

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 8 th 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

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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

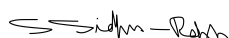
So far as each trustee is aware, there is no relevant audit information of which the company's auditors are unaware.

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

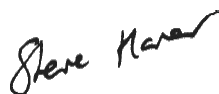
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing minutes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

10 Queen Street Place
London
EC4R 1AG

Date: 21 March 2023

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

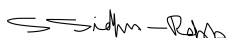
Company number: 00531204

	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	-	295

6. Grants

During the year, grants were awarded as follows:

	2022	2022	2021	2021
	No	£	No	£
Individual scholarship grants	4	5,750	5	6,846

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

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

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