), the decrease reflecting the net expenditure in the year as described above. There were no restricted or designated reserves at the balance sheet date

The investments balance of £4.54m 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.

Cash as bank on 31st August 2023 was 621k (2022: £1.3m).

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:

- 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 2027 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 on 31 August 2023 amounted to £5.1m (2022: £6.8m), all of which were unrestricted. On 31 August 2023, free reserves, being total reserves less committed funds, amounted to £3.92m (2022: £5.9m). 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 £500k, or sufficient cash invested in short term funds 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 forecast 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 Finance, Audit & Risk Committee (FARCo) continues to oversee the progress of management actions via the Corporate Risk Register, receives regular reports and recommends changes to the Risk Register where appropriate at regular 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. An unforeseeable event causes significant disruption and impact on the operational performance of the charity and/or MCI
- External economic & political factors e.g., Brexit, Covid-19, change in policy. Inflation and how the pound is continuing to perform poorly against other currencies
- MCI's financial performance is negatively impacted because of the outcomes of the pandemic in the various countries
- Financial turnaround does not happen as quickly as required, as limited by the reserves position. The planned financial performance of investments does not take place, or is less successful than hoped; and the Fundraising strategy is less successful than anticipated

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, continues to allow us to operate in an agile and responsive way and is our normal way of operating. 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 2015.

The Board meets at least 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

TRUSTEES' ANNUAL REPORT
Year ended 31 August 2023

reports to the Board of Trustees on the progress of key matters.

When a vacancy arises, new trustees are recruited by external recruitment, using an agency, and by existing trustees reaching out to personal networks. The recruitment process includes an introductory/informal meeting with the Chief Executive, followed by formal meetings with the Chair of the Board of Trustees and the Chair of the Finance, Audit and Risk Committee. New trustees need to be formally appointed and ratified by the Board of Trustees during the Board Meeting. Completion of documents as requested legally by the Charity Commission is mandatory.

Induction of new trustees is undertaken by the Chief Executive (who forwards an induction pack), the Company Secretary, the Finance Team. Trustees are given copies of the Articles of Association and the Charity Commission's guidance CC3, 'The Essential Trustee'. Trustees are signposted to relevant training opportunities during the year by the Head of Finance and Chief Executive.

During the financial year 2022-2023, the Board reports that one new director has been appointed:

-Jeremy Edwin Clarke – appointed on 12 July 2023. and

3 directors resigned, as follows:

- Janet Barberis (Resigned on 14 March 2023),
- Sophie Bryan (Resigned on 14 March 2023),
- Sugata Mitra (Resigned on 16 October 2023).

Post year-end, two new Directors have been appointed. S Jotwani and S Priestley were both appointed on 19 March 2024.

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, and mindful of the wider external environment and rises in the cost of living and inflation, 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. A group of trustees meets as a remuneration committee of the Board to discuss pay recommendations. The Board of Trustees also commissioned 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 2019 (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

TRUSTEES' ANNUAL REPORT
Year ended 31 August 2023

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

New external auditors have been appointed this year - Price Bailey LLP.

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 13 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 advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.



S Sidhu-Robb (May 9, 2024, 1:36pm)

Sangeeta Sidhu-Robb
Chair

Date: 09 May 2024

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

Opinion

We have audited the financial statements of Montessori St Nicholas Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Group Statement of Cash Flows and notes to the financial statements, including 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 parent charitable company's affairs as at 31 August 2023, and of the group's incoming resources and application of resources including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company 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 group 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 and parent charitable company'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 other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

INDEPENDENT AUDITOR'S REPORT
Year ended 31 August 2023

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 Report of the Trustees for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements; and
- the Report of the Trustees 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 parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the report of the Trustees.

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

- adequate and proper 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's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- The Trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the report of the trustees.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the parent 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 and 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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:

We gained an understanding of the legal and regulatory framework applicable to the Charitable Group and the sector in which it operates and considered the risk of the Charitable Group not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting and tax legislation. In relation to the operations of the Charitable Group and parent this included compliance with the Companies Act 2006, Charities Act 2011, and SORP 2019.

INDEPENDENT AUDITOR'S REPORT

Year ended 31 August 2023

The risks were discussed with the audit team and we remained alert to any indications of non-compliance through the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and enquiries of management and officers of the Charitable Group. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We reviewed systems and procedures to identify potential areas of management override risk. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at:

<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable groups members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Cooper-Davis FCCA ACA (Senior Statutory Auditor)

For and on behalf of:

Price Bailey LLP

3rd Floor

24 Old Bond Street

Mayfair

London

W1S 4AP

Date: 15 May 2024

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
Year ended 31 August 2023

	Note	2023 Total Unrestricted Funds £	2022 Total Unrestricted Funds £
Income			
Donations and legacies	2	69,046	41,147
Charitable activities	2	92,998	84,606
Investment	2	116,819	164,743
Other income		50	-
Total income		278,913	290,496
Expenditure			
Charitable activities	3	1,898,456	1,962,853
Loss on disposal of tangible assets		2,940	63
Total Expenditure		1,901,396	1,962,916
Net expenditure before (losses) on investments		(1,622,483)	(1,672,419)
Net (losses) on investment	12	(104,291)	(633,862)
Net expenditure		(1,726,774)	(2,306,281)
Net movement in funds		(1,726,774)	(2,306,281)
Reconciliation of Funds:			
Funds brought forward at 1 September		6,840,428	9,146,709
Funds carried forward at 31 August		5,113,654	6,840,428

The notes on pages 16 to 25 form part of these financial statements.

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

GROUP AND CHARITY BALANCE SHEETS

Year ended 31 August 2023

Company number: 00531204

	Note	Group 2023	Group 2022 £	Charity 2023	Charity 2022 £
Fixed assets					
Tangible fixed assets	10,11	45,297	55,585	1,365	8,280
Investments	12	4,543,846	5,656,498	4,543,946	5,656,598
		<u>4,589,143</u>	<u>5,712,083</u>	<u>4,545,311</u>	<u>5,664,878</u>
Current assets					
Stock	15	-	322	-	-
Debtors	16	83,735	95,130	51,949	68,338
Cash at bank and in hand		620,944	1,262,823	590,149	1,225,390
		<u>704,679</u>	<u>1,358,275</u>	<u>642,098</u>	<u>1,293,728</u>
Creditors: amounts falling due within one year	17	(180,168)	(229,930)	(269,776)	(276,993)
Net current assets		<u>524,511</u>	<u>1,128,345</u>	<u>372,322</u>	<u>1,016,735</u>
Net assets		<u>5,113,654</u>	<u>6,840,428</u>	<u>4,917,633</u>	<u>6,681,613</u>
Funds					
Unrestricted funds					
General reserves		5,113,654	6,840,428	4,917,633	6,681,613
Total funds	18	<u>5,113,654</u>	<u>6,840,428</u>	<u>4,929,633</u>	<u>6,681,613</u>

The notes on pages 16-25 form part of these financial statements

The deficit of the parent charity before consolidation was £1,763,980 (2022: £2,326,109)

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies requirements.

09 May 2024

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



S Sidhu-Robb (May 9, 2024, 1:36pm)

Sangeeta Sidhu-Robb
Chair

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 August 2023

	2023	2022
	£	£
Cash outflow from operating activities:		
Net cash used in operating activities	A (1,844,084)	(1,855,933)
Cash flows from investing activities:		
Proceeds from sale of investments	2,732,324	1,000,000
Investment income received	112,843	164,688
Interest receivable	3,976	55
Purchase of tangible fixed assets	(16,980)	(18,309)
Purchase of investments	(1,631,112)	(1,083)
Sale of tangible fixed assets	1,154	-
Net cash provided by investing activities	1,202,205	1,145,351
Change in cash and cash equivalents in the reporting period	B (641,879)	(710,582)
Cash brought forward at 1 September	1,262,823	1,973,405
Cash carried forward at 31 August	620,944	1,262,823

	2023	2022
	£	£
Notes to group cash flow statement		
A. Cash flows from operating activities		
Net expenditure	(1,726,772)	(2,306,281)
Adjustments for:		
Net losses on investments	11,439	633,862
Investment income received	(112,843)	(164,688)
Interest receivable	(3,976)	(55)
Loss on sale of fixed assets	2,940	63
Depreciation of tangible fixed assets	23,173	30,057
Decrease in debtors	12,052	(19,501)
Decrease in creditors due within one year	(50,419)	(29,068)
Decrease in stock	322	(322)
Net cash used in operating activities	(1,844,084)	(1,855,933)

	At 1 September 2022	Cash flows	At 31 August 2023
	£	£	£
B. Analysis of changes in net debt			
Cash at bank and in hand	1,262,823	(641,879)	620,944
Total cash and cash equivalents	1,262,823	(641,879)	620,944

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 Company's functional and presentational currency is GBP.

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. The company has been dissolved during the year.

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 for the foreseeable future (being at least twelve months from the date of approving these financial statements) having considered the Charity's (and the Group's) reserves, financial position, and future plans.

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 14, 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.

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements

Year ended 31 August 2023

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.

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:

- | | |
|---|-----------|
| - Computer hardware and software | 4-5 years |
| - Website and CRM | 3-5 years |
| - Tangible fixed assets, 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 13) 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 2023****2. Income from donations, legacies, and charitable activities**

	2023	2022
	£	£
Professional training and Qualifications – fees	88,657	76,041
STAR Accreditation and Recognition	3,467	7,530
Other charitable income	874	1,035
	<u>92,998</u>	<u>84,606</u>

Income from donations and legacies are: 2023: £69,046 (2022: £41,147).

Investment income

	2023	2022
	£	£
Bank interest	3,976	55
UK listed investments	112,843	164,688
	<u>116,819</u>	<u>164,743</u>

3. Expenditure on charitable activities

	2023	2022
	£	£
Professional training and Qualifications	442,726	456,484
STAR Accreditation and Recognition	14,950	23,942
Montessori network	121,303	125,523
Grants & Social impact	912,811	813,139
Fundraising	389,534	326,503
Academic research	17,132	217,262
	<u>1,898,456</u>	<u>1,962,853</u>

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

	2023	2022
	£	£
Professional training and Qualifications	301,830	270,274
STAR Accreditation and Recognition	10,229	14,176
Montessori Network	82,997	74,319
Grants & Social impact	624,552	481,441
Fundraising	266,522	193,315
Academic research	11,721	129,277
	<u>1,297,851</u>	<u>1,162,802</u>

Notes to the Financial Statements
Year ended 31 August 2023

4. Expenditure on charitable activities (continued)

Included in the support costs are governance costs of £128,729 (2022: £105,822). 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 £650,442 (2022: £670,757), recruitment and other staff costs £37,174 (2022: £30,938), property and office costs £61,179 (2022: £112,997), legal and consultancy £30,917 (2022: £21,983) and depreciation and amortisation £23,176 (2022: £21,983).

5. Net movement on funds after charging

	2023 £	2022 £
Auditor's remuneration:		
Audit services – Charity	11,250	8,650
Audit services – Subsidiary companies	9,250	7,100
Non-audit services – group	4,550	3,290
Depreciation of tangible fixed assets	<u>23,176</u>	<u>30,057</u>

6. Grants

During the year, grants were awarded as follows:

	2023 No	2023 £	2022 No	2022 £
Individual scholarship grants	<u>3</u>	<u>9,300</u>	4	5,750

MSN awarded grants of £604,000 (2022: £740,000) to St. Nicholas Montessori Training Limited in respect of charitable activities undertaken by the subsidiary. These amounts are eliminated on consolidation.

A grant award of £159,500 (2022: £155,340) was made to The International Montessori Institute at Leeds Beckett University's Carnegie School of Education as part of our partnership agreement.

A grant award of £Nil (2022: £50,000) was made to Chartered Collage of Teaching as part of our partnership agreement with them to collaborate on high-quality Early Years practitioner support, specialist training and professional development resources to support the educational professional community, in both written form and video.

A grant award of £Nil (2022: £20,000) was made to Jane Goodall institute UK for the Roots and Shoots programme as part of our partnership agreement to for the promotion and the co-creation of materials, teachers' packs for the 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.

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

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements Year ended 31 August 2023

	2023 £	2022 £
Gross income	278,913	290,496
Total expenditure on charitable activities and costs of generating funds	(1,898,456)	(1,981,856)
Longacre Childcare Limited funds absorbed by the Charity		18,940
Unrealised investment gains / (losses)	(104,291)	(633,862)
Net loss	(1,726,744)	(2,306,281)
Total funds brought forward at 1 September	6,840,428	9,146,709
Total funds carried forward at 31 August	5,113,654	6,640,428

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 2023.

	St. Nicholas Montessori Training Ltd		Longacre Childcare Ltd	
	2023 £	2022 £	2023 £	2022 £
Turnover	696,998	824,506	-	-
Cost of sales and administration costs	(659,851)	(785,738)	-	-
Interest received	59	1	-	-
Net profit	37,206	38,769	-	-
The assets and liabilities of the subsidiaries were:				
Fixed assets	43,932	47,305	-	-
Current assets	211,100	239,869	-	1
Current liabilities	(58,908)	(128,256)	-	-
Total net assets	196,124	158,918	-	1
Allotted, called up and fully paid shares	100	100	-	1

Longacre Childcare Limited has ceased trading. The company has been dissolved on the 18 October 2022.

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements Year ended 31 August 2023

9. Information regarding employees and Trustees

	2023 £	2022 £
Total Staff Costs		
Gross salaries	594,470	690,678
Employer's National Insurance costs	65,974	80,924
Employer's pension contribution	33,157	59,515
Total payroll and staff related costs	693,601	831,117

In addition to the above, redundancy payments of £5,377 (2022: £3,915) were made to (2) members of staff (2022: 3)

	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	1
£70,000 - £79,999	-	1
£80,000 - £89,999	-	1
£90,000 - £120,000	1	-
£140,000 - £150,000	-	1
£160,000 - £170,000	-	1
£190,000 - £200,000	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 2022/23 in respect of these individuals was £352,964 (2022: £393,882). 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, 2023: £3,866 (2022: £2,451).

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 2023: £4,460 (2022: £2,408) in respect of accrued pension costs.

	2023 Number	2022 Number
The average number of employees during the year:		
Teaching and Further Education support	4	5
Administration and support	4	7
	8	12

Trustee expenses

No Trustee received any remuneration £Nil (2022: nil) from Montessori St Nicholas Limited during the year.

During the year the total expenses directly reimbursed to Trustees amounted to £264 (2022: £907).

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements
Year ended 31 August 2023

10. Tangible fixed assets

For use by the Charity	Computer hardware and software £	Website and CRM £	Fixtures, fittings & equipment £	Total £
Cost:				
At 1 September 2022	37,446	50,718	3,694	91,858
Additions	1,394	-	-	1,394
Disposals	(19,325)	(5,460)	(3,594)	(28,379)
At 31 August 2023	19,515	45,258	100	64,873
Depreciation:				
At 1 September 2022	34,305	46,025	3,248	83,578
Charge for the year	2,592	2,600	179	5,372
Disposals	(18,691)	(3,367)	(3,381)	(25,439)
At 31 August 2023	18,206	45,258	46	63,511
Net book value:				
At 31 August 2023	1,309	-	54	1,362
At 31 August 2022	3,141	4,693	446	8,280

11. Tangible fixed assets

For use by the Group	Computer hardware and software £	Website and CRM £	Fixtures, fittings & equipment £	Total £
Cost:				
At 1 September 2022	78,691	118,340	8,420	205,451
Additions	9,755	7,225	-	16,980
Disposals	(59,635)	(5,460)	(8,320)	(73,415)
At 31 August 2023	28,811	120,105	100	149,016
Depreciation:				
1 September 2022	71,049	70,844	7,974	149,867
Charge for the year	6,670	16,324	179	23,173
Disposals	(57,847)	(3,367)	(8,107)	(69,321)
At 31 August 2023	19,872	83,801	46	103,719
Net book value:				
At 31 August 2023	8,939	36,304	54	45,297
At 31 August 2022	7,642	47,496	447	55,585

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)**Notes to the Financial Statements
Year ended 31 August 2023****12. Investments**

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Total investments:				
Financial investments	4,543,847	5,656,498	4,543,847	5,656,498
Investments in subsidiaries	-	-	100	100
	<u>4,543,847</u>	<u>5,656,498</u>	<u>4,543,947</u>	<u>5,656,598</u>
Total financial investments:				
Market value 1 September	5,656,498	7,289,277	5,656,498	7,289,277
Additions	1,631,112	1,083	1,631,112	1,083
Disposals	(2,732,324)	(1,000,000)	(2,732,324)	(1,000,000)
Net investment gains in the year	(11,439)	(633,862)	(11,439)	(633,862)
Market value 31 August	<u>4,543,847</u>	<u>5,656,498</u>	<u>4,543,847</u>	<u>5,656,498</u>
 Cost at 31 August	 4,733,165	 5,912,740	 4,733,165	 5,912,740
 Investment in subsidiary	 -	 -	 100	 100
Cumulative unrealised gains	(189,318)	(256,242)	(189,319)	(256,242)
Total UK listed investments	<u>4,543,847</u>	<u>5,656,498</u>	<u>4,543,947</u>	<u>5,656,598</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

14. Stocks

	Group 2023 £	Group 2022 £
Publications	<u>-</u>	<u>322</u>

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements **Year ended 31 August 2023**

15. Debtors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade debtors	530	-	-	-
Other debtors	41,577	-	31,041	-
Prepayments and accrued income	41,628	95,130	20,908	68,338
	83,735	95,130	51,949	68,338

16. Creditors falling due within one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	56,737	34,130	55,477	31,271
Other taxes and social security	26,847	23,466	13,545	6,538
Deferred income	17,782	74,247	-	-
Accruals	71,926	88,733	51,735	67,111
Due to subsidiary undertakings	-	-	148,516	168,945
Other creditors	6,876	9,354	503	3,128
	180,168	229,930	269,776	276,993

17. Deferred income

	Balance 1 September 2022 £	Released from prior year £	Deferred in Current year £	Balance 31 August 2023 £
Group				
Accreditation fees	8,367	(4,267)	9,910	14,010
Training courses	65,880	(68,160)	2,280	3,772
	74,247	(72,427)	12,190	17,782

	Balance 1 September 2021 £	Released from prior year £	Deferred in Current year £	Balance 31 August 2022 £
Group				
Accreditation fees	9,408	(9,408)	8,367	8,367
Training courses	104,447	(104,447)	65,880	65,880
	113,855	(113,855)	74,247	74,247

18. 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.

19. Controlling Party

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

20. 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.

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements Year ended 31 August 2023

21. Related Party Transactions

During the year ended 31 August 2023, the following transactions occurred between the companies within the group.

	Grants	Rent, Rates & other property costs	Salaries	Other	Total
	£	£	£	£	£
MCI to MSN	-	-	35,077	8,515	43,592
MSN to MCI	685,268	24,344	39,762	17,162	81,268

During the year ended 31 August 2022, the following transactions occurred between the companies within the group.

	Grants	Rent, Rates & other property costs	Salaries	Other	Total
	£	£	£	£	£
MCI to MSN	-	-	24,671	8,624	33,295
MSN to MCI	740,000	42,627	71,884	2,283	856,794

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 December 2023, £Nil (2022: £36,000) was paid for board coaching services provided to the Board of Trustees by 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.

Montessori St Nicholas Ltd

England & Wales - Charity number 313636

Accounts

Company Number: 531204
Charity Number: 313636



MONTESSORI ST NICHOLAS LIMITED
(LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

MONTESSORI ST NICHOLAS LIMITED
(LIMITED BY GUARANTEE)

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MONTESSORI ST NICHOLAS LIMITED
(LIMITED BY GUARANTEE)

GENERAL INFORMATION
Year ended 31 August 2022

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 ∞ P Busslinger S Mitra C Stone ∞ C Thum *S Sidhu-Robb ∞ J Barberis S Thomas A Barron (resigned 20 June 2022) A El-Aghel (resigned 8 December 2022) * Chair ∞ Members of Finance, Audit & Risk Committee Derek Anthony Germon was appointed secretary on the 8th December 2022.
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 Diaz Alcantara

The Trustees present their report and accounts for the year ended 31 August 2022. 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.

Since 2021 we have continued to 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 revised operational model ensures that our activities and projects all serve to promote and position Maria Montessori's vision and philosophy as being relevant to contemporary society and current issues. Our re-imagining of the potential for a commitment to the Montessori Approach that positively impacts young people and life chances is both timely, and more importantly much needed, across the world today.

Following the year end, in October 2022, new charitable objects were agreed in order to modernise them.

ACHIEVEMENTS AND PERFORMANCE

Our achievements this year have fallen into the following areas:

1. Continue to maintain 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 24 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 charity's continued use of a remote operating model following the sale of its main physical property asset, 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 continue to be outsourced to external partners who are able to deliver impact with much improved efficiency. We continue to have strong professional relationships in place with freelancer tutors, assessors and QA (Quality Assurance) 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 (LBU)'s Carnegie School of Education launched a BA programme in 2021 and has validated a Post-graduate Masters programme for 2022. The Institute's first Doctoral candidate will also begin studies in 2022. We operate a long-term collaboration agreement with LBU that includes £50,000 in scholarship funding in order to incentivise applicants following 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 research strategy for 2021- 2022 included a major focus on the research outputs to be expected from the International Montessori Institute with Leeds Beckett University. The chosen projects 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 to be launched in 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 Education, Montessori provision and Early Years practice.

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 2022/2023. 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 2023. 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 the initial phase Year 1-2, of a 6-year project with the Jane Goodall Institute. We have Co-created educational resources were disseminated to 383 teachers in state primary schools and we have developed supporting materials for a food sustainability pack of resources aligned to a project audience initially targeted in the UAE (in 2023).
- 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. This will include chain-structure business organisations (for example early years providers with national reach across their networks or community networks of linked after school provision). It will also include governments and other decision-making organisations and institutions for whom high quality early education and childcare provision is a statutory requirement or a driving component in community engagement activity.

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 have developed a comprehensive Fundraising Strategy which sets out an ambitious plan for the charity to grow internationally and in the UK and to develop our work and secure our future for the next five to ten years and beyond. Working with a fundraising consultant, we are in discussions with a number of individuals and entities on a range of philanthropic initiatives, gifts, matched funding projects and joint initiatives. These include corporate partners, High Net Worth (HNW) individuals, charitable trusts and charitable foundations. There have been no complaints about fundraising activity this year.

We are creating a case for support that will cover all our charitable work and a pipeline of potential donors. The aim of the Strategy is for the organisation to raise a total of £2.9m over the next 5 years with initial expenditure of £1.4m in 2022/23. It is intended this initial expenditure be recouped as the strategy commences and revenue begins to scale up over the course of 22/23 and 23/24.

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 £740,000 (2021: £1,152,000).

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.

A strategic review is currently in progress, with the aim of ensuring the group operates in a way that helps the organisation to best meet its charitable objectives, and to ensure it is well positioned to meet the objectives of the Fundraising Strategy. As part of this it is proposed that during the 2022/23 year, the majority of MCI's operations are transferred into MSN.

Montessori Group Europe

During the year, discussions with our partners have indicated that there is a source of potential charitable grants and donations from partners and donors based in continental Europe. To facilitate this, it is being proposed the Group establishes a non-profit association (*udruga*) based in Croatia. The purpose of the association is to receive gifts and match funding from donors and fundraisers directly in Euros, which will then allow us to expend funds on the charitable activities that are undertaken by the Group in Europe.

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. **Supported food box distribution:** Supported Venner food box distribution providing support and food aid to nursery schools across East London

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)

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- 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

Income to 31 August 2022 totalled £0.3m (2021: £0.4m) which was from trading income, investment income and donated services. The decrease year on year is primarily due to lower trading activity in MCI. In addition last year there was a £1.1m profit on disposal of fixed assets.

Costs were also slightly reduced year-on-year, giving charitable expenditure in the year of £2.0m (2021: £2.1 m).

Together, this gives net expenditure, before unrealised losses on investments, of £1.7m (2021: £0.7m). 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, there has been considerable volatility affecting the market value of the investments has been caused by sustained inflation, a looming interest rate-hiking cycle, tightening liquidity conditions, and the unwinding of pandemic-era economic distortions— among other factors.

The carrying value of investments is adjusted to fair value at the balance sheet date, giving unrealised losses recognised in the year to 31 August 2022 of £0.6m (2021: gains of £0.3m). Also, the carry value of investments has reduced due to selling part of the investments to fund the charities activities as agreed by the Trustees which resulted in realised losses of £0.1m.

Net decrease in funds, after realised and unrealised gains on the investment portfolio, was £2.3m in the year (2021: £0.4m).

During the year, the Charity awarded grants of £1.1m (2021: £1.3m), of which £0.7m (2021: £1.2m) 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 to MCI of £594K to support it in delivering its activities for the 2022/2023 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. The group is commencing a strategic review for consideration by the Boards of MSN and MCI in late 2022. As part of the review, it is proposed that the majority of MCI's operations transfer to MSN over the course of 2023, meaning that the charity, MSN, will undertake the majority of activities in support of the charitable objects once the transfer has completed.

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. £155k was recognised in charitable expenditure in the year ended 31 August 2022, the second year of the grant.

Balance sheet

Consolidated net assets at the balance sheet date were £6.8m (2021: £9.1m), 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 £5.7m 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.

Cash as bank at 31st August 2022 was £1.3m (2021: £1.9m).

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:

- 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 2027 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 2022 amounted to £6.8m (2021: £9.1m), all of which were unrestricted. At 31 August 2022, free reserves, being total reserves less committed funds, amounted to £6.2m (2021: £7.4m). £0.6m committed funds represent amounts contractually payable to Leeds Beckett for the IMI grant to 2025 (£0.5m) and the Jane Goodall Institute for another £0.1m. 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 forecast 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 Finance, Audit & Risk Committee (FARCo) continues to oversee the progress of management actions via the Corporate Risk Register, receives regular reports and recommends changes to the Risk Register where appropriate at regular 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. An unforeseeable event causes significant disruption and impact on the operational performance of the charity and/or MCI
- External economic & political factors e.g., Brexit, Covid-19, change in policy. Inflation and how the pound is continuing to perform poorly against other currencies
- MCI's financial performance is negatively impacted because of the outcomes of the pandemic in the various countries
- Financial turnaround does not happen as quickly as required, as limited by the reserves position. The planned financial performance of investments does not take place, or is less successful than hoped; and the Fundraising strategy is less successful than anticipated

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, continues to allow us to operate in an agile and responsive way and is our normal way of operating. 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 2015.

The Board meets at least 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.

When a vacancy arises, 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, and mindful of the wider external environment and rises in the cost of living and inflation, 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. A group of trustees meets as a remuneration committee of the Board to discuss

TRUSTEES' ANNUAL REPORT
Year ended 31 August 2022

pay recommendations. The Board of Trustees also commissioned 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;
- 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

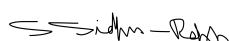
So far as each trustee is aware, there is no relevant audit information of which the company's auditors are unaware.

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
Chair

Date: 14 March 2023

INDEPENDENT AUDITOR'S REPORT
Year ended 31 August 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 2022 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 2022 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 2022

- 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 10) 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:

INDEPENDENT AUDITOR'S REPORT
Year ended 31 August 2022

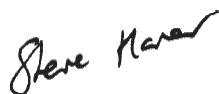
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing minutes 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Date: 21 March 2023

10 Queen Street Place
London
EC4R 1AG

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
Year ended 31 August 2022

	Note	2022 Total Funds £	2021 Total Funds £
Income from:			
Donations and legacies	2	41,147	65,000
Charitable activities	2	84,606	202,266
Investment income	2	164,743	64,362
Profit on disposal of tangible fixed assets		-	1,066,183
Other income		-	31,061
Total		290,496	1,428,872
Expenditure on:			
Charitable activities	3	1,962,853	2,106,467
Loss on disposal of tangible assets		63	-
Total		1,962,916	2,106,467
Net expenditure before (losses)/gains on investments		(1,672,419)	(677,595)
Net (losses)/gains on investment	12	(633,862)	271,778
Net expenditure		(2,306,281)	(405,817)
Net movement in funds		(2,306,281)	(405,817)
Reconciliation of Funds:			
Funds brought forward at 1 September	18	9,146,709	9,552,526
Funds carried forward at 31 August	18	6,840,428	9,146,709

All of the above relate to continuing activities. Included in the above is restricted income of £980 (2021: £nil) and restricted expenditure of £980 (2021: £nil). There was no surplus or deficit on restricted funds, and no restricted funds carried forward.

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 2022

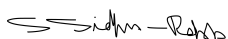
Company number: 00531204

	Note	Group 2022	Group 2021 £	Charity 2022	Charity 2021 £
Fixed assets					
Tangible fixed assets	10,11	55,585	67,396	8,280	23,224
Investments	12	5,656,498	7,289,277	5,656,598	7,289,377
		5,712,083	7,356,673	5,664,878	7,312,601
Current assets					
Stock	15	322	-	-	-
Debtors	16	95,130	75,629	68,338	102,688
Cash at bank and in hand		1,262,823	1,973,405	1,225,390	1,944,476
		1,358,275	2,049,034	1,293,728	2,047,164
Creditors: amounts falling due within one year	17	(229,930)	(258,998)	(276,993)	(352,043)
Net current assets		1,128,345	1,790,036	1,016,735	1,695,121
Net assets		6,840,428	9,146,709	6,681,613	9,007,722
Funds					
Unrestricted funds					
Revaluation of investments		-	278,373	-	278,373
General reserves		6,840,428	8,868,336	6,681,613	8,729,349
Total funds	18	6,840,428	9,146,709	6,681,613	9,007,722

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

The deficit of the parent charity before consolidation was £2,326,109 (2021: 760,820)

The financial statements were approved by the board of trustees on 14 March 2023 and were signed on its behalf by:



Sangeeta Sidhu-Robb
Chair

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 August 2021

	2022 £	2021 £
Cash outflow from operating activities:		
Net cash used in operating activities	A (1,855,933)	(2,032,588)
Cash flows from investing activities:		
Proceeds from sale of investments	1,000,000	-
Investment income received	164,688	64,359
Interest receivable	55	3
Purchase of tangible fixed assets	(18,309)	(16,636)
Purchase of investments	(1,083)	(7,000,000)
Sale of tangible fixed assets	-	8,754,404
Net cash provided by investing activities	1,145,351	1,802,130
Change in cash and cash equivalents in the reporting period	B (710,582)	(230,458)
Cash brought forward at 1 September	1,973,405	2,203,863
Cash carried forward at 31 August	1,262,823	1,973,405

	2022 £	2021 £
Notes to group cash flow statement		
A. Cash flows from operating activities		
Net expenditure	(2,306,281)	(405,817)
Adjustments for:		
Net losses /(gains) on investments	633,862	(271,778)
Investment income received	(164,688)	(64,359)
Interest receivable	(55)	(3)
Loss/(Profit) on sale of fixed assets	63	(1,066,183)
Depreciation of tangible fixed assets	30,057	28,453
Decrease / (increase) in debtors	(19,501)	68,256
(Decrease)/ increase in creditors due within one year	(29,068)	(326,732)
Decrease in stock	(322)	5,575
Net cash used in operating activities	(1,855,933)	(2,032,588)

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
B. Analysis of cash and cash equivalents			
Cash at bank and in hand	1,973,405	(710,582)	1,262,823
Total cash and cash equivalents	1,973,405	(710,582)	1,262,823

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. The company is in the process of being wound up.

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 for the foreseeable future (being at least twelve months from the date of approving these financial statements) having considered the Charity's (and the Group's) reserves, financial position, and future plans.

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.

Notes to the Financial Statements
Year ended 31 August 2022

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 2022**2. Income from donations, legacies, and charitable activities**

Income from charitable activities	2022	2021
	£	£
Professional training and Qualifications – fees	76,041	199,479
STAR Accreditation and Recognition	7,530	1,062
Other charitable income	1,035	1,725
	84,606	202,266

Income from donations and legacies include the value of donated legal services of 2022: £41,147 (2021: £65,000).

Investment income	2022	2021
	£	£
Bank interest	55	3
UK listed investments	164,688	64,359
	164,743	64,362

3. Expenditure on charitable activities

	2022	2021
	£	£
Professional training and Qualifications	456,484	1,028,765
STAR Accreditation and Recognition	23,942	43,626
Montessori network	125,523	118,258
Grants & Social impact	813,139	843,048
Fundraising	326,503	72,770
Academic research	217,262	-
	1,962,853	2,106,467

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

	2022	2021
	£	£
Professional training and Qualifications	270,274	592,247
STAR Accreditation and Recognition	14,176	25,115
Montessori Network	74,319	68,080
Grants & Social impact	481,441	485,333
Fundraising	193,315	41,893
Academic research	129,277	-
	1,162,802	1,212,667

There has been a change in allocation of expenditure in 2021/22 due to the change in operations in the prior year, as explained below:

- Professional training and Qualifications is the aggregate of prior year category of professional training and early years education.
- The launch of STAR Affiliation Services as a framework for accreditation and recognition of nurseries and other settings, replacing the MEAB accreditation scheme. Prior year category of STAR Affiliation Services and Accreditation has been replaced by STAR Accreditation and Recognition to reflect this change.
- Montessori Schools Association (MSA) and Montessori international Magazine were both discontinued during 2021/22 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.

4. Expenditure on charitable activities (continued)

Included in the support costs are governance costs of £105,822 (2021: £105,699). 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 £670,757 (2021: £476,033), recruitment and other staff costs £30,938 (2021: £32,479), property and office costs £112,997 (2021: £100,316), legal and consultancy £21,983 (2021: £77,795) and depreciation and amortisation £21,983 (2021: £28,453).

5. Net movement on funds after charging

	2022	2021
	£	£
Auditor's remuneration:		
Audit services – Charity	8,650	7,900
Audit services – Subsidiary companies	7,100	6,500
Non-audit services – group	3,290	2,500
 Depreciation of tangible fixed assets	 30,057	 28,453
Impairment of tangible fixed assets	<u>-</u>	<u>295</u>

6. Grants

During the year, grants were awarded as follows:

	2022	2022	2021	2021
	No	£	No	£
Individual scholarship grants	<u>4</u>	<u>5,750</u>	<u>5</u>	<u>6,846</u>

MSN awarded grants of £740,000 (2021: £1,152,000) to St. Nicholas Montessori Training Limited in respect of charitable activities undertaken by the subsidiary. These amounts are eliminated on consolidation.

A grant award of £155,340 (2021: £137,500) was made to The International Montessori Institute at Leeds Beckett University's Carnegie School of Education as part of our partnership agreement.

A grant award of £50,000 (2021: £nil) was made to Chartered Collage of Teaching as part of our partnership agreement with them to collaborate on high-quality Early Years practitioner support, specialist training and professional development resources to support the educational professional community, in both written form and video.

A grant award of £20,000 (2021: £nil) was made to Jane Goodall institute UK for the Roots and Shoots programme as part of our partnership agreement to for the promotion and the co-creation of materials, teachers' packs for the 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:

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements Year ended 31 August 2022

	2022 £	2021 £
Gross income	205,989	1,391,155
Total expenditure on charitable activities and costs of generating funds	(1,917,177)	(2,423,753)
Longacre Childcare Limited funds absorbed by the Charity	18,940	
Unrealised investment gains / (losses)	(633,862)	271,778
Net loss	(2,326,110)	(760,820)
Total funds brought forward at 1 September	9,007,723	9,703,542
Total funds carried forward at 31 August	6,681,613	9,007,723

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 2022.

	St. Nicholas Montessori Training Ltd		Longacre Childcare Ltd	
	2022 £	2021 £	2022 £	2021 £
Turnover	824,506	1,363,217	-	-
Cost of sales and administration costs	(785,738)	(1,066,975)	-	(6,240)
Interest received	1	1	-	-
Net profit / (loss)	38,769	296,243	-	(6,240)
The assets and liabilities of the subsidiaries were:				
Fixed assets	47,305	44,172	-	-
Current assets	239,869	341,698	1	18,941
Current liabilities	(128,256)	(265,722)	-	-
Total net (liabilities)/assets	158,918	120,148	-	18,941
Allotted, called up and fully paid shares	100	100	1	1

Longacre Childcare Limited has ceased trading. The company will be dissolved after the year end.

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements Year ended 31 August 2022

9. Information regarding employees and Trustees

	2022 £	2021 £
Total Staff Costs		
Gross salaries	690,678	881,564
Employer's National Insurance costs	80,924	94,118
Employer's pension contribution	59,515	47,746
Total payroll and staff related costs	831,117	1,023,428

In addition to the above, redundancy payments of £3,915 (2021: £61,281) were made to 3 members of staff (2021: 12)

	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	2
£70,000 - £79,999	1	1
£80,000 - £89,999	1	-
£90,000 - £120,000	-	-
£120,000 - £130,000	-	1
£130,000 - £140,000	-	-
£140,000 - £150,000	1	1
£150,000 - £160,000	-	-
£160,000 - £170,000	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 2021/22 in respect of these individuals was £393,882 (2021: £333,063). 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, 2022: £2,451 (2021: £1,429).

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 2022: £ 2,408 (2021: £4,869) in respect of accrued pension costs.

	2022 Number	2021 Number
The average number of employees during the year:		
Teaching and Further Education support	5	7
Administration and support	7	13
	12	20

Trustee expenses

No Trustee received any remuneration £nil (2021: nil) from Montessori St Nicholas Limited during the year.

During the year the total expenses directly reimbursed to Trustees amounted to £907 (2021: £nil).

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements Year ended 31 August 2022

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 2021	37,063	50,718	3,694	91,475
Additions	382	-	-	382
At 31 August 2022	37,446	50,718	3,694	91,858
Depreciation:				
At 1 September 2021	29,155	36,041	3,055	68,251
Charge for the year	5,150	9,984	193	15,327
At 31 August 2022	34,305	46,025	3,248	83,578
Net book value:				
At 31 August 2022	3,141	4,693	446	8,280
At 31 August 2021	7,908	14,677	639	23,224

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 2021	79,942	100,413	8,420	188,775
Additions	382	17,927	-	18,309
Disposals	(1,633)	-	-	(1,633)
At 31 August 2022	78,691	118,340	8,420	205,451
Depreciation:				
1 September 2021	64,248	49,350	7,781	121,379
Charge for the year	8,371	21,494	192	30,057
Disposals	(1,570)	-	-	(1,570)
At 31 August 2022	71,049	70,844	7,973	149,866
Net book value:				
At 31 August 2022	7,642	47,496	447	55,585
At 31 August 2021	15,694	51,063	639	67,396

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements **Year ended 31 August 2022**

12. Investments

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Total investments:				
Financial investments	5,656,498	7,289,277	5,656,498	7,289,277
Investments in subsidiaries	-	-	100	100
	5,656,498	7,289,277	5,656,598	7,289,377
Total financial investments:				
Market value 1 September	7,289,277	17,499	7,289,277	17,499
Additions	1,083	7,000,000	1,083	7,000,000
Disposals	(1,000,000)	-	(1,000,000)	-
Net investment gains in the year	(633,862)	271,778	(633,862)	271,778
Market value 31 August	5,656,498	7,289,277	5,656,498	7,289,277
Cost at 31 August	5,912,740	7,010,904	5,912,740	7,010,904
Investment in subsidiary	-	-	100	100
Cumulative unrealised gains	(256,242)	278,373	(256,242)	278,373
Total UK listed investments	5,656,498	7,289,277	5,656,598	7,289,377

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. Stocks

	Group 2022 £	Group 2021 £
Publications	322	-

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements Year ended 31 August 2022

15. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade debtors	-	1,685	-	-
Other debtors	-	16,366	-	1,229
Prepayments and accrued income	95,130	57,578	68,338	101,459
	95,130	75,629	68,338	102,688

16. Creditors falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	34,130	34,271	31,271	23,273
Other taxes and social security	23,466	18,497	6,538	-
Deferred income	74,247	113,855	-	-
Accruals	88,733	86,265	67,111	33,689
Due to subsidiary undertakings	-	-	168,945	293,768
Other creditors	9,354	6,110	3,128	1,313
	229,930	258,998	276,993	352,043

17. Deferred income

	Balance 1 September 2021 £	Released from prior year £	Deferred in Current year £	Balance 31 August 2022 £
Group				
Accreditation fees	9,408	(9,408)	8,367	8,367
Training courses	104,447	(104,447)	65,880	65,880
	113,855	(113,855)	74,247	74,247

	Balance 1 September 2019 £	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
	246,964	(142,517)	9,408	113,855

18. Funds

All of the funds held at 31 August 2022 and 31 August 2021 are unrestricted. This includes an investment deficit of (£256,242) (2021: reserve of £278,373). The investment reserve reflects unrealised gains on investments held by the Charity and are a revaluation reserve for company law purposes.

19. Commitments

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

	Equipment	
Group and Charity	2022 £	2021 £
Leases which expire:		
Within one year	-	580

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements Year ended 31 August 2022

20. 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.

21. Controlling Party

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

22. 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.

23. Related Party Transactions

During the year ended 31 August 2022, the following transactions occurred between the companies within the group.

	Grants £	Rent, Rates & other property costs £	Salaries £	Other £	Total £
MCI to MSN		28,658	60,470	2,994	92,122
MSN to MCI	740,000	-	-	8,624	748,624

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

	Grants £	Rent, Rates & other property costs £	Salaries £	Other £	Total £
MCI to MSN	-	43,625	117,324	4,486	165,435
MSN to MCI	1,152,000	-	-	42,419	1,194,419

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 December 2021, £36,000 (2021: £6,450) was paid for board coaching services provided to the Board of Trustees by 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.

MSN Trustees' report and financial statements for the year ended 31 August 2022

Final Audit Report

2023-03-16

Created:	2023-03-16
By:	Andie Pasvani (andie.pasvani@montessori.org.uk)
Status:	Signed
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"MSN Trustees' report and financial statements for the year ended 31 August 2022" History

 Document created by Andie Pasvani (andie.pasvani@montessori.org.uk)

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 Agreement completed.

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Montessori St Nicholas Ltd

England & Wales - Charity number 313636

Accounts

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

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

TRUSTEES' ANNUAL REPORT
Year ended 31 August 2021

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.

TRUSTEES' ANNUAL REPORT
Year ended 31 August 2021

- 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.

TRUSTEES' ANNUAL REPORT
Year ended 31 August 2021

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:

TRUSTEES' ANNUAL REPORT
Year ended 31 August 2021

- 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;

TRUSTEES' ANNUAL REPORT
Year ended 31 August 2021

- 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
Year ended 31 August 2021

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;

INDEPENDENT AUDITOR'S REPORT

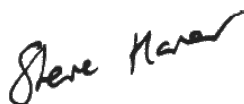
Year ended 31 August 2021

- 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

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.

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	<u>1</u>	<u>1</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 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:

	Equipment	
Group and Charity	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 property costs	Salaries	Other	Total
	£	£	£	£	£
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 property costs	Salaries	Other	Total
	£	£	£	£	£
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.

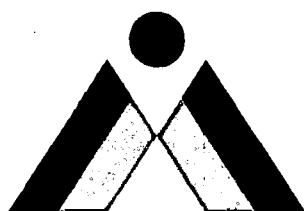
There are no further related party transactions that require disclosure.

Montessori St Nicholas Ltd

England & Wales - Charity number 313636

Accounts

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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MONTESSORI ST NICHOLAS LIMITED
(LIMITED BY GUARANTEE)

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

**GENERAL INFORMATION
Year ended 31 August 2020**

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: reception@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: 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)
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

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

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

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

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**

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

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**

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

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**

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

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

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. 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

- 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

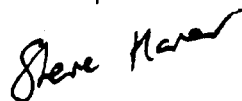
In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' report).

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 £
Income from:			
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
Total		992,552	1,211,001
Expenditure on:			
Charitable activities	4	3,257,102	4,136,818
Total		3,257,102	4,136,818
Net expenditure before (losses)/gains on investments		(2,264,550)	(2,925,817)
Net (losses)/gains on investment	12	(6,717)	13,432
Net expenditure		(2,271,267)	(2,912,385)
Net movement in funds		(2,271,267)	(2,912,385)
Reconciliation of Funds:			
Funds brought forward at 1 September	19	11,823,793	14,736,178
Funds carried forward at 31 August	19	9,552,526	11,823,793

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 £
Fixed assets					
Tangible fixed assets	10,11	94,524	7,816,802	52,785	7,799,487
Investments	12	17,499	2,492,137	17,599	2,492,237
		112,023	10,308,939	70,384	10,291,724
Current assets					
Assets held for sale	14	7,672,910	1,294,252	7,672,910	1,294,252
Stock	15	5,575	6,020	-	-
Debtors	16	143,885	449,609	53,211	1,053,345
Cash at bank and in hand		2,203,863	782,680	2,136,818	639,029
		10,026,233	2,532,561	9,862,939	2,986,626
Creditors: amounts falling due within one year	17	(585,730)	(1,017,707)	(229,781)	(548,598)
Net current assets		9,440,503	1,514,854	9,633,158	2,438,028
Net assets		9,552,526	11,823,793	9,703,542	12,729,752
Funds					
Unrestricted funds					
Revaluation of investments		6,595	1,767,796	6,595	1,767,796
General reserves		9,545,931	10,055,997	9,696,947	10,961,956
Total funds	19	9,552,526	11,823,793	9,703,542	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 £
Cash outflow from operating activities:			
Net cash used in operating activities	A	(2,329,093)	(2,750,285)
Cash flows from investing activities:			
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
Change in cash and cash equivalents in the reporting period	B	1,421,183	(135,210)
Cash brought forward at 1 September		782,680	917,890
Cash carried forward at 31 August		2,203,863	782,680

		2019 £	2019 £
Notes to group cash flow statement			
A. Cash flows from operating activities			
Net expenditure		(2,271,267)	(2,912,385)
Adjustments for:			
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
Net cash used in operating activities		(2,329,093)	(2,750,285)

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

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements Year ended 31 August 2020

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 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
	667,154	861,268

3. Investment income

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

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	-
	3,257,102	4,136,818

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	-
	1,609,636	2,615,133

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 £
Auditor's remuneration:		
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 £
Gross income	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
Net Income	(3,026,210)	(2,144,222)
Total funds brought forward at 1 September	12,729,752	14,873,974
Total funds carried forward at 31 August	9,703,542	12,729,752

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	-	-
Net profit / (loss)	773,046	(652,247)	(16,023)	(115,914)
The assets and liabilities of the subsidiaries were:				
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)
Total net (liabilities)/assets	(176,095)	(949,143)	25,181	43,274
Allotted, called up and fully paid shares	100	100	1	1

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
	£	£
Total Staff Costs		
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.

The average number of employees during the year:

	2020	2019
	Number	Number
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

For use by the Charity	Freehold property £	Leasehold improvements £	Computer hardware and software £	Website and CRM £	Fixtures and fittings & equipment £	Total £
Cost:						
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)
At 31 August 2020	-	-	94,633	96,147	28,485	219,265
Depreciation:						
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)
At 31 August 2020	-	-	75,451	71,485	19,544	166,480
Net book value:						
At 31 August 2020	-	-	19,182	24,662	8,941	52,785
At 31 August 2019	7,672,910	-	58,133	57,845	10,599	7,799,487

11. Tangible fixed assets

For use by the Group	Freehold property £	Leasehold improvements £	Computer hardware and software £	Website and CRM £	Fixtures and fittings & equipment £	Total £
Cost:						
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)
At 31 August 2020	-	-	179,731	96,147	45,680	321,558
Depreciation:						
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)
At 31 August 2020	-	-	116,584	77,638	32,812	227,034
Net book value:						
At 31 August 2020	-	-	63,147	18,509	12,868	94,524
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 £
Total investments:				
Financial investments	17,499	2,492,137	17,499	2,492,137
Investments in subsidiaries	-	-	100	100
	17,499	2,492,137	17,599	2,492,237
Total financial investments:				
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	17,499	2,492,137	17,599	2,492,237
 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	17,499	2,492,137	17,599	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 2020 £	Group and charity 2019 £
Freehold property	7,672,910	1,294,252

15. Stocks

	Group 2020 £	Group 2019 £
Publications	5,575	6,020

MONTESSORI ST NICHOLAS LIMITED (LIMITED BY GUARANTEE)

Notes to the Financial Statements
Year ended 31 August 2020

16. Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade debtors	49,689	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	94,196	192,543	52,938	99,238
	143,885	449,609	53,211	1,053,345

17. Creditors falling due within one year

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

18. Deferred income

	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 2019	92,008	(92,008)	-	-
	338,672	203,816	246,964	246,964

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

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

20. Commitments

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

Group and Charity	Equipment	
	2020	2019
	£	£
Leases which expire:		
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****24. Related Party Transactions**

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

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

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

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

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.