

ACS INTERNATIONAL SCHOOLS LIMITED

England & Wales · Charity number 1179820

Details

Status	Registered
Legal form	Charitable company
Company number	00910010
Registered	2018-09-05
Register	View on the Charity Commission register

Contact

Address	ACS International Schools Limited Heywood Portsmouth Road Cobham KT11 1BL
Phone	01932869765
Website	http://www.acs-schools.com

Activities

Objects: TO ADVANCE EDUCATION IN PARTICULAR BY THE PROVISION AND CONDUCT OF SCHOOLS.

Activities: ACS's charitable purpose is to advance education in particular by the provision and conduct of schools. ACS aims to operate schools that provide a high-quality education within an internationally diverse context with the highest standards of teaching, pastoral care, facilities and support for students.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training
- **Who:** Children/young People

Geography

- Qatar
- Hillingdon
- Surrey

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£75,639,652	£69,790,134	£101,321,833	798
2024-07-31	£86,717,596	£79,715,939	£95,474,015	908
2023-07-31	£89,125,363	£85,272,554	£104,172,943	957
2022-07-31	£79,208,107	£78,573,585	£93,024,062	935
2021-07-31	£74,944,318	£70,757,694	£92,474,934	824
2020-07-31	£79,145,917	£71,969,093	£88,759,794	968

Trustees

Name	Role	Appointed
Robert Magnus Macnaughton	Chair	2018-08-01
Anne Louise Elkington		2025-07-01
CORRY JUSTINA WILLE		2017-08-01
Emanuela Cernoia		2025-07-01
Hugo Manuel Campos Pinto		2021-01-26
Jennifer Callahan Packer		2025-07-01
MR NICK BOBAY		2017-08-01
MR SHERIDAN SWALLOW		2017-08-01
Pamela Mundy		2018-08-01
Susan Brooke Jackson		2019-09-05
Tedd Moya Mose		2021-02-03

ACS INTERNATIONAL SCHOOLS LIMITED

England & Wales - Charity number 1179820

Accounts

Registered number: 00910010
Registered Charity number: 1179820

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

ACS INTERNATIONAL SCHOOLS LIMITED

CHARITY INFORMATION

TRUSTEES

N E Bobay
J B S Swallow
C J Wille
R M Macnaughton - Chairman
P Mundy
S B Jackson
H M C Pinto
T M Mose
C N Banks (Resigned 12/01/2025)
M Whitmore (Resigned 16/09/2025)
J Callahan Packer (Appointed 01/07/25)
E Cernoia (Appointed 01/07/25)
A L Elkington (Appointed 01/07/25)

COMPANY SECRETARY

G Charles

REGISTERED COMPANY NUMBER 00910010

REGISTERED CHARITY NUMBER 1179820

REGISTERED OFFICE

Heywood
Portsmouth Road
Cobham
Surrey
KT11 1BL

INDEPENDENT AUDITOR

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

BANKERS

NatWest Bank Plc
135 Bishopsgate
London
EC2M 3UR

SOLICITORS

Eversheds Sutherland
1 Wood Street
London
EC2V 7WS

ACS INTERNATIONAL SCHOOLS LIMITED

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ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2025

The Trustees present their Annual Report for the year ended 31 July 2025 under the Charities Act 2011, including the Trustees' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year and confirm that the latter comply with the requirements of the Charities Act 2011 and the Charities SORP 2015.

ACS International Schools Limited is a Registered Charity (registered charity number 1179820).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The Charity is governed by its Memorandum and Articles of Association, last amended on 1 October 2017.

Governing Body

The Governing Body of ACS International Schools Limited is known as the Board. There is one Governing Body for the three UK Schools. The Board is the main decision-making body of ACS International Schools Limited (the "Charity" also known as "ACS"). ACS and each subsidiary company are governed by a separate board (together the "ACS Group"). The Board is accountable to the Members and the public for setting the strategy and directing the performance of the ACS Group.

The Board is collectively responsible for promoting the long-term success and viability of the ACS Group by directing and supervising the ACS Group's affairs, exercising the powers of the Charity, subject to any relevant laws and regulations and in accordance with the Articles.

The Board conducts a full internal review of its activities and effectiveness annually. The Board also assesses its activities and effectiveness via an external third party every two years.

Recruitment and Training of Trustees

Appointments to the Board will be recommended by the People Committee for approval by the Board or will be approved by the Members by an ordinary resolution at a general meeting.

Appointments to the Board will be subject to the terms and conditions set out in an appointment letter recommended to the Board by the People Committee.

The term of appointment for a Trustee will normally be for an initial three year period, renewable by the Board on the recommendation of the People Committee for a further three year period, and thereafter annually for a maximum term of nine years in total. Exceptions may be made if deemed by the Board to be in the best interests of the Charity.

Prospective candidates for vacancies on the Board are considered in light of the skills and experience required at the time, which will include personal competence, professional qualities, specialist skills and experience. The Board is committed to being as diverse as practicable, balanced with ACS's needs for high quality Trustees. To ensure that Trustees' roles and responsibilities are carried out effectively, the new Board members attend a detailed brief by the Chairman, Chief Executive and other relevant members of the Leadership Team.

The Trustees conform to the recommended and best practice for governance contained within the Charity Governance Code across the seven areas and are comfortable there are no significant areas of review required. Trustees continue to monitor the best practice principles contained within the Code.

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Organisational Management

The Board is legally responsible for the overall management and control of the schools.

The Board meets at least four times a year and is supported by the following committees:

- The Audit and Risk Committee investigate, advise and report to the Board on certain matters relating to financial reporting, external audit, internal controls and risk management. The Committee is chaired by J B S Swallow.
- The Education Committee investigate, advise and report to the Board on certain matters relating to the educational philosophy, programmes and student learning outcomes of ACS Group schools. The Committee is chaired by P Mundy.
- The People Committee investigate, advise and report to the Board on certain matters relating to appointments, remuneration and governance. The Committee was chaired by C Banks until his resignation on 12th January 2025. Since then, the Committee is chaired by C Wille.

All Board sub-committees meet at least three times a year.

In accordance with the Articles of Association, the Board has the power to delegate responsibility (but not accountability) to committees, directors, and the management of the Charity, and to that end the Board has established a Schedule of Delegated Authorities.

All powers, duties and decision-making responsibilities conferred on the Board by the Articles that are not set out in the Schedule of Matters Reserved for the Board and have not been delegated to a committee, the Company Secretary or a Director, are delegated to the Chief Executive.

The Chief Executive is Timothy Cagney. The Chief Executive is responsible for proposing and delivering the Group's strategy, and for managing the day-to-day activities, operations and resources of the Group.

The Chief Executive is the most senior member of the Leadership Team. The Leadership Team is the key management team. The Leadership Team includes the following employees:

- Chief Executive
- Chief Finance and Estates Officer
- Marketing, Development and Admissions Director
- Human Resources Director
- Education Strategy and Integrated Technology Director
- Partnerships Director
- ACS Cobham Head of School
- ACS Egham Head of School
- ACS Hillingdon Head of School

The People Committee consider remuneration and make recommendations to the Board on the remuneration policy for the Chief Executive and Leadership Team and the annual pay review and material changes to Group-wide compensation policy and practice. The Board reviews the People Committees' recommendations and determines the Group's remuneration policy.

The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with the local labour market and to comparisons with other independent schools to ensure that the Group remains sensitive to broader issues of pay and employment terms and conditions elsewhere.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2025

The Group's ability to deliver its charitable purpose and objectives is primarily dependent on its key management personnel and staff.

Promotion of the success of the organisation to provide public benefit

The Trustees confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider would be most likely to achieve the purposes of the Group. In making this assessment the Trustees have considered the following:

a. The likely consequences of any decision in the long term

The long-term sustainability of the operating model is considered by the Trustees as set out in the going concern statement in the Strategic Report section of the Trustees' Report. Specifically, the Trustees consider both short and longer term financial projections and the key risks that could negatively impact the sustainability of the Group. The Trustees are presented with management information, budgets, forecasts, cashflow projections and progress against the financial plan on a regular basis.

Risk management is embedded at all levels across the Group. The most significant risks are discussed at each Board meeting. See the risk management section for further details.

The Trustees review and endorse all policies to ensure consistent long term regulatory compliance.

b. The interests of the Group's employees

Frequent communication with employees is essential and has been conducted by regular meetings and routine weekly written communications to employees.

See the employee policy section for further details.

c. The need to foster the Group's business relationships with suppliers, customers and others

All suppliers are treated fairly and promptly with business terms adhered to. The Company complies with the UK's Payment Practices Regulations that require the publication of information on the supplier terms offered and average payment statistics.

The parent contract forms the basis of the relationship with fee payers. This is reviewed regularly to ensure best practice and applied fairly and consistently.

A fair policy of bursary awards, consistently applied, support families who may not otherwise be able to access education at the school.

The Group works with a range of donors in support of furthering its fundraising aims and objectives. Group fundraising is bound by the Fundraising Policy and Gift Acceptance and Review Policy. The Group is transparent with information and prides itself on building mutually beneficial relationships.

d. The impact of the Group's operations on the community and the environment

The Group has completed the Energy Savings Opportunity Scheme (ESOS) reporting requirements and is reporting under the Streamlined Energy and Carbon Reporting (SECR). The Group is concerned about its energy consumption and carbon emissions and wishes to utilise the mandatory SECR legislation to identify ways of saving energy and reduce on carbon emissions. Further details of this are in the Strategic Report section of the Trustees' Report.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2025

e. The desirability of the Group in maintaining a reputation for high standards of business conduct

The Group's Procurement policy outlines the responsibility of company employees to undertake procurement processes that ensure procurement best practice is followed. This requires employees to produce an approved Purchase Order in order to procure goods and services. The policy also requires quotation and tender procedures with suppliers as the value of the order being placed rises. Preferred suppliers are used wherever possible with new suppliers going through an authorisation process. The Group may withhold payment of an invoice that doesn't include a Purchase Order but otherwise adheres to supplier payment terms wherever possible upon receipt of an invoice from the supplier. The Group would seek to resolve any supplier disputes on a case-by-case basis.

The Group's Anti-Bribery policy sets out the responsibilities of staff to report any incidents or suspicion of fraud, bribery or corruption arising in the course of their work and to cooperate fully with related investigations; and comply with applicable Finance policies and procedures. The Group takes a zero tolerance approach towards fraud, bribery and corruption. It is committed to complying with all applicable laws and regulations relating to fraud, bribery and corruption wherever it operates.

The Group has an Anti-money laundering policy which seeks to prevent the organisation and its staff being exposed to money laundering, to identify the potential areas where it may occur, and to comply with all legal and regulatory requirements, especially with regard to the reporting of actual or suspected cases.

f. The need to act fairly between members of the Group.

All Trustees and senior staff complete an annual Conflict of Interest declaration. There were no conflicts of interest identified in the year to 31st July 2025.

Group structure and relationships

ACS was established in 1967 as a commercial organisation founded and originally owned by Mr EJ Poularas and Mr G Speed but subsequently ultimately owned by The Emmanuel John Poularas Will Trust (registered charity number 1169800) following the death of Mr Poularas.

In 2018 ACS became a charity to advance education and secure the longevity of ACS. ACS operates under the registered charity number 1179820. In 2018 the Inland Revenue accepted the Company as a charity for tax purposes with effect from the date it adopted charitable articles.

On 12th November 2019, the entire issued share capital of ACS International Schools Limited was transferred from David Thomas, as the sole trustee of the Emmanuel John Poularas Will Trust, to the Members of ACS International Schools Limited. At the same time, David Thomas ceased to be the company's person with significant control and ACS International Schools Limited became the relevant legal entity.

Subsidiaries and holding companies

The group accounts of ACS International Schools Limited incorporate the results of the following subsidiaries:

ACS Commercial Enterprises Limited

ACS has a wholly owned non-charitable subsidiary, ACS Commercial Enterprises Limited (ACSCE), whose annual profits are donated to ACS under the Gift Aid Scheme. The trading activities of ACS Commercial Enterprises Limited primarily comprise revenue from the Sports Centres and lettings of the campus facilities when not in use by the Schools. The subsidiary's aims, objectives and achievements are covered in the relevant sections of this report.

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Disposal of ACS Holdings and ACS Doha

ACS International owned ACS Holdings Ltd which in turn owned 49% of ACS Doha. On 14th February 2024, ACS International disposed of ACS Holdings, and consequently its interest in ACS Doha, to Artemis Education, a highly regarded Qatar-based education group.

During the last 14 years ACS Doha has grown from a start-up in a rented building to a high quality International school operating out of a purpose built, world class campus. The journey not only provided Qatar with an excellent international school, but also greatly advanced ACS' charitable objective and enriched the whole ACS Group.

Following an extensive strategic review, ACS has decided it was in the best interest of the charity to focus its international expansion on its core capability of operating world class schools, rather than owning them. The divestiture is a direct result of this change in strategy as well as a response to an increasingly challenging commercial and regulatory environment in Qatar. In particular, new schools opening in Qatar had increased competition and the Ministry of Education's strict control of school fees and the Education agenda had limited commercial options and impacted ACS's objective to advance education.

The prior year disposal of ACS Holdings is presented as a discontinued operation in the Group's Financial Statements. Full details of the accounting entries associated with the discontinued operation can be found in note 9.

Risk Management

ACS Group has established formal mechanisms that facilitate the identification and management of risk, thus safeguarding the delivery of strategic and operational objectives.

The risk management framework includes:

- A Risk Management Policy and Risk Appetite Statement;
- A Risk Register to identify, evaluate and manage significant risks;
- A standard Risk Matrix, identifying likelihood and impact used throughout the organisation;
- Assurance and audit processes;
- Governance processes;
- The underlying policy and control environment.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2025

By applying the risk management framework throughout the organisation the ACS Group ensures:

- risks are identified, reviewed and where appropriate proactively managed;
- the parameters within which ACS Group would want to conduct its activities are clearly identified;
- controls and processes are designed and implemented to help mitigate identified risks to acceptable levels;
- the effectiveness of controls and processes are regularly reviewed and where necessary tested;
- there are crisis management and business continuity systems in place with clear accountabilities.

The Board has overall responsibility for the Risk Management Policy and Risk Appetite Statement, assisted by the Audit and Risk Sub-Committee whose activities include working with senior management to compile and review the Risk Register.

Principal risks and uncertainties facing the business

The principal risks that have been identified include:

- Significant decline in enrolment that could lead to financial loss, restriction on growth and educational offering. To grow, the ACS Group must continue to target other market segments including students from overseas (boarding) and local self-paying families, in addition to expat families. This enables the ACS Group to react quickly with improvements as necessary and maintain its word of mouth referrals;
- Risk of cyber attack on IT systems and data that could lead to reputational damage or financial loss. Policies, procedures and training are in place to protect the IT systems and data.
- Safeguarding and Health and Safety. ACS Group wishes to create an environment in ACS schools where all feel safe and secure and can thrive and therefore policies, procedures and training are in place to mitigate these risks.

Careful and prudent financial management of the ACS Group ensures that it is not exposed to significant financial risks, providing a stable base for the future development of the organisation.

ACS INTERNATIONAL SCHOOLS LIMITED

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Employment policy

ACS is an equal opportunities employer. The ACS Group is committed to the fair treatment of all employees, potential employees or users of its services, regardless of race, gender, religion or belief, sex and sexual orientation, marital status, pregnancy and maternity, responsibilities for dependants, age, physical/mental disability or background.

ACS continuously reviews its employment policies to ensure employment practices are in accordance with country employment law, whilst fostering safe and productive working environments for staff and students alike. All employee policies aim to eliminate any unwanted biases in recruitment, development or reward practices. ACS run education and training sessions to ensure that it raises awareness, educates staff and takes action to address behaviours which are not aligned with its Code of Conduct, DEIB commitments or the ACS values.

HR systems, processes and ways of working are also under review in preparation for the introduction of a new Human Resource Information System (HRIS), fully integrated with payroll functionality. Investment in this new HR technology will significantly improve the HR and payroll services, facilitating the automation of key HR and compliance processes, empowering line managers with key people data to manage their employees more effectively.

To align with new HR technology ACS is working on its pay ranges and job architecture to ensure pay structures, benefits, and total compensation are fair, consistent and provide an attractive proposition to attract and retain the talent ACS need to meet its community commitments. As part of its annual pay review ACS ensures no pay rate is below the London Living Wage.

ACS is committed to providing a range of affordable employee benefits to promote employee health and financial wellbeing through the provision of an occupational pension, private medical insurance, employee assistance programme, group income protection, counselling support, self-help guidance, and low-cost sports centre access on campus.

In line with legislation, ACS reports its UK gender pay gap on an annual basis and takes measures to address any gender related bias identified. The new HRIS will enable ACS to respond more effectively to further pay gap reporting in diverse areas such as disability and ethnicity proposed in new employment legislation.

ACS's Vision for Diversity & Inclusion:

"At ACS, we are committed to fostering a diverse, equitable and inclusive community of students, families, staff, alumni and charitable partners. We aspire to live by our core values, joining together to build a global family in which everyone belongs. We believe every person has unique contributions to make to each other and to the world. We value diversity and seek multiple perspectives, listening to others with an open mind. We respect and include people with different backgrounds, life experiences, world views and expertise, because it's right, and because it makes us stronger. We acknowledge the negative power of a single story. We promote positive change, seeking to manage difference productively, educate ourselves and others, and advocate for equality and inclusion. We will listen to and amplify minority voices and speak out against injustice. We will work together toward a better future, where everyone is safe, valued and able to fulfil their potential, and where our societies are just and fair for all."

ACS are committed to building representation of diversity in leadership and its wider staff body and continue to improve its recruitment policies and practices to work towards this goal. People Managers are regularly trained on best hiring practices to improve hiring practices and eliminate bias.

ACS INTERNATIONAL SCHOOLS LIMITED

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ACS are committed to furthering the development of all staff. Academic and Functional Leadership are supported with development interventions to further skills in leading people.

ACS are committed to acting ethically and with integrity in all business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere within the ACS Group.

It is the Group's policy to nurture a culture where all employees are fully engaged in the purpose and mission of ACS, feel valued and supported. ACS regularly consults with employees, holds staff forums and encourages meetings where matters that are likely to affect employees' interests can be discussed. Staff are also consulted on specific issues via pulse / employee surveys. Various channels exist for staff to confidentially raise matters of concern to senior leadership.

A new ACS group wide intranet is launching in August 2025 fostering greater connection across the three campuses whilst housing all employee policies and procedures for easy access.

OBJECTS, AIMS, OBJECTIVES and ACTIVITIES

Charitable objects

ACS's charitable object, as set out in the Articles of Association, is to advance education in particular by the provision and conduct of schools. In furtherance of this object for the public benefit ACS has established and administers a Financial Assistance Programme and a Partnership, Grants and Access Programme. The Board is mindful of the longstanding need to provide public benefit and the requirements of the Charities Act 2011.

Aims

Within its charitable object, ACS's intention is to operate schools that provide a high-quality education within an internationally diverse context with the highest standards of teaching, pastoral care, facilities and support for students.

ACS prepares its students to be ready. Ready for cultures that crossover, boundaries that blur and ideas that interconnect. Ready for a world that demands a new kind of learning, and a new kind of citizen. ACS is a dynamic learning community. ACS's character is built on integrity, open-mindedness and empathy. ACS is proud of its international community, and their commitment to make a difference. ACS welcomes people of all cultures from around the world to create a powerful, shared experience that shapes the way ACS teach and learn, and actively defines ACS's international character. ACS strives to build strong partnerships with parents and stakeholders. Above all, ACS appreciates that happiness enriches learning.

ACS INTERNATIONAL SCHOOLS LIMITED

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Objectives for the year

The main objective of ACS is to continue to provide education of the highest quality that meets the needs of an ever-changing future.

The primary objectives of ACS during the year were:

- **Progress the Financial Assistance Programme**
- **Progress the Partnerships, Grants and Access Strategy**
- **Focus on the Education Strategy and People Strategy**

More detail is provided on the progress of each of the above areas, later in the Trustees report.

Supporting ACS's object to Advance Education the following core values have been developed:

- Imagine better
- Aim high and make it happen
- Welcome everyone
- Act with kindness
- Work together

ACS's education philosophy ensures that ACS focuses on being a dynamic learning community. ACS believes that a great education needs to be balanced and so ACS focuses on three core expected school-wide learning results ensuring ACS students become:

- An effective learner
- A confident individual
- A caring contributor to society

Public Benefit and Community Engagement

ACS was founded in 1967 to operate schools in order to educate students. As a charity ACS is committed to providing public benefit, in accordance with its objects. The Trustees have considered the requirements of the Charities Act 2011 and the charity commissions guidance on public benefit in setting the objectives and activities of the charity. During the year, ACS Group operated three schools: ACS Cobham, ACS Egham and ACS Hillingdon. During the year on average 2,300 students were educated by ACS (2024: 3,570 including Doha).

ACS's schools actively engage with communities, provide financially assisted places to help advance education and provide resources to develop community partnerships with both local organisations and schools.

Financial Assistance Programme

ACS has invested more than £1,300,000 in financially assisted places for 43 students this year in its ongoing commitment to increase access to an ACS education to young people from a wide variety of backgrounds. Applications for the 2026/2027 academic year open in early September 2025, which will enable a number of young people to receive subsidised for fully funded places at its UK schools. ACS receives on average 120 enquiries for its bursary programme.

Bursaries are awarded up to 100%. Recruitment of students from diverse backgrounds and economic circumstances has resulted in the average award of over 85% of fees, with a significant cohort of students receiving full fee remission.

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Hardship Awards

ACS continued to provide means tested bursaries to ACS parents struggling to pay the school fees as a result of a change in their financial circumstances. The bursaries are short term in nature acting as a financial bridge until the parents are able to resume paying the fees, or as a financial parachute for families with longer term financial problems.

Partnerships, Grants and Access Strategy

ACS's ambition is to achieve a step change in engagement by developing partnerships with schools and organisations to advance education in their communities. ACS partnerships will focus on key areas to ensure ACS can provide valuable and ongoing public benefit. ACS's aim is to set up partnerships to widen access to ACS's education facilities and resources, by bringing independent and state school communities together. ACS shares their expertise and promotes active participation in a number of areas including:

- the sharing of teaching facilities with state schools (for example music facilities or sciences labs etc.);
- the sharing of teachers with local state schools.
- permitting pupils from state schools to attend instruction in subjects they would not ordinarily be able to study (for example Theory of Knowledge, a range of mother tongue foreign languages).
- making facilities, such as sports pitches, swimming pools, sports halls and theatres available to pupils at state schools.
- sharing teaching materials with state schools and
- the sharing of expertise in key areas such as Leadership, Teaching, Curriculum development, and overall school improvement, mentoring and support

ACS has developed partnership hubs of schools and will continue to build further partnerships in its locality. For example, ACS's relationships with other local state schools include:

- Shared facilities, resources and expertise across partnership schools.
- Free drama, music, choir, STEAM sessions for students across the region.
- Working with special education needs pupils to help improve their social skills and for ACS students to experience the challenges and opportunities faced by members of the community.
- Establishing and hosting a free STEAM event for 10,000 young people alongside 75 partner organisations, hosted at Thorpe Park.
- A peer tutoring program where High school students tutor lower school pupils at partner schools.
- A service learning offer to ACS students working with the local community.
- Working with Partners such as Pinewood Studios on film, The Royal Philharmonic, animation and set design.
- Teacher training and CPD i.e. SEND provision and coffee mornings for parents.
- Development of online training materials to support partner schools i.e. Hacking Neurodiversity video series.
- Fundraising for local charitable needs and opportunities.
- Staff from a primary school visit ACS in order to learn about the use of technology in the classroom.
- Various residential events such as ACS's Football Family Programme.

ACS schools have a partnerships manager for each of its UK campuses. ACS have a full time events manager to take lead on the larger projects. ACS schools have formed partnerships school hubs around each of its campuses. These hubs offer educational events, shared resources and facilities, teacher training and 'outreach boxes' for free loan of modern equipment for classroom topics. These include class sets of virtual reality and augmented reality headsets, various cameras (SLR, 360, Thermal, Go Pro) and high-end technology such as Pepper the robot and Nao the robot.

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The ACS Partnerships App has been downloaded thousands of times and is regularly used by ACS staff and teachers in its partner schools. This assists the school's campuses with running their partnership hubs, monitor and evaluate impact and formulate high quality, useful partnerships with business, charities, schools, universities and parents. The application will also form the base of its Service learning offer, outside of what ACS already do with PYP, MYP, DP and DOE. This pilot application is now live on Apple and Google Play Stores (ACS School Partnerships).

ACS are preparing for their third large free partnerships event at Thorpe Park, which will take place in October 2025. The event will bring 10,000 children to the park for the day to celebrate STEAM activities alongside its partner organisations. More information can be seen here www.steam2024.org.

ACS Partnerships continue to work on the new 'Arts Pathway' which launched in 2023/2024. This will include events across film, TV, Makeup, Hair, set design, Games design, musical composition, poetry, creative writing and many other topics. The partnerships team have also been pivotal in the setup of Esports suites across campuses in partnership with Williams F1.

ACS supported many projects outside of the UK, to advance education of both ACS students and students abroad. Some of these projects include:

- Namibia Project (registered charity number 1163681) - Since 1999, ACS Cobham has been sending groups of students and teachers to Namibia, to participate in lasting partnerships with different schools and projects.
- Project Nepal - Through the Project Nepal, the community of ACS Egham aims to support Nepalese school communities while simultaneously providing ACS students with social action and emotional development opportunities and the chance to make a sustainable difference.

ACS students also take part in practical voluntary service in the local community, as part of ACS providing them with a broad education. For example providing clothing, toiletries and food, volunteering at community centres, fundraising for the benefit of local communities and working with the elderly and the homeless.

ACS's service learning program is currently undergoing a full review as part of the Partnerships Strategy and this will be a vital element of its charitable work. Everything ACS does across its campuses will involve ACS student participation in some way, enhancing skills and knowledge for the future workplace, whilst teaching valuable experiential life skills.

When ACS Group is not using its facilities, ACS makes them available to the community. Schools that have signed up as registered partners will have access to facilities and resources free of charge.

Since 2020, ACS logged over 2.6 million hours of student community interaction and 160,000 hours of teacher training in new technologies through its technology loan scheme and twilight CPD offer.

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Education Strategy

In 2019, the Board approved a new Education Strategy that describes the desired position for ACS schools in 2025. The strategy aims to drive innovations and improvement through eight challenging projects that add value and extend the group's commitment to advancing education. Through its implementation, the strategy works to position the group to respond directly and creatively opportunities for growth by imagining better.

In its final year of implementation, ACS's Education Strategy continued to evolve and extend the organisation's impact. In 2024/2025, strategic focus was directed toward developing global competence. Educators undertook professional development on racial literacy awareness, civic engagement, environmental education, and creating communities of belonging. School Leader Standards and performance expectations for Middle Level Leaders strengthened the appraisal process, tying individual professional growth to NEASC Learning Principles and School Improvement Plans. Multi-Level Support Systems were refined for students with SEN, and a new fee-for-service structure funded expanded services.

ACS's Education Strategy aims to provide:

- a sharper focus on inspirational teaching that continually improves academic results
- demonstrated public benefit and global competence through a greater range of educational experiences
- an expanded and carefully monitored notion of what it means to belong to a healthy international learning community
- equitable, distinctive, and systematically implemented support for all students to achieve challenging educational goals.

As the year ended, a multidisciplinary team launched development of the next Education Strategy. Directions of travel and a conceptual framework for further reflection focused on organic, thematic, entrepreneurial responses in education to critical changes in climate, technology, and society.

People Strategy

A new People Strategy 'Inspiring Together'. Is currently under design for launch in 2026 and will help to drive significant improvements to the HR service, with the introduction of new HR and payroll technology planned for late 2026. The new strategy will also reflect the anticipated overhaul of UK employment legislation once the Employment Rights Bill is passed in Autumn 2026.

ACS continues to invest in up-skilling capability in academic leadership. The 'Inspiring Leaders Programme' continues to focus on building a strong academic leadership community who play a key role in curating ACS's culture, supporting talented staff to advance teaching excellence to inspire the world's next global thinkers and doers.

Hiring of international talent slowed in the past year due to a lower turnover of incumbent talent. Attracting overseas talent continues to present ACS with challenges due to the high cost of living within the South East.

The People Committee will be reviewing the ACS reward strategy as part of the new People Strategy, to ensure that pay and benefits remain competitive and affordable in the light of added external commercial pressures.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2025

The ACS DEIB agenda has gathered some momentum, with further expansion of employee networks across a range of diverse groups. ACS has been actively involved in the broader education world in sharing its experiences in building a culture that embraces DEIB.

The People Committee continues to review executive remuneration and succession planning for senior roles across the campuses, reforming executive pay in line with the educational and charitable sectors. The committee has been supportive of proposals to continue to provide employee benefits to provide health and financial wellbeing to its staff.



ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2025



Fundraising performance and Alumni relations

The Development and Alumni Relations team engages with the ACS global alumni and friends communities, which includes all current and former parents, former students and former staff, with the aim of reconnecting alumni with their school and donating to its fundraising campaigns. The majority of donors are current parents and a total of £134,422 was raised this financial year.

There were no professional fundraising organisations used and no monitoring processes required during the year.

With the support of the School Development Committees in each school, there has been an annual donor cultivation, event and appeal plan. Campaigns largely focused on capital funds. At ACS Hillingdon, the focus was a future Creative and Digital Arts Teaching space, at ACS Egham it was new Science laboratories and a new Student Health and Wellbeing centre at ACS Cobham. There have been small donations received in support of bursaries throughout the year.

ACS continues to work collaboratively with the Parent School Organisations (PSOs) to encourage sharing of fundraising campaigns and priorities. The PSOs endorse the schools' fundraising strategies to the parent community and support fundraising events.

In the US, ACS receives support through informal alumni associations called Chapters. ACS currently have one Chapter for the Atlantic Coast of America, operated in New York and one for Texas, operated out of Houston. Chapters host alumni social events on ACS's behalf.

ACS INTERNATIONAL SCHOOLS LIMITED

**ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2025**

During the previous year up to July 2025, in the UK ACS hosted over 30 alumni visits to Cobham, Hillingdon and Egham and the Classes of 2005 and 2015 gathered in June 2025 at Cobham with 60 alumni visiting from USA, Scandinavia, Netherlands, Germany and the UK.

ACS has a Fundraising Policy in place which sets out ACS's approach to fundraising and to protect vulnerable people and other members of the public from behaviour which:

- is an unreasonable intrusion on a person's privacy;
- is unreasonably persistent;
- places undue pressure on a person to give money or other property.

During the year ACS or any person acting on its behalf for the purposes of fundraising did not receive any complaints about fundraising activity (2024: no complaints).

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2025

STRATEGIC REPORT

Review of achievements and performance for the year

During the year, ACS Group continued to provide a first-class educational experience for students between the ages of 2-18.

ACS Group's students delivered another above average set of academic results reflecting the joint effort of ACS teachers and school leaders. This year, 179 (2024: 176) students at ACS International Schools achieved the International Baccalaureate (IB) Diploma, with average total points of 35 (2024: 34), with strong pass rate of 98% (2024: 97%). As broadly selective schools, these results exceed the worldwide average of 30.6 points (2024: 30) and 81% pass rate (2024: 80%), continuing to exceed ACS's Key Performance Indicators for DP assessment in the ACS Education Quality Framework.

Two students at ACS Hillingdon (2024: 6) and 6 students from the first cohort of ACS Egham CP candidates achieved the IB Career Related Certificate, including success in their UK Level 3 qualifications. In two ACS schools offering Advanced Placement courses, 266 students took exams (2024: 243), with 93% qualifying to receive college credit in at least one course (2024: 93%). Across both schools, 146 students (62% of AP exam takers) received an AP Award. In total, 300 ACS students earned American High School Diplomas (2024: 289).

There has been progress in the Financial Assistance Programme and the Partnerships, Grants and Access Strategy as previously discussed in the Trustees report.

The trustees have a reasonable expectation that ACS International Schools Limited and ACS Commercial Enterprises Limited have adequate resources to continue in operational existence for the foreseeable future and it remains appropriate to prepare their financial statements on a going concern basis.

ACS Commercial Enterprises Limited (ACSCE) continues to be profitable and profit of £136,598 (2024: £91,234) was donated to ACS under the Gift Aid Scheme.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2025

STRATEGIC REPORT (continued)

Capital Investment

ACS Group continues to invest in its first-class educational facilities.

At ACS Cobham, work on the Masterplan continued with focus moving to the Middle School and the Upper/High School. The Middle School science labs were fully refurbished in the year and towards the end of the year extensive works commenced on the Nexus Development within the Upper/High School.

Other smaller projects were completed in the year, including the extensive refurbishment and repair of the North, West & Sports Centre roofs; boarding house compliance works; boarding house lift replacement; replacement of ceiling panels in the Sports Centre; campus fire compliance; and other smaller works throughout the campus.

At ACS Hillingdon, work was completed on an extension to the existing Sport Hall to create a new Sport Centre. The centre comprises a large sports hall suitable for competitive sports, a fully-fledged fitness suite, a dedicated coaching area and an indoor climbing wall. The building is also highly sustainable, with solar panels, air source heat pumps, an exterior living wall, and efficient underfloor heating.

The school purchased playground equipment for Lower School children which will encourage learning through play.

At ACS Egham, work on the Masterplan continued finalising the Front Entrance to the Student Centre providing a more welcoming entrance into the campus reception and included finishing the refurbishment of the Student Centre Toilets. The upgrade to the Science Lab was finished in Q1 improving existing facilities appropriate for class sizes and planning for the start of the Magnolia refurb commenced in Q2 with works over the summer 24/25 undertaken. Improvements to the Performing Arts Centre include flooring/heating and LED lighting upgrade. Fire Alarm improvements were carried out in parallel to works done in Magnolia over the summer.

ACS Group also invested significantly in educational equipment, I.T. and general campus improvements during the year.

Streamlined Energy and Carbon Reporting (SECR).

The Group has completed the Energy Savings Opportunity Scheme (ESOS) reporting requirements and is preparing for reporting under the Streamlined Energy and Carbon Reporting (SECR).

The Group has measured scope 1 and scope 2 emissions in the UK in accordance with UK Government's guidance on how to measure and report greenhouse gas emissions. Electricity and gas are the primary and only energy utilities used. There are no internal transport activity, heating or cooling purchases outside of electricity and gas.

The total annual gross emissions in the UK to 31st July 2025 were 1,435.6 (2024: 1,236.8) global tonnes of CO₂e. The Group is targeting to reduce gross intensity ratio by 5% from 2025 to 2026. ACS is committed to sustainability and becoming as energy efficient as possible whilst reducing its carbon footprint. During 2025, there was no carbon offset (2024: 1,220 tonnes of CO₂e). In the past, ACS planted 160 trees on the school grounds, which contributed to an offset of 0.9 tonnes of CO₂e.

The Group has engaged with an external sustainability company who are compiling the annual ESG Impact Report to the year ended 31 July 2025. The document will cover key statistics, actions undertaken during the year and plans for 2025-26 as well as longer term goals.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2025

STRATEGIC REPORT (continued)

FINANCIAL REVIEW

ACS Group results for the year

ACS Group has enjoyed another satisfactory year of operation. The financial performance for the year and the year-end financial position were both considered satisfactory by the Board. Net income before loss on disposal and revaluation surplus was £5,847,818 (2024: £7,052,010).

Total income relating to continued operations decreased by 2.7% from £77,738,915 to £75,639,652, mainly due to reduction in School Fees, since the introduction of VAT during the 2025/2026 academic year. School fees income relating to continued operations decreased by 1.4% from £67,411,950 to £66,438,005 for the same reason. School fees income was the primary source of revenue for the ACS Group.

Total expenditure relating to continued operations also increased by 2.6% from £67,957,945 to £69,790,134, mainly due to increases in staff costs. Staff costs represent 59% of total charitable expenditure.

Net Assets relating to continued operations at 31st July 2025 were £101,321,833 compared to £95,474,015 as at 31st July 2024. The Group has a loan facility in place to enable it to manage its cash flow requirements.

ACS Charity income includes fundraising income of £270,092 (2024: £725,039), including the amounts donated from ACSCE under the Gift Aid Scheme.

ACSCE continued to perform well in the year ended 31 July 2025. Details of its results are given in Note 7.

Reserves Level and Policy and Financial Viability

The ACS Group reserves policy is that it should have access to sufficient financial resources to be able to ensure the sustainability of the ACS Group. In determining what level of financial resources are required the following have been considered:

- Current and projected levels of free reserves;
- What level of working capital the ACS Group needs to be able to operate effectively;
- The impact of seasonality;
- ACS Group capacity and appetite to borrow funds;
- ACS Group risk appetite;
- The likely financial impact of a range of unlikely but plausible scenarios linked to the most significant risks that the ACS Group faces. For each of these risks the following have been considered:
 - The timings of the risk and any potential mitigating steps associated with the risk;
 - If the risk happened, any impact on the ACS Group's capability to borrow money.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2025

STRATEGIC REPORT (continued)

This analysis led to the Board concluding that ACS Group's Reserves Policy is to target an annual minimum cash/net debt level between zero and a debt of £15,000,000. The minimum cash, net of borrowing, during the year ended 31 July 2025 was £2.069m. ACS Group has a loan facility in place to enable it to manage its cash flow requirements. The ACS board has plans to bring its minimum cash balance back into line with the policy as it revives some of the Capital Expenditure plans, which were on hold as a result of the pandemic.

The Group Reserves Policy is reviewed annually by the Audit & Risk Committee and reflects the need to manage cash flow seasonality and not merely look at the year-end position.

The total reserves for the ACS Group at the year end were £101,321,833 (2024: £95,474,015) which were unrestricted. No unrestricted funds have been designated for specific purposes. Included within unrestricted funds are fixed assets with a net book value of £116,931,649 (2024: £117,261,787).

After reviewing the forecasts and projections, the trustees have a reasonable expectation that ACS has adequate resources to continue in operational existence for the foreseeable future. ACS Group therefore continues to adopt the going concern basis in preparing its financial statements.

FUTURE PLANS

The future plans include:

- To continue to provide financial assistance to students. This will be achieved through ACS's Finance Assistance Programme and Partnerships, Grants and Access Strategy.
- Progress with redevelopment of the Middle and Upper/High School at ACS Cobham;
- Fundraising initiatives to support bursaries, scholarships and to develop campuses;
- To progress the Education Strategy and People Strategy; and
- To ensure that ACS Group continues to play a significant part in the life of the local community.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2025

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland) and applicable law. Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group including income and expenditure of the group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RELEVANT AUDIT INFORMATION

Insofar as each of the Trustees, as members of the Board, at the date of approval of this report is aware there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each member of the Board has taken all the steps that he or she should have taken as a member of the Board in order to make himself or herself aware of the relevant audit information and to establish that the Charity's auditor is aware of that information.

Approved by the Board of ACS International Schools Limited on 9 December 2025 including, in their capacity as trustees, approving the Trustees' and Strategic Reports contained therein, and signed on its behalf by:



R M Macnaughton
(Chairman)

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

Opinion

We have audited the financial statements of ACS International Schools Limited 'the charitable company' and its subsidiary 'the group' for the year ended 31 July 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated and Company Balance Sheets, Consolidated 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 the charitable company's affairs as at 31 July 2025 and of the group's 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 trustee's 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 charitable company's or 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; or
- the 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 1 to 15, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, Data Protection Regulation (GDPR), Health and safety legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

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ACS INTERNATIONAL SCHOOLS LIMITED

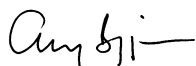
**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF ACS INTERNATIONAL SCHOOLS LIMITED**

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing any regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Guy Biggin
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 12 December 2025

ACS INTERNATIONAL SCHOOLS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2025

	Note	Unrestricted Funds £	Restricted Funds £	2025 Total £	2024 Total £
Income from charitable activities					
School fees	2	66,438,005	-	66,438,005	76,115,552
Ancillary trading income	3	7,830,751	-	7,830,751	8,212,306
Non-ancillary trading income	4	735,163	-	735,163	663,631
Other income		91,847	-	91,847	174,691
Investment income	5	335,096	-	335,096	852,559
Donations & Grants	6	74,368	134,422	208,790	698,857
Total Income		75,505,230	134,422	75,639,652	86,717,596
Expenditure on					
Cost of raising funds	8	(613,232)	-	(613,232)	(564,516)
Charitable activities	8	(69,167,749)	(9,153)	(69,176,902)	(79,150,185)
Other expenditure	8	-	-	-	(1,238)
Total expenditure		(69,780,981)	(9,153)	(69,790,134)	(79,715,939)
(Loss)/Gain on sale of fixed asset		(1,700)	-	(1,700)	14,186
Gain on translation of foreign results		-	-	-	36,167
Loss on disposal of subsidiary		-	-	-	(15,748,188)
Net income/(expenditure) before transfers		5,722,549	125,269	5,847,818	(8,696,178)
Transfers		125,269	(125,269)	-	-
NET MOVEMENT IN FUNDS		5,847,818	-	5,847,818	(8,696,178)
Funds brought forward		95,474,015	-	95,474,015	104,172,943
Debentures repaid		-	-	-	(2,750)
Funds carried forward	22	101,321,833	-	101,321,833	95,474,015

The notes on pages 29 to 46 form part of these financial statements.

Full consolidated Statement of Financial Activities for the year ended 31st July 2024 are shown in note 27.

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2025**

	Note	2025	2024
		£	£
FIXED ASSETS			
Tangible assets	13	116,786,566	117,078,168
Intangible assets	14	<u>145,083</u>	<u>183,619</u>
		116,931,649	117,261,787
CURRENT ASSETS			
Debtors	16	12,010,342	9,540,595
Cash at bank and in hand		<u>19,556,774</u>	<u>19,096,635</u>
		31,567,116	28,637,230
CREDITORS: amounts falling due within one year	17	<u>(49,333,243)</u>	<u>(49,425,002)</u>
NET CURRENT (LIABILITIES)ASSETS		<u>(17,766,127)</u>	<u>(20,787,772)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		99,165,522	96,474,015
LONG-TERM ASSETS			
VAT recoverable	19	3,156,311	-
LONG-TERM LIABILITIES			
Long term loan	20	(1,000,000)	(1,000,000)
		<u>-</u>	<u>-</u>
NET ASSETS		<u>101,321,833</u>	<u>95,474,015</u>
REPRESENTED BY:			
Restricted funds		-	-
Unrestricted funds:			
General reserves		93,776,160	87,928,342
Revaluation reserves		<u>7,545,673</u>	<u>7,545,673</u>
		<u>101,321,833</u>	<u>95,474,015</u>

Net result for the year for the charity before consolidation was a surplus of £5,847,818 (2024: deficit £25,702,026).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 December 2025.



R M Macnaughton (Chairman)

The notes on pages 29 to 46 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

**CHARITY BALANCE SHEET
AS AT 31 JULY 2025**

	Note	2025	2024
		£	£
FIXED ASSETS			
Tangible assets	13	116,786,566	117,078,168
Intangible assets	14	145,083	183,619
Investments	15	<u>100</u>	<u>100</u>
		116,931,749	117,261,887
CURRENT ASSETS			
Debtors	16	12,227,638	9,740,044
Cash at bank and in hand		<u>19,327,674</u>	<u>18,885,936</u>
		31,555,312	28,625,980
CREDITORS: amounts falling due within one year	17	<u>(49,321,539)</u>	<u>(49,413,852)</u>
NET CURRENT (LIABILITIES)ASSETS		(17,766,227)	(20,787,872)
TOTAL ASSETS LESS CURRENT LIABILITIES		99,165,522	96,474,015
LONG-TERM ASSETS			
VAT recoverable	19	3,156,311	-
LONG-TERM LIABILITIES			
Long term loan	20	(1,000,000)	(1,000,000)
NET ASSETS		<u>101,321,833</u>	<u>95,474,015</u>
REPRESENTED BY:			
Restricted funds		-	-
Unrestricted funds:		-	-
General reserves		93,776,160	87,928,342
Revaluation reserves		<u>7,545,673</u>	<u>7,545,673</u>
		<u>101,321,833</u>	<u>95,474,015</u>

Net result for the year for the charity before consolidation was a surplus of £5,847,818 (2024: deficit £25,702,026).

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R M Macnaughton (Chairman)

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ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2025**

	Note	2025 £	2024 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Income/(expenditure)		5,847,818	(8,696,178)
Adjustments for:			
Depreciation of property, plant and equipment		5,340,637	5,294,226
Amortisation of intangible assets		88,659	181,820
Loss/(gain) on disposal of property, plant and equipment		1,700	(14,186)
Interest paid		95,024	112,900
Interest received		(335,096)	(852,559)
(Increase) in debtors		(2,256,634)	(2,927,018)
(Decrease)/increase in creditors		(91,759)	4,289,326
Increase in provisions		-	37,288
Loss on disposal of subsidiary		-	15,748,188
		<u>8,690,349</u>	<u>13,173,807</u>
CASH FROM OPERATIONS			
Interest paid		(95,024)	(112,900)
		<u>8,595,325</u>	<u>13,060,907</u>
NET CASH GENERATED FROM OPERATING ACTIVITIES			
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(8,420,159)	(20,215,627)
Purchases of intangible assets		(50,123)	(5,238)
Interest received		335,096	852,559
Proceed from sale of equipment		-	20,468
Net cash outflow from disposal		-	(15,294,134)
Disposal of investment		-	(1,000)
		<u>(8,135,186)</u>	<u>(34,642,972)</u>
NET CASH FROM INVESTING ACTIVITIES			
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of debenture loans		-	(2,750)
		<u>-</u>	<u>(2,750)</u>
NET CASH USED IN FINANCING ACTIVITIES			
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of the year	23	<u>19,096,635</u>	<u>40,681,450</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	23	<u><u>19,556,774</u></u>	<u><u>19,096,635</u></u>

The notes on pages 29 to 46 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

1.1 Company information

ACS International Schools Limited is a registered charity and public benefit entity in England and Wales and a company limited by guarantee. It was incorporated on 5 July 1967 (company number: 00910010) and registered as a charity on 5th September 2018 (charity number: 1179820). The registered office is Heywood, Portsmouth Road, Cobham, Surrey KT11 1BL.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2019.

The charity has taken the advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cashflow Statement with the consolidated financial statements.

The charity has taken advantage of the exemption allowed under 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements.

The account presents the consolidated statement of financial activities (SOFA), the consolidated and charity balance sheets and the consolidated cash flow statement comprising the consolidation of the Charity and ACS Commercial Enterprises Limited. The prior year consolidation comprises of the Charity and its subsidiaries - ACS International School Doha LLC, ACS Overseas Holdings Limited and ACS Commercial Enterprises Limited.

The trustees have a reasonable expectation that ACS International Schools Limited and ACS Commercial Enterprises Limited have adequate resources to continue in operational existence for the foreseeable future and it remains appropriate to prepare their financial statements on a going concern basis.

1.3 Judgement and estimation uncertainty

In application of the accounting policies, trustees are required to make judgements, estimates and assumptions about carrying value of assets and liabilities that are based on historical experience and other relevant factors. The estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognised in either the period of revision and/or in future periods if relevant.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date, are likely to result in a material adjustment to their carrying amounts in the next financial year.

The particular accounting policies adopted and applied consistently are described below.

1.4 School fees and trading income

School fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided net of VAT. Scholarships and bursaries granted by the Charity against those fees are deducted in the school term to which they relate.

Trading income and other income is recognised in the period to which it relates.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

1.5 Investment income

Investment income from bank balances is accounted for on an accruals basis.

1.6 Grants and donations

Voluntary incoming resources are accounted for as and when the entitlement arises, the amount can be reliably quantified and the economic benefit to the charity is considered probable.

Donations are restricted in accordance with the donor's intention. Where no restrictions are noted donations are utilised within unrestricted funds.

1.7 Expenses

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is included with the item of expenditure to which it relates. Intra-group sales and charges between the charity and its subsidiaries are excluded from trading income and expenditure.

Charitable activities include teaching staff salaries, depreciation of items related to education and classroom supplies.

Investment and estates management includes investment in new buildings and maintenance of existing ones, as well as depreciation relating to buildings.

Support activities include expenditure on salaries of non-teaching staff, depreciation and purchase of items not directly related to provision of education. The costs are allocated based on spend by department.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation with the exception of freehold land and buildings which are carried at open market value and revalued every five years by professionally qualified surveyors. The properties were revalued in July 23 by Gerald Eve, Chartered Surveyors. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases and recognised within the statement of financial activities:

Freehold buildings	-	Straight line over 15-25 or 50 years
Leasehold improvements	-	Straight line over the period of the lease
Motor vehicles	-	Straight line over 4 or 10 years
Fixtures, fittings and equipment	-	Straight line over 2-15 years

Assets in the course of construction are capitalised at cost but are not depreciated until they become available for use.

1.9 Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following basis:

Computer software	-	Straight line over 3-5 years

Amortisation is included within expenditure in the statement of financial activities.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

1.10 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to expenditure in the statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.12 Operating leases

Rentals under operating leases are charged to expenditure in the statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.13 Funds

The total funds of the charity and its subsidiaries are allocated to unrestricted and restricted based on the terms set by the donors.

Unrestricted income belongs to the charity's corporate reserves, spendable at the direction of the trustees either to further the charity's objects or to benefit the schools itself.

Restricted funds comprise gifts, legacies and grants where the donors have earmarked funds for specific purposes.

1.14 Cash

Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Cash balances are recognised at amortised cost.

1.15 Debtors and Creditors

Short term debtors and creditors are measured at transaction price less any impairment and are subsequently held at amortised cost. £7,328,000 (2024: £6,739,000) included in trade debtors at 31 July 2025 relates to 2025/26 fees invoiced in advance, of which there is a corresponding entry included in deferred income.

VAT recoverable under Capital goods scheme is recognised within current and long term debtors.

1.16 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

1.17 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.18 Fees in advance

Fees in advance represent the following year's tuition, extras and bussing fees invoiced in the current year.

1.19 Management of liquid resources

Liquid resources are defined as cash, cash held at bank and treasury deposits.

1.20 Employee benefits

The liability recognised in the statement of financial position in respect of end of service benefits is the present value of the defined benefit obligation at the end of the reporting year. This is calculated annually by management using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the effective interest rate

1.21 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation because of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense

1.22 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost, with the exception of investments which are held at fair value.

Financial assets held at amortised cost comprise cash at bank and in hand, together with debtors excluding prepayments. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in bank accounts.

Financial liabilities held at amortised cost comprise all creditors excluding social security and other taxes, provisions and deferred income. Investments in subsidiary undertakings are held at cost less impairment.

1.23 Redundancy payments

Termination benefits are payable when employment is terminated by ACS or whenever an employee accepts voluntary redundancy in exchange for these benefits. ACS recognises termination benefits when a fully signed settlement agreement is in place, or when the cost has otherwise been confirmed and committed to.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE

	2025 £	2024 £
Fees receivable consist of:		
ACS school fees	66,438,005	67,411,950
ACS Doha school fees	-	8,703,602
	<u>66,438,005</u>	<u>76,115,552</u>
School fees are net of bursaries and scholarships.		

3. ANCILLARY INCOME

Ancillary income includes income from application fees, bussing fees, student catering, trips and clubs.

	2025 £	2024 £
ACS ancillary income	7,830,751	7,950,058
ACS Doha ancillary income	-	262,248
	<u>7,830,751</u>	<u>8,212,306</u>

4. NON-ANCILLARY INCOME

	2025 £	2024 £
Non-student catering and shop income	440,590	399,994
Sports membership and activity fees	73,819	80,689
Hire of facilities	220,754	182,948
	<u>735,163</u>	<u>663,631</u>

5. INVESTMENT INCOME

	2025 £	2024 £
UK bank interest	335,096	852,559
	<u>335,096</u>	<u>852,559</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

6. DONATIONS & GRANTS

	2025 £	2024 £
Donations	134,422	633,805
Grant for research and school partnership	74,368	<u>65,052</u>
	<u>208,790</u>	<u>698,857</u>

7. PRINCIPAL SUBSIDIARY

Company name and registered address	Country/ Company number	Percentage Shareholding	Description
ACS Commercial Enterprises Limited, Heywood, Portsmouth Road, Cobham, KT11 1BL	England and Wales 10887569	100	Trading company

On 14th February 2024, ACS International disposed of ACS Holdings, and consequently its interest in ACS Doha, to Artemis Education. Total 2024 comparative includes results of both ACS Holdings and ACS Doha.

	ACS Commercial Enterprises £	Total 2025 £	Total 2024 £
Income	392,989	392,989	9,344,442
Expense	<u>(257,319)</u>	<u>(257,319)</u>	<u>(11,984,761)</u>
Net profit/(loss)	<u>135,670</u>	<u>135,670</u>	<u>(2,640,319)</u>
Amount gift aided	<u>(135,670)</u>	<u>(135,670)</u>	<u>(91,234)</u>
Disposal of subsidiary	<u>-</u>	<u>-</u>	<u>2,731,553</u>
Net assets	<u>100</u>	<u>100</u>	<u>100</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

8. ANALYSIS OF EXPENDITURE

(a) Total expenditure

	Staff costs	Depreciation & amortisation	Other	Total 2025	Total 2024
	£	£	£	£	£
Expenditure on raising funds					
Fundraising costs	245,060	-	110,853	355,913	302,820
Other costs of raising funds	136,700	-	120,619	257,319	261,696
Total costs of raising funds	<u>381,760</u>	<u>-</u>	<u>231,472</u>	<u>613,232</u>	<u>564,516</u>
Charitable expenditure					
Education and grant making					
Teaching	26,912,635	3,676,863	8,261,767	38,851,265	46,769,791
Boarding and welfare	2,317,214	-	2,430,120	4,747,334	5,531,328
Premises repair and maintenance	1,714,251	-	1,934,361	3,648,612	4,402,158
Support costs and governance	9,482,423	1,752,432	10,690,756	21,925,611	22,438,264
Grants, awards and prizes	-	-	4,080	4,080	8,644
Total charitable expenditure	<u>40,426,523</u>	<u>5,429,295</u>	<u>23,321,084</u>	<u>69,176,902</u>	<u>79,150,185</u>
Other expenditure					
Other	-	-	-	-	1,238
Total other expenditure	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,238</u>
Total expended	<u>40,808,283</u>	<u>5,429,295</u>	<u>23,552,556</u>	<u>69,790,134</u>	<u>79,715,939</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

8. ANALYSIS OF EXPENDITURE (continued)

(b) Grants, awards and prizes

	2025	2024
	£	£
From Unrestricted Funds		
UK prizes and leaving awards	4,080	8,644

**(c) Governance included in support costs
(exclusive of VAT)**

	2025	2024
	£	£
Remuneration paid to Crowe UK LLP in respect of:		
Statutory audit	35,900	48,600
Tax compliance	3,000	3,600
Advisory services	4,550	1,170
Remuneration paid to auditors in respect of:		
Statutory audit (Doha)	-	16,192
Tax compliance and advisory	-	17,727
Reimbursement of personal expenses to Trustees – travel costs	13,333	19,951

Expenses were reclaimed by 8 Trustees (2024:6). No trustees have been paid any remuneration or received any other benefits during the year.

9. LOSS ON DISPOSAL OF SUBSIDIARY

	2025	2024
	£	£
ACS Doha Interco balance written off	-	23,940,253
Payment to Artemis Education	-	11,543,548
ACS Overseas Holdings Interco balance written off	-	12,381
Cost of investment in ACS Overseas Holdings	-	1,000
Net assets disposal	<u>-</u>	<u>(19,748,994)</u>
	<u>-</u>	<u>15,748,188</u>

Further details on disposal of ACS Holdings and ACS Doha can be found in the Trustees report.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

10. STAFF COSTS

Staff costs, including director's remuneration, were as follows:

	2025	2024
	£	£
ACS wages and salaries	35,458,497	34,428,543
ACS Doha wages and salaries	-	4,862,830
ACS social security costs	3,749,279	3,385,367
ACS other pension costs	1,600,507	1,629,771
ACS Doha other pension costs	-	190,696
	40,808,283	44,497,207

Aggregate employee benefits of key management personnel **1,438,961** 1,407,207
Key management personnel are the Chief Executive and all Directors within the leadership team who routinely attend Board meetings.

	2025	2024
	No.	No.
Number of higher paid employees with aggregate employee benefits in bands of:		
£60,001 to £70,000	35	29
£70,001 to £80,000	16	22
£80,001 to £90,000	12	6
£90,001 to £100,000	8	3
£100,001 to £110,000	1	5
£110,001 to £120,000	1	-
£140,001 to £150,000	3	3
£170,001 to £180,000	1	1
£190,001 to £200,000	-	1
£200,001 to £210,000	2	2
£210,001 to £220,000	1	-
£220,001 to £230,000	1	-
£230,001 to £240,000	-	1
£290,001 to £300,000	-	1
£310,001 to £321,000	1	-

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

The average number of employees during the year was 798 (2024: 908).

	2025	2024
	No.	No.
Academic staff	396	478
Substitute staff	63	87
Welfare	30	33
Support staff	309	310
	<u>798</u>	<u>908</u>

During the year redundancy payments of £393,450 (2024: £210,182) were awarded of which £327,002 remained outstanding at year end (2024: £78,204)

11. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the funds. Contributions of £302,057 (2024: £293,922) are outstanding at the balance sheet date.

12. FINANCE COSTS

	2025	2024
	£	£
Interest payable and charges	95,024	112,900
	<u>95,024</u>	<u>112,900</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

13. TANGIBLE FIXED ASSETS

Consolidated/ Charity

Group	Freehold land and buildings £	Motor vehicles £	Fixtures, fittings and equipment £	Capital work in progress £	Total £
Cost					
At 1 August 2024	96,058,024	894,471	28,913,102	11,768,704	137,634,301
Additions	445,903	-	1,393,134	6,581,122	8,420,159
WIP transfers	14,964,063	-	932,442	(15,896,505)	-
CGS VAT adjustment	(3,369,424)	-	-	-	(3,369,424)
Disposal	-	(20,200)	(1,126,349)	-	(1,146,549)
Exchange difference	-	-	-	-	-
At 31 July 2025	<u>108,098,566</u>	<u>874,271</u>	<u>30,112,329</u>	<u>2,453,321</u>	<u>141,538,487</u>
Depreciation					
At 1 August 2024	2,060,750	666,110	17,829,273	-	20,556,133
Charge for the year	2,520,426	42,046	2,778,165	-	5,340,637
Disposals	-	(18,500)	(1,126,349)	-	(1,144,849)
Exchange difference	-	-	-	-	-
At 31 July 2025	<u>4,581,176</u>	<u>689,656</u>	<u>19,481,089</u>	<u>-</u>	<u>24,751,921</u>
Net book value					
At 31 July 2025	<u>103,517,390</u>	<u>184,615</u>	<u>10,631,240</u>	<u>2,453,321</u>	<u>116,786,566</u>
At 31 July 2024	<u>105,578,065</u>	<u>228,361</u>	<u>11,271,742</u>	<u>-</u>	<u>117,078,168</u>

All properties were revalued on 31 July 2023 by Gerald Eve, Chartered Surveyors, on basis of open market value for current use at £87,730,000. The valuation was incorporated in the financial statements for the year ended 31 July 2023.

Included in land and buildings is freehold land valued at £14,924,000 which is not depreciated.

The historic cost of assets included at valuation at the balance sheet date is £154,813,849 (2024: £154,354,098).

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

14. INTANGIBLE FIXED ASSETS

Consolidated/ Charity

	Computer Software	Capital work in progress	Total £
Cost			
At 1 August 2024	3,333,652	83,979	3,417,631
Additions	50,123	-	50,123
WIP transfers	27,474	(27,474)	-
	<u>3,411,249</u>	<u>56,505</u>	<u>3,467,754</u>
At 31 July 2025			
Depreciation			
At 1 August 2024	3,234,012	-	3,234,012
Charge for the year	88,659	-	88,659
	<u>3,322,671</u>	<u>-</u>	<u>3,322,671</u>
At 31 July 2025			
Net book value			
At 31 July 2025	<u>88,578</u>	<u>56,505</u>	<u>145,083</u>
At 31 July 2024	<u>99,640</u>	<u>83,979</u>	<u>183,619</u>

15. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Charity	
Cost or valuation	
At 1 August 2024	<u>100</u>
At 31 July 2025	<u>100</u>
Net book value	
At 31 July 2025	<u>100</u>
At 31 July 2024	<u>100</u>

Details of the principal subsidiaries can be found under note number 7.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

16. DEBTORS

	Group		Charity	
Due within one year	2025	2024	2025	2024
	£	£	£	£
Trade debtors	7,387,266	6,742,389	7,378,955	6,725,672
Other debtors	450,609	650,461	450,609	650,461
Prepayments and accrued income	3,959,354	2,147,745	3,940,750	2,140,787
Amounts owed by group undertakings	-	-	244,211	223,124
VAT recoverable	213,113	-	213,113	-
	12,010,342	9,540,595	12,227,638	9,740,044

**17. CREDITORS:
Amounts falling due within one year**

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	4,427,295	3,433,307	4,427,295	3,433,307
Social security and other taxes	5,325,013	1,182,235	5,318,392	1,182,235
Other creditors	1,186,579	1,649,983	1,186,579	1,646,264
Student deposits	2,724,800	2,952,320	2,724,800	2,952,320
Accruals and prepaid income	2,197,194	1,786,328	2,189,763	1,778,897
Deferred income	33,472,362	38,420,829	33,474,710	38,420,829
Bank loan	-	-	-	-
	49,333,243	49,425,002	49,321,539	49,413,852

18. DEFERRED INCOME

Deferred income relates to tuition fees and related income. Movements on deferred income balance during the year are as follows:

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Deferred income b/f	38,420,829	39,869,982	38,420,829	37,877,616
Income released to SOFA in the year	(38,420,829)	(39,869,982)	(38,420,829)	(37,877,616)
Income deferred during the year	33,472,362	38,420,829	33,474,710	38,420,829
	33,472,362	38,420,829	33,474,710	38,420,829

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

19. LONG TERM ASSETS

	2025	2024
	£	£
VAT recoverable	<u>3,156,311</u>	<u>-</u>

VAT recoverable under the Capital goods scheme has been recognised this year as a result of the change in VAT status of schools from 1st January 2025 and will unwind as VAT is reclaimed through the VAT return each year.

20. BANK LOANS DUE IN OVER ONE YEAR

In February 2024 ACS International Schools Limited secured a bank facility with a maximum loan value of £15 million. Current borrowings against the bank facility are £1 million. Interest on the loan is 1.35% above LIBOR and is payable quarterly. The loan is repayable in full 60 months after the loan is drawn. The loan contains financial covenants which apply to the Group's consolidated financial information. All financial covenants were met at 31 July 2025.

Loan repayable is as follows:

	2025	2024
	£	£
Within one year	-	-
Between two to five years	1,000,000	1,000,000
More than five years	-	-
	<u>1,000,000</u>	<u>1,000,000</u>

National Westminster Bank PLC hold the following charges on ACS assets located at Heywood, Portsmouth Road, Cobham for continuing security:

- i. A fixed charge over the following property, owned now or in the future:
 - a. All land and fixtures and fittings related to the land and all rents receivable.
 - b. All plant and machinery, including any associated warranties and maintenance contracts.
 - c. All the goodwill.
 - d. Any uncalled share capital.
 - e. All stocks, shares and other securities in any subsidiaries and income and rights relating to them.
 - f. All intellectual property, licences, claims, insurance policies, proceeds of any insurance and any other legal rights.
 - g. The benefit of any hedging arrangements, futures transactions or treasury instruments.
- ii. A floating charge over all other property, assets and rights owned now or in the future which are not subject to an effective fixed charge.

The aggregate revalued amount of secured assets is £81,140,522 (2024: £72,853,832).

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

21. SHARE CAPITAL

	2025 £	2024 £
<u>Allotted, called up and fully paid</u>		
500,000 Ordinary shares of £1 each	<u><u>500,000</u></u>	<u><u>500,000</u></u>

22a. FUNDS

	B/fwd £	Income £	Expenditure £	Transfers £	Gains and losses £	C/fwd £
Restricted funds						
Cobham	-	96,132	(6,935)	(89,197)	-	-
Hillingdon		27,995	(2,218)	(25,777)	-	-
Egham	-	<u>10,295</u>	-	<u>(10,295)</u>	-	-
Unrestricted funds	-	134,422	(9,153)	(125,269)	-	-
Share capital	500,000					500,000
Debentures	10,655,000					10,655,000
General reserves	76,773,342	75,505,230	(69,780,981)	125,269	(1,700)	82,621,160
Revaluation reserves	<u>7,545,673</u>	-	-	-	-	<u>7,545,673</u>
	95,474,015	75,505,230	(69,780,981)	125,269	(1,700)	101,321,833
Total funds	<u>95,474,015</u>	<u>75,639,652</u>	<u>(69,790,134)</u>	<u>-</u>	<u>(1,700)</u>	<u>101,321,833</u>

Restricted funds include donations which the donors have earmarked for specific UK campuses. Restricted funds have been released to general reserves as their restrictions have been met during the year. The transfer from restricted to unrestricted funds relate to capital expenditure purchased from restricted fund donation.

Unrestricted funds belong to the charity's corporate reserves, spendable at the direction of the Trustees to further the charity's objects.

Debentures (5th series)

The director considers that the nature and terms of the fifth issue debentures, issued by ACS International Schools Limited, more accurately reflect equity and therefore they were reclassified from long term creditors to equity within the balance sheet in the year ended 31 July 2011.

During the year ACS International Schools Limited issued £Nil (2024: Nil) and repaid £Nil (2024: £2,750) fifth issue debentures of £250 each.

The fifth issue debentures are unsecured, non interest bearing and repayable only by ACS International Schools Limited giving debenture holders not less than one month's notice of its intention to repay the principal sum or on a winding up. As at 31 July 2025 this issue comprised 42,620 debentures of £250 each (2024: 42,620 debentures of £250 each).

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

22b. NET ASSETS SPLIT BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Intangible assets	145,083	-	145,083
Tangible fixed assets	116,786,566	-	116,786,566
Net current liabilities	(17,766,127)	-	(17,766,127)
Asset owed to more than one year	3,156,311	-	3,156,311
Liabilities due in more than one year	<u>(1,000,000)</u>	<u>-</u>	<u>(1,000,000)</u>
At 31 July 2025	<u>101,321,833</u>	<u>-</u>	<u>101,321,833</u>

23. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2024 £	Cash flow £	Exchange Movement £	31 July 2025 £
Cash at bank and in hand	18,096,635	460,139	-	18,556,774
Loan	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Net funds	<u>19,096,635</u>	<u>460,139</u>	<u>-</u>	<u>19,556,774</u>

24. CAPITAL COMMITMENTS

At 31 July 2025 the group and charity had capital commitments as follows:

	<u>Group</u>		<u>Charity</u>	
	2025 £	2024 £	2025 £	2024 £
Contracted for but not provided in these financial statements	<u>2,518,943</u>	<u>358,988</u>	<u>2,518,943</u>	<u>358,988</u>

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

25. OPERATING LEASE COMMITMENTS

At 31 July 2024 the group had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2025	2024	2025	2024
	£	£	£	£
Within 1 year	20,910	20,910	121,044	145,820
Between 2 and 5 years	83,640	83,640	31,260	129,662
After more than 5 years	648,210	669,120	-	-
	<u>752,760</u>	<u>773,670</u>	<u>152,304</u>	<u>275,482</u>

26. RELATED PARTY TRANSACTIONS

ACS International Schools Limited, the ultimate parent company recharged £257,319 (2024: £261,696) to ACS Commercial Enterprises Limited for the provision of staff and expenditure incurred on its behalf. At year end the balance of £244,211 (2024: £223,124) was owed to ACS International Schools Limited. ACS Commercial Enterprises Limited gift aided its profit of £135,670 (2024: £91,234) to ACS International Schools Limited.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

27. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2024

		Continued operations		Discontinued operations	
		Unrestricted Funds	Restricted Funds	Unrestricted Funds	2024 Total
Note	£	£	£	£	£
Income from charitable activities					
School fees	2	67,411,950	-	8,703,602	76,115,552
Ancillary trading income	3	7,950,058	-	262,248	8,212,306
Non-ancillary trading income	4	663,631	-	-	663,631
Other income		161,860	-	12,831	174,691
Investment income	5	852,559	-	-	852,559
Donations & Grants	6	65,052	633,805	-	698,857
Total Income		77,105,110	633,805	8,978,681	86,717,596
Expenditure on					
Cost of raising funds	8	(564,516)	-	-	(564,516)
Charitable activities	8	(67,390,000)	(3,429)	(11,756,756)	(79,150,185)
Other expenditure	8	-	-	(1,238)	(1,238)
Total expenditure		(67,954,516)	(3,429)	(11,757,994)	(79,715,939)
Gain on revaluation of freehold land and buildings		-	-	-	-
Gain on sale of fixed asset		14,186	-	-	14,186
Gain on translation of foreign results		-	-	36,167	36,167
Loss on disposal of subsidiary	9	(15,748,188)	-	-	(15,748,188)
Net (expenditure)/income before transfers		(6,583,408)	630,376	(2,743,146)	(8,696,178)
Transfers		630,376	(630,376)	-	-
Net movement in funds		(5,953,032)	-	(2,743,146)	(8,696,178)
Funds brought forward		121,178,791	-	(17,005,848)	104,172,943
Debentures repaid		(2,750)	-	-	(2,750)
Disposal of Subsidiary		(19,748,994)	-	19,748,994	-
Funds carried forward	23	95,474,015	-	-	95,474,015

ACS INTERNATIONAL SCHOOLS LIMITED

England & Wales - Charity number 1179820

Accounts

Registered number: 00910010
Registered Charity number: 1179820

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

ACS INTERNATIONAL SCHOOLS LIMITED

CHARITY INFORMATION

TRUSTEES

N E Bobay
J B S Swallow
C J Wille
R M Macnaughton - Chairman
P Mundy
S B Jackson
H M C Pinto
T M Mose
C N Banks
M Whitmore (Appointed 01/08/2023)

COMPANY SECRETARY

G Charles

REGISTERED COMPANY NUMBER 00910010

REGISTERED CHARITY NUMBER 1179820

REGISTERED OFFICE

Heywood
Portsmouth Road
Cobham
Surrey
KT11 1BL

INDEPENDENT AUDITOR

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

BANKERS

NatWest Bank Plc
135 Bishopsgate
London
EC2M 3UR

SOLICITORS

Eversheds Sutherland
1 Wood Street
London
EC2V 7WS

ACS INTERNATIONAL SCHOOLS LIMITED

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ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

The Trustees present their Annual Report for the year ended 31 July 2024 under the Charities Act 2011, including the Trustees' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year and confirm that the latter comply with the requirements of the Charities Act 2011 and the Charities SORP 2015.

ACS International Schools Limited is a Registered Charity (registered charity number 1179820).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The Charity is governed by its Memorandum and Articles of Association, last amended on 1 October 2017.

Governing Body

The Governing Body of ACS International Schools Limited is known as the Board. There is one Governing Body for the three UK Schools and the one Qatar School. The Board is the main decision-making body of ACS International Schools Limited (the "Charity" also known as "ACS"). ACS and each subsidiary company are governed by a separate board (together the "ACS Group"). The Board is accountable to the Members and the public for setting the strategy and directing the performance of the ACS Group.

The Board is collectively responsible for promoting the long-term success and viability of the ACS Group by directing and supervising the ACS Group's affairs, exercising the powers of the Charity, subject to any relevant laws and regulations and in accordance with the Articles.

The Board conducts a full internal review of its activities and effectiveness annually. The Board also assesses its activities and effectiveness via an external third party every two years.

Recruitment and Training of Trustees

Appointments to the Board will be recommended by the People Committee for approval by the Board or will be approved by the Members by an ordinary resolution at a general meeting.

Appointments to the Board will be subject to the terms and conditions set out in an appointment letter recommended to the Board by the People Committee.

The term of appointment for a Trustee will normally be for an initial three year period, renewable by the Board on the recommendation of the People Committee for a further three year period, and thereafter annually for a maximum term of nine years in total. Exceptions may be made if deemed by the Board to be in the best interests of the Charity.

Prospective candidates for vacancies on the Board are considered in light of the skills and experience required at the time, which will include personal competence, professional qualities, specialist skills and experience. The Board is committed to being as diverse as practicable, balanced with ACS's needs for high quality Trustees. To ensure that Trustees' roles and responsibilities are carried out effectively, the new Board members attend a detailed brief by the Chairman, Chief Executive and other relevant members of the Leadership Team.

The Trustees conform to the recommended and best practice for governance contained within the Charity Governance Code across the seven areas and are comfortable there are no significant areas of review required. Trustees continue to monitor the best practice principles contained within the Code.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

Organisational Management

The Board is legally responsible for the overall management and control of the schools.

The Board meets at least four times a year and is supported by the following committees:

- The Audit and Risk Committee investigate, advise and report to the Board on certain matters relating to financial reporting, external audit, internal controls and risk management. The Committee is chaired by J B S Swallow.
- The Education Committee investigate, advise and report to the Board on certain matters relating to the educational philosophy, programmes and student learning outcomes of ACS Group schools. The Committee is chaired by P Mundy.
- The People Committee investigate, advise and report to the Board on certain matters relating to appointments, remuneration and governance. The Committee is chaired by C Banks.

All Board sub-committees meet at least three times a year.

In accordance with the Articles of Association, the Board has the power to delegate responsibility (but not accountability) to committees, directors, and the management of the Charity, and to that end the Board has established a Schedule of Delegated Authorities.

All powers, duties and decision-making responsibilities conferred on the Board by the Articles that are not set out in the Schedule of Matters Reserved for the Board and have not been delegated to a committee, the Company Secretary or a Director, are delegated to the Chief Executive.

The Chief Executive is Timothy Cagney. The Chief Executive is responsible for proposing and delivering the Group's strategy, and for managing the day-to-day activities, operations and resources of the Group.

The Chief Executive is the most senior member of the Leadership Team. The Leadership Team is the key management team. The Leadership Team includes the following employees:

- Chief Executive
- Chief Finance and Estates Officer
- Marketing, Development and Admissions Director
- Human Resources Director
- Education Strategy and Integrated Technology Director
- Partnerships Director
- ACS Cobham Head of School
- ACS Egham Head of School
- ACS Hillingdon Head of School
- ACS Doha Head of School (Until 14th February 2024)

The People Committee consider remuneration and make recommendations to the Board on the remuneration policy for the Chief Executive and Leadership Team and the annual pay review and material changes to Group-wide compensation policy and practice. The Board reviews the People Committees' recommendations and determines the Group's remuneration policy.

The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with the local labour market and to comparisons with other independent schools to ensure that the Group remains sensitive to broader issues of pay and employment terms and conditions elsewhere.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

The Group's ability to deliver its charitable purpose and objectives is primarily dependent on its key management personnel and staff.

Promotion of the success of the organisation to provide public benefit

The Trustees confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider would be most likely to achieve the purposes of the Group. In making this assessment the Trustees have considered the following:

a. The likely consequences of any decision in the long term

The long-term sustainability of the operating model is considered by the Trustees as set out in the going concern statement in the Strategic Report section of the Trustees' Report. Specifically, the Trustees consider both short and longer term financial projections and the key risks that could negatively impact the sustainability of the Group. The Trustees are presented with management information, budgets, forecasts, cashflow projections and progress against the financial plan on a regular basis.

Risk management is embedded at all levels across the Group. The most significant risks are discussed at each Board meeting. See the risk management section for further details.

The Trustees review and endorse all policies to ensure consistent long term regulatory compliance.

b. The interests of the Group's employees

Frequent communication with employees is essential and has been conducted by regular meetings and routine weekly written communications to employees.

See the employee policy section for further details.

c. The need to foster the Group's business relationships with suppliers, customers and others

All suppliers are treated fairly and promptly with business terms adhered to. The Company complies with the UK's Payment Practices Regulations that require the publication of information on the supplier terms offered and average payment statistics.

The parent contract forms the basis of the relationship with fee payers. This is reviewed regularly to ensure best practice and applied fairly and consistently.

A fair policy of bursary awards, consistently applied, support families who may not otherwise be able to access education at the school.

The Group works with a range of donors in support of furthering its fundraising aims and objectives. Group fundraising is bound by the Fundraising Policy and Gift Acceptance and Review Policy. The Group is transparent with information and prides itself on building mutually beneficial relationships.

d. The impact of the Group's operations on the community and the environment

The Group has completed the Energy Savings Opportunity Scheme (ESOS) reporting requirements and is reporting under the Streamlined Energy and Carbon Reporting (SECR). The Group is concerned about its energy consumption and carbon emissions and wishes to utilise the mandatory SECR legislation to identify ways of saving energy and reduce on carbon emissions. Further details of this are in the Strategic Report section of the Trustees' Report.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

e. The desirability of the Group in maintaining a reputation for high standards of business conduct

The Group's Procurement policy outlines the responsibility of company employees to undertake procurement processes that ensure procurement best practice is followed. This requires employees to produce an approved Purchase Order in order to procure goods and services. The policy also requires quotation and tender procedures with suppliers as the value of the order being placed rises. Preferred suppliers are used wherever possible with new suppliers going through an authorisation process. The Group may withhold payment of an invoice that doesn't include a Purchase Order but otherwise adheres to supplier payment terms wherever possible upon receipt of an invoice from the supplier. The Group would seek to resolve any supplier disputes on a case-by-case basis.

The Group's Anti-Bribery policy sets out the responsibilities of staff to report any incidents or suspicion of fraud, bribery or corruption arising in the course of their work and to cooperate fully with related investigations; and comply with applicable Finance policies and procedures. The Group takes a zero tolerance approach towards fraud, bribery and corruption. It is committed to complying with all applicable laws and regulations relating to fraud, bribery and corruption wherever it operates.

The Group has an Anti-money laundering policy which seeks to prevent the organisation and its staff being exposed to money laundering, to identify the potential areas where it may occur, and to comply with all legal and regulatory requirements, especially with regard to the reporting of actual or suspected cases.

f. The need to act fairly between members of the Group.

All Trustees and senior staff complete an annual Conflict of Interest declaration. There were no conflicts of interest identified in the year to 31st July 2024.

Group structure and relationships

ACS was established in 1967 as a commercial organisation founded and originally owned by Mr EJ Poularas and Mr G Speed but subsequently ultimately owned by The Emmanuel John Poularas Will Trust (registered charity number 1169800) following the death of Mr Poularas.

In 2018 ACS became a charity to advance education and secure the longevity of ACS. ACS operates under the registered charity number 1179820. In 2018 the Inland Revenue accepted the Company as a charity for tax purposes with effect from the date it adopted charitable articles.

On 12th November 2019, the entire issued share capital of ACS International Schools Limited was transferred from David Thomas, as the sole trustee of the Emmanuel John Poularas Will Trust, to the Members of ACS International Schools Limited. At the same time, David Thomas ceased to be the company's person with significant control and ACS International Schools Limited became the relevant legal entity.

Subsidiaries and holding companies

The group accounts of ACS International Schools Limited incorporate the results of the following subsidiaries:

ACS Commercial Enterprises Limited

ACS has a wholly owned non-charitable subsidiary, ACS Commercial Enterprises Limited (ACSCE), whose annual profits are donated to ACS under the Gift Aid Scheme. The trading activities of ACS Commercial Enterprises Limited primarily comprise revenue from the Sports Centres and lettings of the campus facilities when not in use by the Schools. The subsidiary's aims, objectives and achievements are covered in the relevant sections of this report.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

ACS International Schools Overseas Holdings Limited

ACS International Schools Overseas Holdings Limited (ACS Holdings) acted as a holding company for ACS's investment in ACS Doha International School LLC. It was established to limit the risk exposure of the investment. During the year ACS disposed of ACS Holdings.

ACS Doha International School LLC

ACS Doha International School LLC (ACS Doha) was incorporated in 2011 in Qatar and was a programme related investment enabling ACS to establish and operate a school in Doha. The objects of ACS Doha were to advance education and the school grew since 2011 to over 1000 students from ages 2-18. During the year ACS disposed of its interest in ACS Doha.

Disposal of ACS Holdings and ACS Doha

ACS International owned ACS Holdings Ltd which in turn owned 49% of ACS Doha. On 14th February 2024, ACS International disposed of ACS Holdings, and consequently its interest in ACS Doha, to Artemis Education, a highly regarded Qatar-based education group.

During the last 14 years ACS Doha has grown from a start-up in a rented building to a high quality International school operating out of a purpose built, world class campus. The journey not only provided Qatar with an excellent international school, but also greatly advanced ACS' charitable objective and enriched the whole ACS Group.

Following an extensive strategic review, ACS has decided it was in the best interest of the charity to focus its international expansion on its core capability of operating world class schools, rather than owning them. The divestiture is a direct result of this change in strategy as well as a response to an increasingly challenging commercial and regulatory environment in Qatar. In particular, new schools opening in Qatar had increased competition and the Ministry of Education's strict control of school fees and the Education agenda had limited commercial options and impacted ACS's objective to advance education.

The disposal of ACS Holdings is presented as a discontinued operation in the Group's Financial Statements. Full details of the accounting entries associated with the discontinued operation can be found in note 9.

Risk Management

ACS Group has established formal mechanisms that facilitate the identification and management of risk, thus safeguarding the delivery of strategic and operational objectives.

The risk management framework includes:

- A Risk Management Policy and Risk Appetite Statement;
- A Risk Register to identify, evaluate and manage significant risks;
- A standard Risk Matrix, identifying likelihood and impact used throughout the organisation;
- Assurance and audit processes;
- Governance processes;
- The underlying policy and control environment.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

By applying the risk management framework throughout the organisation the ACS Group ensures:

- risks are identified, reviewed and where appropriate proactively managed;
- the parameters within which ACS Group would want to conduct its activities are clearly identified;
- controls and processes are designed and implemented to help mitigate identified risks to acceptable levels;
- the effectiveness of controls and processes are regularly reviewed and where necessary tested;
- there are crisis management and business continuity systems in place with clear accountabilities.

The Board has overall responsibility for the Risk Management Policy and Risk Appetite Statement, assisted by the Audit and Risk Sub-Committee whose activities include working with senior management to compile and review the Risk Register.

Principal risks and uncertainties facing the business

The principal risks that have been identified include:

- Changes in tax rules or obligations, for Charities or Independent Education, in UK that could lead to significant impact on surplus and borrowing requirements.
- Significant decline in enrolment that could lead to financial loss, restriction on growth and educational offering. To grow, the ACS Group must continue to target other market segments including students from overseas (boarding) and local self-paying families, in addition to expat families. This enables the ACS Group to react quickly with improvements as necessary and maintain its word of mouth referrals;
- Risk of cyber attack on IT systems and data that could lead to reputational damage or financial loss. Policies, procedures and training are in place to protect the IT systems and data.
- Safeguarding and Health and Safety. ACS Group wishes to create an environment in ACS schools where all feel safe and secure and can thrive and therefore policies, procedures and training are in place to mitigate these risks.

Careful and prudent financial management of the ACS Group ensures that it is not exposed to significant financial risks, providing a stable base for the future development of the organisation.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

Employment policy

ACS is an equal opportunities employer. The ACS Group is committed to the fair treatment of all employees, potential employees or users of its services, regardless of race, gender, religion or belief, sex and sexual orientation, marital status, pregnancy and maternity, responsibilities for dependants, age, physical/mental disability or background.

ACS continuously reviews its employment policies to ensure employment practices are in accordance with country employment law, whilst fostering safe and productive working environments for staff and students alike. All employee policies aim to eliminate any unwanted biases in recruitment, development or reward practices. ACS run education and training sessions to ensure that it raises awareness, educates staff and takes action to address behaviours which are not aligned with its DEIB commitments or the ACS values. This year ACS is undertaking a full review of all employment policies, including its Code of Conduct and Absence Management policies for which people managers are receiving dedicated refresher training.

ACS's Vision for Diversity & Inclusion:

"At ACS, we are committed to fostering a diverse, equitable and inclusive community of students, families, staff, alumni and charitable partners. We aspire to live by our core values, joining together to build a global family in which everyone belongs. We believe every person has unique contributions to make to each other and to the world. We value diversity and seek multiple perspectives, listening to others with an open mind. We respect and include people with different backgrounds, life experiences, world views and expertise, because it's right, and because it makes us stronger. We acknowledge the negative power of a single story. We promote positive change, seeking to manage difference productively, educate ourselves and others, and advocate for equality and inclusion. We will listen to and amplify minority voices and speak out against injustice. We will work together toward a better future, where everyone is safe, valued and able to fulfil their potential, and where our societies are just and fair for all."

ACS are committed to building representation of diversity in leadership and its wider staff body and continue to improve its recruitment policies and practices to work towards this goal. Specific actions in this area include:

- Working actively to secure relationships with sources of diverse talent.
- Job adverts and candidate briefs include DEIB statement and content screened for non-inclusive language
- Introduction of structured selection and interviewing techniques to counter unconscious bias
- Challenge to search agencies to provide more diverse candidate pools
- Job application form redesigned to update diversity categorisation for gender and ethnicity

ACS is committed to furthering the development of all staff and this year are launching a leadership programme specifically for Academic Leadership across the group to further skills in leading people and leading learning.

Following its launch in 2021, ACS continues to evolve its graduate teacher programme to attract and develop future generations of talented teachers. The purpose of the programme is to positively impact student learning outcomes by inspiring lifelong learning for newly qualified teachers through an innovative programme of educator support, talent development, and career progression. Following a successful pilot, the programme is extending its reach to more areas of the curriculum.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

ACS is actively working on its employee reward strategy including pay structures, benefits, and total compensation to ensure that ACS offer fair rates of compensation for every role at ACS and provide an attractive proposition to attract and retain the talent ACS need to meet its community commitments. As part of its annual pay review ACS ensures no pay rate is below the London Living Wage.

ACS is committed to providing a range of employee benefits to promote employee health and financial wellbeing through the provision of an occupational pension, private medical insurance, employee assistance programme, group income protection, counselling support, self-help guidance, and low-cost sports centre access on campus.

In line with legislation, ACS reports its UK gender pay gap on an annual basis and takes measures to address any gender related bias identified.

ACS is committed to acting ethically and with integrity in all business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere within the ACS Group.

It is the Group's policy to foster a culture where all employees feel valued and have a voice. ACS regularly consults with employees, holds staff forums and encourages meetings where matters that are likely to affect employees' interests can be discussed. Staff are also consulted on specific issues via pulse / employee surveys. Various channels exist for staff to confidentially raise matters of concern to senior leadership. An all-staff portal, Schoology, houses all employee policies and procedures for easy access. Line Managers will be undertaking additional people management training in preparation for the changes in UK employment law being introduced by the Government.

OBJECTS, AIMS, OBJECTIVES and ACTIVITIES

Charitable objects

ACS's charitable object, as set out in the Articles of Association, is to advance education in particular by the provision and conduct of schools. In furtherance of this object for the public benefit ACS has established and administers a Financial Assistance Programme and a Partnership, Grants and Access Programme. The Board is mindful of the longstanding need to provide public benefit and the requirements of the Charities Act 2011.

Aims

Within its charitable object, ACS's intention is to operate schools that provide a high-quality education within an internationally diverse context with the highest standards of teaching, pastoral care, facilities and support for students.

ACS prepares its students to be ready. Ready for cultures that crossover, boundaries that blur and ideas that interconnect. Ready for a world that demands a new kind of learning, and a new kind of citizen. ACS is a dynamic learning community. ACS's character is built on integrity, open-mindedness and empathy. ACS is proud of its international community, and their commitment to make a difference. ACS welcomes people of all cultures from around the world to create a powerful, shared experience that shapes the way ACS teach and learn, and actively defines ACS's international character. ACS strives to build strong partnerships with parents and stakeholders. Above all, ACS appreciates that happiness enriches learning.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

Objectives for the year

The main objective of ACS is to continue to provide education of the highest quality that meets the needs of an ever-changing future.

The primary objectives of ACS during the year were:

- **Progress the Financial Assistance Programme**
- **Progress the Partnerships, Grants and Access Strategy**
- **Focus on the Education Strategy and People Strategy**
- **Progress Fundraising plans and Alumni relations**

More detail is provided on the progress of each of the above areas, later in the Trustees report.

Supporting ACS's object to Advance Education the following core values have been developed:

- Imagine better
- Aim high and make it happen
- Welcome everyone
- Act with kindness
- Work together

ACS's education philosophy ensures that ACS focuses on being a dynamic learning community. ACS believes that a great education needs to be balanced and so ACS focuses on three core expected school-wide learning results ensuring ACS students become:

- An effective learner
- A confident individual
- A caring contributor to society

Public Benefit and Community Engagement

ACS was founded in 1967 to operate schools in order to educate students. As a charity ACS is committed to providing public benefit, in accordance with its objects. The Trustees have considered the requirements of the Charities Act 2011 and the charity commissions guidance on public benefit in setting the objectives and activities of the charity. During the year, ACS Group operated four schools: ACS Cobham, ACS Egham, ACS Hillingdon and ACS Doha (until its disposal on 14th February 2024). During the year on average 3,570 students were educated by ACS (2023: 3,454).

ACS's schools actively engage with communities, provide financially assisted places to help advance education and provide resources to develop community partnerships with both local organisations and schools.

Financial Assistance Programme

ACS has invested more than £1,300,000 in financially assisted places for 47 students this year in its ongoing commitment to increase access to an ACS education to young people from a wide variety of backgrounds. Applications for the 2025/2026 academic year open in early September 2024, which will enable a number of young people to receive subsidised for fully funded places at its UK schools. ACS receives on average 150 enquiries for its bursary programme.

Bursaries are awarded up to 100%. Recruitment of students from diverse backgrounds and economic circumstances has resulted in the average award of over 83% of fees, with a significant cohort of students receiving full fee remission.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

Hardship Awards

ACS continued to provide means tested bursaries to ACS parents struggling to pay the school fees as a result of a change in their financial circumstances. The bursaries are short term in nature acting as a financial bridge until the parents are able to resume paying the fees, or as a financial parachute for families with longer term financial problems.

Partnerships, Grants and Access Strategy

ACS's ambition is to achieve a step change in engagement by developing partnerships with schools and organisations to advance education in their communities. ACS partnerships will focus on key areas to ensure ACS can provide valuable and ongoing public benefit. ACS's aim is to set up partnerships to widen access to ACS's education facilities and resources, by bringing independent and state school communities together. ACS shares their expertise and promotes active participation in a number of areas including:

- the sharing of teaching facilities with state schools (for example music facilities or sciences labs etc.);
- the sharing of teachers with local state schools.
- permitting pupils from state schools to attend instruction in subjects they would not ordinarily be able to study (for example Theory of Knowledge, a range of mother tongue foreign languages).
- making facilities, such as sports pitches, swimming pools, sports halls and theatres available to pupils at state schools.
- sharing teaching materials with state schools and
- the sharing of expertise in key areas such as Leadership, Teaching, Curriculum development, and overall school improvement, mentoring and support

ACS has developed partnership hubs of schools and will continue to build further partnerships in its locality. For example, ACS's relationships with other local state schools include:

- Shared facilities, resources and expertise across partnership schools.
- Free drama, music, choir, STEAM sessions for students across the region.
- Working with special education needs pupils to help improve their social skills and for ACS students to experience the challenges and opportunities faced by members of the community.
- Establishing and hosting a free STEAM event for 10,000 young people alongside 75 partner organisations, hosted at Thorpe Park.
- A peer tutoring program where High school students tutor lower school pupils at partner schools.
- A service learning offer to ACS students working with the local community.
- Working with Partners such as Pinewood Studios on film, The Royal Philharmonic, animation and set design.
- Teacher training and CPD i.e. SEND provision and coffee mornings for parents.
- Development of online training materials to support partner schools i.e. Hacking Neurodiversity video series.
- Fundraising for local charitable needs and opportunities.
- Staff from a primary school visit ACS in order to learn about the use of technology in the classroom.
- Various residential events such as ACS's Football Family Programme.

ACS schools now have a partnerships manager for each of its UK campuses. ACS have also employed a full time events manager to take lead on the larger projects. ACS schools have formed partnerships school hubs around each of its campuses. These hubs offer educational events, shared resources and facilities, teacher training and 'outreach boxes' for free loan of modern equipment for classroom topics. These include class sets of virtual reality and augmented reality headsets, various cameras (SLR, 360, Thermal, Go Pro) and high-end technology such as Pepper the robot and Nao the robot. ACS has been named in the top 10 schools in the world

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for community collaboration, highly commended by Pearsons and gained a silver award in the Global Good Awards.

The ACS Partnerships App has been downloaded thousands of times and is regularly used by ACS staff and teachers in its partner schools. This assists the school's campuses with running their partnership hubs, monitor and evaluate impact and formulate high quality, useful partnerships with business, charities, schools, universities and parents. The application will also form the base of its Service learning offer, outside of what ACS already do with PYP, MYP, DP and DOE. This pilot application is now live on Apple and Google Play Stores (ACS School Partnerships).

ACS are preparing for a large free partnerships event at Thorpe Park, which will take place in October 2024. The event will bring 10,000 children to the park for the day to celebrate STEAM activities alongside its partner organisations. More information can be seen here www.steam2024.org.

ACS Partnerships has been working on the new 'Arts Pathway' which launched in 2023/2024. This will include events across film, TV, Makeup, Hair, set design, Games design, musical composition, poetry, creative writing and many other topics.

ACS supported many projects outside of the UK and Doha, to advance education of both ACS students and students abroad. Some of these projects include:

- Namibia Project (registered charity number 1163681) - Since 1999, ACS Cobham has been sending groups of students and teachers to Namibia, to participate in lasting partnerships with different schools and projects.
- Project Nepal - Through the Project Nepal, the community of ACS Egham aims to support Nepalese school communities while simultaneously providing ACS students with social action and emotional development opportunities and the chance to make a sustainable difference.

ACS students also take part in practical voluntary service in the local community, as part of ACS providing them with a broad education. For example providing clothing, toiletries and food, volunteering at community centres, fundraising for the benefit of local communities and working with the elderly and the homeless.

ACS's service learning program is currently undergoing a full review as part of the Partnerships Strategy and this will be a vital element of its charitable work. Everything ACS does across its campuses will involve ACS student participation in some way, enhancing skills and knowledge for the future workplace, whilst teaching valuable experiential life skills.

When ACS Group is not using its facilities, ACS makes them available to the community. Schools that have signed up as registered partners will have access to facilities and resources free of charge.

Since 2020, ACS logged over 1.7 million hours of student community interaction and 140,000 hours of teacher training in new technologies through its technology loan scheme and twilight CPD offer.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

Education Strategy

In November 2019, the Board approved a new Education Strategy that describes the desired position for ACS schools in 2025. Its principal objective remains to increase the unique quality and value of the ACS educational experience. The strategy aims to deepen an already solid foundation, driving key innovations that set a stage from which it can choose how to extend its impact into the future. A further aim of the strategy was that through its implementation, positioning the group to respond directly and creatively to geopolitical volatility in its markets and uncertainty in the premium independent international school sector.

ACS's Education Strategy has been strengthened by the refreshed articulation of ACS's mission, vision, and values. Similarly fundamental, the strategy has helped to prioritise efforts to change structures and systems that enable innovation and deliver results.

In its fourth year of implementation, ACS's Education Strategy has continued to evolve and extend the organisation's impact. In 2023/2024, its strategic focus was on teaching excellence. Educators focused their development on equitable engagement, AI-supported methods, enriched learning environments, and student-led curriculum. New Educator Standards strengthened the appraisal process and closely tied individual professional growth to NEASC Learning Principles and School Improvement Plans.

ACS's strategy aims to provide:

- a sharper focus on inspirational teaching that continually improves academic results
- demonstrated public benefit and global competence through a greater range of educational experiences
- an expanded and carefully monitored notion of what it means to belong to a healthy international learning community
- equitable, distinctive, and systematically implemented support for all students to achieve challenging educational goals.

Scoping work began on the next iteration of the Education Strategy.

People Strategy

The People Strategy – Inspiring Talent, is one of the strategic pillars supporting ACS's pursuit of its core organisational purpose and values, envisioning a community and an alumnus embracing the future as effective, confident and caring individuals who are ready to act, lead, care and change the world and its students to be ready to ask new questions and demand better answers.

The academic year 2023 – 2024 focused on developing 'Inspiring Leaders' with the skills to curate ACS's culture, whilst supporting talented staff to advance teaching excellence inspiring the world's next global thinkers and doers.

The People Committee supported a competitive pay award for 2024, and following the introduction of a new teacher pay spine in 2023, ACS's pay spine was enhanced to further attract teaching talent in the earlier teaching years. In August 2024, we were delighted to welcome 60 new academic talent from a broad international marketplace.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

The People Committee continues to review executive remuneration and succession planning for senior roles across the campuses, reforming executive pay in line with the educational and charitable sectors. The committee has been supportive of proposals to continue to provide employee benefits to provide health and financial wellbeing to its staff.

The ACS DEIB agenda has gathered some momentum, with further expansion of employee networks across a range of diverse groups. ACS has been actively involved in the broader education world in sharing its experiences in building a culture that embraces DEIB.



ACS INTERNATIONAL SCHOOLS LIMITED

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Fundraising performance and Alumni relations

The Development and Alumni Relations team engages with and mobilises the ACS global alumni and friends communities, which includes all current and former parents, former students and former staff, with the aim of reconnecting alumni with their school and donating to its fundraising campaigns. The majority of donors are current parents and a total of £633,805 was raised this financial year.

There were no professional fundraising organisations used and no monitoring processes required during the year.

With the support of the School Development Committees in each school, there has been an annual donor cultivation, event and appeal plan developed and implemented to raise largely capital funds for the schools to develop a new Sports and Activities Centre at ACS Hillingdon, new Science laboratories at ACS Egham and a new student health and wellbeing centre at ACS Cobham. There have been small donations received in support of bursaries throughout the year.

ACS continues to work collaboratively with the Parent School Organisations (PSOs) sharing fundraising campaign and charitable communications which assists ACS with its philanthropic programmes. The PSOs endorse the schools' fundraising strategies to the parent community and support fundraising events.

In the US, ACS receives support through informal alumni associations called Chapters. ACS currently have one Chapter for the Atlantic Coast of America, operated in New York and one for Texas, operated in Houston. Each Chapter has its leadership team comprising of Chapter President, Vice President (Development) and Vice President (Marketing and Outreach). Chapters host alumni social events on ACS's behalf.

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During the previous year up to July 2023, in the UK ACS hosted 45 alumni visits to Cobham, Hillingdon and Egham. ACS Cobham hosted the Class of 2013 in June 2023 on the school campus with 55 alumni visiting from USA, Australia, Scandinavia, Netherlands, Germany and the UK.

ACS has a Fundraising Policy in place which sets out ACS's approach to fundraising and to protect vulnerable people and other members of the public from behaviour which:

- is an unreasonable intrusion on a person's privacy;
- is unreasonably persistent;
- places undue pressure on a person to give money or other property.

During the year ACS or any person acting on its behalf for the purposes of fundraising did not receive any complaints about fundraising activity (2023: no complaints).

ACS works closely with ACS International Schools in America Inc. which is a non-profit organisation section 501c (3) based on the East Coast of America. The organisation supports education around the world with the mission to raise awareness of and support for ACS International Schools education allowing more students to benefit from the opportunities offered by the schools. The capital campaigns for the UK schools are being championed by alumni directors in the USA to stimulate gifts from ACS's alumni community.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

STRATEGIC REPORT

Review of achievements and performance for the year

During the year, ACS Group continued to provide a first-class educational experience for students between the ages of 2-18.

ACS Group's students delivered another above average set of academic results reflecting the joint effort of ACS teachers and school leaders. Again this year, 176 (2023: 175) students at ACS International Schools achieved the International Baccalaureate (IB) Diploma, with average total points of 34 as exam boards returned fully to pre-COVID curriculum standards and grading practices (2023: 35), with a strong pass rate of 97% (2023: 95%). As broadly selective schools, these results exceed the worldwide average of 30 points (2023: 30) and 80% pass rate (2023: 80%), continuing to meet or exceed ACS's Key Performance Indicators for DP assessment in the ACS Education Quality Framework.

Six students at ACS Hillingdon (2023: 10) achieved the IB Career Related Certificate, including success in their UK Level 3 qualifications. In two ACS schools offering Advanced Placement courses, 243 students took exams (2023: 238), with 91% qualifying to receive college credit in at least one course (2023: 86%). In total, 289 ACS students earned American High School Diplomas (2023: 328, including ACS Doha).

There has been progress in the Financial Assistance Programme and the Partnerships, Grants and Access Strategy as previously discussed in the Trustees report.

The trustees have a reasonable expectation that ACS International Schools Limited and ACS Commercial Enterprises Limited have adequate resources to continue in operational existence for the foreseeable future and it remains appropriate to prepare their financial statements on a going concern basis.

ACS Commercial Enterprises Limited (ACSCE) continues to be profitable and profit of £91,234 (2023: £166,693) was donated to ACS under the Gift Aid Scheme.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

STRATEGIC REPORT (continued)

Capital Investment

ACS Group continues to invest in its first-class educational facilities.

At ACS Cobham, work on the Masterplan continued with focus on completing the expansion of the Early Childhood Village to allow it to accommodate Lower School. West Lodge was developed to allow staff to move out of Heywood House, and Heywood House was developed to accommodate the remaining Lower School classes. This allowed Middle School and Upper/High School to move within the remaining school buildings in summer 2024, and allowed for the next phase of the Masterplan, the further development of the Middle School buildings, to commence.

Other smaller projects were completed in the year, including the replacement of the kitchen floors & boilers; the installation of irrigation systems for the sports pitches; the sports centre swimming pool plant replacement; astro sports pitch drainage enhancements; fire safety & boarding house compliance works; and other smaller works throughout the campus.

At ACS Hillingdon, work continued on an extension to the existing Sport Hall to create a new Sport Centre. The centre contains a large sports hall for PE and competitive sports, a fitness suite and a coaching area. Once complete, it will double the school's sports hall facilities and free up the auditorium for performing arts.

At ACS Egham, work on the Masterplan continued with the refurbishment and upgrade to the existing Dining Hall to increase capacity and improve student flow thus reducing wait times. Over the summer, improvements were undertaken on the Front Entrance to the Student Centre providing a more welcoming entrance into the campus reception. This included the refurbishment of the Student Centre Toilets. Works on Maple Art, DT (mini barn) were refocussed on the upgrade to the Science Lab improving existing facilities appropriate for class sizes.

ACS Group also invested significantly in educational equipment, I.T. and general campus improvements during the year.

Streamlined Energy and Carbon Reporting (SECR).

The Group has completed the Energy Savings Opportunity Scheme (ESOS) reporting requirements and is preparing for reporting under the Streamlined Energy and Carbon Reporting (SECR).

The Group has measured scope 1 and scope 2 emissions in the UK in accordance with UK Government's guidance on how to measure and report greenhouse gas emissions. Electricity and gas are the primary and only energy utilities used. There are no internal transport activity, heating or cooling purchases outside of electricity and gas.

The total annual net emissions in the UK to 31st July 2024 were 16.8 (2023: -1.40) global tonnes of CO₂e. The Group is targeting to reduce gross intensity ratio by 5% from 2024 to 2025. ACS is committed to sustainability and becoming as energy efficient as possible whilst reducing its carbon footprint. During 2020, ACS planted 160 trees on the school grounds, which contributed to an offset of 0.9 tonnes of CO₂e. During 2024, ACS has offset 1,220 (2023: 1,490) tonnes of CO₂e through carbon offset projects.

The Group has engaged with an external sustainability company who are compiling the annual ESG Impact Report to the year ended 31 July 2024. The document will cover key statistics, actions undertaken during the year and plans for 2024-25 as well as longer term goals. A carbon reduction plan has already begun with planting trees to reduce ACS's carbon footprint. It is ACS's desire to offset any carbon it creates such that it is carbon neutral.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

STRATEGIC REPORT (continued)

FINANCIAL REVIEW

ACS Group results for the year

ACS Group has enjoyed another satisfactory year of operation. The financial performance for the year and the year-end financial position were both considered satisfactory by the Board. Net income before loss on disposal and revaluation surplus was £7,052,010 (2023: £3,604,708).

Total income relating to continued operations increased by 10% from £70,949,290 to £77,738,915, mainly due to increase in enrolment during the 2023/2024 academic year. School fees income relating to continued operations increased by 9% from £61,791,990 to £67,411,950 for the same reason. School fees income was the primary source of revenue for the ACS Group.

Total expenditure relating to continued operations also increased by 8% from £62,793,251 to £67,957,945, mainly due to increases in staff costs. Staff costs represent 56% of total charitable expenditure.

Net Assets relating to continued operations at 31st July 2024 were £95,474,015 compared to £121,178,791 as at 31st July 2023. The Group has a loan facility in place to enable it to manage its cash flow requirements.

ACS Charity income includes fundraising income of £725,039 (2023: £498,000), including the amounts donated from ACSCE under the Gift Aid Scheme.

ACS Doha produced a net loss before foreign exchange translation differences and other gain of £2,779,313 for the period to 14th February 2024 (2023: £4,303,230).

On 14th February 2024, ACS International disposed of ACS Holdings, and consequently its interest in ACS Doha,

The disposal of ACS Holdings is presented as a discontinued operation in the Group's Financial Statements. Full details of the accounting entries associated with the discontinued operation can be found in note 9.

ACSCE continued to perform well in the year ended 31 July 2024. Details of its results are given in Note 7.

Reserves Level and Policy and Financial Viability

The ACS Group reserves policy is that it should have access to sufficient financial resources to be able to ensure the sustainability of the ACS Group. In determining what level of financial resources are required the following have been considered:

- Current and projected levels of free reserves;
- What level of working capital the ACS Group needs to be able to operate effectively;
- The impact of seasonality;
- ACS Group capacity and appetite to borrow funds;
- ACS Group risk appetite;
- The likely financial impact of a range of unlikely but plausible scenarios linked to the most significant risks that the ACS Group faces. For each of these risks the following have been considered:
 - The timings of the risk and any potential mitigating steps associated with the risk;
 - If the risk happened, any impact on the ACS Group's capability to borrow money.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

STRATEGIC REPORT (continued)

This analysis led to the Board concluding that ACS Group's Reserves Policy is to target an annual minimum cash/net debt level between zero and a debt of £15,000,000. The minimum cash, net of borrowing, during the year ended 31 July 2024 was £6,000,000. ACS Group has a loan facility in place to enable it to manage its cash flow requirements. The ACS board has plans to bring its minimum cash balance back into line with the policy as it revives some of the Capital Expenditure plans, which were on hold as a result of the pandemic.

The Group Reserves Policy is reviewed annually by the Audit & Risk Committee and reflects the need to manage cash flow seasonality and not merely look at the year-end position.

The total reserves for the ACS Group at the year end were £95,474,015 (2023: £104,172,943) which were unrestricted. No unrestricted funds have been designated for specific purposes. Included within unrestricted funds are fixed assets with a net book value of £117,261,787 (2023: £111,330,696)

After reviewing the forecasts and projections, the trustees have a reasonable expectation that ACS has adequate resources to continue in operational existence for the foreseeable future. ACS Group therefore continues to adopt the going concern basis in preparing its financial statements.

FUTURE PLANS

The future plans include:

- To increase the overall amount of financial assistance provided and the number of children benefiting from the financial assistance. This will be achieved through ACS's Finance Assistance Programme and Partnerships, Grants and Access Strategy.
- Progress with redevelopment of the Early Childhood and Lower School at ACS Cobham;
- Fundraising initiatives to support bursaries, scholarships and to develop campuses;
- To progress the Education Strategy and People Strategy; and
- To ensure that ACS Group continues to play a significant part in the life of the local community.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland) and applicable law. Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group including income and expenditure of the group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RELEVANT AUDIT INFORMATION

Insofar as each of the Trustees, as members of the Board, at the date of approval of this report is aware there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each member of the Board has taken all the steps that he or she should have taken as a member of the Board in order to make himself or herself aware of the relevant audit information and to establish that the Charity's auditor is aware of that information.

Approved by the Board of ACS International Schools Limited on 3rd December 2024 including, in their capacity as trustees, approving the Trustees' and Strategic Reports contained therein, and signed on its behalf by:



R M Macnaughton
(Chairman)

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

Opinion

We have audited the financial statements of ACS International Schools Limited 'the charitable company' and its subsidiary 'the group' for the year ended 31 July 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated and Company Balance Sheets, Consolidated 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 the charitable company's affairs as at 31 July 2024 and of the group's 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 trustee's 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 charitable company's or 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; or
- the 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 1 to 15, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, Data Protection Regulation (GDPR), Health and safety legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

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ACS INTERNATIONAL SCHOOLS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF ACS INTERNATIONAL SCHOOLS LIMITED**

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing any regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

10 December 2024

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2024**

		Continued operations		Discontinued operations	
		Unrestricted Funds	Restricted Funds	Unrestricted Funds	2024 Total
	Note	£	£	£	£
Income from charitable activities					
School fees	2	67,411,950	-	8,703,602	76,115,552
Ancillary trading income	3	7,950,058	-	262,248	8,212,306
Non-ancillary trading income	4	663,631	-	-	663,631
Other income		161,860	-	12,831	174,691
Investment income	5	852,559	-	-	852,559
Donations & Grants	6	65,052	633,805	-	698,857
Total Income		77,105,110	633,805	8,978,681	86,717,596
Expenditure on					
Cost of raising funds	8	(564,516)	-	-	(564,516)
Charitable activities	8	(67,390,000)	(3,429)	(11,756,756)	(79,150,185)
Other expenditure	8	-	-	(1,238)	(1,238)
Total expenditure		(67,954,516)	(3,429)	(11,757,994)	(79,715,939)
Gain on revaluation of freehold land and buildings		-	-	-	-
Gain on sale of fixed asset		14,186	-	-	14,186
Gain on translation of foreign results		-	-	36,167	36,167
Loss on disposal of subsidiary	9	(15,748,188)	-	-	(15,748,188)
Net (expenditure)/income before transfers		(6,583,408)	630,376	(2,743,146)	(8,696,178)
Transfers		630,376	(630,376)	-	-
Net movement in funds		(5,953,032)	-	(2,743,146)	(8,696,178)
Funds brought forward		121,178,791	-	(17,005,848)	104,172,943
Debentures repaid		(2,750)	-	-	(2,750)
Disposal of Subsidiary		(19,748,994)	-	19,748,994	-
Funds carried forward	23	95,474,015	-	-	95,474,015

The notes on pages 30 to 49 form part of these financial statements.
There are no restricted funds under Discontinued operations.

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2023**

		Continued operations		Discontinued operations	
		Unrestricted Funds	Restricted Funds	Unrestricted Funds	2023 Total
	Note	£	£	£	£
Income from charitable activities					
School fees	2	61,791,990	-	17,513,739	79,305,729
Ancillary trading income	3	7,045,093	-	662,334	7,707,427
Non-ancillary trading income	4	718,117	-	-	718,117
Other income		192,679	-	-	192,679
Investment income	5	737,084	-	-	737,084
Donations & Grants	6	133,020	331,307	-	464,327
Total Income		<u>70,617,983</u>	<u>331,307</u>	<u>18,176,073</u>	<u>89,125,363</u>
Expenditure on					
Cost of raising funds	8	(530,813)	-	-	(530,813)
Charitable activities	8	(62,232,076)	(30,362)	(22,478,980)	(84,741,418)
Other expenditure	8	-	-	(323)	(323)
Total expenditure		<u>(62,762,889)</u>	<u>(30,362)</u>	<u>(22,479,303)</u>	<u>(85,272,554)</u>
Gain on revaluation of freehold land and buildings		7,545,673	-	-	7,545,673
Gain on sale of fixed asset		52,736	-	7,319	60,055
(Loss)/gain on translation of foreign results		-	-	(308,156)	(308,156)
Net income/ (expenditure) before transfers		<u>15,453,503</u>	<u>300,945</u>	<u>(4,604,067)</u>	<u>11,150,381</u>
Transfers		<u>570,672</u>	<u>(570,672)</u>	<u>-</u>	<u>-</u>
Net movement in funds		16,024,175	(269,727)	(4,604,067)	11,150,381
Funds brought forward		105,156,116	269,727	(12,401,781)	93,024,062
Debentures repaid		<u>(1,500)</u>	<u>-</u>	<u>-</u>	<u>(1,500)</u>
Funds carried forward	23	<u><u>121,178,791</u></u>	<u>-</u>	<u><u>(17,005,848)</u></u>	<u><u>104,172,943</u></u>

The notes on pages 30 to 49 form part of these financial statements.
There are no restricted funds under Discontinued operations.

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2024**

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	13	117,078,168	110,970,495
Intangible assets	15	<u>183,619</u>	<u>360,201</u>
		117,261,787	111,330,696
CURRENT ASSETS			
Debtors	18	9,540,595	9,883,403
Cash at bank and in hand		<u>19,096,635</u>	<u>40,681,450</u>
		28,637,230	50,564,853
CREDITORS: amounts falling due within one year	19	<u>(49,425,002)</u>	<u>(56,234,259)</u>
NET CURRENT (LIABILITIES)		<u>(20,787,772)</u>	<u>(5,669,406)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		96,474,015	105,661,290
LONG TERM LIABILITIES			
Other provisions		-	(1,488,347)
Long term loan	21	<u>(1,000,000)</u>	<u>-</u>
		<u>(1,000,000)</u>	<u>(1,488,347)</u>
NET ASSETS		<u>95,474,015</u>	<u>104,172,943</u>
REPRESENTED BY:			
Restricted funds	23	-	-
Unrestricted funds:	23		
General reserves		87,928,342	96,627,270
Revaluation reserves		<u>7,545,673</u>	<u>7,545,673</u>
		<u>95,474,015</u>	<u>104,172,943</u>

Net result for the year for the charity before consolidation was a deficit of £25,702,026 (2023: surplus £15,754,448).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3rd December 2024.



R M Macnaughton (Chairman)

The notes on pages 30 to 49 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

**CHARITY BALANCE SHEET
AS AT 31 JULY 2024**

		2024	2023
	Note	£	£
FIXED ASSETS			
Tangible assets	14	117,078,168	101,931,201
Intangible assets	16	183,619	360,201
Investments	17	100	1,100
		117,261,887	102,292,502
CURRENT ASSETS			
Debtors	18	9,740,044	32,663,103
Cash at bank and in hand		18,885,936	36,965,597
		28,625,980	69,628,700
CREDITORS: amounts falling due within one year	19	(49,413,852)	(50,742,411)
NET CURRENT (LIABILITIES)ASSETS		(20,787,872)	18,886,289
TOTAL ASSETS LESS CURRENT LIABILITIES		96,474,015	121,178,791
LONG-TERM LIABILITIES			
Long term loan	21	(1,000,000)	-
		-	-
NET ASSETS		95,474,015	121,178,791
REPRESENTED BY:			
Restricted funds		-	-
Unrestricted funds:			
General reserves		87,928,342	113,633,118
Revaluation reserves		7,545,673	7,545,673
		95,474,015	121,178,791

Net result for the year for the charity before consolidation was a deficit of £25,702,026 (2023: surplus £15,754,448).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3rd December 2024.



R M Macnaughton (Chairman)

The notes on pages 30 to 49 form part of these financial statements

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024**

	Note	2024 £	2023 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (expenditure)/income		(8,696,178)	11,150,381
Adjustments for:			
Depreciation of property, plant and equipment		5,294,226	5,589,325
Amortisation of intangible assets		181,820	249,380
(Gain)/loss on revaluation		-	(7,545,673)
(Gain) on disposal of property, plant and equipment		(14,186)	(60,055)
Interest paid		112,900	72,983
Interest received		(852,559)	(737,084)
(Increase)/decrease in debtors		(2,927,018)	524,783
Increase in creditors		4,289,326	3,387,484
Increase in provisions		37,288	91,928
Loss on disposal of subsidiary		15,748,188	-
		<u>13,173,807</u>	<u>12,723,452</u>
CASH FROM OPERATIONS			
Interest paid		(112,900)	(72,983)
		<u>13,060,907</u>	<u>12,650,469</u>
NET CASH GENERATED FROM OPERATING ACTIVITIES			
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(20,215,627)	(8,442,621)
Purchases of intangible assets		(5,238)	(57,018)
Interest received		852,559	737,084
Proceed from sale of equipment		20,468	61,805
Net cash outflow from disposal		(15,294,134)	-
Disposal of investment		(1,000)	-
		<u>(34,642,972)</u>	<u>(7,700,750)</u>
NET CASH FROM INVESTING ACTIVITIES			
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of debenture loans		(2,750)	(1,500)
		<u>(2,750)</u>	<u>(1,500)</u>
NET CASH USED IN FINANCING ACTIVITIES			
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of the year	24	<u>40,681,450</u>	<u>35,733,231</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	24	<u><u>19,096,635</u></u>	<u><u>40,681,450</u></u>

The notes on pages 30 to 49 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

1.1 Company information

ACS International Schools Limited is a registered charity and public benefit entity in England and Wales and a company limited by guarantee. It was incorporated on 5 July 1967 (company number: 00910010) and registered as a charity on 5th September 2018 (charity number: 1179820). The registered office is Heywood, Portsmouth Road, Cobham, Surrey KT11 1BL.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2019.

The charity has taken the advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cashflow Statement with the consolidated financial statements.

The charity has taken advantage of the exemption allowed under 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements.

The account presents the consolidated statement of financial activities (SOFA), the consolidated and charity balance sheets and the consolidated cash flow statement comprising the consolidation of the Charity and its subsidiaries ACS International School Doha LLC, ACS Overseas Holdings Limited and ACS Commercial Enterprises Limited.

The trustees have a reasonable expectation that ACS International Schools Limited and ACS Commercial Enterprises Limited have adequate resources to continue in operational existence for the foreseeable future and it remains appropriate to prepare their financial statements on a going concern basis.

1.3 Judgement and estimation uncertainty

In application of the accounting policies, trustees are required to make judgements, estimates and assumptions about carrying value of assets and liabilities that are based on historical experience and other relevant factors. The estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognised in either the period of revision and/or in future periods if relevant.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date, are likely to result in a material adjustment to their carrying amounts in the next financial year.

The particular accounting policies adopted and applied consistently are described below.

1.4 School fees and trading income

School fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Scholarships and bursaries granted by the Charity against those fees are deducted in the school term to which they relate.

Trading income and other income is recognised in the period to which it relates.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

1.5 Investment income

Investment income from bank balances is accounted for on an accruals basis.

1.6 Grants and donations

Voluntary incoming resources are accounted for as and when the entitlement arises, the amount can be reliably quantified and the economic benefit to the charity is considered probable.

Donations are restricted in accordance with the donor's intention. Where no restrictions are noted donations are utilised within unrestricted funds.

1.7 Expenses

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is included with the item of expenditure to which it relates. Intra-group sales and charges between the charity and its subsidiaries are excluded from trading income and expenditure.

Charitable activities include teaching staff salaries, depreciation of items related to education and classroom supplies.

Investment and estates management includes investment in new buildings and maintenance of existing ones, as well as depreciation relating to buildings.

Support activities include expenditure on salaries of non-teaching staff, depreciation and purchase of items not directly related to provision of education. The costs are allocated based on spend by department.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation with the exception of freehold land and buildings which are carried at open market value and revalued every five years by professionally qualified surveyors. The properties were revalued in July 23 by Gerald Eve, Chartered Surveyors. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases and recognised within the statement of financial activities:

Freehold buildings	-	Straight line over 15-25 or 50 years
Leasehold improvements	-	Straight line over the period of the lease
Motor vehicles	-	Straight line over 4 or 10 years
Fixtures, fittings and equipment	-	Straight line over 2-15 years

Assets in the course of construction are capitalised at cost but are not depreciated until they become available for use.

1.9 Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following basis:

Computer software	-	Straight line over 3-5 years

Amortisation is included within expenditure in the statement of financial activities.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

1.10 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to expenditure in the statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.12 Operating leases

Rentals under operating leases are charged to expenditure in the statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.13 Funds

The total funds of the charity and its subsidiaries are allocated to unrestricted and restricted based on the terms set by the donors.

Unrestricted income belongs to the charity's corporate reserves, spendable at the direction of the trustees either to further the charity's objects or to benefit the schools itself.

Restricted funds comprise gifts, legacies and grants where the donors have earmarked funds for specific purposes.

1.14 Cash

Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Cash balances are recognised at amortised cost.

1.15 Debtors and Creditors

Short term debtors and creditors are measured at transaction price less any impairment and are subsequently held at amortised cost. £6,739,000 (2023: £6,185,000) included in trade debtors at 31 July 2024 relates to 2024/25 fees invoiced in advance, of which there is a corresponding entry included in deferred income.

1.16 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

1.17 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.18 Fees in advance

Fees in advance represent the following year's tuition, extras and bussing fees invoiced in the current year.

1.19 Management of liquid resources

Liquid resources are defined as cash, cash held at bank and treasury deposits.

1.20 Employee benefits

The liability recognised in the statement of financial position in respect of end of service benefits is the present value of the defined benefit obligation at the end of the reporting year. This is calculated annually by management using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the effective interest rate

1.21 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation because of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense

1.22 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost, with the exception of investments which are held at fair value.

Financial assets held at amortised cost comprise cash at bank and in hand, together with debtors excluding prepayments. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in bank accounts.

Financial liabilities held at amortised cost comprise all creditors excluding social security and other taxes, provisions and deferred income. Investments in subsidiary undertakings are held at cost less impairment.

1.23 Redundancy payments

Termination benefits are payable when employment is terminated by ACS or whenever an employee accepts voluntary redundancy in exchange for these benefits. ACS recognises termination benefits when a fully signed settlement agreement is in place, or when the cost has otherwise been confirmed and committed to.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE

	2024 £	2023 £
Fees receivable consist of:		
ACS school fees	67,411,950	61,791,990
ACS Doha school fees	<u>8,703,602</u>	<u>17,513,739</u>
	<u>76,115,552</u>	<u>79,305,729</u>

School fees are net of bursaries and scholarships.

3. ANCILLARY INCOME

Ancillary income includes income from application fees, bussing fees, student catering, trips and clubs.

	2024 £	2023 £
ACS ancillary income	7,950,058	7,045,093
ACS Doha ancillary income	<u>262,248</u>	<u>662,334</u>
	<u>8,212,306</u>	<u>7,707,427</u>

4. NON-ANCILLARY INCOME

	2024 £	2023 £
Non-student catering and shop income	399,994	364,698
Sports membership and activity fees	80,689	84,307
Hire of facilities	<u>182,948</u>	<u>269,112</u>
	<u>663,631</u>	<u>718,117</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

5. INVESTMENT INCOME

	2024 £	2023 £
UK bank interest	<u>852,559</u>	<u>737,084</u>
	<u>852,559</u>	<u>737,084</u>

6. DONATIONS & GRANTS

	2024 £	2023 £
Donations	633,805	331,307
Grant for research and school partnership	<u>65,052</u>	<u>133,020</u>
	<u>698,857</u>	<u>464,327</u>

7. PRINCIPAL SUBSIDIARIES AND HOLDING COMPANIES

On 14th February 2024, ACS International disposed of ACS Holdings, and consequently its interest in ACS Doha, to Artemis Education

Company name and registered address	Country/ Company number	Percentage Shareholding	Description
ACS International School Doha ¹ LLC, Building 10. Street 161 Al Kheesa, P.O. 200568, Doha	Qatar	49	Operation of overseas educational establishment Disposed on 14 February 2024
ACS International Schools Overseas Holdings Limited, Heywood, Portsmouth Road, Cobham, KT11 1BL	England and Wales 07537434	100	Intermediate holding company Disposed on 14 February 2024
ACS Commercial Enterprises Limited, Heywood, Portsmouth Road, Cobham, KT11 1BL	England and Wales 10887569	100	Trading company

1. *ACS International School Doha LLC was a subsidiary undertaking by a virtue of the fact that ACS International Schools Limited has a participating interest in the undertaking and actually exercises a dominant influence over it.*

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

7. PRINCIPAL SUBSIDIARIES AND HOLDING COMPANIES (continued)

	ACS Commercial Enterprises	ACS International Schools Overseas Holdings	ACS Doha International School	Total 2024	<i>Total 2023</i>
	£	£	£	£	£
Income	352,930	12,831	8,978,681	9,344,442	18,603,380
Expense	<u>(261,696)</u>	<u>(1,238)</u>	<u>(11,721,827)</u>	<u>(11,984,761)</u>	<u>(24,899,610)</u>
Net profit/(loss)	<u>91,234</u>	<u>11,593</u>	<u>(2,743,146)</u>	<u>(2,640,319)</u>	<u>(6,296,230)</u>
Amount gift aided	(91,234)	-	-	(91,234)	<u>(166,693)</u>
Disposal of subsidiary	-	<u>(11,593)</u>	<u>2,743,146</u>	<u>2,731,553</u>	-
Retained in subsidiary	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,462,923)</u>
Net assets	<u>100</u>	<u>-</u>	<u>-</u>	<u>100</u>	<u>(25,754,319)</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

8. ANALYSIS OF EXPENDITURE

(a) Total expenditure

	Staff costs	Depreciation & amortisation	Other	Total 2024	Total 2023
	£	£	£	£	£
Expenditure on raising funds					
Fundraising costs	224,694	-	78,126	302,820	270,199
Other costs of raising funds	127,293	-	134,403	261,696	260,614
Total costs of raising funds	<u>351,987</u>	<u>-</u>	<u>212,529</u>	<u>564,516</u>	<u>530,813</u>
Charitable expenditure					
Education and grant making					
Teaching	30,843,386	2,222,793	13,703,612	46,769,791	52,692,551
Boarding and welfare	2,153,245	733,095	2,644,988	5,531,328	5,196,672
Premises repair and maintenance	1,684,571	372,072	2,345,515	4,402,158	4,557,540
Support costs and governance	9,464,018	1,945,002	11,029,244	22,438,264	22,281,485
Grants, awards and prizes	-	-	8,644	8,644	13,170
Total charitable expenditure	<u>44,145,220</u>	<u>5,272,962</u>	<u>29,732,003</u>	<u>79,150,185</u>	<u>84,741,418</u>
Other expenditure					
Other	-	-	1,238	1,238	323
Total other expenditure	<u>-</u>	<u>-</u>	<u>1,238</u>	<u>1,238</u>	<u>323</u>
Total expended	<u>44,497,207</u>	<u>5,272,962</u>	<u>29,945,770</u>	<u>79,715,939</u>	<u>85,272,554</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

8. ANALYSIS OF EXPENDITURE (continued)

(b) Grants, awards and prizes

	2024	2023
	£	£
From Unrestricted Funds		
UK prizes and leaving awards	<u>8,644</u>	<u>13,170</u>

**(c) Governance included in support costs
(inclusive of VAT)**

	2024	2023
	£	£
Remuneration paid to Crowe UK LLP in respect of:		
Statutory audit	48,600	45,600
Tax compliance	3,600	6,480
Advisory services	1,170	25,675
Remuneration paid to auditors in respect of:		
Statutory audit (Doha)	16,192	17,289
Tax compliance and advisory	17,727	13,992
Reimbursement of personal expenses to Trustees – travel costs	<u>19,951</u>	<u>20,741</u>

Expenses were reclaimed by 6 Trustees (2023:6). No trustees have been paid any remuneration or received any other benefits during the year.

9. LOSS ON DISPOSAL OF SUBSIDIARY

	2024
	£
ACS Doha Interco balance written off	23,940,253
Payment to Artemis Education	11,543,548
ACS Overseas Holdings Interco balance written off	12,381
Cost of investment in ACS Overseas Holdings	1,000
Net assets disposal	<u>(19,748,994)</u>
	<u>15,748,188</u>

Further details on disposal of ACS Holdings and ACS Doha can be found in the Trustees report.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

10. STAFF COSTS

Staff costs, including director's remuneration, were as follows:

	2024	2023
	£	£
ACS wages and salaries	34,428,543	31,395,153
ACS Doha wages and salaries	4,862,830	8,916,659
ACS social security costs	3,385,367	3,121,491
ACS other pension costs	1,629,771	1,425,317
ACS Doha other pension costs	190,696	410,629
	<u>44,497,207</u>	<u>45,269,249</u>

Aggregate employee benefits of key management personnel **1,407,207** 1,447,844
Key management personnel are the Chief Executive and all Directors within the leadership team who routinely attend Board meetings.

	2024	2023
	No.	No.
Number of higher paid employees with aggregate employee benefits in bands of:		
£60,001 to £70,000	29	44
£70,001 to £80,000	22	33
£80,001 to £90,000	6	20
£90,001 to £100,000	3	6
£100,001 to £110,000	5	5
£110,001 to £120,000	-	2
£120,001 to £130,000	-	1
£130,001 to £140,000	-	1
£140,001 to £150,000	3	1
£160,001 to £170,000	-	1
£170,001 to £180,000	1	-
£180,001 to £190,000	-	1
£190,001 to £200,000	1	1
£200,001 to £210,000	2	1
£210,001 to £220,000	-	2
£220,001 to £230,000	-	-
£230,001 to £240,000	1	-
£280,001 to £290,000	-	1
£290,001 to £300,000	1	-

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

The average number of employees during the year was 908 (2023: 957).

	2024	2023
	No.	No.
Academic staff	478	519
Substitute staff	87	98
Welfare	33	35
Support staff	310	305
	908	957

During the year redundancy payments of £210,182 (2023: £361,779) were awarded of which £78,204 remained outstanding at year end (2023: £138,230)

11. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the funds. Contributions of £293,922 (2023: £263,413) are outstanding at the balance sheet date.

12. FINANCE COSTS

	2024	2023
	£	£
Interest payable and charges	112,900	92,695
	112,900	92,695

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

13. TANGIBLE FIXED ASSETS

Consolidated

Group	Freehold land and buildings £	Motor vehicles £	Fixtures, fittings and equipment £	Capital work in progress £	Total £
Cost					
At 1 August 2023	93,485,654	828,980	43,201,109	343,859	137,859,602
Additions	14,153,161	99,131	5,406,089	125,527	19,783,908
Disposals	-	(14,600)	(5,603,208)	-	(5,617,808)
Transfer	-	-	440,148	(440,148)	-
Disposal of subsidiary	-	(19,517)	(14,777,992)	(25,610)	(14,823,119)
Exchange difference	-	477	434,869	(3,628)	431,718
At 31 July 2024	<u>107,638,815</u>	<u>894,471</u>	<u>29,101,015</u>	<u>-</u>	<u>137,634,301</u>
Depreciation					
At 1 August 2023	-	667,595	26,221,512	-	26,889,107
Charge for the year	2,060,750	32,155	3,000,456	-	5,093,361
Disposals	-	(14,600)	(5,596,926)	-	(5,611,526)
Disposal of subsidiary	-	(19,517)	(5,996,156)	-	(6,015,673)
Exchange difference	-	477	200,387	-	200,864
At 31 July 2024	<u>2,060,750</u>	<u>666,110</u>	<u>17,829,273</u>	<u>-</u>	<u>20,556,133</u>
Net book value					
At 31 July 2024	<u>105,578,065</u>	<u>228,361</u>	<u>11,271,742</u>	<u>-</u>	<u>117,078,168</u>
At 31 July 2023	<u>93,485,654</u>	<u>161,385</u>	<u>16,979,597</u>	<u>343,859</u>	<u>110,970,495</u>

All properties were revalued on 31 July 2023 by Gerald Eve, Chartered Surveyors, on basis of open market value for current use at £87,730,000. The valuation was incorporated in the financial statements for the year ended 31 July 2023.

Included in land and buildings is freehold land valued at £14,663,000 which is not depreciated.

Land and buildings include £11,580,791 (2023: £5,755,655) in respect of assets under the course of construction.

The historic cost of assets included at valuation at the balance sheet date is £154,354,098 (2023: £140,200,937).

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

14. TANGIBLE FIXED ASSETS

Charity only

	Freehold property £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost or valuation				
At 1 August 2023	93,485,654	809,940	29,339,031	123,634,625
Additions	14,153,161	99,131	5,365,193	19,617,485
Disposals	-	(14,600)	(5,603,208)	(5,617,808)
Revaluation	-	-	-	-
At 31 July 2024	<u>107,638,815</u>	<u>894,471</u>	<u>29,101,016</u>	<u>137,634,302</u>
Depreciation				
At 1 August 2023	-	648,555	21,054,869	21,703,424
Charge for the year	2,060,750	32,155	2,371,331	4,464,236
Disposals	-	(14,600)	(5,596,926)	(5,611,526)
Revaluation	-	-	-	-
At 31 July 2024	<u>2,060,750</u>	<u>666,110</u>	<u>17,829,274</u>	<u>20,556,134</u>
Net book value				
At 31 July 2024	<u>105,578,065</u>	<u>228,361</u>	<u>11,271,742</u>	<u>117,078,168</u>
At 31 July 2023	<u>93,485,654</u>	<u>161,385</u>	<u>8,284,162</u>	<u>101,931,201</u>

All properties were revalued on 31 July 2023 by Gerald Eve, Chartered Surveyors, on basis of open market value for current use at £87,730,000. The valuation was incorporated in the financial statements for the year ended 31 July 2023.

Included in land and buildings is freehold land valued at £14,924,000 which is not depreciated.

Land and buildings include £11,580,791 (2023: £5,755,655) in respect of assets under the course of construction.

The historic cost of assets included at valuation at the balance sheet date is £154,354,098 (2023: £140,200,937).

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

15. INTANGIBLE FIXED ASSETS

Consolidated

**Computer
Software
£**

Cost

At 1 August 2023

3,503,334

Additions

3,016

Exchange difference

2,222

At 31 July 2024

3,508,572

Depreciation

At 1 August 2023

3,143,133

Charge for the year

179,598

Exchange difference

2,222

At 31 July 2024

3,324,953

Net book value

At 31 July 2024

183,619

At 31 July 2023

360,201

16. INTANGIBLE FIXED ASSETS

Charity only

**Computer
Software
£**

Cost

At 1 August 2023

3,414,615

Additions

3,016

At 31 July 2024

3,417,631

Depreciation

At 1 August 2023

3,054,414

Charge for the year

179,598

At 31 July 2024

3,234,012

Net book value

At 31 July 2024

183,619

At 31 July 2023

360,201

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

17. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Charity	
Cost or valuation	
At 1 August 2023	1,100
Disposal of investment	(1,000)
At 31 July 2024	<u>100</u>
Net book value	
At 31 July 2024	<u>100</u>
At 31 July 2023	<u>1,100</u>

Details of the principal subsidiaries can be found under note number 7.

18. DEBTORS

	<u>Group</u>		<u>Charity</u>	
Due within one year	2024	2023	2024	2023
	£	£	£	£
Trade debtors	6,742,389	6,325,396	6,725,672	5,879,056
Other debtors	650,461	385,921	650,461	385,756
Prepayments and accrued income	2,147,745	3,172,086	2,140,787	2,294,528
Amounts owed by group undertakings	-	-	223,124	24,103,763
	<u>9,540,595</u>	<u>9,883,403</u>	<u>9,740,044</u>	<u>32,663,103</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

19. CREDITORS:
Amounts falling due within one year

	<u>Group</u>		<u>Charity</u>	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	3,433,307	3,417,190	3,433,307	3,175,472
Social security and other taxes	1,182,235	1,128,036	1,182,235	1,128,036
Other creditors	1,649,983	1,975,144	1,646,264	1,840,204
Student deposits	2,952,320	3,221,040	2,952,320	3,221,040
Accruals and prepaid income	1,786,328	5,622,867	1,778,897	2,500,043
Deferred income	38,420,829	39,869,982	38,420,829	37,877,616
Bank loan	-	1,000,000	-	1,000,000
	<u>49,425,002</u>	<u>56,234,259</u>	<u>49,413,852</u>	<u>50,742,411</u>

20. DEFERRED INCOME

Deferred income relates to tuition fees and related income. Movements on deferred income balance during the year are as follows:

	<u>Group</u>		<u>Charity</u>	
	2024	2023	2024	2023
	£	£	£	£
Deferred income b/f	39,869,982	36,454,197	37,877,616	33,749,358
Income released to SOFA in the year	(39,869,982)	(36,454,197)	(37,877,616)	(33,749,358)
Income deferred during the year	38,420,829	39,869,982	38,420,829	37,877,616
	<u>38,420,829</u>	<u>39,869,982</u>	<u>38,420,829</u>	<u>37,877,616</u>

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

21. BANK LOANS DUE IN OVER ONE YEAR

In February 2024 ACS International Schools Limited secured a bank facility with a maximum loan value of £15 million. Current borrowings against the bank facility are £1 million. Interest on the loan is 1.35% above LIBOR and is payable quarterly. The loan is repayable in full 60 months after the loan is drawn. The loan contains financial covenants which apply to the Group's consolidated financial information. All financial covenants were met at 31 July 2024.

Loan repayable is as follows:

	2024 £	2023 £
Within one year	-	1,000,000
Between two to five years	1,000,000	-
More than five years	-	-
	<u>1,000,000</u>	<u>1,000,000</u>

National Westminster Bank PLC hold the following charges on ACS assets located at Heywood, Portsmouth Road, Cobham for continuing security:

- i. A fixed charge over the following property, owned now or in the future:
 - a. All land and fixtures and fittings related to the land and all rents receivable.
 - b. All plant and machinery, including any associated warranties and maintenance contracts.
 - c. All the goodwill.
 - d. Any uncalled share capital.
 - e. All stocks, shares and other securities in any subsidiaries and income and rights relating to them.
 - f. All intellectual property, licences, claims, insurance policies, proceeds of any insurance and any other legal rights.
 - g. The benefit of any hedging arrangements, futures transactions or treasury instruments.
- ii. A floating charge over all other property, assets and rights owned now or in the future which are not subject to an effective fixed charge.

The aggregate revalued amount of secured assets is £72,853,832 (2023: £61,270,060).

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

22. SHARE CAPITAL

	2024 £	2023 £
<u>Allotted, called up and fully paid</u>		
500,000 Ordinary shares of £1 each	500,000	500,000

23a. FUNDS

	B/fwd £	Income £	Expenditure £	Transfers £	Gains and losses £	C/fwd £
Restricted funds						
Cobham	-	448,096	(2,125)	(445,971)	-	-
Hillingdon	-	160,252	(754)	(159,498)	-	-
Egham	-	25,457	(550)	(24,907)	-	-
	-	633,805	(3,429)	(630,376)	-	-
Unrestricted funds						
Share capital	500,000	-	-	-	-	500,000
Debentures	10,657,750	(2,750)	-	-	-	10,655,000
General reserves	85,469,520	86,083,791	(79,712,510)	630,376	(15,697,835)	76,773,342
Revaluation reserves	<u>7,545,673</u>	-	-	-	-	<u>7,545,673</u>
	104,172,943	86,081,041	(79,712,510)	630,376	(15,697,835)	95,474,015
 Total funds	 <u>104,172,943</u>	 <u>86,714,846</u>	 <u>(79,715,939)</u>	 <u>-</u>	 <u>(15,697,835)</u>	 <u>95,474,015</u>

Restricted funds include donations which the donors have earmarked for specific UK campuses. Restricted funds have been released to general reserves as their restrictions have been met during the year. The transfer from restricted to unrestricted funds relate to capital expenditure purchased from restricted fund donation.

Unrestricted funds belong to the charity's corporate reserves, spendable at the direction of the Trustees to further the charity's objects.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

Debentures (5th series)

The director considers that the nature and terms of the fifth issue debentures, issued by ACS International Schools Limited, more accurately reflect equity and therefore they were reclassified from long term creditors to equity within the balance sheet in the year ended 31 July 2024.

During the year ACS International Schools Limited issued £Nil (2023: Nil) and repaid £2,750 (2023: £1,500) fifth issue debentures of £250 each.

The fifth issue debentures are unsecured, non interest bearing and repayable only by ACS International Schools Limited giving debenture holders not less than one month's notice of its intention to repay the principal sum or on a winding up. As at 31 July 2024 this issue comprised 42,620 debentures of £250 each (2023: 42,631 debentures of £250 each).

23b. NET ASSETS SPLIT BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Intangible assets	183,619	-	183,619
Tangible fixed assets	117,078,168	-	117,078,168
Net current liabilities	(20,787,772)	-	(20,787,772)
Liabilities due in more than one year	<u>(1,000,000)</u>	-	<u>(1,000,000)</u>
At 31 July 2024	<u>95,474,015</u>	<u>-</u>	<u>95,474,015</u>

24. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2023 £	Cash flow £	Exchange Movement £	31 July 2024 £
Cash at bank and in hand	39,681,450	(21,584,815)	-	18,096,635
Loan	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Net funds	<u>40,681,450</u>	<u>(21,584,815)</u>	<u>-</u>	<u>19,096,635</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

25. CAPITAL COMMITMENTS

At 31 July 2024 the group and charity had capital commitments as follows:

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Contracted for but not provided in these financial statements	<u>358,988</u>	<u>4,092,005</u>	<u>358,988</u>	<u>4,092,005</u>

26. OPERATING LEASE COMMITMENTS

At 31 July 2024 the group had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2024	2023	2024	2023
	£	£	£	£
Within 1 year	20,910	10,847,679	145,820	152,816
Between 2 and 5 years	83,640	35,890,188	129,662	275,482
After more than 5 years	669,120	68,514,050	-	-
	<u>773,670</u>	<u>115,251,917</u>	<u>275,482</u>	<u>428,298</u>

27. RELATED PARTY TRANSACTIONS

ACS International Schools Limited, the ultimate parent company recharged £261,696 (2023: £260,614) to ACS Commercial Enterprises Limited for the provision of staff and expenditure incurred on its behalf. At year end the balance of £223,124 (2023: £510,792) was owed to ACS International Schools Limited. ACS Commercial Enterprises Limited gift aided its profit of £91,234 (2023: £166,693) to ACS International Schools Limited.

ACS International Schools Limited recharged £256,921 (2023: £519,802) to ACS Doha International School LLC for expenditure incurred on its behalf and £184,896 (2023: £382,171) for royalty and management charges. At year end the amount owed by ACS Doha International School LLC to ACS International Schools Limited was £nil (2023: £23,492,971).

ACS INTERNATIONAL SCHOOLS LIMITED

England & Wales - Charity number 1179820

Accounts

Registered number: 00910010
Registered Charity number: 1179820

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

ACS INTERNATIONAL SCHOOLS LIMITED

CHARITY INFORMATION

TRUSTEES

C J E Ferguson (Resigned 16/05/2023)
N E Bobay
J B S Swallow
C J Wille
R M Macnaughton - Chairman
P Mundy
S B Jackson
H.M.C Pinto
T.Moya Mose
C.N.Banks
M Whitmore (Appointed 01/08/2023)

COMPANY SECRETARY

G Charles

REGISTERED COMPANY NUMBER 00910010

REGISTERED CHARITY NUMBER 1179820

REGISTERED OFFICE

Heywood
Portsmouth Road
Cobham
Surrey
KT11 1BL

INDEPENDENT AUDITOR

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

BANKERS

NatWest Bank Plc
135 Bishopsgate
London
EC2M 3UR

SOLICITORS

Eversheds Sutherland
1 Wood Street
London

ACS INTERNATIONAL SCHOOLS LIMITED

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ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2023

The Trustees present their Annual Report for the year ended 31 July 2023 under the Charities Act 2011, including the Trustees' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year and confirm that the latter comply with the requirements of the Charities Act 2011 and the Charities SORP 2015.

ACS International Schools Limited is a Registered Charity (registered charity number 1179820).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The Charity is governed by its Memorandum and Articles of Association, last amended on 1 October 2017.

Governing Body

The Governing Body of ACS International Schools Limited is known as the Board. There is one Governing Body for the three UK Schools and the one Qatar School. The Board is the main decision-making body of ACS International Schools Limited (the "Charity" also known as "ACS"). ACS and each subsidiary company are governed by a separate board (together the "ACS Group"). The Board is accountable to the Members and the public for setting the strategy and directing the performance of the ACS Group.

The Board is collectively responsible for promoting the long-term success and viability of the ACS Group by directing and supervising the ACS Group's affairs, exercising the powers of the Charity, subject to any relevant laws and regulations and in accordance with the Articles.

The Board conducts a full internal review of its activities and effectiveness annually. The Board also assesses its activities and effectiveness via an external third party every two years.

Recruitment and Training of Trustees

Appointments to the Board will be recommended by the People Committee for approval by the Board or will be approved by the Members by an ordinary resolution at a general meeting.

Appointments to the Board will be subject to the terms and conditions set out in an appointment letter recommended to the Board by the People Committee.

The term of appointment for a Trustee will normally be for an initial three year period, renewable by the Board on the recommendation of the People Committee for a further three year period, and thereafter annually for a maximum term of nine years in total. Exceptions may be made if deemed by the Board to be in the best interests of the Charity.

Prospective candidates for vacancies on the Board are considered in light of the skills and experience required at the time, which will include personal competence, professional qualities, specialist skills and experience. The Board is committed to being as diverse as practicable, balanced with ACS's needs for high quality Trustees. To ensure that Trustees' roles and responsibilities are carried out effectively, the new Board members attend a detailed brief by the Chairman, Chief Executive and other relevant members of the Leadership Team.

The Trustees conform to the recommended and best practice for governance contained within the Charity Governance Code across the seven areas and are comfortable there are no significant areas of review required. Trustees continue to monitor the best practice principles contained within the Code.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2023

Organisational Management

The Board is legally responsible for the overall management and control of the schools.

The Board meets at least four times a year and is supported by the following committees:

- The Audit and Risk Committee investigate, advise and report to the Board on certain matters relating to financial reporting, external audit, internal controls and risk management. The Committee is chaired by J.B.S Swallow.
- The Education Committee investigate, advise and report to the Board on certain matters relating to the educational philosophy, programmes and student learning outcomes of ACS Group schools. The Committee is chaired by P Mundy.
- The People Committee investigate, advise and report to the Board on certain matters relating to appointments, remuneration and governance. The Committee was chaired by C J Wille until 12th June 2023. From 13th June 2023, the Committee is chaired by C Banks.

All Board sub-committees meet at least three times a year.

In accordance with the Articles of Association, the Board has the power to delegate responsibility (but not accountability) to committees, directors, and the management of the Charity, and to that end the Board has established a Schedule of Delegated Authorities.

All powers, duties and decision-making responsibilities conferred on the Board by the Articles that are not set out in the Schedule of Matters Reserved for the Board and have not been delegated to a committee, the Company Secretary or a Director, are delegated to the Chief Executive.

The Chief Executive is Timothy Cagney. The Chief Executive is responsible for proposing and delivering the Group's strategy, and for managing the day-to-day activities, operations and resources of the Group.

The Chief Executive is the most senior member of the Leadership Team. The Leadership Team is the key management team. The Leadership Team includes the following employees:

- Chief Executive
- Chief Finance and Estates Officer
- Marketing, Development and Admissions Director
- Human Resources Director
- Education Strategy and Integrated Technology Director
- Partnerships Director
- ACS Cobham Head of School
- ACS Egham Head of School
- ACS Hillingdon Head of School
- ACS Doha Head of School

The People Committee consider remuneration and make recommendations to the Board on the remuneration policy for the Chief Executive and Leadership Team and the annual pay review and material changes to Group-wide compensation policy and practice. The Board reviews the People Committees' recommendations and determines the Group's remuneration policy.

The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with the local labour market and to comparisons with other independent schools to ensure that the Group remains sensitive to broader issues of pay and employment terms and conditions elsewhere.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2023

The Group's ability to deliver its charitable purpose and objectives is primarily dependent on its key management personnel and staff.

Promotion of the success of the organisation to provide public benefit

The Trustees confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider would be most likely to achieve the purposes of the Group. In making this assessment the Trustees have considered the following:

a. The likely consequences of any decision in the long term

The long-term sustainability of the operating model is considered by the Trustees as set out in the going concern statement in the Strategic Report section of the Trustees' Report. Specifically, the Trustees consider both short and longer term financial projections and the key risks that could negatively impact the sustainability of the Group. The Trustees are presented with management information, budgets, forecasts, cashflow projections and progress against the financial plan on a regular basis.

Risk management is embedded at all levels across the Group. The most significant risks are discussed at each Board meeting. See the risk management section for further details.

The Trustees review and endorse all policies to ensure consistent long term regulatory compliance.

b. The interests of the Group's employees

Frequent communication with employees is essential and has been conducted by regular meetings and routine weekly written communications to employees.

See the employee policy section for further details.

c. The need to foster the Group's business relationships with suppliers, customers and others

All suppliers are treated fairly and promptly with business terms adhered to. The Company complies with the UK's Payment Practices Regulations that require the publication of information on the supplier terms offered and average payment statistics.

The parent contract forms the basis of the relationship with fee payers. This is reviewed regularly to ensure best practice and applied fairly and consistently.

A fair policy of bursary awards, consistently applied, support families who may not otherwise be able to access education at the school.

The Group works with a range of donors in support of furthering its fundraising aims and objectives. Group fundraising is bound by the Fundraising Policy and Gift Acceptance and Review Policy. The Group is transparent with information and prides itself on building mutually beneficial relationships.

d. The impact of the Group's operations on the community and the environment

The Group has completed the Energy Savings Opportunity Scheme (ESOS) reporting requirements and is reporting under the Streamlined Energy and Carbon Reporting (SECR). The Group is concerned about its energy consumption and carbon emissions and wishes to utilise the mandatory SECR legislation to identify ways of saving energy and reduce on carbon emissions. Further details of this are in the Strategic Report section of the Trustees' Report.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2023

e. The desirability of the Group in maintaining a reputation for high standards of business conduct

The Group's Procurement policy outlines the responsibility of company employees to undertake procurement processes that ensure procurement best practice is followed. This requires employees to produce an approved Purchase Order in order to procure goods and services. The policy also requires quotation and tender procedures with suppliers as the value of the order being placed rises. Preferred suppliers are used wherever possible with new suppliers going through an authorisation process. The Group may withhold payment of an invoice that doesn't include a Purchase Order but otherwise adheres to supplier payment terms wherever possible upon receipt of an invoice from the supplier. The Group would seek to resolve any supplier disputes on a case-by-case basis.

The Group's Anti-Bribery policy sets out the responsibilities of staff to report any incidents or suspicion of fraud, bribery or corruption arising in the course of their work and to cooperate fully with related investigations; and comply with applicable Finance policies and procedures. The Group takes a zero tolerance approach towards fraud, bribery and corruption. It is committed to complying with all applicable laws and regulations relating to fraud, bribery and corruption wherever it operates.

The Group has an Anti-money laundering policy which seeks to prevent the organisation and its staff being exposed to money laundering, to identify the potential areas where it may occur, and to comply with all legal and regulatory requirements, especially with regard to the reporting of actual or suspected cases.

f. The need to act fairly between members of the Group.

All Trustees and senior staff complete an annual Conflict of Interest declaration. There were no conflicts of interest identified in the year to 31st July 2023.

Group structure and relationships

ACS was established in 1967 as a commercial organisation founded and originally owned by Mr EJ Poularas and Mr G Speed but subsequently ultimately owned by The Emmanuel John Poularas Will Trust (registered charity number 1169800) following the death of Mr Poularas.

In 2018 ACS became a charity to advance education and secure the longevity of ACS. ACS operates under the registered charity number 1179820. In 2018 the Inland Revenue accepted the Company as a charity for tax purposes with effect from the date it adopted charitable articles.

On 12th November 2019, the entire issued share capital of ACS International Schools Limited was transferred from David Thomas, as the sole trustee of the Emmanuel John Poularas Will Trust, to the Members of ACS International Schools Limited. At the same time, David Thomas ceased to be the company's person with significant control and ACS International Schools Limited became the relevant legal entity.

Subsidiaries and holding companies

The group accounts of ACS International Schools Limited incorporate the results of the following subsidiaries:

ACS Commercial Enterprises Limited

ACS has a wholly owned non-charitable subsidiary, ACS Commercial Enterprises Limited (ACSCE), whose annual profits are donated to ACS under the Gift Aid Scheme. The trading activities of ACS Commercial Enterprises Limited primarily comprise revenue from the Sports Centres and lettings of the campus facilities when not in use by the Schools. The subsidiary's aims, objectives and achievements are covered in the relevant sections of this report.

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ACS International Schools Overseas Holdings Limited

ACS International Schools Overseas Holdings Limited acts as a holding company for ACS's investment in ACS Doha International School LLC. It was established to limit the risk exposure of the investment, and should ACS decide in the future to operate other schools overseas, it would be used to do the same for such operations.

ACS Doha International School LLC

ACS Doha International School LLC (ACS Doha) was incorporated in 2011 in Qatar and is a programme related investment to enable ACS to establish and operate a school in Doha. The objects of ACS Doha are to advance education and the school has grown since 2011 to over 1000 students from ages 2-18.

Risk Management

ACS Group has established formal mechanisms that facilitate the identification and management of risk, thus safeguarding the delivery of strategic and operational objectives.

The risk management framework includes:

- A Risk Management Policy and Risk Appetite Statement;
- A Risk Register to identify, evaluate and manage significant risks;
- A standard Risk Matrix, identifying likelihood and impact used throughout the organisation;
- Assurance and audit processes;
- Governance processes;
- The underlying policy and control environment.

By applying the risk management framework throughout the organisation the ACS Group ensures:

- risks are identified, reviewed and where appropriate proactively managed;
- the parameters within which ACS Group would want to conduct its activities are clearly identified;
- controls and processes are designed and implemented to help mitigate identified risks to acceptable levels;
- the effectiveness of controls and processes are regularly reviewed and where necessary tested;
- there are crisis management and business continuity systems in place with clear accountabilities.

The Board has overall responsibility for the Risk Management Policy and Risk Appetite Statement, assisted by the Audit and Risk Sub-Committee whose activities include working with senior management to compile and review the Risk Register.

Principal risks and uncertainties facing the business

The principal risks that have been identified include:

- Significant decline in enrolment that could lead to financial loss, restriction on growth and educational offering. To grow, the ACS Group must continue to target other market segments including students from overseas (boarding) and local self-paying families, in addition to expat families. This enables the ACS Group to react quickly with improvements as necessary and maintain its word of mouth referrals;
- Risk of cyber attack on IT systems and data that could lead to reputational damage or financial loss. Policies, procedures and training are in place to protect the IT systems and data.
- Safeguarding and Health and Safety. ACS Group wishes to create an environment in ACS schools where all feel safe and secure and can thrive and therefore policies, procedures and training are in place to mitigate these risks.

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Careful and prudent financial management of the ACS Group ensures that it is not exposed to significant financial risks, providing a stable base for the future development of the organisation.

Employment policy

ACS is an equal opportunities employer. The ACS Group is committed to the fair treatment of all employees, potential employees or users of its services, regardless of race, gender, religion or belief, sex and sexual orientation, marital status, pregnancy and maternity, responsibilities for dependants, age, physical/mental disability or background.

ACS continuously review its employment policies to ensure employment practices are in accordance with country employment law, whilst fostering safe and productive working environments for staff and students alike. All employee policies aim to eliminate any unwanted biases in recruitment, development or reward practices. ACS run education and training sessions to ensure that it raises awareness, educates staff and takes action to address behaviours which are not aligned with its DEI commitments or the ACS values. This year ACS is undertaking a full review of all employment policies, including our Code of Conduct and Absence Management policies for which people managers are receiving dedicated refresher training.

ACS's Vision for Diversity & Inclusion:

"At ACS, we are committed to fostering a diverse, equitable and inclusive community of students, families, staff, alumni and charitable partners. We aspire to live by our core values, joining together to build a global family in which everyone belongs. We believe every person has unique contributions to make to each other and to the world. We value diversity and seek multiple perspectives, listening to others with an open mind. We respect and include people with different backgrounds, life experiences, world views and expertise, because it's right, and because it makes us stronger. We acknowledge the negative power of a single story. We promote positive change, seeking to manage difference productively, educate ourselves and others, and advocate for equality and inclusion. We will listen to and amplify minority voices and speak out against injustice. We will work together toward a better future, where everyone is safe, valued and able to fulfil their potential, and where our societies are just and fair for all."

ACS are committed to building representation of diversity in leadership and its wider staff body and continue to improve its recruitment policies and practices to work towards this goal. Specific actions in this area include:

- Working actively to secure relationships with sources of diverse talent.
- Job adverts and candidate briefs include DEI statement and content screened for non-inclusive language
- Introduction of structured selection and interviewing techniques to counter unconscious bias
- Challenge to search agencies to provide more diverse candidate pools
- Job application form redesigned to update diversity categorisation for gender and ethnicity

ACS is committed to furthering the development of all staff and this year are launching a leadership programme specifically for Academic Leadership across the group to further skills in leading people and leading learning.

Following its launch in 2021, ACS continues to evolve its graduate teacher programme to attract and develop future generations of talented teachers. The purpose of the programme is to positively impact student learning outcomes by inspiring lifelong learning for newly qualified teachers through an innovative programme of educator support, talent development, and career progression. Following a successful pilot, the programme is extending its reach to more areas of the curriculum.

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ACS is actively working on its employee reward strategy including pay structures, benefits, and total compensation to ensure that ACS offer fair rates of compensation for every role at ACS and provide an attractive proposition to attract and retain the talent ACS need to meet our community commitments. As part of its annual pay review ACS ensures no pay rate is below the London Living Wage.

ACS is committed to providing a range of employee benefits to promote employee health and financial wellbeing through the provision of an occupational pension, private medical insurance, employee assistance programme, counselling support, self-help guidance, and low-cost sports centre access on campus.

In line with legislation, ACS reports its UK gender pay gap on an annual basis and takes measures to address any gender related bias identified.

ACS is committed to acting ethically and with integrity in all business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere within the ACS Group.

It is the Group's policy to foster a culture where all employees feel valued and have a voice. ACS regularly consults with employees, holds staff forums and encourages meetings where matters that are likely to affect employees' interests can be discussed. Staff are also consulted on specific issues via pulse / employee surveys. Various channels exist for staff to confidentially raise matters of concern to senior leadership. An all-staff portal, Schoology, houses all employee policies and procedures for easy access.

OBJECTS, AIMS, OBJECTIVES and ACTIVITIES

Charitable objects

ACS's charitable object, as set out in the Articles of Association, is to advance education in particular by the provision and conduct of schools. In furtherance of this object for the public benefit ACS has established and administers a Financial Assistance Programme and a Partnership, Grants and Access Programme. The Board is mindful of the longstanding need to provide public benefit and the requirements of the Charities Act 2011.

Aims

Within its charitable object, ACS's intention is to operate schools that provide a high-quality education within an internationally diverse context with the highest standards of teaching, pastoral care, facilities and support for students.

ACS prepares its students to be ready. Ready for cultures that crossover, boundaries that blur and ideas that interconnect. Ready for a world that demands a new kind of learning, and a new kind of citizen. ACS is a dynamic learning community. ACS's character is built on integrity, open-mindedness and empathy. ACS is proud of its international community, and their commitment to make a difference. ACS welcomes people of all cultures from around the world to create a powerful, shared experience that shapes the way ACS teach and learn, and actively defines ACS's international character. ACS strives to build strong partnerships with parents and stakeholders. Above all, ACS appreciates that happiness enriches learning.

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Objectives for the year

The main objective of ACS is to continue to provide education of the highest quality that meets the needs of an ever-changing future.

The primary objectives of ACS during the year were:

- **Progress the Financial Assistance Programme**
- **Progress the Partnerships, Grants and Access Strategy**
- **Focus on the Education Strategy and People Strategy**
- **Progress Fundraising plans and Alumni relations**

More detail is provided on the progress of each of the above areas, later in the Trustees report.

Supporting ACS's object to Advance Education the following core values have been developed:

- Imagine better
- Aim high and make it happen
- Welcome everyone
- Act with kindness
- Work together

ACS's education philosophy ensures that ACS focuses on being a dynamic learning community. ACS believes that a great education needs to be balanced and so ACS focuses on three core expected school-wide learning results ensuring ACS students become:

- An effective learner
- A confident individual
- A caring contributor to society

Public Benefit and Community Engagement

ACS was founded in 1967 to operate schools in order to educate students. As a charity ACS is committed to providing public benefit, in accordance with its objects. The Trustees have considered the requirements of the Charities Act 2011 and the charity commissions guidance on public benefit in setting the objectives and activities of the charity. Currently ACS Group operates four schools: ACS Cobham, ACS Egham, ACS Hillingdon and ACS Doha. During the year on average 3,454 students were educated by ACS (2022: 3,235).

ACS's schools actively engage with communities, provide financially assisted places to help advance education and provide resources to develop community partnerships with both local organisations and schools.

Financial Assistance Programme

ACS has invested more than £1,000,000 in financially assisted places for 42 students this year in its ongoing commitment to increase access to an ACS education to young people from a wide variety of backgrounds. Applications for the 2024/2025 academic year open in early September 2023, which will enable a number of young people to receive subsidised or fully funded places at its UK schools. ACS receives on average 150 and 200 enquiries for its bursary programme.

Bursaries are awarded from 10% - 100%. Recruitment of students from diverse backgrounds and economic circumstances has resulted in the average award of over 81% of fees, with a significant cohort of students receiving full fee remission.

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Hardship Awards

ACS continued to provide means tested bursaries to ACS parents struggling to pay the school fees as a result of a change in their financial circumstances. The bursaries are short term in nature acting as a financial bridge until the parents are able to resume paying the fees, or as a financial parachute for families with longer term financial problems.

Partnerships, Grants and Access Strategy

ACS's ambition is to achieve a step change in engagement by developing partnerships with schools and organisations to advance education in their communities. ACS partnerships will focus on key areas to ensure ACS can provide valuable and ongoing public benefit. ACS's aim is to set up partnerships to widen access to ACS's education facilities and resources, by bringing independent and state school communities together. ACS shares their expertise and promotes active participation in a number of areas including:

- the sharing of teaching facilities with state schools (for example music facilities or sciences labs etc.);
- the sharing of teachers with local state schools.
- permitting pupils from state schools to attend instruction in subjects they would not ordinarily be able to study (for example Theory of Knowledge, a range of mother tongue foreign languages).
- making facilities, such as sports pitches, swimming pools, sports halls and theatres available to pupils at state schools.
- sharing teaching materials with state schools and
- the sharing of expertise in key areas such as Leadership, Teaching, Curriculum development, and overall school improvement, mentoring and support

ACS has developed partnership hubs of schools and will continue to build further partnerships in our locality. For example, ACS's relationships with other local state schools include:

- Shared facilities, resources and expertise across partnership schools.
- Free drama, music, choir, STEAM sessions for students across the region.
- Working with special education needs pupils to help improve their social skills and for ACS students to experience the challenges and opportunities faced by members of the community.
- Establishing and hosting a free STEAM event for 10,000 young people alongside 75 partner organisations, hosted at Thorpe Park.
- A peer tutoring program where High school students tutor lower school pupils at partner schools.
- A service learning offer to ACS students working with the local community.
- Working with Partners such as Pinewood Studios on film, The Royal Philharmonic, animation and set design.
- Teacher training and CPD i.e. SEND provision and coffee mornings for parents.
- Development of online training materials to support partner schools i.e. Hacking Neurodiversity video series.
- Fundraising for local charitable needs and opportunities.
- Staff from a primary school visit ACS in order to learn about the use of technology in the classroom.
- Various residential events such as our Football Family Programme and British Studies Programme.

ACS schools now have a partnerships manager for each of our UK campuses. ACS have also employed a full time events manager to take lead on the larger projects. ACS schools have formed partnerships school hubs around each of our campuses. These hubs offer educational events, shared resources and facilities, teacher training and 'outreach boxes' for free loan of modern equipment for classroom topics. These include class sets of virtual reality and augmented reality headsets, various cameras (SLR, 360, Thermal, Go Pro) and high-end technology such as Pepper the robot and Nao the robot. ACS has been named in the top 10 schools in the world

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for community collaboration, highly commended by Pearsons and gained a silver award in the Global Good Awards.

The ACS Partnerships App has been downloaded thousands of times and is regularly used by ACS staff and teachers in our partner schools. This assists the school's campuses with running their partnership hubs, monitor and evaluate impact and formulate high quality, useful partnerships with business, charities, schools, universities and parents. The application will also form the base of our Service learning offer, outside of what ACS already do with PYP, MYP, DP and DOE. This pilot application is now live on Apple and Google Play Stores (ACS School Partnerships).

During the year ACS prepared for a large free partnerships event at Thorpe Park, which took place in October 2022. The event hosted 10,053 children to the park for the day to celebrate STEAM activities alongside our partner organisations. More information can be seen here www.steam2022.org.

During the year bootcamps have been hosted for 200 primary school students in our partner hub schools. These bootcamps have been hosted by 'Performing perfectly' and Westend actors, alongside the Royal Philharmonic Orchestra. This is preparation for a big event hosted at G Live in December 2023 called 'The Night of Magical Musicals'

ACS Partnerships has been working on the new 'Arts Pathway' for launch in 2023/2024. This will include events across film, TV, Makeup, Hair, set design, Games design, musical composition, poetry, creative writing and many other topics.

ACS supports many projects outside of the UK and Doha, to advance education of both ACS students and students abroad. Some of these projects include:

- Namibia Project (registered charity number 1163681) - Since 1999, ACS Cobham has been sending groups of students and teachers to Namibia, to participate in lasting partnerships with different schools and projects. ACS has been preparing to take this work back in house for 2024 as the Namibia Charity disbands.
- Project Nepal - Through the Project Nepal, the community of ACS Egham aims to support Nepalese school communities while simultaneously providing ACS students with social action and emotional development opportunities and the chance to make a sustainable difference.

ACS students also take part in practical voluntary service in the local community, as part of ACS providing them with a broad education. For example providing clothing, toiletries and food, volunteering at community centres, fundraising for the benefit of local communities and working with the elderly and the homeless.

ACS's service learning program is currently undergoing a full review as part of the Partnerships Strategy and this will be a vital element of our charitable work. Everything ACS does across its campuses will involve ACS student participation in some way, enhancing skills and knowledge for the future workplace, whilst teaching valuable experiential life skills.

When ACS Group is not using its facilities, ACS makes them available to the community. Schools that have signed up as registered partners will have access to facilities and resources free of charge.

Since 2020, ACS logged over 790,000 hours of student community interaction and 70,000 hours of teacher training in new technologies through our technology loan scheme and twilight CPD offer.

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Education Strategy

In November 2019, the Board approved a new Education Strategy that describes the desired position for ACS schools in 2025. Its principal objective remains to increase the unique quality and value of the ACS educational experience. The strategy aims to deepen an already solid foundation, driving key innovations that set a stage from which it can choose how to extend its impact into the future. A further aim of the strategy was that through its implementation, it will position the group to respond directly and creatively to geopolitical volatility in its markets and uncertainty in the premium independent international school sector.

ACS's Education Strategy has been strengthened by the articulation of refreshed articulation of ACS's mission, vision, and values. Similarly fundamental, the strategy has helped to prioritise efforts to change structures and systems that enable innovation and deliver results.

ACS's Education Strategy was launched in 2020 amid the global COVID-19 pandemic. In its third year of implementation, it continued to evolve. Moving fully into the 'getting back to normal' post-pandemic world, some of the ten original projects are delivered; some have merged or been replaced; and some have become less relevant. In 2022, the strategic focus was on celebrating diversity and developing a culture of inclusion. In 2022, ACS launched the Future of Teaching Teacher Residency Programme and began implementing Universal Design for Learning.

Our strategy still aims to provide:

- a sharper focus on inspirational teaching that continually improves academic results
- demonstrated public benefit and global competence through a greater range of educational experiences
- an expanded and carefully monitored notion of what it means to belong to a healthy international learning community
- equitable, distinctive, and systematically implemented support for all students to achieve challenging educational goals.

People Strategy

Launched in 2020, the People Strategy continues to evolve, focusing on key policies and practises to promote 'inspiring talent' and a culture that attracts and retains the best talent to advance teaching excellence inspiring the world's next global thinkers and doers.

A number of initiatives are now underway to embed the People Strategy with particular focus on inspiring academic leadership, fair reward for all employee groups, along with the expansion of the DEI agenda to include 'belonging'.

In response to the exceptional economic pressures that resulted in a significant increase in the cost of living in the UK, the People Committee supported a competitive pay award for 2023, along with the introduction of a new teacher pay spine, enhancing ACS's employee value proposition in the international school's market. These changes have improved the group's ability to attract and retain academic talent in a highly competitive global marketplace and enabled the group to deliver on an extensive recruitment campaign, welcoming academic talent from a broad international marketplace for the start of the academic year 2023- 2024.

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ACS is undertaking a review pay structures to ensure fairness and equity across all employee groups. The People Committee continues to review executive remuneration and succession planning for senior roles across the campuses, reforming executive pay in line with the educational and charitable sectors.

The ACS DEI agenda continues to evolve, and this year embraces the concept of 'belonging' as part of our strategic plans to build an inclusive school community for all students and staff. During the summer of 2023, ACS actively supported PRIDE initiatives, with further initiatives such as Black History marked in October 2023.

Further expansion of employee networks will promote more understanding and support across all diverse groups.

ACS continues to reinforce and embed its narrative on organisational purpose, strategy and values, envisioning a community and an alumnus embracing the future as effective, confident and caring individuals who are ready to act, lead, care and change the world and its students to be ready to ask new questions and demand better answers.



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Fundraising performance and Alumni relations

The Development and Alumni Relations team engages with and mobilises the ACS global alumni and friends communities to donate to the UK schools, which includes all current and former parents, former students and former staff.

There were no professional fundraising organisations used and no monitoring processes required during the year.

ACS is establishing three new UK School Development Committees with members including school leadership team, Head of Development and Alumni Relations, Marketing Managers and up to six major parent donors. The aims of the committees will be to shape the fundraising strategies for each UK school raising circa £10m over five years to support capital projects and financially assisted places from parents and alumni.

ACS continues to work collaboratively with the PSOs (Parent School Organisations) sharing fundraising campaign and charitable communications which assists ACS with its philanthropic programmes. The PSOs continue to donate to the schools this year in support of capital projects.

Donations were raised for the benefit of the three UK schools for capital projects, financially assisted places and scholarships, to support the development of new learning spaces and to support students without the financial means to come to ACS.

Fundraising campaigns are being developed for the three schools and ACS Cobham received a pledge of £250,000 from a current parent to support the development of a brand new health and wellbeing centre, called Ready to Thrive which will be built in 2024 subject to £1m being raised through donations.

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82% of donations received have come from ACS parents and 18% from American alumni. ACS has received donations during the year of £458,928 (2022: £459,022).

The Development and Alumni Relations team engages with its alumni, former staff and former parents with the aim of reconnecting alumni with their school and donating to its fundraising campaigns. In the US ACS receive support in engagement through informal alumni associations called Chapters. ACS currently have one Chapter for the Atlantic Coast of America, operated in New York and one for Texas, operated in Houston. Each Chapter has its leadership team comprising of Chapter President, Vice President (Development) and Vice President (Marketing and Outreach). Chapters host alumni social and fundraising events on our behalf. During the pandemic, these events were moved virtually allowing us to reach a much larger audience.

During the previous year up to July 2022 the two US Chapters held several social happy hour events attracting 20 alumni. In April of 2022, the Houston Chapter held its first post pandemic Presidential dinner with 12 guests, celebrating the schools 55th anniversary and in April of 2022 17 guests celebrated the Presidential Dinner in New York. During June the UK Development and Alumni Team welcomed back over 65 Hillingdon alumni together with their families for their school reunion weekend.

There are currently approximately 7,087 contactable alumni, former staff and former parents (referred to as Friends), 3,034 receive our monthly newsletter and 25 donors. The majority of our current engaged alumni audience are based in the USA, supported by the work of the Texas and the Atlantic Coast Chapters as well as ACS International Schools in America

Capital campaign strategies for the UK schools are planned to raise major gifts from parents and alumni communities over five years as well as the introduction of new regular giving programmes for parents and alumni to give small monthly donations via direct debit.

In order to support these new fundraising programmes, face to face international donor cultivation events are being planned.

ACS has a Fundraising Policy in place which sets out ACS's approach to fundraising and to protect vulnerable people and other members of the public from behaviour which:

- is an unreasonable intrusion on a person's privacy;
- is unreasonably persistent;
- places undue pressure on a person to give money or other property.

During the year ACS or any person acting on its behalf for the purposes of fundraising did not receive any complaints about fundraising activity (2022:no complaints).

ACS works closely with ACS International Schools in America Inc. which is a non-profit organisation section 501c (3) based on the East Coast of America. The organisation supports education around the world with the mission to raise awareness of and support for ACS International Schools education allowing more students to benefit from the opportunities offered by the schools. The capital campaigns for the UK schools are being championed by alumni directors in the USA to stimulate major gifts from our alumni community.

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STRATEGIC REPORT

Review of achievements and performance for the year

During the year, ACS Group continued to provide a first-class educational experience for students between the ages of 2-18.

ACS Group's students delivered another above average set of academic results reflecting the joint effort of ACS teachers and school leaders. Again this year, 175 (2022: 165) students at ACS International Schools in the UK achieved the International Baccalaureate (IB) Diploma, with average total points of 35 (2022: 36- special circumstances with modified curriculum) and a pass rate of 95% (2022: 98%), which is higher than worldwide average of 30 points (2022: 32) and an 80% pass rate (2022: 82%), meeting or exceeded our Key Performance Indicators for DP assessment. Like other examination boards, the IB continued to release grade inflation reflected in historically anomalous pandemic-era results.

Ten students at ACS Hillingdon (2022: 2) achieved the IB Career Related Certificate, including success in their UK Level 3 Diploma in Games, Animation, and Visual Effects Skills (AIM Assessment Group). In three ACS schools offering Advanced Placement courses, 238 students took exams (2022: 208), with 86% qualifying to receive college credit in at least one course (2022: 83%). In total, 328 ACS students earned American High School Diplomas (2022: 302).

In 2019, ACS launched a new brand narrative, logo and visual identity. The new branding was developed to command a unique and differentiated position in the market following extensive research and customer and stakeholder engagement. The new brand narrative 'Ready for whatever comes next' was launched internally to all staff and externally across all touchpoints from August 2019. Feedback from the wider ACS community and externally was extremely positive. Interest in the school measured by open day registrations, digital and website views and engagement was ahead of the previous year until lockdown. The new brand has been successfully implemented across all assets at the Doha new campus.

In addition, there has been progress in the Financial Assistance Programme and the Partnerships, Grants and Access Strategy as previously discussed in the Trustees report.

The trustees have a reasonable expectation that ACS International Schools Limited, ACS Doha International School LLC, ACS International Schools Overseas Holdings Limited and ACS Commercial Enterprises Limited have adequate resources to continue in operational existence for the foreseeable future and it remains appropriate to prepare their financial statements on a going concern basis.

ACS International Schools Overseas Holdings Limited continues to act as a holding company.

ACS Commercial Enterprises Limited (ACSCE) continues to be profitable and profit of £166,693 (2022: £125,399) was donated to ACS under the Gift Aid Scheme.

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STRATEGIC REPORT (continued)

Capital Investment (including progress on Doha campus)

ACS Group continues to invest in its first-class educational facilities. At ACS Cobham, work on the Masterplan continued with most focus on expanding Early Childhood to allow it to accommodate Lower School; and commencement of the development of West Lodge, to allow staff to move out of Heywood House (to complete the Early Childhood Village). Other smaller projects were completed in the year, including replacement of Middle School and High School lifts and development of the Sports Centre offices.

At ACS Hillingdon, refurbishment of the dining area was completed which resulted in increased capacity by increasing the number of tables and improved student flow through updating the servery counter. In addition, work commenced on an extension to the existing Sport Hall to create a new multi-use hall area.

At ACS Egham, planned Masterplan works on Maple Art, DT and outdoor teaching area's was refocussed on various other projects including significant work refurbishing and upgrading the Dining Hall, and Mansion Toilets, replacement of the Tennis Bubble surface and cover, major works to improve Drainage at the sports fields and replacement of projectors in the PAC and Woodlee sports centre.

ACS Group also invested significantly in educational equipment, I.T. and general campus improvements during the year.

Streamlined Energy and Carbon Reporting (SECR).

The Group has completed the Energy Savings Opportunity Scheme (ESOS) reporting requirements and is preparing for reporting under the Streamlined Energy and Carbon Reporting (SECR).

The Group has measured scope 1 and scope 2 emissions in the UK in accordance with UK Government's guidance on how to measure and report greenhouse gas emissions. Electricity and gas are the primary and only utilities used. There is no internal transport activity, heating or cooling purchases outside of electricity and gas.

The total annual net emissions in the UK to 31st July 2023 were -1.40 (2022: -1.13) global tonnes of CO₂e. The Group is targeting to reduce gross intensity ratio by 5% from 2023 to 2024. ACS is committed to sustainability and becoming as energy efficient as possible whilst reducing its carbon footprint. During 2020, ACS planted 160 trees on the school grounds, which contributed to an offset of 0.9 tonnes of CO₂e. During 2023, ACS has offset 1,490 (2022: 1,474) tonnes of CO₂e through carbon offset projects.

The Group has engaged with an external sustainability company who are compiling the annual ESG Impact Report to the year ended 31 July 2023. The document will cover key statistics, actions undertaken during the year and plans for 2023 as well as longer term goals. A carbon reduction plan has already begun with planting trees to reduce ACS's carbon footprint. It is ACS's desire to offset any carbon it creates such that it is carbon neutral.

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STRATEGIC REPORT (continued)

FINANCIAL REVIEW

ACS Group results for the year

ACS Group has enjoyed another satisfactory year of operation. The financial performance for the year and the year-end financial position were both considered satisfactory by the Board. Net income was £11,150,381 (2022: £1,566,631).

Total income increased by 13% from £79,208,107 to £89,125,363, mainly due to increase in enrolment and associated increase in catering and trip income during the 2022/2023 academic year. School fees income increased by 11% from £71,749,076 to £79,305,729 for the same reason. School fees income was the primary source of revenue for the ACS Group.

Total expenditure also increased by 9% from £78,573,585 to £85,272,554, mainly due to increases in staff costs and in catering, trips and clubs. Staff costs represent 58% of total charitable expenditure.

Net Assets at 31st July 2023 were £104,172,943 compared to £93,024,062 as at 31st July 2022. The Group has a loan facility in place to enable it to manage its cash flow requirements.

ACS's net income increased from £5,463,994 to £15,754,448 at a company level. The increase in net income during the year was mainly due to a revaluation gain of £7,545,673 on freehold property (2022: Nil). ACS's income includes fundraising income of £498,000 (2022: £584,422), including the amounts donated from ACSCE under the Gift Aid Scheme.

ACS Doha produced a net loss before foreign exchange translation differences of £8,087,928 (2022: £5,221,716 net income before foreign exchange translation). The increase in expenditure compared to 2022 was mainly due to the rental expenditure of the new building.

ACSCE continued to perform well in the year ended 31 July 2023. Details of its results are given in Note 7.

Reserves Level and Policy and Financial Viability

The ACS Group reserves policy is that it should have access to sufficient financial resources to be able to ensure the sustainability of the ACS Group. In determining what level of financial resources are required the following have been considered:

- Current and projected levels of free reserves;
- What level of working capital the ACS Group needs to be able to operate effectively;
- The impact of seasonality;
- ACS Group capacity and appetite to borrow funds;
- ACS Group risk appetite;
- The likely financial impact of a range of unlikely but plausible scenarios linked to the most significant risks that the ACS Group faces. For each of these risks the following have been considered:
 - The timings of the risk and any potential mitigating steps associated with the risk;
 - If the risk happened, any impact on the ACS Group's capability to borrow money.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2023

STRATEGIC REPORT (continued)

This analysis led to the Board concluding that ACS Group's Reserves Policy is to target an annual minimum cash/net debt level between zero and a debt of £15,000,000. The minimum cash, net of borrowing, during the year was £27,000,000. ACS Group has a loan facility in place to enable it to manage its cash flow requirements. The ACS board has plans to bring its minimum cash balance back into line with the policy as it revives some of the Capital Expenditure plans, which were on hold as a result of the pandemic.

The Group Reserves Policy is reviewed annually by the Audit & Risk Committee and reflects the need to manage cash flow seasonality and not merely look at the year-end position.

The total reserves for the ACS Group at the year end were £104,172,943 (2022: £93,024,062) which were unrestricted. No unrestricted funds have been designated for specific purposes. Included within unrestricted funds are fixed assets with a net book value of £111,330,296 (2022: £101,125,839)

After reviewing the forecasts and projections, the trustees have a reasonable expectation that ACS has adequate resources to continue in operational existence for the foreseeable future. ACS Group therefore continues to adopt the going concern basis in preparing its financial statements.

FUTURE PLANS

The future plans include:

- To increase the overall amount of financial assistance provided and the number of children benefiting from the financial assistance. This will be achieved through ACS's Finance Assistance Programme and Partnerships, Grants and Access Strategy.
- Progress with redevelopment of the Early Childhood and Lower School at ACS Cobham;
- Fundraising initiatives to support bursaries, scholarships and to develop campuses;
- To progress the Education Strategy and People Strategy; and
- To ensure that ACS Group continues to play a significant part in the life of the local community.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2023

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland) and applicable law. Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group including income and expenditure of the group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RELEVANT AUDIT INFORMATION

Insofar as each of the Trustees, as members of the Board, at the date of approval of this report is aware there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each member of the Board has taken all the steps that he or she should have taken as a member of the Board in order to make himself or herself aware of the relevant audit information and to establish that the Charity's auditor is aware of that information.

Approved by the Board of ACS International Schools Limited on 5 December 2023 including, in their capacity as trustees, approving the Trustees' and Strategic Reports contained therein, and signed on its behalf by:



R M Macnaughton
(Chairman)

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

Opinion

We have audited the financial statements of ACS International Schools Limited 'the charitable company' and its subsidiary 'the group' for the year ended 31 July 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated and Company Balance Sheets, Consolidated 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 the charitable company's affairs as at 31 July 2023 and of the group's/ 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 trustee's 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 charitable company's or 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; or
- the 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 1 to 20, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, Data Protection Regulation (GDPR), Health and safety legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

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ACS INTERNATIONAL SCHOOLS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF ACS INTERNATIONAL SCHOOLS LIMITED**

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of donations income and other ancillary income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing any regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 14 December 2023

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2023**

	Note	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Income from charitable activities					
School fees	2	79,305,729	-	79,305,729	71,749,076
Ancillary trading income	3	7,707,427	-	7,707,427	6,220,837
Non-ancillary trading income	4	718,117	-	718,117	683,844
Other income		192,679	-	192,679	38,995
Investment income	5	737,084	-	737,084	30,149
Donations & Grants	6	133,020	331,307	464,327	485,206
Total Income		88,794,056	331,307	89,125,363	79,208,107
Expenditure on					
Cost of raising funds	8	(530,813)	-	(530,813)	(583,752)
Charitable activities	8	(84,711,056)	(30,362)	(84,741,418)	(77,984,923)
Other expenditure	8	(323)	-	(323)	(4,910)
Total expenditure		(85,242,192)	(30,362)	(85,272,554)	(78,573,585)
Gain on revaluation of freehold land and buildings		7,545,673	-	7,545,673	-
Gain on sale of fixed asset		60,055	-	60,055	-
(Loss)/gain on translation of foreign results		(308,156)	-	(308,156)	932,109
Net income/(expenditure) before transfers		10,849,436	300,945	11,150,381	1,566,631
Transfers		570,672	(570,672)	-	-
NET MOVEMENT IN FUNDS		11,420,108	(269,727)	11,150,381	1,566,631
Funds brought forward		92,754,335	269,727	93,024,062	91,457,431
Debentures repaid		(1,500)	-	(1,500)	-
Funds carried forward	23	104,172,943	-	104,172,943	93,024,062

The notes on pages 28 to 48 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2023**

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	12	110,970,495	100,573,276
Intangible assets	14	<u>360,201</u>	<u>552,563</u>
		111,330,696	101,125,839
CURRENT ASSETS			
Debtors	17	9,883,403	10,408,186
Cash at bank and in hand		<u>40,681,450</u>	<u>35,733,231</u>
		50,564,853	46,141,417
CREDITORS: amounts falling due within one year	18	<u>(56,234,259)</u>	<u>(51,846,775)</u>
NET CURRENT (LIABILITIES)		<u>(5,669,406)</u>	<u>(5,705,358)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		105,661,290	95,420,481
LONG TERM LIABILITIES			
Other provisions	21	(1,488,347)	(1,396,419)
Long term loan	20	<u>-</u>	<u>(1,000,000)</u>
		<u>(1,488,347)</u>	<u>(2,396,419)</u>
NET ASSETS		<u>104,172,943</u>	<u>93,024,062</u>
REPRESENTED BY:			
Restricted funds	23	-	269,727
Unrestricted funds:	23		
General reserves		96,627,270	92,754,335
Revaluation reserves		<u>7,545,673</u>	<u>-</u>
		<u>104,172,943</u>	<u>93,024,062</u>

Net result for the year for the charity before consolidation was a surplus of £15,754,448 (2022: £5,463,994).
The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 December 2023.



R M Macnaughton (Chairman)

The notes on pages 28 to 48 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

**CHARITY BALANCE SHEET
AS AT 31 JULY 2023**

		2023	2022
	Note	£	£
FIXED ASSETS			
Tangible assets	13	101,931,201	90,315,470
Intangible assets	15	360,201	552,563
Investments	16	<u>1,100</u>	<u>1,100</u>
		102,292,502	90,869,133
CURRENT ASSETS			
Debtors	17	32,663,103	26,206,110
Cash at bank and in hand		<u>36,965,597</u>	<u>32,653,986</u>
		69,628,700	58,860,096
CREDITORS: amounts falling due within one year	18	<u>(50,742,411)</u>	<u>(43,303,386)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>18,886,289</u>	<u>15,556,710</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		121,178,791	106,425,843
LONG-TERM LIABILITIES			
Long term loan	20	<u>-</u>	<u>(1,000,000)</u>
		<u>-</u>	<u>(1,000,000)</u>
NET ASSETS		<u>121,178,791</u>	<u>105,425,843</u>
REPRESENTED BY:			
Restricted funds		-	269,727
Unrestricted funds:			
General reserves		113,633,118	105,156,116
Revaluation reserves		<u>7,545,673</u>	<u>-</u>
		<u>121,178,791</u>	<u>105,425,843</u>

ACS has elected to not publish a charity only statement of financial activities. The unconsolidated surplus generated by the parent charity was £15,754,448 (2022: £5,463,994).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 December 2023.



R M Macnaughton (Chairman)

The notes on pages 28 to 48 form part of these financial statements

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2023**

	Note	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income		11,150,381	1,566,631
Adjustments for:			
Depreciation of property, plant and equipment		5,589,325	5,233,513
Amortisation of intangible assets		249,380	294,633
(Gain)/loss on revaluation		(7,545,673)	-
(Gain) on disposal of property, plant and equipment		(60,055)	-
Interest paid		72,983	38,843
Interest received		(737,084)	(30,149)
Decrease/(increase) in debtors		524,783	(1,706,030)
Increase in creditors		3,387,484	7,858,104
Increase in provisions		91,928	274,120
		<u>12,723,452</u>	<u>13,529,665</u>
CASH FROM OPERATIONS			
Interest paid		(72,983)	(38,843)
		<u>12,650,469</u>	<u>13,490,822</u>
NET CASH GENERATED FROM OPERATING ACTIVITIES			
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(8,442,621)	(5,438,754)
Purchases of intangible assets		(57,018)	(78,459)
Interest received		737,084	30,149
Proceed from sale of equipment		61,805	-
		<u>(7,700,750)</u>	<u>(5,487,064)</u>
NET CASH FROM INVESTING ACTIVITIES			
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue/(repayment) of debenture loans		(1,500)	-
Proceeds from loan		-	-
		<u>(1,500)</u>	<u>-</u>
NET CASH USED IN FINANCING ACTIVITIES			
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of the year	24	<u>35,733,231</u>	<u>27,729,473</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	24	<u>40,681,450</u>	<u>35,733,231</u>

The notes on pages 28 to 48 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

1.1 Company information

ACS International Schools Limited is a registered charity and public benefit entity in England and Wales and a company limited by guarantee. It was incorporated on 5 July 1967 (company number: 00910010) and registered as a charity on 5th September 2018 (charity number: 1179820). The registered office is Heywood, Portsmouth Road, Cobham, Surrey KT11 1BL.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2019.

The charity has taken the advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cashflow Statement with the consolidated financial statements.

The charity has taken advantage of the exemption allowed under 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements.

The account presents the consolidated statement of financial activities (SOFA), the consolidated and charity balance sheets and the consolidated cash flow statement comprising the consolidation of the Charity and its subsidiaries ACS International School Doha LLC, ACS Overseas Holdings Limited and ACS Commercial Enterprises Limited.

The trustees have a reasonable expectation that ACS International Schools Limited, ACS Doha International School LLC, ACS Overseas Holdings Limited and ACS Commercial Enterprises Limited have adequate resources to continue in operational existence for the foreseeable future and it remains appropriate to prepare their financial statements on a going concern basis.

1.3 Judgement and estimation uncertainty

In application of the accounting policies, trustees are required to make judgements, estimates and assumptions about carrying value of assets and liabilities that are based on historical experience and other relevant factors. The estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognised in either the period of revision and/or in future periods if relevant.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date, are likely to result in a material adjustment to their carrying amounts in the next financial year.

The particular accounting policies adopted and applied consistently are described below.

1.4 School fees and trading income

School fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Scholarships and bursaries granted by the Charity against those fees are deducted in the school term to which they relate.

Trading income and other income is recognised in the period to which it relates.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

1.5 Investment income

Investment income from bank balances is accounted for on an accruals basis.

1.6 Grants and donations

Voluntary incoming resources are accounted for as and when the entitlement arises, the amount can be reliably quantified and the economic benefit to the charity is considered probable.

Donations are restricted in accordance with the donor's intention. Where no restrictions are noted donations are utilised within unrestricted funds.

1.7 Expenses

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is included with the item of expenditure to which it relates. Intra-group sales and charges between the charity and its subsidiaries are excluded from trading income and expenditure.

Charitable activities include teaching staff salaries, depreciation of items related to education and classroom supplies.

Investment and estates management includes investment in new buildings and maintenance of existing ones, as well as depreciation relating to buildings.

Support activities include expenditure on salaries of non-teaching staff, depreciation and purchase of items not directly related to provision of education. The costs are allocated based on spend by department.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation with the exception of freehold land and buildings which are carried at open market value and revalued every five years by professionally qualified surveyors. The properties were revalued in July 23 by Gerald Eve, Chartered Surveyors. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases and recognised within the statement of financial activities:

Freehold buildings	-	Straight line over 15-25 or 50 years
Leasehold improvements	-	Straight line over the period of the lease
Motor vehicles	-	Straight line over 4 or 10 years
Fixtures, fittings and equipment	-	Straight line over 2-15 years

Assets in the course of construction are capitalised at cost but are not depreciated until they become available for use.

1.9 Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following basis:

Computer software	-	Straight line over 3-5 years

Amortisation is included within expenditure in the statement of financial activities.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

1.10 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to expenditure in the statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.12 Operating leases

Rentals under operating leases are charged to expenditure in the statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.13 Funds

The total funds of the charity and its subsidiaries are allocated to unrestricted and restricted based on the terms set by the donors.

Unrestricted income belongs to the charity's corporate reserves, spendable at the direction of the trustees either to further the charity's objects or to benefit the schools itself.

Restricted funds comprise gifts, legacies and grants where the donors have earmarked funds for specific purposes.

1.14 Cash

Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Cash balances are recognised at amortised cost.

1.15 Debtors and Creditors

Short term debtors and creditors are measured at transaction price less any impairment and are subsequently held at amortised cost. £6,185,000 (2022: £6,197,000) included in trade debtors at 31 July 2023 relates to 2023/24 fees invoiced in advance, of which there is a corresponding entry included in deferred income.

1.16 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

1.17 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.18 Fees in advance

Fees in advance represent the following year's tuition, extras and bussing fees invoiced in the current year.

1.19 Management of liquid resources

Liquid resources are defined as cash, cash held at bank and treasury deposits.

1.20 Employee benefits

The liability recognised in the statement of financial position in respect of end of service benefits is the present value of the defined benefit obligation at the end of the reporting year. This is calculated annually by management using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the effective interest rate

1.21 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation because of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense

1.22 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost, with the exception of investments which are held at fair value.

Financial assets held at amortised cost comprise cash at bank and in hand, together with debtors excluding prepayments. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in bank accounts.

Financial liabilities held at amortised cost comprise all creditors excluding social security and other taxes, provisions and deferred income. Investments in subsidiary undertakings are held at cost less impairment.

1.23 Redundancy payments

Termination benefits are payable when employment is terminated by ACS or whenever an employee accepts voluntary redundancy in exchange for these benefits. ACS recognises termination benefits when a fully signed settlement agreement is in place, or when the cost has otherwise been confirmed and committed to.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE

	2023 £	2022 £
Fees receivable consist of:		
ACS school fees	61,791,990	56,700,447
ACS Doha school fees	<u>17,513,739</u>	<u>15,048,629</u>
	<u>79,305,729</u>	<u>71,749,076</u>

School fees are net of bursaries and scholarships.

3. ANCILLARY INCOME

Ancillary income includes income from application fees, bussing fees, student catering, trips and clubs.

	2023 £	2022 £
ACS ancillary income	7,045,093	5,830,487
ACS Doha ancillary income	<u>662,334</u>	<u>390,350</u>
	<u>7,707,427</u>	<u>6,220,837</u>

4. NON-ANCILLARY INCOME

	2023 £	2022 £
Non-student catering and shop income	364,698	355,660
Sports membership and activity fees	84,307	74,505
Hire of facilities	<u>269,112</u>	<u>253,679</u>
	<u>718,117</u>	<u>683,844</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

5. INVESTMENT INCOME

	2023 £	2022 £
UK bank interest	<u>737,084</u>	<u>30,149</u>
	<u>737,084</u>	<u>30,149</u>

6. DONATIONS & GRANTS

	2023 £	2022 £
Donations	331,307	459,022
Grant for research and school partnership	<u>133,020</u>	<u>26,184</u>
	<u>464,327</u>	<u>485,206</u>

7. PRINCIPAL SUBSIDIARIES AND HOLDING COMPANIES

Company name and registered address	Country/ Company number	Percentage Shareholding	Description
ACS International School Doha ¹ LLC, Building 10. Street 161 Al Kheesa, P.O. 200568, Doha	Qatar	49	Operation of overseas educational establishment
ACS International Schools Overseas Holdings Limited, Heywood, Portsmouth Road, Cobham, KT11 1BL	England and Wales 07537434	100	Intermediate holding company
ACS Commercial Enterprises Limited, Heywood, Portsmouth Road, Cobham, KT11 1BL	England and Wales 10887569	100	Trading company

1. *ACS International School Doha LLC is a subsidiary undertaking by a virtue of the fact that ACS International Schools Limited has a participating interest in the undertaking and actually exercises a dominant influence over it.*

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

7. PRINCIPAL SUBSIDIARIES AND HOLDING COMPANIES (continued)

	ACS Commercial Enterprises	ACS International Schools Overseas Holdings	ACS Doha International School	Total 2023	<i>Total 2022</i>
	£	£	£	£	£
Income	427,307	-	18,176,073	18,603,380	<i>15,816,748</i>
Expense	<u>(260,614)</u>	<u>(323)</u>	<u>(24,638,673)</u>	<u>(24,899,610)</u>	<u><i>(22,997,742)</i></u>
Net profit/(loss)	<u>166,693</u>	<u>(323)</u>	<u>(6,462,600)</u>	<u>(6,296,230)</u>	<u><i>(7,180,994)</i></u>
Amount gift aided	<u>(166,693)</u>	<u>-</u>	<u>-</u>	<u>(166,693)</u>	<u><i>(125,399)</i></u>
Retained in subsidiary	<u>-</u>	<u>(323)</u>	<u>(6,462,600)</u>	<u>(6,462,923)</u>	<u><i>(7,306,393)</i></u>
Net assets	<u>100</u>	<u>(17,844)</u>	<u>(25,736,575)</u>	<u>(25,754,319)</u>	<u><i>(19,291,396)</i></u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

8. ANALYSIS OF EXPENDITURE

(a) Total expenditure

	Staff costs	Depreciation & amortisation	Other	Total 2023	Total 2022
	£	£	£	£	£
Expenditure on raising funds					
Fundraising costs	186,736	-	83,463	270,199	331,382
Other costs of raising funds	110,371	-	150,243	260,614	252,370
Total costs of raising funds	<u>297,107</u>	<u>-</u>	<u>233,706</u>	<u>530,813</u>	<u>583,752</u>
Charitable expenditure					
Education and grant making					
Teaching	32,164,915	2,784,461	17,743,175	52,692,551	48,371,417
Boarding and welfare	1,981,747	706,959	2,507,966	5,196,672	4,396,687
Premises repair and maintenance	1,635,227	518,526	2,403,787	4,557,540	4,094,202
Support costs and governance	9,190,253	2,143,285	10,947,947	22,281,485	21,112,036
Grants, awards and prizes	-	-	13,170	13,170	10,581
Total charitable expenditure	<u>44,972,142</u>	<u>6,153,231</u>	<u>33,616,045</u>	<u>84,741,418</u>	<u>77,984,923</u>
Other expenditure					
Other	-	-	323	323	4,910
Total other expenditure	<u>-</u>	<u>-</u>	<u>323</u>	<u>323</u>	<u>4,910</u>
Total expended	<u>45,269,249</u>	<u>6,153,231</u>	<u>33,850,074</u>	<u>85,272,554</u>	<u>78,573,585</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

8. ANALYSIS OF EXPENDITURE (continued)

(b) Grants, awards and prizes

	2023	2022
	£	£
From Unrestricted Funds		
UK prizes and leaving awards	<u>13,170</u>	<u>10,581</u>

**(c) Governance included in support costs
(inclusive of VAT)**

	2023	2022
	£	£
Remuneration paid to Crowe UK LLP in respect of:		
Statutory audit	45,600	39,000
Tax compliance	6,480	12,000
Advisory services	25,675	1,174
Remuneration paid to EY (2022: PWC) in respect of:		
Statutory audit (Doha)	17,289	18,991
Tax compliance and advisory	13,992	15,894
Reimbursement of personal expenses to Trustees – travel costs	<u>20,741</u>	<u>3,712</u>

Expenses were reclaimed by 6 Trustees (2022:4). No trustees have been paid any remuneration or received any other benefits during the year.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

9. STAFF COSTS

Staff costs, including director's remuneration, were as follows:

	2023	2022
	£	£
ACS wages and salaries	31,395,153	30,919,423
ACS Doha wages and salaries	8,916,659	8,039,681
ACS social security costs	3,121,491	3,185,063
ACS other pension costs	1,425,317	1,400,092
ACS Doha other pension costs	410,629	286,024
	<u>45,269,249</u>	<u>43,830,283</u>

Aggregate employee benefits of key management personnel **1,447,844** 1,334,739
Key management personnel was reviewed during the year. Key management personnel are the Chief Executive and all Directors within the leadership team who routinely attend Board meetings.

	2023	2022
	No.	No.
Number of higher paid employees with aggregate employee benefits in bands of:		
£60,001 to £70,000	44	45
£70,001 to £80,000	33	33
£80,001 to £90,000	20	9
£90,001 to £100,000	6	10
£100,001 to £110,000	5	3
£110,001 to £120,000	2	2
£120,001 to £130,000	1	-
£130,001 to £140,000	1	-
£140,001 to £150,000	1	-
£150,001 to £160,000	-	1
£160,001 to £170,000	1	2
£170,001 to £180,000	-	1
£180,001 to £190,000	1	1
£190,001 to £200,000	1	2
£200,001 to £210,000	1	-
£210,001 to £220,000	2	-
£220,001 to £230,000	-	1
£280,001 to £290,000	1	1

During the year the method of calculating benefit in kind was re-evaluated.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

The average number of employees during the year was 957 (2022: 935).

	2023	2022
	No.	No.
Academic staff	519	511
Substitute staff	98	102
Welfare	35	32
Support staff	305	290
	957	935

During the year redundancy payments of £361,779 (2022: £106,617) were awarded of which £138,230 remained outstanding at year end (2022: £75,591)

10. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the funds. Contributions of £263,413 (2022: £251,770) are outstanding at the balance sheet date.

11. FINANCE COSTS

	2023	2022
	£	£
Interest payable and charges	92,695	56,678
	92,695	56,678

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

12. TANGIBLE FIXED ASSETS

Consolidated

Group	Freehold land and buildings £	Motor vehicles £	Fixtures, fittings and equipment £	Capital work in progress £	Total £
Cost					
At 1 August 2022	91,700,519	776,482	41,176,198	483,705	134,136,904
Additions	5,860,677	66,790	2,946,722	432,811	9,307,000
Disposals	-	(33,332)	(611,049)	-	(644,381)
Transfer	-	-	549,542	(549,542)	-
Revaluation	(4,075,542)	-	-	-	(4,075,542)
Exchange difference	-	19,040	(860,304)	(23,115)	(864,379)
At 31 July 2023	<u>93,485,654</u>	<u>828,980</u>	<u>43,201,109</u>	<u>343,859</u>	<u>137,859,602</u>
Depreciation					
At 1 August 2022	9,183,856	650,844	23,728,928	-	33,563,628
Charge for the year	2,437,359	31,043	3,429,969	-	5,898,371
Disposals	-	(33,332)	(609,299)	-	(642,631)
Revaluation	(11,621,215)	-	-	-	(11,621,215)
Exchange difference	-	19,040	(328,086)	-	(309,046)
At 31 July 2023	<u>-</u>	<u>667,595</u>	<u>26,221,512</u>	<u>-</u>	<u>26,889,107</u>
Net book value					
At 31 July 2023	<u>93,485,654</u>	<u>161,385</u>	<u>16,979,597</u>	<u>343,859</u>	<u>110,970,495</u>
At 31 July 2022	<u>82,516,663</u>	<u>125,638</u>	<u>17,447,270</u>	<u>483,705</u>	<u>100,573,276</u>

All properties were revalued on 31 July 2023 by Gerald Eve, Chartered Surveyors, on basis of open market value for current use at £87,730,000. The valuation was incorporated in the financial statements for the year ended 31 July 2023.

Included in land and buildings is freehold land valued at £14,924,000 which is not depreciated.

Land and buildings include £5,755,655 (2022: £2,583,034) in respect of assets under the course of construction.

The historic cost of assets included at valuation at the balance sheet date is £140,200,937 (2022: £134,340,260).

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

13. TANGIBLE FIXED ASSETS

Charity only

	Freehold property £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost or valuation				
At 1 August 2022	91,700,519	776,482	26,888,738	119,365,739
Additions	5,860,677	66,790	2,874,348	8,801,815
Disposals	-	(33,332)	(424,055)	(457,387)
Revaluation	(4,075,542)	-	-	(4,075,542)
At 31 July 2023	<u>93,485,654</u>	<u>809,940</u>	<u>29,339,031</u>	<u>123,634,625</u>
Depreciation				
At 1 August 2022	9,183,856	650,844	19,215,569	29,050,269
Charge for the year	2,437,359	31,043	2,263,355	4,731,757
Disposals	-	(33,332)	(424,055)	(457,387)
Revaluation	(11,621,215)	-	-	(11,621,215)
At 31 July 2023	<u>-</u>	<u>648,555</u>	<u>21,054,869</u>	<u>21,703,424</u>
Net book value				
At 31 July 2023	<u><u>93,485,654</u></u>	<u><u>161,385</u></u>	<u><u>8,284,162</u></u>	<u><u>101,931,201</u></u>
At 31 July 2022	<u><u>82,516,663</u></u>	<u><u>125,638</u></u>	<u><u>7,673,169</u></u>	<u><u>90,315,470</u></u>

All properties were revalued on 31 July 2023 by Gerald Eve, Chartered Surveyors, on basis of open market value for current use at £87,730,000. The valuation was incorporated in the financial statements for the year ended 31 July 2023.

Included in land and buildings is freehold land valued at £14,924,000 which is not depreciated.

Land and buildings include £5,755,655 (2022: £2,583,034) in respect of assets under the course of construction.

The historic cost of assets included at valuation at the balance sheet date is £140,200,937 (2022: £134,340,260).

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

14. INTANGIBLE FIXED ASSETS

Consolidated

**Computer
Software
£**

Cost

At 1 August 2022

3,446,316

Additions

62,497

Exchange difference

(5,479)

At 31 July 2023

3,503,334

Depreciation

At 1 August 2022

2,893,753

Charge for the year

254,859

Exchange difference

(5,479)

At 31 July 2023

3,143,133

Net book value

At 31 July 2023

360,201

At 31 July 2022

552,563

15. INTANGIBLE FIXED ASSETS

Charity only

**Computer
Software
£**

Cost

At 1 August 2022

3,352,118

Additions

62,497

At 31 July 2023

3,414,615

Depreciation

At 1 August 2022

2,799,555

Charge for the year

254,859

At 31 July 2023

3,054,414

Net book value

At 31 July 2023

360,201

At 31 July 2022

552,563

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

16. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Charity	
Cost or valuation	
At 1 August 2022	1,100
At 31 July 2023	<u>1,100</u>
Net book value	
At 31 July 2023	<u>1,100</u>
At 31 July 2022	<u>1,100</u>

Details of the principal subsidiaries can be found under note number 7.

17. DEBTORS

	<u>Group</u>		<u>Charity</u>	
	2023 £	2022 £	2023 £	2022 £
Due within one year				
Trade debtors	6,325,396	6,211,583	5,879,056	5,703,200
Other debtors	385,921	555,585	385,756	554,901
Prepayments and accrued income	3,172,086	3,641,018	2,294,528	1,938,189
Amounts owed by group undertakings	-	-	24,103,763	18,009,820
	<u>9,883,403</u>	<u>10,408,186</u>	<u>32,663,103</u>	<u>26,206,110</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

18. CREDITORS:
Amounts falling due within one year

	<u>Group</u>		<u>Charity</u>	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	3,417,190	2,258,734	3,175,472	2,068,715
Social security and other taxes	1,128,036	1,131,943	1,128,036	1,131,943
Other creditors	1,975,144	2,010,169	1,840,204	1,576,768
Student deposits	3,221,040	3,245,830	3,221,040	3,245,830
Accruals and prepaid income	5,622,867	6,745,902	2,500,043	1,530,772
Deferred income	39,869,982	36,454,197	37,877,616	33,749,358
Bank loan	1,000,000	-	1,000,000	-
	<u>56,234,259</u>	<u>51,846,775</u>	<u>50,742,411</u>	<u>43,303,386</u>

19. DEFERRED INCOME

Deferred income relates to tuition fees and related income. Movements on deferred income balance during the year are as follows:

	<u>Group</u>		<u>Charity</u>	
	2023	2022	2023	2022
	£	£	£	£
Deferred income b/f	36,454,197	31,699,677	33,749,358	29,973,243
Income released to SOFA in the year	(36,454,197)	(31,699,677)	(33,749,358)	(29,973,243)
Income deferred during the year	39,869,982	36,454,197	37,877,616	33,749,358
	<u>39,869,982</u>	<u>36,454,197</u>	<u>37,877,616</u>	<u>33,749,358</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

20. BANK LOANS DUE IN OVER ONE YEAR

In March 2019 ACS International Schools Limited secured a bank facility with a maximum loan value of £15 million. Current borrowings against the bank facility are £1 million. Interest on the loan is 1.35% above LIBOR and is payable quarterly. The loan is repayable in full 60 months after the loan is drawn. The loan contains financial covenants which apply to the Group's consolidated financial information. All financial covenants were met at 31 July 2023.

Loan repayable is as follows:

	2023 £	2022 £
Within one year	1,000,000	-
Between two to five years	-	1,000,000
More than five years	-	-
	<u>1,000,000</u>	<u>1,000,000</u>

National Westminster Bank PLC hold the following charges on ACS assets located at Heywood, Portsmouth Road, Cobham for continuing security:

- i. A fixed charge over the following property, owned now or in the future:
 - a. All land and fixtures and fittings related to the land and all rents receivable.
 - b. All plant and machinery, including any associated warranties and maintenance contracts.
 - c. All the goodwill.
 - d. Any uncalled share capital.
 - e. All stocks, shares and other securities in any subsidiaries and income and rights relating to them.
 - f. All intellectual property, licences, claims, insurance policies, proceeds of any insurance and any other legal rights.
 - g. The benefit of any hedging arrangements, futures transactions or treasury instruments.
- ii. A floating charge over all other property, assets and rights owned now or in the future which are not subject to an effective fixed charge.

The aggregate revalued amount of secured assets is £61,270,060 (2022: £50,492,288).

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

21. PROVISIONS

Group	Provision for employees £
At 1 August 2022	1,396,419
Additions	410,629
Paid	(225,962)
Exchange difference	<u>(92,739)</u>
At 31 July 2023	<u>1,488,347</u>

Provision for employees

Provision has been made for the net present value of ACS International School Doha's obligations at 31 July 2023 in respect of employees' end of service benefits payable under Qatar labour law. The provision assumes no average increment / promotion costs for 2023 (2022: Nil).

22. SHARE CAPITAL

	2023 £	2022 £
<u>Allotted, called up and fully paid</u>		
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

23a. FUNDS

	B/fwd	Income	Expenditure	Transfers	Gains and losses	C/fwd
	£	£	£	£	£	£
Restricted funds						
Cobham	249,327	34,462	(28,754)	(255,035)	-	-
Hillingdon	-	154,879	(1,008)	(153,871)	-	-
Egham	<u>20,400</u>	<u>141,966</u>	<u>(600)</u>	<u>(161,766)</u>	<u>-</u>	<u>-</u>
	269,727	331,307	(30,362)	(570,672)	-	-
Unrestricted funds						
Share capital	500,000	-	-	-	-	500,000
Debentures	10,659,250	(1,500)	-	-	-	10,657,750
General reserves	81,595,085	88,794,056	(85,242,192)	570,672	(248,101)	85,469,520
Revaluation reserves	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,545,673</u>	<u>7,545,673</u>
	92,754,335	88,792,556	(85,242,192)	570,672	7,297,572	104,172,943
 Total funds	 <u>93,024,062</u>	 <u>89,123,863</u>	 <u>(85,272,554)</u>	 <u>-</u>	 <u>7,297,572</u>	 <u>104,172,943</u>

Restricted funds include donations which the donors have earmarked for specific UK campuses. Restricted funds have been released to general reserves as their restrictions have been met during the year. The transfer from restricted to unrestricted funds relate to capital expenditure purchased from restricted fund donation.

Unrestricted funds belong to the charity's corporate reserves, spendable at the direction of the Trustees to further the charity's objects.

Debentures (5th series)

The director considers that the nature and terms of the fifth issue debentures, issued by ACS International Schools Limited, more accurately reflect equity and therefore they were reclassified from long term creditors to equity within the balance sheet in the year ended 31 July 2023.

During the year ACS International Schools Limited issued £Nil (2022: Nil) and repaid £1,500 (2022: £Nil) fifth issue debentures of £250 each.

The fifth issue debentures are unsecured, non interest bearing and repayable only by ACS International Schools Limited giving debenture holders not less than one month's notice of its intention to repay the principal sum or on a winding up. As at 31 July 2023 this issue comprised 42,631 debentures of £250 each (2022: 42,637 debentures of £250 each).

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

23b. NET ASSETS SPLIT BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Intangible assets	360,201	-	360,201
Tangible fixed assets	110,970,495	-	110,970,495
Net current liabilities	(5,669,406)	-	(5,669,406)
Liabilities due in more than one year	-	-	-
Provisions	<u>(1,488,347)</u>	<u>-</u>	<u>(1,488,347)</u>
At 31 July 2023	<u>104,172,943</u>	<u>-</u>	<u>104,172,943</u>

24. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2022 £	Cash flow £	Exchange Movement £	31 July 2023 £
Cash at bank and in hand	34,733,231	4,948,219	-	39,681,450
Loan	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Net funds	<u>35,733,231</u>	<u>4,948,219</u>	<u>-</u>	<u>40,681,450</u>

25. CAPITAL COMMITMENTS

At 31 July 2023 the group and charity had capital commitments as follows:

	<u>Group</u>		<u>Charity</u>	
	2023 £	2022 £	2023 £	2022 £
Contracted for but not provided in these financial statements	<u>4,092,005</u>	<u>398,434</u>	<u>4,092,005</u>	<u>398,534</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

26. OPERATING LEASE COMMITMENTS

At 31 July 2023 the group had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2023	2022	2023	2022
	£	£	£	£
Within 1 year	10,847,679	8,959,092	152,816	179,666
Between 2 and 5 years	35,890,188	33,992,312	275,482	520,968
After more than 5 years	68,514,050	72,230,654	-	-
	<u>115,251,917</u>	<u>115,182,058</u>	<u>428,298</u>	<u>700,634</u>

27. RELATED PARTY TRANSACTIONS

ACS International Schools Limited, the ultimate parent company recharged £260,614 (2022: £252,838) to ACS Commercial Enterprises Limited for the provision of staff and expenditure incurred on its behalf. At year end the balance of £510,792 (2022: £321,883) was owed to ACS International Schools Limited. ACS Commercial Enterprises Limited gift aided its profit of £166,693 (2022: £125,399) to ACS International Schools Limited.

ACS International Schools Limited recharged £519,802 (2022: £121,429) to ACS Doha International School LLC for expenditure incurred on its behalf and £382,171 (2022: £348,633) for royalty and management charges. At year end the amount owed by ACS Doha International School LLC to ACS International Schools Limited was £23,492,971 (2022: £17,587,937).

ACS INTERNATIONAL SCHOOLS LIMITED

England & Wales - Charity number 1179820

Accounts

Registered number: 00910010
Registered Charity number: 1179820

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

ACS INTERNATIONAL SCHOOLS LIMITED

CHARITY INFORMATION

TRUSTEES

C J E Ferguson
S Beurier (Resigned 21/09/2021)
N E Bobay
J B S Swallow
C J Wille
R M Macnaughton - Chairman
P Mundy
S B Jackson
H.M.C Pinto
T.Moya Mose
C.N.Banks (Appointed 13/01/2022)

COMPANY SECRETARY

G Charles

REGISTERED COMPANY NUMBER 00910010

REGISTERED CHARITY NUMBER 1179820

REGISTERED OFFICE

Heywood
Portsmouth Road
Cobham
Surrey
KT11 1BL

INDEPENDENT AUDITOR

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

BANKERS

NatWest Bank Plc
135 Bishopsgate
London
EC2M 3UR

SOLICITORS

Eversheds Sutherland
1 Wood Street
London

ACS INTERNATIONAL SCHOOLS LIMITED

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ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

The Trustees present their Annual Report for the year ended 31 July 2022 under the Charities Act 2011, including the Trustees' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year and confirm that the latter comply with the requirements of the Charities Act 2011 and the Charities SORP 2015.

ACS International Schools Limited is a Registered Charity (registered charity number 1179820).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The Charity is governed by its Memorandum and Articles of Association, last amended on 1 October 2017.

Governing Body

The Governing Body of ACS International Schools Limited is known as the Board. There is one Governing Body for the three UK Schools and the one Qatar School. The Board is the main decision-making body of ACS International Schools Limited (the "Charity" also known as "ACS"). ACS and each subsidiary company are governed by a separate board (together the "ACS Group"). The Board is accountable to the Members and the public for setting the strategy and directing the performance of the ACS Group.

The Board is collectively responsible for promoting the long-term success and viability of the ACS Group by directing and supervising the ACS Group's affairs, exercising the powers of the Charity, subject to any relevant laws and regulations and in accordance with the Articles.

The Board conducts a full internal review of its activities and effectiveness annually. The Board also assesses its activities and effectiveness via an external third party every two years.

Recruitment and Training of Trustees

Appointments to the Board will be recommended by the People Committee for approval by the Board or will be approved by the Members by an ordinary resolution at a general meeting.

Appointments to the Board will be subject to the terms and conditions set out in an appointment letter recommended to the Board by the People Committee.

The term of appointment for a Trustee will normally be for an initial three year period, renewable by the Board on the recommendation of the People Committee for a further three year period, and thereafter annually for a maximum term of nine years in total. Exceptions may be made if deemed by the Board to be in the best interests of the Charity.

Prospective candidates for vacancies on the Board are considered in light of the skills and experience required at the time, which will include personal competence, professional qualities, specialist skills and experience. The Board is committed to being as diverse as practicable, balanced with ACS's needs for high quality Trustees. To ensure that Trustees' roles and responsibilities are carried out effectively, the new Board members attend a detailed brief by the Chairman, Chief Executive and other relevant members of the Leadership Team.

The Trustees conform to the recommended and best practice for governance contained within the Charity Governance Code across the seven areas and are comfortable there are no significant areas of review required. Trustees continue to monitor the best practice principles contained within the Code.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

Organisational Management

The Board is legally responsible for the overall management and control of the schools.

The Board meets at least four times a year and is supported by the following committees:

- The Audit and Risk Committee investigate, advise and report to the Board on certain matters relating to financial reporting, external audit, internal controls and risk management. The Committee was chaired by S Beurier until 21st September 2021. From 22nd September 2021 the Committee is chaired by J.B.S Swallow.
- The Education Committee investigate, advise and report to the Board on certain matters relating to the educational philosophy, programmes and student learning outcomes of ACS Group schools. The Committee is chaired by P Mundy.
- The People Committee investigate, advise and report to the Board on certain matters relating to appointments, remuneration and governance. The Committee is chaired by C Wille.

All Board sub-committees meet at least three times a year.

In accordance with the Articles of Association, the Board has the power to delegate responsibility (but not accountability) to committees, directors, and the management of the Charity, and to that end the Board has established a Schedule of Delegated Authorities.

All powers, duties and decision-making responsibilities conferred on the Board by the Articles that are not set out in the Schedule of Matters Reserved for the Board and have not been delegated to a committee, the Company Secretary or a Director, are delegated to the Chief Executive.

The Chief Executive is Timothy Cagney. The Chief Executive is responsible for proposing and delivering the Group's strategy, and for managing the day-to-day activities, operations and resources of the Group.

The Chief Executive is the most senior member of the Leadership Team. The Leadership Team is the key management team. The Leadership Team includes the following employees:

- Chief Executive
- Chief Finance and Estates Officer
- Advancement Director
- Human Resources Director
- Education Strategy Director
- Partnerships Director
- ACS Cobham Head of School
- ACS Egham Head of School
- ACS Hillingdon Head of School
- ACS Doha Head of School

The People Committee consider remuneration and make recommendations to the Board on the remuneration policy for the Chief Executive and Leadership Team and the annual pay review and material changes to Group-wide compensation policy and practice. The Board reviews the People Committees' recommendations and determines the Group's remuneration policy.

The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with the local labour market and to comparisons with other independent schools to ensure that the Group remains sensitive to broader issues of pay and employment terms and conditions elsewhere.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

The Group's ability to deliver its charitable purpose and objectives is primarily dependent on its key management personnel and staff.

Promotion of the success of the organisation to provide public benefit

The Trustees confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider would be most likely to achieve the purposes of the Group. In making this assessment the Trustees have considered the following:

a. The likely consequences of any decision in the long term

The long-term sustainability of the operating model is considered by the Trustees as set out in the going concern statement in the Strategic Report section of the Trustees' Report. Specifically, the Trustees consider both short and longer term financial projections and the key risks that could negatively impact the sustainability of the Group. The Trustees are presented with management information, budgets, forecasts, cashflow projections and progress against the financial plan on a regular basis.

Risk management is embedded at all levels across the Group. The most significant risks are discussed at each Board meeting. See the risk management section for further details.

The Trustees review and endorse all policies to ensure consistent long term regulatory compliance.

b. The interests of the Group's employees

Frequent communication with employees is essential, and has been conducted by regular meetings and routine weekly written communications to employees.

See the employee policy section for further details.

c. The need to foster the Group's business relationships with suppliers, customers and others

All suppliers are treated fairly and promptly with business terms adhered to. The Company complies with the UK's Payment Practices Regulations that require the publication of information on the supplier terms offered and average payment statistics.

The parent contract forms the basis of the relationship with fee payers. This is reviewed regularly to ensure best practice and applied fairly and consistently.

A fair policy of bursary awards, consistently applied, support families who may not otherwise be able to access education at the school.

The Group works with a range of donors in support of furthering its fundraising aims and objectives. Group fundraising is bound by the Fundraising Policy and Gift Acceptance and Review Policy. The Group is transparent with information and prides itself on building mutually beneficial relationships.

d. The impact of the Group's operations on the community and the environment

The Group has completed the Energy Savings Opportunity Scheme (ESOS) reporting requirements and is reporting under the Streamlined Energy and Carbon Reporting (SECR). The Group is concerned about its energy consumption and carbon emissions and wishes to utilise the mandatory SECR legislation to identify ways of saving energy and reduce on carbon emissions. Further details of this are in the Strategic Report section of the Trustees' Report.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

e. The desirability of the Group in maintaining a reputation for high standards of business conduct

The Group's Procurement policy outlines the responsibility of company employees to undertake procurement processes that ensure procurement best practice is followed. This requires employees to produce an approved Purchase Order in order to procure goods and services. The policy also requires quotation and tender procedures with suppliers as the value of the order being placed rises. Preferred suppliers are used wherever possible with new suppliers going through an authorisation process. The Group may withhold payment of an invoice that doesn't include a Purchase Order but otherwise adheres to supplier payment terms wherever possible upon receipt of an invoice from the supplier. The Group would seek to resolve any supplier disputes on a case-by-case basis.

The Group's Anti-Bribery policy sets out the responsibilities of staff to report any incidents or suspicion of fraud, bribery or corruption arising in the course of their work and to cooperate fully with related investigations; and comply with applicable Finance policies and procedures. The Group takes a zero tolerance approach towards fraud, bribery and corruption. It is committed to complying with all applicable laws and regulations relating to fraud, bribery and corruption wherever it operates.

The Group has an Anti-money laundering policy which seeks to prevent the organisation and its staff being exposed to money laundering, to identify the potential areas where it may occur, and to comply with all legal and regulatory requirements, especially with regard to the reporting of actual or suspected cases.

f. The need to act fairly between members of the Group.

All Trustees and senior staff complete an annual Conflict of Interest declaration. There were no conflicts of interest identified in the year to 31st July 2022.

Group structure and relationships

ACS was established in 1967 as a commercial organisation founded and originally owned by Mr EJ Poularas and Mr G Speed but subsequently ultimately owned by The Emmanuel John Poularas Will Trust (registered charity number 1169800) following the death of Mr Poularas.

In 2018 ACS became a charity to advance education and secure the longevity of ACS. ACS operates under the registered charity number 1179820. In 2018 the Inland Revenue accepted the Company as a charity for tax purposes with effect from the date it adopted charitable articles.

On 12th November 2019, the entire issued share capital of ACS International Schools Limited was transferred from David Thomas, as the sole trustee of the Emmanuel John Poularas Will Trust, to the Members of ACS International Schools Limited. At the same time, David Thomas ceased to be the company's person with significant control and ACS International Schools Limited became the relevant legal entity.

Subsidiaries and holding companies

The group accounts of ACS International Schools Limited incorporate the results of the following subsidiaries:

ACS Commercial Enterprises Limited

ACS has a wholly owned non-charitable subsidiary, ACS Commercial Enterprises Limited (ACSCE), whose annual profits are donated to ACS under the Gift Aid Scheme. The trading activities of ACS Commercial Enterprises Limited primarily comprise revenue from the Sports Centres and lettings of the campus facilities when not in use by the Schools. The subsidiary's aims, objectives and achievements are covered in the relevant sections of this report.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

ACS International Schools Overseas Holdings Limited

ACS International Schools Overseas Holdings Limited acts as a holding company for ACS's investment in ACS Doha International School LLC. It was established to limit the risk exposure of the investment, and should ACS decide in the future to operate other schools overseas, it would be used to do the same for such operations.

ACS Doha International School LLC

ACS Doha International School LLC (ACS Doha) was incorporated in 2011 in Qatar and is a programme related investment to enable ACS to establish and operate a school in Doha. The objects of ACS Doha are to advance education and the school has grown since 2011 to over 1000 students from ages 2-18.

Risk Management

ACS Group has established formal mechanisms that facilitate the identification and management of risk, thus safeguarding the delivery of strategic and operational objectives.

The risk management framework includes:

- A Risk Management Policy and Risk Appetite Statement;
- A Risk Register to identify, evaluate and manage significant risks;
- A standard Risk Matrix, identifying likelihood and impact used throughout the organisation;
- Assurance and audit processes;
- Governance processes;
- The underlying policy and control environment.

By applying the risk management framework throughout the organisation the ACS Group ensures:

- risks are identified, reviewed and where appropriate proactively managed;
- the parameters within which ACS Group would want to conduct its activities are clearly identified;
- controls and processes are designed and implemented to help mitigate identified risks to acceptable levels;
- the effectiveness of controls and processes are regularly reviewed and where necessary tested;
- there are crisis management and business continuity systems in place with clear accountabilities.

The Board has overall responsibility for the Risk Management Policy and Risk Appetite Statement, assisted by the Audit and Risk Sub-Committee whose activities include working with senior management to compile and review the Risk Register.

Principal risks and uncertainties facing the business

The principal risks that have been identified include:

- Significant decline in enrolment that could lead to financial loss, restriction on growth and educational offering. To grow, the ACS Group must continue to target other market segments including students from overseas (boarding) and local self-paying families, in addition to expat families. This enables the ACS Group to react quickly with improvements as necessary and maintain its word of mouth referrals;
- Along with other international schools in the UK and overseas, together with many British independent fee-paying schools, the Covid-19 pandemic dampened demand during the previous year. ACS acted quickly to recognise this global impact and monitor demand, manage the enrolment pipeline and budget prudently. Marketing and Admissions programmes remain flexible to support a hybrid of virtual and face to face or move back to virtual only activity, if required, due to the continued pandemic and a change in government regulations. ACS continues to monitor the pandemic and the resultant economic and travel

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

- consequences closely and assess the impact on enrolment.
- Risk of cyber attack on IT systems and data that could lead to reputational damage or financial loss. Policies, procedures and training are in place to protect the IT systems and data.
- Safeguarding and Health and Safety. ACS Group wishes to create an environment in ACS schools where all feel safe and secure and can thrive and therefore policies, procedures and training are in place to mitigate these risks.

Careful and prudent financial management of the ACS Group ensures that it is not exposed to significant financial risks, providing a stable base for the future development of the organisation.

Employment policy

ACS is an equal opportunities employer. The ACS Group is committed to the fair treatment of all employees, potential employees or users of its services, regardless of race, gender, religion or belief, sex and sexual orientation, marital status, pregnancy and maternity, responsibilities for dependants, age, physical/mental disability or background.

In 2021, ACS began laying the groundwork for an initial infrastructure for advancing its ambitions towards embracing diversity, equity and inclusion (DEI) at the heart of its community. As part of this infrastructure, in 2022 ACS created a DEI Charter, set up a DEI Staff Council and DEI Executive Steering Committee, appointed a DEI Board Champion, established the role of DEI Coordinator for ACS and created four employee networks for Racial Equity, Gender Equality, LGBTQI+ and Religion & Belief.

ACS's Vision for Diversity & Inclusion:

"At ACS, we are committed to fostering a diverse, equitable and inclusive community of students, families, staff, alumni and charitable partners. We aspire to live by our core values, joining together to build a global family in which everyone belongs. We believe every person has unique contributions to make to each other and to the world. We value diversity and seek multiple perspectives, listening to others with an open mind. We respect and include people with different backgrounds, life experiences, world views and expertise, because it's right, and because it makes us stronger. We acknowledge the negative power of a single story. We promote positive change, seeking to manage difference productively, educate ourselves and others, and advocate for equality and inclusion. We will listen to and amplify minority voices, and speak out against injustice. We will work together toward a better future, where everyone is safe, valued and able to fulfil their potential, and where our societies are just and fair for all."

ACS continuously review its employment policies in an effort to identify and eliminate any unwanted biases in our recruitment, development and reward practices. ACS run education and training sessions to ensure that we raise awareness, educate staff and take action to address behaviours which are not aligned with our DEI commitments. ACS have reviewed our Dignity at Work (Bullying and Harassment) policy to advance our preventative measures to ensure a safe working environment for all.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

ACS are committed to building representation of diversity in leadership and its wider staff body and continue to improve its recruitment policies and practices to work towards this goal. Specific actions in this area include:

- Working actively to secure relationships with sources of diverse talent.
- Job adverts and candidate briefs include DEI statement and content screened for non-inclusive language
- Introduction of structured selection and interviewing techniques to counter unconscious bias
- Challenge to search agencies to provide more diverse candidate slates
- Job application form redesigned to update diversity categorisation for gender and ethnicity

In 2021, ACS designed a graduate teacher programme in order to attract and develop future generations of talented teachers. The purpose of the programme is to positively impact student learning outcomes by inspiring lifelong learning for newly qualified teachers through an innovative programme of educator support, talent development, and career progression. ACS have recruited its first programme candidates and are piloting the approach, with a view to further extending it in future years.

ACS is committed to acting ethically and with integrity in all business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere within the ACS Group.

ACS have started this year to review its policies and approach towards how the ACS Group structure reward – including pay and benefits. This is to ensure that ACS offer a fair rate of compensation for every role at ACS and provide an attractive proposition for securing the talent we need to meet our community commitments. As part of its annual pay review ACS ensures no pay rate is below the London Living Wage.

In line with legislation, ACS reports its UK gender pay gap on an annual basis and takes measures to address any gender related bias identified.

The Group's policy is to consult and discuss with employees, hold staff forums and encourage meetings where matters that are likely to affect employees' interests can be discussed. Staff are also consulted on specific issues via pulse surveys – these have been run on specific topical issues such as support for wellbeing during the Coronavirus pandemic.

In addition to staff forums, information on matters of concern to employees is provided on a regular basis via staff meetings, all staff communications, and maintenance of information on the all-staff portal available on Schoology

ACS provides a strong level of support to staff for their wellbeing through the provision of private medical insurance, an employee assistance programme, counselling support, self-help guidance, low cost sports centre access and a range of wellbeing activities on campus.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

OBJECTS, AIMS, OBJECTIVES and ACTIVITIES

Charitable objects

ACS's charitable object, as set out in the Articles of Association, is to advance education in particular by the provision and conduct of schools. In furtherance of this object for the public benefit ACS has established and administers a Financial Assistance Programme and a Partnership, Grants and Access Programme. The Board is mindful of the longstanding need to provide public benefit and the requirements of the Charities Act 2011.

Aims

Within its charitable object, ACS's intention is to operate schools that provide a high-quality education within an internationally diverse context with the highest standards of teaching, pastoral care, facilities and support for students.

ACS prepares its students to be ready. Ready for cultures that crossover, boundaries that blur and ideas that interconnect. Ready for a world that demands a new kind of learning, and a new kind of citizen. ACS is a dynamic learning community. ACS's character is built on integrity, open-mindedness and empathy. ACS is proud of its international community, and their commitment to make a difference. ACS welcomes people of all cultures from around the world to create a powerful, shared experience that shapes the way ACS teach and learn, and actively defines ACS's international character. ACS strives to build strong partnerships with parents and stakeholders. Above all, ACS appreciates that happiness enriches learning.

Objectives for the year

The main objective of ACS is to continue to provide education of the highest quality that meets the needs of an ever-changing future.

The primary objectives of ACS during the year were:

- **Progress the Financial Assistance Programme**
- **Progress the Partnerships, Grants and Access Strategy**
- **Focus on the Education Strategy and People Strategy**
- **Progress Fundraising plans and Alumni relations**

More detail is provided on the progress of each of the above areas, later in the Trustees report.

Supporting ACS's object to Advance Education the following core values have been developed:

- Engage in community
- Drive positive change
- Promote excellence through learning
- Enrich the international experience

ACS's education philosophy ensures that ACS focuses on being a dynamic learning community. ACS believes that a great education needs to be balanced and so ACS focuses on three core expected school-wide learning results ensuring ACS students become:

- An effective learner
- A confident individual
- A caring contributor to society

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

Public Benefit and Community Engagement

ACS was founded in 1967 to operate schools in order to educate students. As a charity ACS is committed to providing public benefit, in accordance with its objects. The Trustees have considered the requirements of the Charities Act 2011 and the charity commissions guidance on public benefit in setting the objectives and activities of the charity. Currently ACS Group operates four schools: ACS Cobham, ACS Egham, ACS Hillingdon and ACS Doha. During the year on average 3,235 students were educated by ACS (2021: 3,213).

ACS's schools actively engage with communities, provide financially assisted places to help advance education and provide resources to develop community partnerships with both local organisations and schools.

Financial Assistance Programme

ACS has invested more than £800,000 in financially assisted places for 33 students in its ongoing commitment to increase access to an ACS education to young people from a wide variety of backgrounds. It recently opened applications for the 2022/2023 academic year, which will enable a number of young people to receive subsidised or fully funded places at its UK schools.

Bursaries are awarded from 10% - 100%. Recruitment of students from diverse backgrounds and economic circumstances has resulted in the average award of over 81% of fees, with a significant cohort of students receiving full fee remission.

Hardship Awards

ACS continued to provide means tested bursaries to ACS parents struggling to pay the school fees as a result of a change in their financial circumstances. The bursaries are short term in nature acting as a financial bridge until the parents are able to resume paying the fees, or as a financial parachute for families with longer term financial problems.

Partnerships, Grants and Access Strategy

ACS's ambition is to achieve a step change in engagement by developing partnerships with schools and organisations to advance education in their communities. ACS partnerships will focus on key areas to ensure ACS can provide valuable and ongoing public benefit. ACS's aim is to set up partnerships to widen access to ACS's education facilities and resources, by bringing independent and state school communities together. ACS shares their expertise and promotes active participation in a number of areas including:

- the sharing of teaching facilities with state schools (for example music facilities or sciences labs etc.);
- the sharing of teachers with local state schools.
- permitting pupils from state schools to attend instruction in subjects they would not ordinarily be able to study (for example Theory of Knowledge, a range of mother tongue foreign languages).
- making facilities, such as sports pitches, swimming pools, sports halls and theatres available to pupils at state schools.
- sharing teaching materials with state schools and
- the sharing of expertise in key areas such as Leadership, Teaching, Curriculum development, and overall school improvement, mentoring and support.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

ACS has developed partnership hubs of schools and will continue to build further partnerships in our locality. For example, ACS's relationships with other local state schools include:

- Shared facilities, resources and expertise across partnership schools.
- Free drama, music, choir, STEM sessions for students across the region.
- Working with special education needs pupils to help improve their social skills and for ACS students to experience the challenges and opportunities faced by members of the community.
- Establishing a partnership with a school based on mathematics extension learning.
- The development of a partnership choir made up of local primary schools.
- A peer tutoring program where High school students tutor lower school pupils at partner schools.
- A service learning offer to ACS students working with the local community.
- Working with Partners such as Pinewood Studios on film, animation and set design.
- Teacher training and CPD i.e. SEND, Child Anxiety, online safety sessions for students, teachers and parents
- Development of online training materials to support partner schools i.e. Blended/Hybrid learning (Covid).
- Fundraising for local charitable needs and opportunities.
- Staff from a primary school visit ACS in order to learn about the use of technology in the classroom.

ACS schools now have a partnerships manager for each of our UK campuses. ACS schools have formed partnerships school hubs around each of our campuses. These hubs offer educational events, shared resources and facilities, teacher training and 'outreach boxes' for free loan of modern equipment for classroom topics. These include class sets of virtual reality and augmented reality headsets, various cameras (SLR, 360, Thermal, Go Pro) and high-end technology such as Pepper the robot and Nao the robot. ACS won the Pearsons Award this year for 'Community'.

The ACS Partnerships App has been downloaded thousands of times and is regularly used by ACS staff and teachers in our partner schools. This assists the school's campuses with running their partnership hubs, monitor and evaluate impact and formulate high quality, useful partnerships with business, charities, schools, universities and parents. The application will also form the base of our Service learning offer, outside of what we already do with PYP, MYP, DP and DOE. This pilot application is now live on Apple and Google Play Stores (ACS School Partnerships).

During the year ACS prepared for a large free partnerships event at Thorpe Park, which took place in October 2022. The event hosted 8,553 children to the park for the day to celebrate STEAM activities alongside our partner organisations. More information can be seen here www.steam2022.org.

ACS supports many projects outside of the UK and Doha, to advance education of both ACS students and students abroad. Some of these projects include:

- Namibia Project (registered charity number 1163681) - Since 1999, ACS Cobham has been sending groups of students and teachers to Namibia, to participate in lasting partnerships with different schools and projects.
- Project Nepal - Through the Project Nepal, the community of ACS Egham aims to support Nepalese school communities while simultaneously providing ACS students with social action and emotional development opportunities and the chance to make a sustainable difference.

ACS students also take part in practical voluntary service in the local community, as part of ACS providing them with a broad education. For example providing clothing, toiletries and food, volunteering at community centres, fundraising for the benefit of local communities and working with the elderly and the homeless.

ACS INTERNATIONAL SCHOOLS LIMITED

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ACS's service learning program is currently undergoing a full review as part of the Partnerships Strategy and this will be a vital element of our charitable work. Everything ACS does across its campuses will involve ACS student participation in some way, enhancing skills and knowledge for the future workplace, whilst teaching valuable experiential life skills.

When ACS Group is not using its facilities, ACS makes them available to the community. Schools that have signed up as registered partners will have access to facilities and resources free of charge.

Since 2020 ACS logged over 500,000 hours of student community interaction and 41,000 hours of teacher training in new technologies through our technology loan scheme and twilight CPD offer. During the year 1,333 Crest awards were completed and 24 ACS students across the 4 campuses and 26 students from partner schools completed externships.

Education Strategy

In November 2019, the Board approved a new Education Strategy that describes the desired position for ACS schools in 2025. Its principal objective is to increase the unique quality and value of the ACS educational experience.

Over the next five years, the Education Strategy intends to deliver significant change, including:

- a sharper focus on inspirational teaching that continually improves academic results.
- demonstrated public benefit and global competence through a greater range of educational experiences.
- an expanded and carefully monitored notion of what it means to belong to a healthy international learning community.
- equitable, distinctive, and systematically implemented support for all students to achieve challenging educational goals.

ACS's highest level strategic objective is to ensure that it is ready for the future, empowering students to become more effective, confident and caring. The strategy's focus is on transformational learning, driving results through by inspirational teachers, allied leaders, and demonstrated impact through the application of education data. The strategy is organised around 4 objectives which are important thematic opportunities for growth, delivered through 10 challenging projects, over five years, that will make a positive difference in student learning outcomes.

Following focused effort around student wellbeing through the COVID-19 pandemic, in 2021-22 our thematic emphasis turned to diversity and inclusion. In addition to progress toward completing strategic projects, ACS have been developing infrastructure to support strategic objectives more generally:

- School Information and Learning Management Systems
- Governance (Education Sub-Committee Terms of Reference)
- IT Enterprise Architecture planning and Change Board process
- Improvements in data accuracy and integrity (especially in Safeguarding)
- Group level support for Safeguarding and School Nurses

ACS have also developed a four-dimensional Quality Assurance Framework with specific measures. Key performance indicators for more than half of the domains we have identified as markers of success.

**ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2022**

People Strategy

A new People Strategy was endorsed by the Leadership Team and Board in December 2020, focusing on key areas of people policies and practices that can ensure ACS both attracts and retains high quality talent and have extensive potential to influence organisational culture:

- Leadership – Role model leadership. Ensure Leadership Team joint ownership and alignment across divisions strategies and plans. Right people are in the right place to take the organisation forward and provide continuity of staff leadership.
- Talent – Understand and address personal motivations to join and stay. Identify, attract, develop, engage and retain staff who can help to build a high education performance and diverse workplace.
- Performance - Align goals to ACS strategy and engage and motivate staff to develop and improve performance.
- Reward - Reward people fairly within clearly communicated and appropriate remuneration frameworks whilst at the same time remaining competitive.

The strategy's implementation is being designed around exploration of a renewed employee value proposition that highlights growth, purpose and wellbeing.

- Growth - Provide career support to give people the best possible start and develop people's personal and professional skills and knowledge throughout their careers.
- Purpose – Ensure that the ethos and DNA of ACS's charitable purpose and educational mission is understood and staff are proactively engaged.
- Wellbeing - Provide an environment where health and wellbeing are actively promoted, where people feel engaged and valued.

During the 2020/2021 financial year, the People Committee reviewed succession planning for senior roles across the campuses and implemented reform to executive level pay arrangements in line with the educational and charitable sectors.

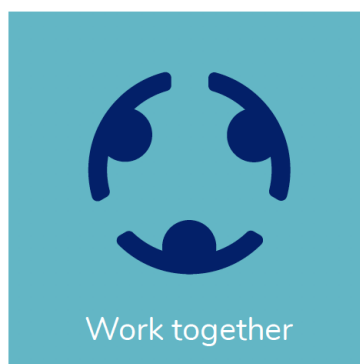
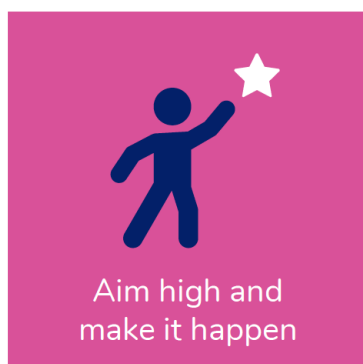
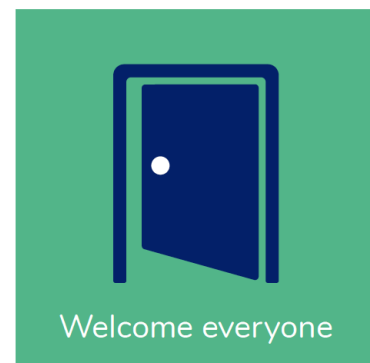
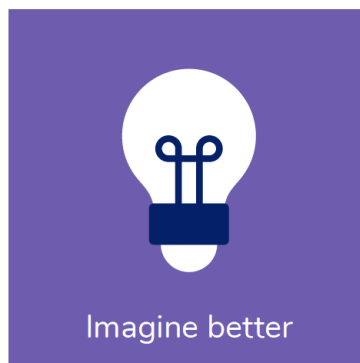
During the summer of 2020, ACS responded to the Black Lives Matter movement by engaging proactively with its staff and students and setting out a six-point plan to take its policy and practices on Diversity, Equity & Inclusion to the next stage of development. This has since resulted in the establishment of a DEI Charter and staff led DEI Council which is working with leadership on implementation of our strategic plans for action to build an inclusive school community for all.

In spring 2021, ACS refreshed its narrative on its purpose, strategy and values. Thinking anew about the organisation's purpose, its value to the community, values by which ACS works in order to inspire the world's next global thinkers and doers. The idea of readiness lies at the heart of an ACS education. ACS envisions alumni embracing the future as effective, confident and caring individuals who are ready to act, lead, care and change the world and its students to be ready to ask new questions and demand better answers.

These purpose, vision and values align with ACS's core strategies for education, people, partnerships and growth.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2022



**ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2022**

Fundraising performance and Alumni relations

The Development & Alumni Relations team engages with and mobilises the ACS global alumni and friends communities to donate to the UK schools, which includes all current and former parents, former students and former staff.

There were no professional fundraising organisations used and no monitoring processes required during the year.

ACS has worked closely with the PSOs (Parent School Organisations) at each schools sharing fundraising campaign and charitable communications which assists ACS with its philanthropic programmes. The PSOs have made their first donations in support of the capital appeals to the schools this year.

Donations were raised for the benefit of the three UK schools for scholarships, teaching excellence and specific capital projects to create and further improve students' facilities and learning spaces.

Fundraising campaigns were initially delayed in 2020 due to Covid-19 and focus shifted to alumni engagement and donor stewardship to enable the UK schools to fulfil pledges for teaching excellence, scholarships and capital projects. The first capital appeals were launched in March 2021 to all UK parents to support summer capital projects at the UK schools:

- Project Tomorrow (Cobham) – the development of a brand new STEM innovation space for Middle School and High School students
- Project Narnia (Egham) – the development of three new libraries for Lower School, Middle School and High School students
- Project Shine (Hillingdon) – the upgrade of the auditorium

98% of donations received have come from ACS parents. ACS has received donations during the year of £459,022 (2021: £217,439). These capital appeals served as a good foundation upon which to develop new capital campaign strategies to support the schools' masterplans targeting current and former parents as well as international alumni.

The costs of ACS's Development & Alumni Relations team are expected to be weighted at the beginning of the fundraising activity and will be initially higher than donations received whilst the fundraising programme develops. This year donations received exceeded fundraising costs and are projected to grow year-on-year accordingly subject to campus masterplans being approved to facilitate new capital campaign strategies to attract multi-year major gift pledges from parents and alumni,

The Development & Alumni Relations team engages with its alumni, former staff and former parents with the aim of reconnecting alumni with their school and donating to our fundraising campaigns. In the US we receive support in engagement through informal alumni associations called Chapters. We currently have one Chapter for the Atlantic Coast of America, operated in New York and one for Texas, operated in Houston. Each Chapter has its leadership team comprising of Chapter President, Vice President (Development) and Vice President (Marketing & Outreach). Chapters host alumni social and fundraising events on our behalf. During the pandemic, these events were moved virtually allowing us to reach a much larger audience.

During the current year up to July 2022 the two US Chapters held several social happy hour events attracting 20 alumni. In April of 2022, the Houston Chapter held its first post pandemic Presidential dinner with 12 guests, celebrating the schools 55th anniversary and in April of 2022 17 guests celebrated the Presidential Dinner in New York. During June the UK Development and Alumni Team welcomed back over 65 Hillingdon alumni together with their families for their school reunion weekend.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

Fundraising performance and Alumni relations (continued)

There are currently approximately 7,087 contactable alumni, former staff and former parents (referred to as Friends), 3,034 receive our monthly newsletter and 25 donors. The majority of our current engaged alumni audience are based in the USA, supported by the work of the Texas and the Atlantic Coast Chapters as well as ACS International Schools in America

Capital campaign strategies for the UK schools are planned to raise major gifts from parents and alumni communities over five years as well as the introduction of new regular giving programmes for parents and alumni to give small monthly donations via direct debit.

In order to support these new fundraising programmes, face to face international donor cultivation events are being planned.

ACS has a Fundraising Policy in place which sets out ACS's approach to fundraising and to protect vulnerable people and other members of the public from behaviour which:

- is an unreasonable intrusion on a person's privacy;
- is unreasonably persistent;
- places undue pressure on a person to give money or other property.

During the year ACS or any person acting on its behalf for the purposes of fundraising did not receive any complaints about fundraising activity.

ACS works closely with ACS International Schools in America Inc. which is a non-profit organisation section 501c (3) based on the East Coast of America. The organisation supports education around the world with the mission to raise awareness of and support for ACS International Schools education allowing more students to benefit from the opportunities offered by the schools. The capital campaigns for the UK schools are being championed by alumni directors in the USA to stimulate major gifts from our alumni community.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

STRATEGIC REPORT

Review of achievements and performance for the year

During the year, ACS Group continued to provide a first-class educational experience for students between the ages of 2-18.

ACS Group students delivered another above average set of academic results reflecting the joint effort of ACS teachers and school leaders. In another unusual year 165 (2021: 165) students at ACS International Schools in the UK achieved the International Baccalaureate (IB) Diplomas, with average total points of 36 (2021: 37- special circumstances with no examinations) and a pass rate of 98% (2021: 100%), which is higher than worldwide average of 32 points (2021: 33) and an 82% pass rate (2021: 89%) and exceeds our Key Performance Indicators for DP assessment. The IB Diploma's curriculum and assessment framework were modified for May 2022 in response to globally interrupted education for students during the previous years of the COVID-19 pandemic.

Students took standard Advanced Placement exams, with 83% (2021: 81%) qualifying to receive college credit in at least one course. In total, 302 ACS students earned American High School Diplomas (2021: 297).

In 2019, ACS launched a new brand narrative, logo and visual identity. The new branding was developed to command a unique and differentiated position in the market following extensive research and customer and stakeholder engagement. The new brand narrative 'Ready for whatever comes next' was launched internally to all staff and externally across all touchpoints from August 2019. Feedback from the wider ACS community and externally was extremely positive. Interest in the school measured by open day registrations, digital and website views and engagement was ahead of the previous year until lockdown. The new brand has been successfully implemented across all assets at the Doha new campus.

In addition, there has been progress in the Financial Assistance Programme and the Partnerships, Grants and Access Strategy as previously discussed in the Trustees report.

The trustees have a reasonable expectation that ACS International Schools Limited, ACS Doha International School LLC, ACS International Schools Overseas Holdings Limited and ACS Commercial Enterprises Limited have adequate resources to continue in operational existence for the foreseeable future and it remains appropriate to prepare their financial statements on a going concern basis.

ACS International Schools Overseas Holdings Limited continues to act as a holding company.

ACS Commercial Enterprises Limited (ACSCE) continues to be profitable and profit of £125,399 (2021: £52,069) was donated to ACS under the Gift Aid Scheme.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

STRATEGIC REPORT (continued)

Capital Investment (including progress on Doha campus)

ACS Group continues to invest in its first-class educational facilities. At ACS Cobham, work on the Masterplan started with more focus on Middle School and High School aspects of the plan. Work on High School toilet refurbishment was completed, and progress was made on detailed planning, design and architectural work in view of summer 23/24 major redevelopment.

At ACS Hillingdon, work commenced on Phase 1 of the Masterplan, which will deliver a modern Technology teaching space. In addition, the school continued to invest in sports facilities with the installation of Portable External Lighting and refurbishment of Gym changing rooms.

The Egham Masterplan/Barn was postponed with the project to be reviewed and rescope as a result of changing requirements due to Covid-19. With the delay to the Barn project, other Exceptional projects were prioritised for this year including moving the Lower School Library from its existing location, with work done over the school summer break. Other projects this year included a Strength Gym, Amphitheatre and a refresh of the Cedar building.

At ACS Doha campus work on the swimming pool was completed during the year.

ACS Group also invested significantly in educational equipment, I.T. and general campus improvements during the year.

Streamlined Energy and Carbon Reporting (SECR).

The Group has completed the Energy Savings Opportunity Scheme (ESOS) reporting requirements and is preparing for reporting under the Streamlined Energy and Carbon Reporting (SECR).

The Group has measured scope 1 and scope 2 emissions in the UK in accordance with UK Government's guidance on how to measure and report greenhouse gas emissions. Electricity and gas are the primary and only utilities used. There is no internal transport activity, heating or cooling purchases outside of electricity and gas.

The total annual net emissions in the UK to 31st July 2022 were -1.13 (2021: -1.62) global tonnes of CO₂e. The Group is targeting to reduce gross intensity ratio by 5% from 2022 to 2023. ACS is committed to sustainability and becoming as energy efficient as possible whilst reducing its carbon footprint. During 2020, ACS planted 160 trees on the school grounds, which contributed to an offset of 0.9 tonnes of CO₂e. During 2022, ACS has offset 1,474 (2021: 1,791) tonnes of CO₂e through carbon offset projects.

The Group has engaged with an external sustainability company who are compiling the annual ESG Impact Report to the year ended 31 July 2022. The document will cover key statistics, actions undertaken during the year and plans for 2022 as well as longer term goals. A carbon reduction plan has already begun with planting trees to reduce ACS's carbon footprint. It is ACS's desire to offset any carbon we create such that we are carbon neutral.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

STRATEGIC REPORT (continued)

FINANCIAL REVIEW

ACS Group results for the year

ACS Group has enjoyed another satisfactory year of operation despite the challenges associated with Covid-19. The financial performance for the year and the year-end financial position were both considered satisfactory by the Board. Net income was £1,566,631 (2021: £2,697,637).

Total income increased by 6% from £74,944,318 to £79,208,107, mainly due to increase in enrolment and associated increase in catering and trip income during the 2021/2022 academic year. School fees income increased by 3% from £69,714,376 to £71,749,076 for the same reason. School fees income was the primary source of revenue for the ACS Group.

Total expenditure also increased by 9% from £71,775,197 to £78,573,585, mainly due to increases in staff costs and in catering, trips and clubs. Staff costs represent 57% of total charitable expenditure.

Net Assets at 31st July 2022 were £93,024,062 compared to £91,457,431 as at 31st July 2021. The Group has a loan facility in place to enable it to manage its cash flow requirements.

ACS's net income decreased from £7,977,166 to £5,463,994 at a company level. ACS's income includes fundraising income of £584,422 (2021: £269,508), including the amounts donated from ACSCE under the Gift Aid Scheme.

ACS Doha produced a net loss before foreign exchange translation differences of £5,221,716 (2021: £7,952,196 net income before foreign exchange translation). The increase in expenditure compared to 2021 was mainly due to the rental expenditure of the new building.

ACSCE continued to perform well in the year ended 31 July 2022. ACSCE was adversely affected by lockdown which took place during the year ended 31 July 2021, but despite this it remained profitable. Details of its results are given in Note 7.

Reserves Level and Policy and Financial Viability

The ACS Group reserves policy is that it should have access to sufficient financial resources to be able to ensure the sustainability of the ACS Group. In determining what level of financial resources are required we have considered the following:

- Current and projected levels of free reserves;
- What level of working capital the ACS Group needs to be able to operate effectively;
- The impact of seasonality;
- ACS Group capacity and appetite to borrow funds;
- ACS Group risk appetite;
- The likely financial impact of a range of unlikely but plausible scenarios linked to the most significant risks that the ACS Group faces. For each of these risks we have considered:
 - The timings of the risk and any potential mitigating steps associated with the risk;
 - If the risk happened, any impact on the ACS Group's capability to borrow money.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

STRATEGIC REPORT (continued)

This analysis led to the Board concluding that ACS Group's Reserves Policy is to target an annual minimum cash/net debt level between zero and a debt of £15,000,000. The minimum cash, net of borrowing, during the year was £21,000,000. ACS Group has a loan facility in place to enable it to manage its cash flow requirements. The ACS board has plans to bring its minimum cash balance back into line with the policy once the financial risk caused by Covid-19 has reduced. This involves reviving some of the Capital Expenditure plans, currently on hold as a result of the pandemic.

The Group Reserves Policy is reviewed annually by the Audit & Risk Committee and reflects the need to manage cash flow seasonality and not merely look at the year-end position.

The total reserves for the ACS Group at the year end were £93,024,062 (2021: £91,457,431) which were unrestricted. No unrestricted funds have been designated for specific purposes. Included within unrestricted funds are fixed assets with a net book value of £101,125,839 (2021: £101,136,772)

After reviewing the forecasts and projections, the trustees have a reasonable expectation that ACS has adequate resources to continue in operational existence for the foreseeable future. ACS Group therefore continues to adopt the going concern basis in preparing its financial statements.

FUTURE PLANS

The future plans include:

- To increase the overall amount of financial assistance provided and the number of children benefiting from the financial assistance. This will be achieved through ACS's Finance Assistance Programme and Partnerships, Grants and Access Strategy.
- Progress with redevelopment of the Early Childhood and Lower School at ACS Cobham;
- Fundraising initiatives to support bursaries, scholarships and to develop campuses;
- To progress the Education Strategy and People Strategy; and
- To ensure that ACS Group continues to play a significant part in the life of the local community.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2022

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland) and applicable law. Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group including income and expenditure of the group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RELEVANT AUDIT INFORMATION

Insofar as each of the Trustees, as members of the Board, at the date of approval of this report is aware there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each member of the Board has taken all the steps that he or she should have taken as a member of the Board in order to make himself or herself aware of the relevant audit information and to establish that the Charity's auditor is aware of that information.

Approved by the Board of ACS International Schools Limited on 6 December 2022 including, in their capacity as trustees, approving the Trustees' and Strategic Reports contained therein, and signed on its behalf by:



R M Macnaughton
(Chairman)

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

Opinion

We have audited the financial statements of ACS International Schools Limited 'the charitable company' and its subsidiary 'the group' for the year ended 31 July 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated and Company Balance Sheets, Consolidated 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 the charitable company's affairs as at 31 July 2022 and of the group's/ 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 trustee's 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 charitable company's or 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; or
- the 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 1 to 20, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, Data Protection Regulation (GDPR), Health and safety legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

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ACS INTERNATIONAL SCHOOLS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF ACS INTERNATIONAL SCHOOLS LIMITED**

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of donations income and other ancillary income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing any regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 16 December 2022

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2022**

	Note	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Income from charitable activities					
School fees	2	71,749,076	-	71,749,076	69,714,376
Ancillary trading income	3	6,220,837	-	6,220,837	4,099,441
Non-ancillary trading income	4	683,844	-	683,844	324,169
Other income		38,995	-	38,995	140,692
Investment income	5	30,149	-	30,149	10,911
Donations & Grants	6	26,184	459,022	485,206	654,729
Total Income		78,749,085	459,022	79,208,107	74,944,318
Expenditure on					
Cost of raising funds	8	(583,752)	-	(583,752)	(396,054)
Charitable activities	8	(77,902,119)	(82,804)	(77,984,923)	(71,379,514)
Other expenditure	8	(4,910)	-	(4,910)	371
Total expenditure		(78,490,781)	(82,804)	(78,573,585)	(71,775,197)
Gain/(loss) on translation of foreign results		932,109	-	932,109	(517,345)
Gain on sale of fixed asset		-	-	-	45,861
Net(expenditure)/income before transfers		1,190,413	376,218	1,566,631	2,697,637
Transfers		106,491	(106,491)	-	-
NET MOVEMENT IN FUNDS		1,296,904	269,727	1,566,631	2,697,637
Funds brought forward		91,457,431	-	91,457,431	88,759,794
Funds carried forward	23	92,754,335	269,727	93,024,062	91,457,431

The notes on pages 29 to 49 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2022**

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	12	100,573,276	100,368,035
Intangible assets	14	<u>552,563</u>	<u>768,737</u>
		101,125,839	101,136,772
CURRENT ASSETS			
Debtors	17	10,408,186	8,702,156
Cash at bank and in hand		<u>35,733,231</u>	<u>27,729,473</u>
		46,141,417	36,431,629
CREDITORS: amounts falling due within one year	18	<u>(51,846,775)</u>	<u>(43,988,671)</u>
NET CURRENT (LIABILITIES)		<u>(5,705,358)</u>	<u>(7,557,042)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		95,420,481	93,579,730
LONG TERM LIABILITIES			
Other provisions	21	(1,396,419)	(1,122,299)
Long term loan	20	<u>(1,000,000)</u>	<u>(1,000,000)</u>
		<u>(2,396,419)</u>	<u>(2,122,299)</u>
NET ASSETS		<u>93,024,062</u>	<u>91,457,431</u>
REPRESENTED BY:			
Restricted funds	23	269,727	-
Unrestricted funds	23	<u>92,754,335</u>	<u>91,457,431</u>
		<u>93,024,062</u>	<u>91,457,431</u>

Net result for the year for the charity before consolidation was a surplus of £5,463,994 (2021: £7,977,166).
The financial statements were approved and authorised for issue by the board and were signed on its behalf on 6 December 2022.



R M Macnaughton (Chairman)

The notes on pages 29 to 49 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

**CHARITY BALANCE SHEET
AS AT 31 JULY 2022**

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	13	90,315,470	90,916,127
Intangible assets	15	552,563	768,737
Investments	16	<u>1,100</u>	<u>1,100</u>
		90,869,133	91,685,964
CURRENT ASSETS			
Debtors	17	26,206,110	24,331,895
Cash at bank and in hand		<u>32,653,986</u>	<u>23,998,643</u>
		58,860,096	48,330,538
CREDITORS: amounts falling due within one year	18	<u>(43,303,386)</u>	<u>(39,054,653)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>15,556,710</u>	<u>9,275,885</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		106,425,843	100,961,849
LONG-TERM LIABILITIES			
Long term loan	20	<u>(1,000,000)</u>	<u>(1,000,000)</u>
		<u>(1,000,000)</u>	<u>(1,000,000)</u>
NET ASSETS		<u>105,425,843</u>	<u>99,961,849</u>
REPRESENTED BY:			
Restricted funds		269,727	-
Unrestricted funds		<u>105,156,116</u>	<u>99,961,849</u>
		<u>105,425,843</u>	<u>99,961,849</u>

ACS has elected to not publish a charity only statement of financial activities. The unconsolidated surplus generated by the parent charity was £5,463,994 (2021: £7,977,166).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 6 December 2022.



R M Macnaughton(Chairman)

The notes on pages 29 to 49 form part of these financial statements

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2022**

	Note	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income		1,566,631	2,697,637
Adjustments for:			
Depreciation of property, plant and equipment		5,233,513	5,245,836
Amortisation of intangible assets		294,633	381,324
(Gain) on disposal of property, plant and equipment		-	(45,861)
Interest paid		38,843	31,186
Interest received		(30,149)	(10,911)
(Increase)/decrease in debtors		(1,706,030)	1,323,718
Increase in creditors		7,858,104	2,692,588
Increase/(decrease) in provisions		274,120	(152,553)
CASH FROM OPERATIONS		13,529,665	12,162,964
Interest paid		(38,843)	(31,186)
NET CASH GENERATED FROM OPERATING ACTIVITIES		13,490,822	12,131,778
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(5,438,754)	(5,047,124)
Purchases of intangible assets		(78,459)	(15,470)
Interest received		30,149	10,911
Proceed from sale of equipment		-	45,861
NET CASH FROM INVESTING ACTIVITIES		(5,487,064)	(5,005,822)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue/ (repayment) of debenture loans		-	-
Proceeds from loan		-	-
NET CASH USED IN FINANCING ACTIVITIES		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		8,003,758	7,125,956
Cash and cash equivalents at beginning of the year	24	<u>27,729,473</u>	<u>20,603,517</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	24	<u>35,733,231</u>	<u>27,729,473</u>

The notes on pages 29 to 49 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

1.1 Company information

ACS International Schools Limited is a registered charity and public benefit entity in England and Wales and a company limited by guarantee. It was incorporated on 5 July 1967 (company number: 00910010) and registered as a charity on 5th September 2018 (charity number: 1179820). The registered office is Heywood, Portsmouth Road, Cobham, Surrey KT11 1BL.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2015.

The charity has taken the advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cashflow Statement with the consolidated financial statements.

The account presents the consolidated statement of financial activities (SOFA), the consolidated and charity balance sheets and the consolidated cash flow statement comprising the consolidation of the Charity and its subsidiaries ACS International School Doha LLC, ACS Overseas Holdings Limited and ACS Commercial Enterprises Limited.

The trustees have a reasonable expectation that ACS International Schools Limited, ACS Doha International School LLC, ACS Overseas Holdings Limited and ACS Commercial Enterprises Limited have adequate resources to continue in operational existence for the foreseeable future and it remains appropriate to prepare their financial statements on a going concern basis.

1.3 Judgement and estimation uncertainty

In application of the accounting policies, trustees are required to make judgements, estimates and assumptions about carrying value of assets and liabilities that are based on historical experience and other relevant factors. The estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognised in either the period of revision and/or in future periods if relevant.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date, are likely to result in a material adjustment to their carrying amounts in the next financial year.

The particular accounting policies adopted and applied consistently are described below.

1.4 School fees and trading income

School fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Scholarships and bursaries granted by the Charity against those fees are deducted in the school term to which they relate.

Trading income and other income is recognised in the period to which it relates.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

1.5 Investment income

Investment income from bank balances is accounted for on an accruals basis.

1.6 Grants and donations

Voluntary incoming resources are accounted for as and when the entitlement arises, the amount can be reliably quantified and the economic benefit to the charity is considered probable.

Donations are restricted in accordance with the donor's intention. Where no restrictions are noted donations are utilised within unrestricted funds.

1.7 Expenses

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is included with the item of expenditure to which it relates. Intra-group sales and charges between the charity and its subsidiaries are excluded from trading income and expenditure.

Charitable activities include teaching staff salaries, depreciation of items related to education and classroom supplies.

Investment and estates management includes investment in new buildings and maintenance of existing ones, as well as depreciation relating to buildings.

Support activities include expenditure on salaries of non-teaching staff, depreciation and purchase of items not directly related to provision of education. The costs are allocated based on spend by department.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation with the exception of freehold land and buildings which are carried at open market value and revalued every five years by professionally qualified surveyors. The properties were last revalued in July 18 by Gerald Eve, Chartered Surveyors. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases and recognised within the statement of financial activities:

Freehold buildings	-	Straight line over 15-25 or 50 years
Leasehold improvements	-	Straight line over the period of the lease
Motor vehicles	-	Straight line over 4 or 10 years
Fixtures, fittings and equipment	-	Straight line over 2-15 years

Assets in the course of construction are capitalised at cost but are not depreciated until they become available for use.

1.9 Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following basis:

Computer software	-	Straight line over 3-5 years

Amortisation is included within expenditure in the statement of financial activities.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

1.10 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to expenditure in the statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.12 Operating leases

Rentals under operating leases are charged to expenditure in the statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.13 Funds

The total funds of the charity and its subsidiaries are allocated to unrestricted and restricted based on the terms set by the donors.

Unrestricted income belongs to the charity's corporate reserves, spendable at the direction of the trustees either to further the charity's objects or to benefit the schools itself.

Restricted funds comprise gifts, legacies and grants where the donors have earmarked funds for specific purposes.

1.14 Cash

Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Cash balances are recognised at amortised cost.

1.15 Debtors and Creditors

Short term debtors and creditors are measured at transaction price less any impairment and are subsequently held at amortised cost. £6,197,000 (2021: £5,054,000) included in trade debtors at 31 July 2022 relates to 2022/23 fees invoiced in advance, of which there is a corresponding entry included in deferred income.

1.16 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

1.17 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.18 Fees in advance

Fees in advance represent the following year's tuition, extras and bussing fees invoiced in the current year.

1.19 Management of liquid resources

Liquid resources are defined as cash, cash held at bank and treasury deposits.

1.20 Employee benefits

The liability recognised in the statement of financial position in respect of end of service benefits is the present value of the defined benefit obligation at the end of the reporting year. This is calculated annually by management using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the effective interest rate

1.21 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation because of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense

1.22 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost, with the exception of investments which are held at fair value.

Financial assets held at amortised cost comprise cash at bank and in hand, together with debtors excluding prepayments. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in bank accounts.

Financial liabilities held at amortised cost comprise all creditors excluding social security and other taxes, provisions and deferred income. Investments in subsidiary undertakings are held at cost less impairment.

1.23 Redundancy payments

Termination benefits are payable when employment is terminated by ACS or whenever an employee accepts voluntary redundancy in exchange for these benefits. ACS recognises termination benefits when a fully signed settlement agreement is in place, or when the cost has otherwise been confirmed and committed to.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

1.24 Prior year restatement

During the year, it was identified that a rent adjustment was required to the prior year financial statements to account for a discount received during the period. The restatement had the following impact of the prior year balances:

	2021 (Per 2021 Signed Accounts)	2021 Restated	Difference
Creditors – Accruals	(1,724,008)	(4,218,116)	(2,494,108)
Debtors – Prepayments	1,477,541	2,954,146	1,476,605
Net Movement in Funds	3,715,140	2,697,637	1,017,503
Funds brought forward	88,759,794	88,759,794	-
Funds carried forward	92,474,934	91,457,431	1,017,503

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE

	2022 £	2021 £
Fees receivable consist of:		
ACS school fees	56,700,447	56,273,389
ACS Doha school fees	15,048,629	13,440,987
	<u>71,749,076</u>	<u>69,714,376</u>

School fees are net of bursaries and scholarships.

3. ANCILLARY INCOME

Ancillary income includes income from application fees, bussing fees, student catering, trips and clubs.

	2022 £	2021 £
ACS ancillary income	5,830,487	3,833,889
ACS Doha ancillary income	390,350	265,552
	<u>6,220,837</u>	<u>4,099,441</u>

4. NON-ANCILLARY INCOME

	2022 £	2021 £
Non-student catering and shop income	355,660	182,695
Sports membership and activity fees	74,505	46,421
Hire of facilities	253,679	95,053
	<u>683,844</u>	<u>324,169</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

5. INVESTMENT INCOME

	2022 £	2021 £
UK bank interest	<u>30,149</u>	<u>10,911</u>
	<u>30,149</u>	<u>10,911</u>

6. DONATIONS & GRANTS

	2022 £	2021 £
Donations	459,022	217,439
Grants - Coronavirus Job Retention Scheme	-	379,473
Grant for research and school partnership	<u>26,184</u>	<u>57,817</u>
	<u>485,206</u>	<u>654,729</u>

7. PRINCIPAL SUBSIDIARIES AND HOLDING COMPANIES

Company name and registered address	Country/ Company number	Percentage Shareholding	Description
ACS International School Doha ¹ LLC, Building 10. Street 161 Al Kheesa, P.O. 200568, Doha	Qatar	49	Operation of overseas educational establishment
ACS International Schools Overseas Holdings Limited, Heywood, Portsmouth Road, Cobham, KT11 1BL	England and Wales 07537434	100	Intermediate holding company
ACS Commercial Enterprises Limited, Heywood, Portsmouth Road, Cobham, KT11 1BL	England and Wales 10887569	100	Trading company

1. ACS International School Doha LLC is a subsidiary undertaking by a virtue of the fact that ACS International Schools Limited has a participating interest in the undertaking and actually exercises a dominant influence over it.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

7. PRINCIPAL SUBSIDIARIES AND HOLDING COMPANIES (continued)

	ACS Commercial Enterprises	ACS International Schools Overseas Holdings	ACS Doha International School	Total 2022	<i>Total 2021</i>
	£	£	£	£	£
Income	377,769	-	15,438,979	15,816,748	13,871,870
Expense	<u>(252,370)</u>	<u>(4,910)</u>	<u>(22,740,462)</u>	<u>(22,997,742)</u>	<u>(21,389,606)</u>
Net profit/(loss)	<u>125,399</u>	<u>(4,910)</u>	<u>(7,301,483)</u>	<u>(7,180,994)</u>	<u>(7,517,736)</u>
Amount gift aided	<u>(125,399)</u>	-	-	<u>(125,399)</u>	<u>(52,069)</u>
Retained in subsidiary	<u>-</u>	<u>(4,910)</u>	<u>(7,301,483)</u>	<u>(7,306,393)</u>	<u>(7,569,805)</u>
Net assets	<u>100</u>	<u>(17,521)</u>	<u>(19,273,975)</u>	<u>(19,291,396)</u>	<u>(11,985,003)</u>

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

8. ANALYSIS OF EXPENDITURE

(a) Total expenditure

	Staff costs	Depreciation & amortisation	Other	Total 2022	Total 2021
	£	£	£	£	£
Expenditure on raising funds					
Fundraising costs	235,314	-	96,068	331,382	282,792
Other costs of raising funds	127,211	-	125,159	252,370	113,262
Total costs of raising funds	<u>362,525</u>	<u>-</u>	<u>221,227</u>	<u>583,752</u>	<u>396,054</u>
Charitable expenditure					
Education and grant making					
Teaching	31,257,841	2,693,313	14,420,263	48,371,417	44,655,586
Boarding and welfare	1,747,342	747,742	1,901,603	4,396,687	3,569,437
Premises repair and maintenance	1,579,187	480,718	2,034,297	4,094,202	3,788,866
Support costs and governance	8,883,388	2,143,948	10,084,700	21,112,036	19,354,524
Grants, awards and prizes	-	-	10,581	10,581	11,101
Total charitable expenditure	<u>43,467,758</u>	<u>6,065,721</u>	<u>28,451,444</u>	<u>77,984,923</u>	<u>71,379,514</u>
Other expenditure					
Taxation	-	-	-	-	-
Other	-	-	4,910	4,910	(371)
Total other expenditure	<u>-</u>	<u>-</u>	<u>4,910</u>	<u>4,910</u>	<u>(371)</u>
Total expended	<u>43,830,283</u>	<u>6,065,721</u>	<u>28,677,581</u>	<u>78,573,585</u>	<u>71,775,197</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

8. ANALYSIS OF EXPENDITURE (continued)

(b) Grants, awards and prizes

	2022	<i>2021</i>
	£	<i>£</i>
From Unrestricted Funds		
UK prizes and leaving awards	<u>10,581</u>	<u><i>11,101</i></u>

**(c) Governance included in support costs
(inclusive of VAT)**

	2022	<i>2021</i>
	£	<i>£</i>
Remuneration paid to Crowe UK LLP in respect of:		
Statutory audit	39,000	<i>36,450</i>
Tax compliance	12,000	<i>10,900</i>
Advisory services	1,174	<i>1,562</i>
Remuneration paid to PWC in respect of:		
Statutory audit (Doha)	18,991	<i>23,947</i>
Tax compliance and advisory	15,894	<i>21,032</i>
Reimbursement of personal expenses to Trustees – travel costs	<u>3,712</u>	<u><i>498</i></u>

Expenses were reclaimed by 4 Trustees (2021:3). No trustees have been paid any remuneration or received any other benefits during the year.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

9. STAFF COSTS

Staff costs, including director's remuneration, were as follows:

	2022	2021
	£	£
ACS wages and salaries	30,919,423	29,525,680
ACS Doha wages and salaries	8,039,681	7,650,082
ACS social security costs	3,185,063	2,928,397
ACS other pension costs	1,400,092	1,339,355
ACS Doha other pension costs	286,024	84,637
	<u>43,830,283</u>	<u>41,528,151</u>

Aggregate employee benefits of key management personnel	2,189,076	2,091,563

	2022	2021
	No.	No.
Number of higher paid employees with aggregate employee benefits in bands of:		
£60,001 to £70,000	27	34
£70,001 to £80,000	21	14
£80,001 to £90,000	7	6
£90,001 to £100,000	7	5
£100,001 to £110,000	3	3
£110,001 to £120,000	2	2
£150,001 to £160,000	1	3
£160,001 to £170,000	2	-
£170,001 to £180,000	1	2
£180,001 to £190,000	1	2
£190,001 to £200,000	2	-
£200,001 to £210,000	-	1
£220,001 to £230,000	1	-
£230,001 to £240,000	-	1
£270,001 to £280,000	-	1
£280,001 to £290,000	<u>1</u>	<u>-</u>

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

The average number of employees during the year was 935 (2021: 824).

	2022 No.	2021 No.
Academic staff	511	495
Substitute staff	102	41
Welfare	32	51
Support staff	290	237
	935	824

During the year redundancy payments of £106,617 (2021: £58,307) were awarded of which £75,591 remained outstanding at year end (2021: £12,924)

10. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the funds. Contributions of £251,770 (2021: £237,608) are outstanding at the balance sheet date.

11. FINANCE COSTS

	2022 £	2021 £
Interest payable and charges	38,843	31,186
	38,843	31,186

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

12. TANGIBLE FIXED ASSETS

Consolidated

Group	Freehold land and buildings £	Motor vehicles £	Fixtures, fittings and equipment £	Capital work in progress £	Total £
Cost					
At 1 August 2021	90,125,069	769,169	37,740,319	129,357	128,763,914
Additions	1,575,450	24,989	2,756,668	311,918	4,669,025
Disposals	-	-	(65,764)	-	(65,764)
Exchange difference	-	(17,676)	744,975	42,430	769,729
At 31 July 2022	<u>91,700,519</u>	<u>776,482</u>	<u>41,176,198</u>	<u>483,705</u>	<u>134,136,904</u>
Depreciation					
At 1 August 2021	6,785,606	642,914	20,967,359	-	28,395,879
Charge for the year	2,398,250	25,606	3,359,069	-	5,782,925
Disposals	-	-	(65,764)	-	(65,764)
Exchange difference	-	(17,676)	(531,736)	-	(549,412)
At 31 July 2022	<u>9,183,856</u>	<u>650,844</u>	<u>23,728,928</u>	<u>-</u>	<u>33,563,628</u>
Net book value					
At 31 July 2022	<u>82,516,663</u>	<u>125,638</u>	<u>17,447,270</u>	<u>483,705</u>	<u>100,573,276</u>
At 31 July 2021	<u>83,339,463</u>	<u>126,255</u>	<u>16,772,960</u>	<u>129,357</u>	<u>100,368,035</u>

All properties were revalued on 31 July 2018 by Gerald Eve, Chartered Surveyors, on basis of open market value for current use at £80,870,000. The valuation was incorporated in the financial statements for the year ended 31 July 2018.

Included in land and buildings is freehold land valued at £14,663,000 which is not depreciated.

Land and buildings include £2,583,034 (2021: £1,373,789) in respect of assets under the course of construction.

The historic cost of assets included at valuation at the balance sheet date is £134,340,260 (2021: £132,764,810). At the balance sheet date there was no material difference between the historical cost depreciation and the actual depreciation charged in the accounts.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

13. TANGIBLE FIXED ASSETS

Charity only

	Freehold property £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost or valuation				
At 1 August 2021	90,125,069	751,493	24,381,286	115,257,848
Additions	<u>1,575,450</u>	<u>24,989</u>	<u>2,507,452</u>	<u>4,107,891</u>
At 31 July 2022	<u>91,700,519</u>	<u>776,482</u>	<u>26,888,738</u>	<u>119,365,739</u>
Depreciation				
At 1 August 2021	6,785,606	625,238	16,930,877	24,341,721
Charge for the year	<u>2,398,250</u>	<u>25,606</u>	<u>2,284,692</u>	<u>4,708,548</u>
At 31 July 2022	<u>9,183,856</u>	<u>650,844</u>	<u>19,215,569</u>	<u>29,050,269</u>
Net book value				
At 31 July 2022	<u><u>82,516,663</u></u>	<u><u>125,638</u></u>	<u><u>7,673,169</u></u>	<u><u>90,315,470</u></u>
At 31 July 2021	<u><u>83,339,463</u></u>	<u><u>126,255</u></u>	<u><u>7,450,409</u></u>	<u><u>90,916,127</u></u>

All properties were revalued on 31 July 2018 by Gerald Eve, Chartered Surveyors, on basis of open market value for current use at £80,870,000. The valuation was incorporated in the financial statements for the year ended 31 July 2018.

Included in land and buildings is freehold land valued at £14,663,000 which is not depreciated.

Land and buildings include £2,583,034 (2021: £1,373,789) in respect of assets under the course of construction.

The historic cost of assets included at valuation at the balance sheet date is £134,340,260 (2021: £132,764,810). At the balance sheet date there was no material difference between the historical cost depreciation and the actual depreciation charged in the accounts.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

14. INTANGIBLE FIXED ASSETS

Consolidated

**Computer
Software
£**

Cost

At 1 August 2021

3,367,857

Additions

66,623

Exchange difference

11,836

At 31 July 2022

3,446,316

Depreciation

At 1 August 2021

2,599,120

Charge for the year

282,797

Exchange difference

11,836

At 31 July 2022

2,893,753

Net book value

At 31 July 2022

552,563

At 31 July 2021

768,737

15. INTANGIBLE FIXED ASSETS

Charity only

**Computer
Software
£**

Cost

At 1 August 2021

3,285,495

Additions

66,623

At 31 July 2022

3,352,118

Depreciation

At 1 August 2021

2,516,758

Charge for the year

282,797

At 31 July 2022

2,799,555

Net book value

At 31 July 2022

552,563

At 31 July 2021

768,737

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

16. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Charity	
Cost or valuation	
At 1 August 2021	1,100
At 31 July 2022	<u><u>1,100</u></u>
Net book value	
At 31 July 2022	<u><u>1,100</u></u>
At 31 July 2021	<u><u>1,100</u></u>

Details of the principal subsidiaries can be found under note number 7.

17. DEBTORS

	<u>Group</u>		<u>Charity</u>	
Due within one year	2022	2021	2022	2021
	£	£	£	£
Trade debtors	6,211,583	5,391,641	5,703,200	5,191,469
Corporation tax	-	30,399	-	30,399
Other debtors	555,585	325,970	554,901	325,970
Prepayments and accrued income	3,641,018	2,954,146	1,938,189	1,470,601
Amounts owed by group undertakings	-	-	18,009,820	17,313,456
	<u><u>10,408,186</u></u>	<u><u>8,702,156</u></u>	<u><u>26,206,110</u></u>	<u><u>24,331,895</u></u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

18. CREDITORS:
Amounts falling due within one year

	<u>Group</u>		<u>Charity</u>	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	2,258,734	1,845,580	2,068,715	1,342,126
Social security and other taxes	1,131,943	1,057,199	1,131,943	1,057,199
Other creditors	2,010,169	1,805,449	1,576,768	1,595,427
Student deposits	3,245,830	3,362,650	3,245,830	3,362,650
Accruals and prepaid income	6,745,902	4,218,116	1,530,772	1,724,008
Deferred income	36,454,197	31,699,677	33,749,358	29,973,243
	<u>51,846,775</u>	<u>43,988,671</u>	<u>43,303,386</u>	<u>39,054,653</u>

During the year there has been a reclassification between deferred income and other creditors. Comparatives have also been adjusted. This did not impact total creditors.

19. DEFERRED INCOME

Deferred income relates to tuition fees and related income. Movements on deferred income balance during the year are as follows:

	<u>Group</u>		<u>Charity</u>	
	2022	2021	2022	2021
	£	£	£	£
Deferred income b/f	31,699,677	32,920,276	29,973,243	31,270,741
Income released to SOFA in the year	(31,699,677)	(32,920,276)	(29,973,243)	(31,270,741)
Income deferred during the year	36,454,197	31,699,677	33,749,358	29,973,243
	<u>36,454,197</u>	<u>31,699,677</u>	<u>33,749,358</u>	<u>29,973,243</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

20. BANK LOANS DUE IN OVER ONE YEAR

In March 2019 ACS International Schools Limited secured a bank facility with a maximum loan value of £15 million. Current borrowings against the bank facility are £1 million. Interest on the loan is 1.35% above LIBOR and is payable quarterly. The loan is repayable in full 60 months after the loan is drawn. The loan contains financial covenants which apply to the Group's consolidated financial information. All financial covenants were met at 31 July 2022.

Loan repayable is as follows:

	2022	2021
	£	£
Within one year	-	-
Between two to five years	1,000,000	1,000,000
More than five years	-	-
	<u>1,000,000</u>	<u>1,000,000</u>

National Westminster Bank PLC hold the following charges on ACS assets located at Heywood, Portsmouth Road, Cobham for continuing security:

- i. A fixed charge over the following property, owned now or in the future:
 - a. All land and fixtures and fittings related to the land and all rents receivable.
 - b. All plant and machinery, including any associated warranties and maintenance contracts.
 - c. All the goodwill.
 - d. Any uncalled share capital.
 - e. All stocks, shares and other securities in any subsidiaries and income and rights relating to them.
 - f. All intellectual property, licences, claims, insurance policies, proceeds of any insurance and any other legal rights.
 - g. The benefit of any hedging arrangements, futures transactions or treasury instruments.
- ii. A floating charge over all other property, assets and rights owned now or in the future which are not subject to an effective fixed charge.

The aggregate revalued amount of secured assets is £50,492,288 (2021: £48,183,336).

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

21. PROVISIONS

Group	Provision for employees £
At 1 August 2021	1,122,299
Additions	313,282
Paid	(208,464)
Exchange difference	<u>169,302</u>
At 31 July 2022	<u><u>1,396,419</u></u>

Provision for employees

Provision has been made for the net present value of ACS International School Doha's obligations at 31 July 2022 in respect of employees' end of service benefits payable under Qatar labour law.

The provision assumes no average increment / promotion costs (2021: Nil). The expected liability at the date of leaving service has been discounted to its net present value using a discount rate of 4.79% (2021: 3.14%).

22. SHARE CAPITAL

	2022 £	2021 £
<u>Allotted, called up and fully paid</u>		
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

23a. FUNDS

	B/fwd	Income	Expenditure	Transfers	Gains and losses	C/fwd
	£	£	£	£	£	£
Restricted funds						
Cobham	-	420,095	(81,467)	(89,301)	-	249,327
Hillingdon	-	2,827	(1,187)	(1,640)	-	-
Egham	-	<u>36,100</u>	<u>(150)</u>	<u>(15,550)</u>	-	<u>20,400</u>
	-	459,022	(82,804)	(106,491)	-	269,727
Unrestricted funds						
Share capital	500,000	-	-	-	-	500,000
Debentures	10,659,250	-	-	-	-	10,659,250
General reserves	<u>80,298,181</u>	<u>78,749,085</u>	<u>(78,490,781)</u>	<u>106,491</u>	<u>932,109</u>	<u>81,595,085</u>
	91,457,431	78,749,085	(78,490,781)	106,491	932,109	92,754,335
Total funds	<u>91,457,431</u>	<u>79,208,107</u>	<u>(78,573,585)</u>	<u>-</u>	<u>932,109</u>	<u>93,024,062</u>

Restricted funds include donations which the donors have earmarked for specific UK campuses. Restricted funds have been released to general reserves as their restrictions have been met during the year. The transfer from restricted to unrestricted funds relate to capital expenditure purchased from restricted fund donation.

Unrestricted funds belong to the charity's corporate reserves, spendable at the direction of the Trustees to further the charity's objects.

Debentures (5th series)

The director considers that the nature and terms of the fifth issue debentures, issued by ACS International Schools Limited, more accurately reflect equity and therefore they were reclassified from long term creditors to equity within the balance sheet in the year ended 31 July 2012.

During the year ACS International Schools Limited issued and repaid no fifth issue debentures of £250 each (2021: Nil).

The fifth issue debentures are unsecured, non interest bearing and repayable only by ACS International Schools Limited giving debenture holders not less than one month's notice of its intention to repay the principal sum or on a winding up. As at 31 July 2022 this issue comprised 42,637 debentures of £250 each (2021: 42,637 debentures of £250 each).

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

23b. NET ASSETS SPLIT BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Intangible assets	552,563	-	552,563
Tangible fixed assets	100,303,549	269,727	100,573,276
Net current liabilities	(5,705,358)	-	(5,705,358)
Liabilities due in more than one year	(1,000,000)	-	(1,000,000)
Provisions	<u>(1,396,419)</u>	<u>-</u>	<u>(1,396,419)</u>
At 31 July 2022	<u>92,754,335</u>	<u>269,727</u>	<u>93,024,062</u>

24. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2021 £	Cash flow £	Exchange Movement £	31 July 2022 £
Cash at bank and in hand	26,729,473	7,071,649	932,109	34,733,231
Loan	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Net funds	<u>27,729,473</u>	<u>7,071,649</u>	<u>932,109</u>	<u>35,733,231</u>

25. CAPITAL COMMITMENTS

At 31 July 2022 the group and charity had capital commitments as follows:

	<u>Group</u>		<u>Charity</u>	
	2022	2021	2022	2021
	£	£	£	£
Contracted for but not provided in these financial statements	<u>398,434</u>	<u>72,460</u>	<u>398,534</u>	<u>72,460</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

26. OPERATING LEASE COMMITMENTS

At 31 July 2022 the group had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2022	2021	2022	2021
	£	£	£	£
Within 1 year	8,959,092	5,944,395	179,666	112,720
Between 2 and 5 years	33,992,312	33,774,008	520,968	422,896
After more than 5 years	72,230,654	77,110,509	-	-
	<u>115,182,058</u>	<u>116,828,912</u>	<u>700,634</u>	<u>535,616</u>

27. RELATED PARTY TRANSACTIONS

ACS International Schools Limited recharged £252,838 (2021: £114,897) to ACS Commercial Enterprises Limited for the provision of staff and expenditure incurred on its behalf. At year end the balance of £321,883 (2021: £107,241) was owed to ACS International Schools Limited. ACS Commercial Enterprises Limited gift aided its profit of £125,399 (2021: £52,069) to ACS International Schools Limited.

ACS International Schools Limited recharged £121,429 (2021: £2,973,683) to ACS Doha International School LLC for expenditure incurred on its behalf and £348,633 (2021: £262,844) for royalty and management charges. At year end the amount owed by ACS Doha International School LLC to ACS International Schools Limited was £17,587,937 (2021: £17,106,214).

ACS INTERNATIONAL SCHOOLS LIMITED

England & Wales - Charity number 1179820

Accounts

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

ACS INTERNATIONAL SCHOOLS LIMITED

CHARITY INFORMATION

TRUSTEES

C J E Ferguson
S Beurier (resigned 21/09/2021)
N E Bobay
J B S Swallow
C J Wille
N Louis (resigned 10/10/2020)
R M Macnaughton - Chairman
P Mundy
S B Jackson
H.M.C Pinto (Appointed 26/01/2021)
T.Moya Mose (Appointed 03/02/2021)
C.N.Banks (Appointed 13/01/2022)

COMPANY SECRETARY

G Charles

REGISTERED COMPANY NUMBER 00910010

REGISTERED CHARITY NUMBER 1179820

REGISTERED OFFICE

Heywood
Portsmouth Road
Cobham
Surrey
KT11 1BL

INDEPENDENT AUDITOR

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

BANKERS

NatWest Bank Plc
135 Bishopsgate
London
EC2M 3UR

SOLICITORS

Eversheds Sutherland
1 Wood Street
London

ACS INTERNATIONAL SCHOOLS LIMITED

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ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

The Trustees present their Annual Report for the year ended 31 July 2021 under the Charities Act 2011, including the Trustees' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year and confirm that the latter comply with the requirements of the Charities Act 2011 and the Charities SORP 2015.

ACS International Schools Limited is a Registered Charity (registered charity number 1179820).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The Charity is governed by its Memorandum and Articles of Association, last amended on 1 October 2017.

Governing Body

The Governing Body of ACS International Schools Limited is known as the Board. There is one Governing Body for the three UK Schools and the one Qatar School. The Board is the main decision-making body of ACS International Schools Limited (the "Charity" also known as "ACS"). ACS and each subsidiary company are governed by a separate board (together the "ACS Group"). The Board is accountable to the Members and the public for setting the strategy and directing the performance of the ACS Group.

The Board is collectively responsible for promoting the long-term success and viability of the ACS Group by directing and supervising the ACS Group's affairs, exercising the powers of the Charity, subject to any relevant laws and regulations and in accordance with the Articles.

The Board conducts a full internal review of its activities and effectiveness annually. The Board also assesses its activities and effectiveness via an external third party every two years.

Recruitment and Training of Trustees

Appointments to the Board will be recommended by the People Committee for approval by the Board or will be approved by the Members by an ordinary resolution at a general meeting.

Appointments to the Board will be subject to the terms and conditions set out in an appointment letter recommended to the Board by the People Committee.

The term of appointment for a Trustee will normally be for an initial three year period, renewable by the Board on the recommendation of the People Committee for a further three year period, and thereafter annually for a maximum term of nine years in total. Exceptions may be made if deemed by the Board to be in the best interests of the Charity.

Prospective candidates for vacancies on the Board are considered in light of the skills and experience required at the time, which will include personal competence, professional qualities, specialist skills and experience. The Board is committed to being as diverse as practicable, balanced with ACS's needs for high quality Trustees. To ensure that Trustees' roles and responsibilities are carried out effectively, the new Board members attend a detailed brief by the Chairman, Chief Executive and other relevant members of the Leadership Team.

The Trustees conform to the recommended and best practice for governance contained within the Charity Governance Code across the seven areas and are comfortable there are no significant areas of review required. Trustees continue to monitor the best practice principles contained within the Code.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

Organisational Management

The Board is legally responsible for the overall management and control of the schools.

The Board meets at least four times a year and is supported by the following committees:

- The Audit and Risk Committee investigate, advise and report to the Board on certain matters relating to financial reporting, external audit, internal controls and risk management. The Committee was chaired by S Beurier until 21st September 2021. From 22nd September 2021 the Committee is chaired by J.B.S Swallow.
- The Education Committee investigate, advise and report to the Board on certain matters relating to the educational philosophy, programmes and student learning outcomes of ACS Group schools. The Committee is chaired by P Mundy.
- The People Committee investigate, advise and report to the Board on certain matters relating to appointments, remuneration and governance. The Committee is chaired by C Wille.

All Board sub-committees meet at least three times a year.

In accordance with the Articles of Association, the Board has the power to delegate responsibility (but not accountability) to committees, directors, and the management of the Charity, and to that end the Board has established a Schedule of Delegated Authorities.

All powers, duties and decision-making responsibilities conferred on the Board by the Articles that are not set out in the Schedule of Matters Reserved for the Board and have not been delegated to a committee, the Company Secretary or a Director, are delegated to the Chief Executive.

The Chief Executive is Timothy Cagney. The Chief Executive is responsible for proposing and delivering the Group's strategy, and for managing the day-to-day activities, operations and resources of the Group.

The Chief Executive is the most senior member of the Leadership Team. The Leadership Team is the key management team. The Leadership Team includes the following employees:

- Chief Executive
- Chief Finance and Estates Officer
- Advancement Director
- Human Resources Director
- Education Strategy Director
- Partnerships Director
- ACS Cobham Head of School
- ACS Egham Head of School
- ACS Hillingdon Head of School
- ACS Doha Head of School

The People Committee consider remuneration and make recommendations to the Board on the remuneration policy for the Chief Executive and Leadership Team and the annual pay review and material changes to Group-wide compensation policy and practice. The Board reviews the People Committees' recommendations and determines the Group's remuneration policy.

The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with the local labour market and to comparisons with other independent schools to ensure that the Group remains sensitive to broader issues of pay and employment terms and conditions elsewhere.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

The Group's ability to deliver its charitable purpose and objectives is primarily dependent on its key management personnel and staff.

Promotion of the success of the organisation to provide public benefit

The Trustees confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider would be most likely to achieve the purposes of the Group. In making this assessment the Trustees have considered the following:

a. The likely consequences of any decision in the long term

The long-term sustainability of the operating model is considered by the Trustees as set out in the going concern statement in the Strategic Report section of the Trustees' Report. Specifically, the Trustees consider both short and longer term financial projections and the key risks that could negatively impact the sustainability of the Group. The Trustees are presented with management information, budgets, forecasts, cashflow projections and progress against the financial plan on a regular basis.

Risk management is embedded at all levels across the Group. The most significant risks are discussed at each Board meeting. See the risk management section for further details.

The Trustees review and endorse all policies to ensure consistent long term regulatory compliance.

b. The interests of the Group's employees

Frequent communication with employees is essential, especially during the Covid-19 lockdown when most employees were working remotely. This has been conducted by regular meetings and routine weekly written communications to employees.

See the employee policy section for further details.

c. The need to foster the Group's business relationships with suppliers, customers and others

All suppliers are treated fairly and promptly with business terms adhered to. The Company complies with the UK's Payment Practices Regulations that require the publication of information on the supplier terms offered and average payment statistics.

The parent contract forms the basis of the relationship with fee payers. This is reviewed regularly to ensure best practice and applied fairly and consistently.

A fair policy of bursary awards, consistently applied, support families who may not otherwise be able to access education at the school.

The Group works with a range of donors in support of furthering its fundraising aims and objectives. Group fundraising is bound by the Fundraising Policy and Gift Acceptance and Review Policy. The Group is transparent with information and prides itself on building mutually beneficial relationships.

d. The impact of the Group's operations on the community and the environment

The Group has completed the Energy Savings Opportunity Scheme (ESOS) reporting requirements and is preparing for reporting under the Streamlined Energy and Carbon Reporting (SECR). The Group is concerned about its energy consumption and carbon emissions and wishes to utilise the mandatory SECR legislation to identify ways of saving energy and reduce on carbon emissions. Further details of this are in the Strategic Report section of the Trustees' Report.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

e. The desirability of the Group in maintaining a reputation for high standards of business conduct

The Group's Procurement policy outlines the responsibility of company employees to undertake procurement processes that ensure procurement best practice is followed. This requires employees to produce an approved Purchase Order in order to procure goods and services. The policy also requires quotation and tender procedures with suppliers as the value of the order being placed rises. Preferred suppliers are used wherever possible with new suppliers going through an authorisation process. The Group may withhold payment of an invoice that doesn't include a Purchase Order but otherwise adheres to supplier payment terms wherever possible upon receipt of an invoice from the supplier. The Group would seek to resolve any supplier disputes on a case-by-case basis.

The Group's Anti-Bribery policy sets out the responsibilities of staff to report any incidents or suspicion of fraud, bribery or corruption arising in the course of their work and to cooperate fully with related investigations; and comply with applicable Finance policies and procedures. The Group takes a zero tolerance approach towards fraud, bribery and corruption. It is committed to complying with all applicable laws and regulations relating to fraud, bribery and corruption wherever it operates.

The Group has an Anti-money laundering policy which seeks to prevent the organisation and its staff being exposed to money laundering, to identify the potential areas where it may occur, and to comply with all legal and regulatory requirements, especially with regard to the reporting of actual or suspected cases.

f. The need to act fairly between members of the Group.

All Trustees and senior staff complete an annual Conflict of Interest declaration. There were no conflicts of interest identified in the year to 31st July 2021.

Group structure and relationships

ACS was established in 1967 as a commercial organisation founded and originally owned by Mr EJ Poularas and Mr G Speed but subsequently ultimately owned by The Emmanuel John Poularas Will Trust (registered charity number 1169800) following the death of Mr Poularas.

In 2018 ACS became a charity to advance education and secure the longevity of ACS. ACS operates under the registered charity number 1179820. In 2018 the Inland Revenue accepted the Company as a charity for tax purposes with effect from the date it adopted charitable articles.

On 12th November 2019, the entire issued share capital of ACS International Schools Limited was transferred from David Thomas, as the sole trustee of the Emmanuel John Poularas Will Trust, to the Members of ACS International Schools Limited. At the same time, David Thomas ceased to be the company's person with significant control and ACS International Schools Limited became the relevant legal entity.

Subsidiaries and holding companies

The group accounts of ACS International Schools Limited incorporate the results of the following subsidiaries:

ACS Commercial Enterprises Limited

ACS has a wholly owned non-charitable subsidiary, ACS Commercial Enterprises Limited (ACSCE), whose annual profits are donated to ACS under the Gift Aid Scheme. The trading activities of ACS Commercial Enterprises Limited primarily comprise revenue from the Sports Centres and lettings of the campus facilities when not in use by the Schools. The subsidiary's aims, objectives and achievements are covered in the relevant sections of this report.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

ACS International Schools Overseas Holdings Limited

ACS International Schools Overseas Holdings Limited acts as a holding company for ACS's investment in ACS Doha International School LLC. It was established to limit the risk exposure of the investment, and should ACS decide in the future to operate other schools overseas, it would be used to do the same for such operations.

ACS Doha International School LLC

ACS Doha International School LLC (ACS Doha) was incorporated in 2011 in Qatar and is a programme related investment to enable ACS to establish and operate a school in Doha. The objects of ACS Doha are to advance education and the school has grown since 2011 to over 900 students from ages 2-18.

Risk Management

ACS Group has established formal mechanisms that facilitate the identification and management of risk, thus safeguarding the delivery of strategic and operational objectives.

The risk management framework includes:

- A Risk Management Policy and Risk Appetite Statement;
- A Risk Register to identify, evaluate and manage significant risks;
- A standard Risk Matrix, identifying likelihood and impact used throughout the organisation;
- Assurance and audit processes;
- Governance processes;
- The underlying policy and control environment.

By applying the risk management framework throughout the organisation the ACS Group ensures:

- risks are identified, reviewed and where appropriate proactively managed;
- the parameters within which ACS Group would want to conduct its activities are clearly identified;
- controls and processes are designed and implemented to help mitigate identified risks to acceptable levels;
- the effectiveness of controls and processes are regularly reviewed and where necessary tested;
- there are crisis management and business continuity systems in place with clear accountabilities.

The Board has overall responsibility for the Risk Management Policy and Risk Appetite Statement, assisted by the Audit and Risk Sub-Committee whose activities include working with senior management to compile and review the Risk Register.

Principal risks and uncertainties facing the business

The principal risks that have been identified include:

- Significant decline in enrolment that could lead to financial loss, restriction on growth and educational offering. To grow, the ACS Group must continue to target other market segments including students from overseas (boarding) and local self-paying families, in addition to expat families. This enables the ACS Group to react quickly with improvements as necessary and maintain its word of mouth referrals;
- Along with other international schools in the UK and overseas, together with many British independent fee-paying schools, the Covid-19 pandemic has dampened demand for the upcoming year. ACS acted quickly to recognise this global impact and monitor demand, manage the enrolment pipeline and budget prudently. Marketing and Admissions programmes remain flexible to support a hybrid of virtual and face to face or move back to virtual only activity, if required, due to the continued pandemic and a change in government regulations. ACS continues to monitor the pandemic and the resultant economic and travel

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

- consequences closely and assess the impact on enrolment.
- Risk of cyber attack on IT systems and data that could lead to reputational damage or financial loss. Policies, procedures and training are in place to protect the IT systems and data.
 - Safeguarding and Health and Safety. ACS Group wishes to create an environment in ACS schools where all feel safe and secure and can thrive and therefore policies, procedures and training are in place to mitigate these risks.
 - Additional risks associated with the current Coronavirus pandemic have been identified which are included in the Coronavirus Pandemic Impact section of the Trustees report.

Careful and prudent financial management of the ACS Group ensures that it is not exposed to significant financial risks, providing a stable base for the future development of the organisation.

Employment policy

ACS is an equal opportunities employer. The ACS Group is committed to the fair treatment of all employees, potential employees or users of its services, regardless of race, gender, religion, sexual orientation, responsibilities for dependants, age, physical/mental disability or background. In 2021, a DEI Charter was established with priority pillars for strategic action being policies and procedures, teaching and learning, recruitment and training, and communities. A staff led DEI Council was set up, as well as employee affinity groups for racial equity, gender equality, LGBTQ+, religion and belief.

ACS is committed to acting ethically and with integrity in all business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere within the ACS Group.

ACS are proud advocates of the London Living Wage, ensuring that staff receive a fair working wage.

In line with legislation, ACS reports its UK gender pay gap on an annual basis and takes measures to address any gender related bias identified.

The Group's policy is to consult and discuss with employees, hold staff forums and encourage meetings where matters that are likely to affect employees' interests can be discussed. Staff are also consulted on specific issues via pulse surveys – these have been run on specific topical issues such as support for wellbeing during the Coronavirus pandemic.

In addition to staff forums, information on matters of concern to employees is provided on a regular basis via staff meetings, all staff communications, and maintenance of information on the all staff portal, PowerSchool Learning.

ACS provides a strong level of support to staff for their wellbeing through the provision of private medical insurance, an employee assistance programme, counselling support, self-help guidance, low cost sports centre access and a range of wellbeing activities on campus.

CORONAVIRUS PANDEMIC IMPACT (COVID-19)

The Coronavirus pandemic has impacted the lives of citizens globally. ACS has responded proactively to the challenges brought about by Covid-19. Operationally, ACS's primary focus has been to comply fully with government regulations and guidelines. Within this framework, ACS has then sought to deliver the best possible education to its children and to support parents and staff as much as possible during this very challenging period. The financial impact of Covid-19 is included in the Financial Review later in the Trustees report.

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In line with the Government guidelines, in January 2021 ACS closed its UK campuses and focused on providing high quality online education to its students. A phased return to campus for all students began in March 2021, with the schools organising lateral flow testing for all students and staff with effect from that date. Similar measures were taken in Doha, in line with Qatari government restrictions.

ACS responded quickly to legislative changes and the needs of its employees by taking the following actions:

- arranged for staff to work from home during lockdown.
- increased the level of wellbeing support for all staff.
- participated in the UK government's Job Retention Scheme, topping up payments for any furloughed staff to 100% of their normal pay. The costs of furloughed staff have been successfully reclaimed from the UK government.
- made all necessary arrangements to ensure a Covid secure educational setting and workplace when the schools returned to campus.
- communicated more frequently with staff on a wide range of issues including changes to working practices and government requirements for reporting suspected and confirmed cases of Covid-19.

Additional risks associated with Covid-19

- Risk of lower enrolment. Along with other international schools in the UK and overseas, together with many British independent fee-paying schools, Covid-19 has dampened demand, impacting enrolment. ACS acted quickly to recognise this global impact and monitor demand, manage the enrolment pipeline and budget prudently. Whilst enrolment for the academic year 2020/21 is lower compared to last year, its results were ahead of budget. Marketing and Admissions programmes and communications have pivoted to digital and virtual channels successfully to target securing interest in the schools, attendance at student recruitment virtual events and open days. Marketing and Admissions programmes remain flexible to support a hybrid of virtual and face to face or move back to virtual only activity, if required, due to the continued pandemic and a change in government regulations. ACS continues to monitor the pandemic and the resultant economic and travel consequences closely and assess the impact on enrolment.
- Increased risk to financial viability. This is predominantly driven by the risk of lower enrolment and fee levels. These risks have been extensively modelled and mitigated against with a wide range of cost reduction programmes.
- Impact on educational outcomes. The risk that student progress is reduced due to distanced learning or hybrid programmes, has been minimized by extensive planning and operational execution to provide the best possible distanced learning.
- Health and Safety risk. There are a wide range of potential Health & Safety risks associated with Covid-19. Led by the Health & Safety Manager, ACS has conducted extensive risk analysis, developed risk assessments in line with Government guidance and undertaken mitigation work in this area.

OBJECTS, AIMS, OBJECTIVES and ACTIVITIES

Charitable objects

ACS's charitable object, as set out in the Articles of Association, is to advance education in particular by the provision and conduct of schools. In furtherance of this object for the public benefit ACS has established and administers a Financial Assistance Programme and a Partnership, Grants and Access Programme. The Board is mindful of the longstanding need to provide public benefit and the requirements of the Charities Act 2011.

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Aims

Within its charitable object, ACS's intention is to operate schools that provide a high-quality education within an internationally diverse context with the highest standards of teaching, pastoral care, facilities and support for students.

ACS prepares its students to be ready. Ready for cultures that crossover, boundaries that blur and ideas that interconnect. Ready for a world that demands a new kind of learning, and a new kind of citizen. ACS is a dynamic learning community. ACS's character is built on integrity, open-mindedness and empathy. ACS is proud of its international community, and their commitment to make a difference. ACS welcomes people of all cultures from around the world to create a powerful, shared experience that shapes the way ACS teach and learn, and actively defines ACS's international character. ACS strives to build strong partnerships with parents and stakeholders. Above all, ACS appreciates that happiness enriches learning.

Objectives for the year

The main objective of ACS is to continue to provide education of the highest quality that meets the needs of an ever-changing future.

The primary objectives of ACS during the year were:

- **Progress the Financial Assistance Programme**
- **Progress the Partnerships, Grants and Access Strategy**
- **Focus on the Education Strategy and People Strategy**
- **Progress Fundraising plans and Alumni relations**

More detail is provided on the progress of each of the above areas, later in the Trustees report.

Supporting ACS's object to Advance Education the following core values have been developed:

- Engage in community
- Drive positive change
- Promote excellence through learning
- Enrich the international experience

ACS's education philosophy ensures that ACS focuses on being a dynamic learning community. ACS believes that a great education needs to be balanced and so ACS focuses on three core expected school-wide learning results ensuring ACS students become:

- An effective learner
- A confident individual
- A caring contributor to society

Public Benefit and Community Engagement

ACS was founded in 1967 to operate schools in order to educate students. As a charity ACS is committed to providing public benefit, in accordance with its objects. The Trustees have considered the requirements of the Charities Act 2011 and the charity commissions guidance on public benefit in setting the objectives and activities of the charity. Currently ACS Group operates four schools: ACS Cobham, ACS Egham, ACS Hillingdon and ACS Doha. During the year on average 3,213 students were educated by ACS.

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ACS's schools actively engage with communities, provide financially assisted places to help advance education and provide resources to develop community partnerships with both local organisations and schools.

Financial Assistance Programme

ACS has invested more than £1million in financially assisted places for 50 students in its ongoing commitment to increase access to an ACS education to young people from a wide variety of backgrounds. It recently opened applications for the 2022/2023 academic year, which will enable a number of young people to receive subsidised or fully funded places at its UK schools.

Bursaries are awarded from 10% - 100%. Recruitment of students from diverse backgrounds and economic circumstances has resulted in the average award of over 85% of fees, with a significant cohort of students receiving full fee remission.

Hardship Awards

During a challenging year, ACS doubled its budget to recognise the extraordinary circumstances affecting members of its community. By providing short-term means-tested awards to support families facing sudden or temporary financial hardship, many current students were able to continue their studies without interruption.

Partnerships, Grants and Access Strategy

ACS's ambition is to achieve a step change in engagement by developing partnerships with schools and organisations to advance education in their communities. ACS partnerships will focus on key areas to ensure ACS can provide valuable and ongoing public benefit. ACS's aim is to set up partnerships to widen access to ACS's education facilities and resources, by bringing independent and state school communities together. ACS shares their expertise and promotes active participation in a number of areas including:

- the sharing of teaching facilities with state schools (for example music facilities or sciences labs etc.);
- the sharing of teachers with local state schools.
- permitting pupils from state schools to attend instruction in subjects they would not ordinarily be able to study (for example Theory of Knowledge, a range of mother tongue foreign languages).
- making facilities, such as sports pitches, swimming pools, sports halls and theatres available to pupils at state schools.
- sharing teaching materials with state schools and
- the sharing of expertise in key areas such as Leadership, Teaching, Curriculum development, and overall school improvement, mentoring and support.

ACS has started developing partnership hubs of schools and will continue to build further partnerships in our locality. For example, ACS's relationships with other local state schools include:

- Shared facilities, resources and expertise across partnership schools.
- A Friendship in Music programme, which is an annual festival in partnership with a group of schools. This is rotated at different schools held at the beginning of each year.
- Undertaking a project with a local school, working with special education needs pupils to help improve their social skills and for ACS students to experience the challenges and opportunities faced by members of the community.
- Establishing a partnership with a school based on mathematics extension learning.
- The development of a partnership choir made up of local primary schools.
- A peer tutoring program where High school students tutor lower school pupils at partner schools.
- A service learning offer to ACS students working with the local community.
- Working with Partners such as Pinewood Studios on film, animation and set design.
- Teacher training and CPD i.e. Literature in education in partnership with Brunel University.

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- Development of online training materials to support partner schools i.e. Blended/Hybrid learning (Covid).
- Fundraising for local charitable needs and opportunities (i.e. Vulnerable children facing food insecurities).
- staff from a primary school visit ACS in order to learn about the use of technology in the classroom.

With the employment of a Partnerships Director in January 2019, ACS schools are in the process of forming partnerships hubs around each of our campuses. These hubs will offer educational events, shared resources and facilities, teacher training and a new initiative offering 'outreach boxes' for free loan of modern equipment for classroom topics. These include class sets of virtual reality and augmented reality headsets, various cameras (SLR, 360, Thermal, Go Pro) and high end technology such as Pepper the robot and Nao the robot. ACS won the International Schools Award this year for 'Community' and 'Digital Learning' for this initiative.

ACS is also developing a mobile application to assist our campuses with running these partnership hubs, monitor and evaluate impact and formulate high quality, useful partnerships with business, charities, schools, universities and parents. This application will also form the base of our Service learning offer, outside of what we already do with PYP, MYP, DP and DOE. This pilot application is now live on Apple and Google Play Stores (ACS School Partnerships).

During the Covid pandemic ACS worked closely with the NHS ICU teams in the development of a 3D printed respirator project to fill a gap in medical provision. This was funded with generous donations from ACS parents and our educational network.

ACS supports many projects outside of the UK and Doha, to advance education of both ACS students and students abroad. Some of these projects include:

- Namibia Project (registered charity number 1163681) - Since 1999, ACS Cobham has been sending groups of students and teachers to Namibia, to participate in lasting partnerships with different schools and projects.
- Project Nepal - Through the Project Nepal, the community of ACS Egham aims to support Nepalese school communities while simultaneously providing ACS students with social action and emotional development opportunities and the chance to make a sustainable difference.
- ACS supported Orbis with a yearly donation and our students are actively involved in an internship with their flying eye hospital. Whilst they were grounded due to Covid-19 this year our relationship and collaboration has continued through our loan scheme of technology to support their work.

Unfortunately due to Covid-19 no International trips were undertaken this year, but contact with our international communities has been maintained.

ACS students also take part in practical voluntary service in the local community, as part of ACS providing them with a broad education. For example providing clothing, toiletries and food, volunteering at community centres, fundraising for the benefit of local communities and working with the elderly and the homeless.

Our service learning program is currently undergoing a full review as part of the Partnerships Strategy and this will be a vital element of our charitable work. Everything we do across our campuses will involve ACS student participation in some way, enhancing skills and knowledge for the future workplace, whilst teaching valuable experiential life skills.

A full evaluation and process of due diligence is underway for all our charitable projects. Partnership agreements are now in place for the majority of our collaborations and was finalised in 2020/2021.

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In Doha, ACS has also employed a Partnerships Manager. We are piloting an ACS 'Pathways' approach to education, partnering with local businesses to enhance the education of all children in our schools and local to the ACS Campus. In partnership with Paragon One we launched our 'externships' programme in January 2021 for Doha Students.

When ACS Group is not using its facilities, ACS makes them available to the community. Schools that have signed up as registered partners will have access to facilities and resources free of charge.

Our large launch event at Thorpe Park was cancelled for 2020, with a view to relaunching this initiative for 10,000 children once restrictions ease.

In 2021 ACS logged 13,880 hours of student community interaction, 18,672 hours of student service learning and 8,356 hours of teacher training in new technologies through our technology loan scheme and twilight CPD offer. During the year 1,643 Crest awards were completed and 50 students across the 4 campuses completed externships.

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Education Strategy

In November 2019, the Board approved a new Education Strategy that describes the desired position for ACS schools in 2025. Its principal objective is to increase the unique quality and value of the ACS educational experience.

Over the next five years, the Education Strategy intends to deliver significant change, including:

- a sharper focus on inspirational teaching that continually improves academic results.
- demonstrated public benefit and global competence through a greater range of educational experiences.
- an expanded and carefully monitored notion of what it means to belong to a healthy international learning community.
- equitable, distinctive, and systematically implemented support for all students to achieve challenging educational goals.

Our highest level strategic objective is to ensure that we are ready for the future, empowering students to become more effective, confident and caring. The strategy's focus is on transformational learning, driving results through by inspirational teachers, allied leaders, and demonstrated impact through the application of education data. The strategy is organised around 4 objectives which are important thematic opportunities for growth, delivered through 10 challenging projects, over five years, that will make a positive difference in student learning outcomes.

While the new strategy formally launched with the 2020-21 school year, it anticipated and facilitated the group's successful pivot to online learning during the Covid-19 lockdown. Its emphasis on building resilient community, strengthening mutual support, and attending to health and wellbeing provided guidance for navigating a very challenging academic year.

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People Strategy

A new People Strategy was endorsed by the Leadership Team and Board in December 2020, focusing on key areas of people policies and practices that can ensure ACS both attracts and retains high quality talent and have extensive potential to influence organisational culture:

- Leadership – Role model leadership. Ensure Leadership Team joint ownership and alignment across divisions strategies and plans. Right people are in the right place to take the organisation forward and provide continuity of staff leadership.
- Talent – Understand and address personal motivations to join and stay. Identify, attract, develop, engage and retain staff who can help to build a high education performance and diverse workplace.
- Performance - Align goals to ACS strategy and engage and motivate staff to develop and improve performance.
- Reward - Reward people fairly within clearly communicated and appropriate remuneration frameworks whilst at the same time remaining competitive.

The strategy's implementation is being designed around exploration of a renewed employee value proposition that highlights growth, purpose and wellbeing.

- Growth - Provide career support to give people the best possible start and develop people's personal and professional skills and knowledge throughout their careers.
- Purpose – Ensure that the ethos and DNA of ACS's charitable purpose and educational mission is understood and staff are proactively engaged.
- Wellbeing - Provide an environment where health and wellbeing are actively promoted, where people feel engaged and valued.

During the 2020/2021 financial year, the People Committee reviewed succession planning for senior roles across the campuses and implemented reform to executive level pay arrangements in line with the educational and charitable sectors.

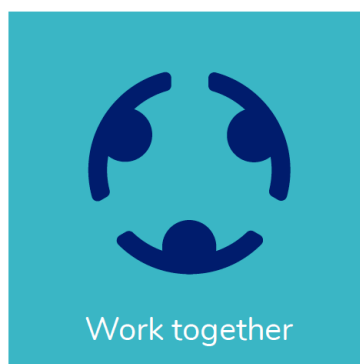
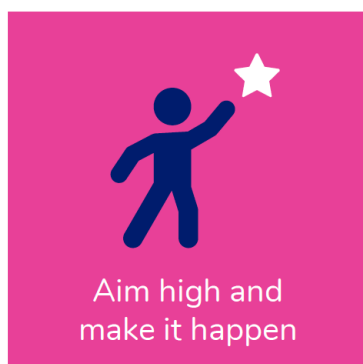
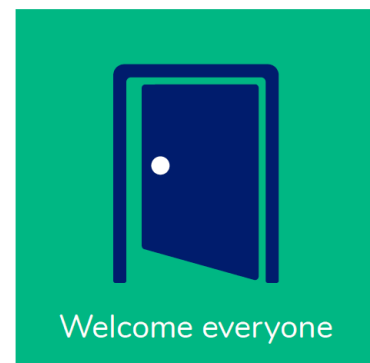
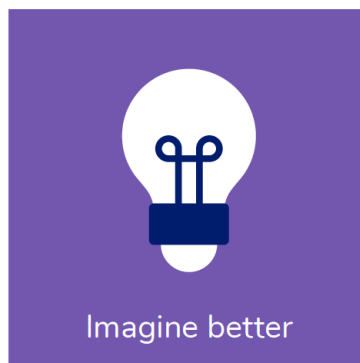
During the summer of 2020, ACS responded to the Black Lives Matter movement by engaging proactively with its staff and students and setting out a six-point plan to take its policy and practices on Diversity, Equity & Inclusion to the next stage of development. This has since resulted in the establishment of a DEI Charter and staff led DEI Council which is working with leadership on implementation of our strategic plans for action to build an inclusive school community for all.

In spring 2021, ACS refreshed its narrative on its purpose, strategy and values. Thinking anew about the organisation's purpose, its value to the community, values by which ACS works in order to inspire the world's next global thinkers and doers. The idea of readiness lies at the heart of an ACS education. ACS envisions alumni embracing the future as effective, confident and caring individuals who are ready to act, lead, care and change the world and its students to be ready to ask new questions and demand better answers.

These purpose, vision and values align with ACS's core strategies for education, people, partnerships and growth.

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Fundraising performance and Alumni relations

The Development & Alumni Relations team engages with and mobilises the ACS global alumni and friends communities which includes all current and former parents, former students and former staff.

There were no professional fundraising organisations used and no monitoring processes required during the year.

ACS works closely with the PSOs (Parent School Organisations) at each school which assists ACS with its philanthropic programmes.

Donations were raised for the benefit of the three UK schools for scholarships, teaching excellence and specific capital projects to create and further improve students' facilities and learning spaces.

Fundraising campaigns were delayed due to Covid-19 and focus shifted to alumni engagement and donor stewardship to enable the UK schools to fulfil pledges for teaching excellence, scholarships and capital projects. The majority of donations received have come from ACS parents. ACS has received donations during the year of £217,439 (2020: £252,166).

The costs of ACS's Development & Alumni Relations team are expected to be weighted at the beginning of the fundraising activity and will be initially higher than donations received whilst the fundraising programme develops.

The Development & Alumni Relations team engages ACS international alumni and former parents in informal alumni associations called Chapters, predominantly in the USA with the aim of reconnecting alumni with their school. Chapter Presidents host regional events, which have been virtual since the beginning of the pandemic. These alumni events were themed around career development, mentoring, University Life, reunions and scholarship fundraising.

Due to Covid-19, there was a shift to virtual/digital alumni channels, with a new suite of alumni events engaging 500 international alumni and friends in reunions, career networking and fundraising events as well as new US and UK/ROW alumni newsletters. During the year up to July 2021, there has been a 46% increase in alumni engagement due to new alumni communications and virtual events, which also secured new donors and alumni Chapter leaders in Texas and New York in the USA. We have 13,543 active alumni & friends.

Alumni connections with the schools continues to grow and this year included virtual fora at the Staff Welcome Back event focusing on diversity and inclusion.

As the ACS international alumni community spans Europe, Asia, the Americas, Russia, Africa and Australia, ACS has launched an exclusive alumni social network called ACS Global Connect, facilitating friendships and networks for all alumni and former parents from current and previous campuses. ACS Global Connect has 3,100 members and enables:

- Reconnecting with old school friends through alumni chapters, events and international directory
- Career Mentoring and networking with peers
- Reconnecting with ACS through the digital archive of yearbooks and photos from all three UK campuses
- Joining International Alumni Chapters led by ACS alumni Chapter Presidents

Planning for further Development and Alumni Relations programmes was also undertaken during the year.

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ACS has a Fundraising Policy in place which sets out ACS's approach to fundraising and to protect vulnerable people and other members of the public from behaviour which:

- is an unreasonable intrusion on a person's privacy;
- is unreasonably persistent;
- places undue pressure on a person to give money or other property.

During the year ACS or any person acting on its behalf for the purposes of fundraising did not receive any complaints about fundraising activity.

ACS works closely with ACS International Schools in America Inc. which is a non-profit organisation based on the East Coast of America. The organisation supports education around the world with the mission to raise awareness of and support for ACS International Schools education allowing more students to benefit from the opportunities offered by the schools.

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STRATEGIC REPORT

Review of achievements and performance for the year

During the year ACS Group continued to provide a first-class educational experience for students between the ages of 2-18.

ACS Group students delivered another above average set of academic results reflecting the joint effort of ACS teachers and school leaders. In another unusual year 165 (2020: 210) students at ACS International Schools in the UK achieved the International Baccalaureate (IB) Diplomas, with average total points of 37 (2020: 35) and a pass rate of 100% (2020: 98.6%), which is higher than worldwide average of 33 points (2020: 29.9) and an 89% pass rate (2020: 79.1%) and exceeds our Key Performance Indicators for DP assessment. The IB Diploma was awarded under special conditions in May 2021 when examinations were once again cancelled on account of Covid-19

Students took standard Advanced Placement exams, with 81% (2020: 76%) qualifying to receive college credit in at least one course. In total, 297 ACS students earned American High School Diplomas (2020: 288).

In 2019, ACS launched a new brand narrative, logo and visual identity. The new branding was developed to command a unique and differentiated position in the market following extensive research and customer and stakeholder engagement. The new brand narrative 'Ready for whatever comes next' was launched internally to all staff and externally across all touchpoints from August 2019. Feedback from the wider ACS community and externally was extremely positive. Interest in the school measured by open day registrations, digital and website views and engagement was ahead of the previous year until lockdown. The new brand has been successfully implemented across all assets at the Doha new campus.

In addition, there has been progress in the Financial Assistance Programme and the Partnerships, Grants and Access Strategy as previously discussed in the Trustees report.

The trustees have a reasonable expectation that ACS International Schools Limited, ACS Doha International School LLC, ACS International Schools Overseas Holdings Limited and ACS Commercial Enterprises Limited have adequate resources to continue in operational existence for the foreseeable future and it remains appropriate to prepare their financial statements on a going concern basis.

ACS International Schools Overseas Holdings Limited continues to act as a holding company.

ACS Commercial Enterprises Limited (ACSCE) continues to be profitable and profit of £52,069 (2020: £120,311) was donated to ACS under the Gift Aid Scheme.

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STRATEGIC REPORT (continued)

Capital Investment (including progress on Doha campus)

ACS Group continues to invest in its first-class educational facilities. At ACS Cobham, work on the Early Childhood and Lower School redevelopment was completed during the year. The new dining servery was completed providing an improved dining experience for students and staff members. The new innovation centre also became operational during the year creating the very best learning and teaching environment for our school community.

At ACS Hillingdon, the Auditorium Upgrade was completed during the year. The existing Auditorium was refurbished and equipped with a state-of-the art sound system, energy-efficient stage and house lighting as well as audio-visual monitors that will allow for on-stage action to be viewed backstage.

The Egham Masterplan/Barn was postponed with the project to be reviewed and rescope as a result of changing requirements due to Covid-19. With the delay to the Barn project, other Exceptional projects were prioritised for this year including moving the Lower School Library from its existing location, with work done over the school summer break. Other projects this year included a Strength Gym, Amphitheatre and a refresh of the Cedar building.

The construction and fit-out of a new ACS Doha campus finished in August 2020 culminating in its opening at the start of the 2020/2021 academic year, in September 2020. The new ACS Doha campus has increased capacity from 980 in the old campus, to 2,400 students.

ACS Group also invested significantly in educational equipment, I.T. and general campus improvements during the year.

Streamlined Energy and Carbon Reporting (SECR).

The Group has completed the Energy Savings Opportunity Scheme (ESOS) reporting requirements and is preparing for reporting under the Streamlined Energy and Carbon Reporting (SECR).

The Group has measured scope 1 and scope 2 emissions in the UK in accordance with UK Government's guidance on how to measure and report greenhouse gas emissions. Electricity and gas are the primary and only utilities used. There is no internal transport activity, heating or cooling purchases outside of electricity and gas.

The total annual net emissions in the UK to 31st July 2021 were -1.62 (2020:2,493) global tonnes of CO₂e. The Group is targeting to reduce gross intensity ratio by 5% from 2021 to 2022. ACS is committed to sustainability and becoming as energy efficient as possible whilst reducing its carbon footprint. During 2020, ACS planted 160 trees on the school grounds, which contributed to an offset of 0.9 tonnes of CO₂e. During 2021, ACS has offset 1791 tonnes of CO₂e through carbon offset projects.

The Group has engaged with an external sustainability company who are compiling the annual ESG Impact Report to the year ended 31 July 2021. The document will cover key statistics, actions undertaken during the year and plans for 2021 as well as longer term goals. A carbon reduction plan has already begun with planting trees to reduce ACS's carbon footprint. It is ACS's desire to offset any carbon we create such that we are carbon neutral.

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FINANCIAL REVIEW

ACS Group results for the year

ACS Group has enjoyed another satisfactory year of operation despite the challenges associated with Covid-19. The financial performance for the year and the year-end financial position were both considered satisfactory by the Board. Net income was £3,715,139 (2020: £6,722,571).

Total income reduced by 5% from £79,145,917 to £74,944,318, mainly due to drop in enrolment as a result of Covid-19 and associated reductions in catering and trip income during the 2020/2021 academic year. School fees income decreased by 3% from £72,147,820 to £69,714,376 for the same reason. School fees income was the primary source of revenue for the ACS Group.

Total expenditure also decreased by 1.68% from £71,969,093 to £70,757,694, mainly due to decreases in staff costs and in catering, trips and clubs, again associated with Covid-19 interruption. Staff costs represent 59% of total charitable expenditure.

Net Assets at 31st July 2021 were £92,474,934 compared to £88,759,794 as at 31st July 2020. The Group has a loan facility in place to enable it to manage its cash flow requirements.

ACS's net income increased from £7,564,086 to £7,977,166 at a company level. ACS's income includes fundraising income of £269,508 (2020: £372,477), including the amounts donated from ACSCE under the Gift Aid Scheme.

ACS Doha produced a net loss before foreign exchange translation differences of £7,952,196 (2020: £2,291,839 net income before foreign exchange translation). The increase in expenditure compared to 2020 was mainly due to the rental expenditure of the new building.

ACSCE continued to perform well in the months prior to Covid-19 but was adversely affected by lockdown. Despite this it remained profitable. Details of its results are given in Note 7.

Reserves Level and Policy and Financial Viability

The ACS Group reserves policy is that it should have access to sufficient financial resources to be able to ensure the sustainability of the ACS Group. In determining what level of financial resources are required we have considered the following:

- Current and projected levels of free reserves;
- What level of working capital the ACS Group needs to be able to operate effectively;
- The impact of seasonality;
- ACS Group capacity and appetite to borrow funds;
- ACS Group risk appetite;
- The likely financial impact of a range of unlikely but plausible scenarios linked to the most significant risks that the ACS Group faces. For each of these risks we have considered:
 - The timings of the risk and any potential mitigating steps associated with the risk;
 - If the risk happened, any impact on the ACS Group's capability to borrow money.

ACS INTERNATIONAL SCHOOLS LIMITED

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This analysis led to the Board concluding that ACS Group's Reserves Policy is to target an annual minimum cash/net debt level between zero and a debt of £15,000,000. The minimum cash, net of borrowing, during the year was £16,300,000. ACS Group has a loan facility in place to enable it to manage its cash flow requirements. The ACS board has plans to bring its minimum cash balance back into line with the policy once the financial risk caused by Covid-19 has reduced. This involves reviving some of the Capital Expenditure plans, currently on hold as a result of the pandemic.

The Group Reserves Policy is reviewed annually by the Audit & Risk Committee and reflects the need to manage cash flow seasonality and not merely look at the year-end position.

The total reserves for the ACS Group at the year end were £92,474,934 (2020: £88,759,794) which were unrestricted. No unrestricted funds have been designated for specific purposes. Included within unrestricted funds are fixed assets with a net book value of £101,136,772 (2020: £101,701,338)

Since the initial impact of Covid-19 in March 2020, ACS has been conducting extensive financial reviews to ensure its ongoing financial viability. This work led to severe expenditure reduction programmes, which, alongside the government furlough scheme, has protected ACS's financial position. The review work undertaken has considered a wide range of potential scenarios and ensured ACS has plans in place to remain financially viable under all of them.

After reviewing the forecasts and projections, the trustees have a reasonable expectation that ACS has adequate resources to continue in operational existence for the foreseeable future. ACS Group therefore continues to adopt the going concern basis in preparing its financial statements.

FUTURE PLANS

The future plans include:

- To increase the overall amount of financial assistance provided and the number of children benefiting from the financial assistance. This will be achieved through ACS's Finance Assistance Programme and Partnerships, Grants and Access Strategy.
- Progress with redevelopment of the Early Childhood and Lower School at ACS Cobham;
- Fundraising initiatives to support bursaries, scholarships and to develop campuses;
- To progress the Education Strategy and People Strategy; and
- To ensure that ACS Group continues to play a significant part in the life of the local community.

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ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland) and applicable law. Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group including income and expenditure of the group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RELEVANT AUDIT INFORMATION

Insofar as each of the Trustees, as members of the Board, at the date of approval of this report is aware there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each member of the Board has taken all the steps that he or she should have taken as a member of the Board in order to make himself or herself aware of the relevant audit information and to establish that the Charity's auditor is aware of that information.

Approved by the Board of ACS International Schools Limited on 22 February 2022 including, in their capacity as trustees, approving the Trustees' and Strategic Reports contained therein, and signed on its behalf by:



R M Macnaughton
(Chairman)

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

Opinion

We have audited the financial statements of ACS International Schools Limited 'the charitable company' and its subsidiary 'the group' for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated and Company Balance Sheets, Consolidated 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 the charitable company's affairs as at 31 July 2021 and of the group's/ 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 trustee's 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 charitable company's or 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; or
- the 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 1 to 21, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, Data Protection Regulation (GDPR), Health and safety legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

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ACS INTERNATIONAL SCHOOLS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF ACS INTERNATIONAL SCHOOLS LIMITED**

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of donations income and other ancillary income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing any regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 1 March 2022

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021**

	Note	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
Income from charitable activities					
School fees	2	69,714,376	-	69,714,376	72,147,820
Ancillary trading income	3	4,099,441	-	4,099,441	5,344,378
Non-ancillary trading income	4	324,169	-	324,169	414,124
Other income		140,692	-	140,692	151,787
Investment income	5	10,911	-	10,911	40,946
Donations & Grants	6	437,290	217,439	654,729	1,046,862
Total Income		74,726,879	217,439	74,944,318	79,145,917
Expenditure on					
Cost of raising funds	8	(396,054)	-	(396,054)	(451,538)
Charitable activities	8	(70,322,169)	(39,842)	(70,362,011)	(71,511,994)
Other expenditure	8	371	-	371	(5,561)
Total expenditure		(70,717,852)	(39,842)	(70,757,694)	(71,969,093)
Loss on translation of foreign results		(517,345)	-	(517,345)	(454,253)
Gain on sale of fixed asset		45,861	-	45,861	-
Net(expenditure) /income before transfers		3,537,543	177,597	3,715,140	6,722,571
Transfers		177,597	(177,597)	-	-
NET MOVEMENT IN FUNDS		3,715,140	-	3,715,140	6,722,571
Funds brought forward		88,759,794	-	88,759,794	82,036,723
Debentures repaid		-	-	-	500
Funds carried forward	23	92,474,934	-	92,474,934	88,759,794

The notes on pages 30 to 50 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2021**

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	12	100,368,035	100,566,747
Intangible assets	14	<u>768,737</u>	<u>1,134,591</u>
		101,136,772	101,701,338
CURRENT ASSETS			
Debtors	17	7,225,551	10,025,874
Cash at bank and in hand		<u>27,729,473</u>	<u>20,603,517</u>
		34,955,024	30,629,391
CREDITORS: amounts falling due within one year	18	<u>(41,494,563)</u>	<u>(41,296,083)</u>
NET CURRENT (LIABILITIES)		<u>(6,539,539)</u>	<u>(10,666,692)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		94,597,233	91,034,646
LONG TERM LIABILITIES			
Other provisions	21	(1,122,299)	(1,274,852)
Long term loan	20	<u>(1,000,000)</u>	<u>(1,000,000)</u>
		<u>(2,122,299)</u>	<u>(2,274,852)</u>
NET ASSETS		<u>92,474,934</u>	<u>88,759,794</u>
REPRESENTED BY:			
Restricted funds	23	-	-
Unrestricted funds	23	<u>92,474,934</u>	<u>88,759,794</u>
		<u>92,474,934</u>	<u>88,759,794</u>

Net result for the year for the charity before consolidation was a surplus of £7,977,166 (2020: £7,564,086).
The financial statements were approved and authorised for issue by the board and were signed on its behalf

on 22 February 2022



R M Macnaughton (Chairman)

The notes on pages 30 to 50 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

**CHARITY BALANCE SHEET
AS AT 31 JULY 2021**

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	13	90,916,127	91,623,881
Intangible assets	15	768,737	1,118,555
Investments	16	<u>1,100</u>	<u>1,100</u>
		91,685,964	92,743,536
CURRENT ASSETS			
Debtors	17	24,331,895	23,340,510
Cash at bank and in hand		<u>23,998,643</u>	<u>15,752,399</u>
		48,330,538	39,092,909
CREDITORS: amounts falling due within one year	18	<u>(39,054,653)</u>	<u>(38,851,761)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>9,275,885</u>	<u>241,148</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		100,961,849	92,984,684
LONG-TERM LIABILITIES			
Long term loan	20	<u>(1,000,000)</u>	<u>(1,000,000)</u>
		<u>(1,000,000)</u>	<u>(1,000,000)</u>
NET ASSETS		<u>99,961,849</u>	<u>91,984,684</u>
REPRESENTED BY:			
Restricted funds		-	-
Unrestricted funds		<u>99,961,849</u>	<u>91,984,684</u>
		<u>99,961,849</u>	<u>91,984,684</u>

ACS has elected to not publish a charity only statement of financial activities. The unconsolidated surplus generated by the parent charity was £7,977,166 (2020: £7,564,086).

The financial statements were approved and authorised for issue by the board and were signed on its

behalf on 22 February 2022



R M Macnaughton(Chairman)

The notes on pages 30 to 50 form part of these financial statements

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2021**

	Note	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income		3,715,139	6,722,571
Adjustments for:			
Depreciation of property, plant and equipment		5,245,836	4,430,748
Amortisation of intangible assets		381,324	544,024
(Gain)/loss on disposal of property, plant and equipment		(45,861)	5,335
Interest paid		31,186	63,395
Interest received		(10,911)	(40,946)
Decrease/(increase) in debtors		2,800,323	(1,298,843)
Increase/(decrease) in creditors		198,480	(5,035,615)
(Decrease)/increase in provisions		(152,553)	108,702
CASH FROM OPERATIONS		<u>12,162,963</u>	<u>5,499,371</u>
Interest paid		(31,186)	(63,395)
NET CASH GENERATED FROM OPERATING ACTIVITIES		<u>12,131,777</u>	<u>5,435,976</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(5,047,123)	(6,279,776)
Purchases of intangible assets		(15,470)	(225,860)
Interest received		10,911	40,946
Proceed from sale of equipment		45,861	-
NET CASH FROM INVESTING ACTIVITIES		<u>(5,005,821)</u>	<u>(6,464,690)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue/ (repayment) of debenture loans		-	500
Proceeds from loan		-	-
NET CASH USED IN FINANCING ACTIVITIES		<u>-</u>	<u>500</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		7,125,956	(1,028,214)
Cash and cash equivalents at beginning of the year	24	<u>20,603,517</u>	<u>21,631,731</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	24	<u><u>27,729,473</u></u>	<u><u>20,603,517</u></u>

The notes on pages 30 to 50 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1.1 Company information

ACS International Schools Limited is a registered charity and public benefit entity in England and Wales and a company limited by guarantee. It was incorporated on 5 July 1967 (company number: 00910010) and registered as a charity on 5th September 2018 (charity number: 1179820). The registered office is Heywood, Portsmouth Road, Cobham, Surrey KT11 1BL.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2015.

The charity has taken the advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cashflow Statement with the consolidated financial statements.

The account presents the consolidated statement of financial activities (SOFA), the consolidated and charity balance sheets and the consolidated cash flow statement comprising the consolidation of the Charity and its subsidiaries ACS International School Doha LLC, ACS Overseas Holdings Limited and ACS Commercial Enterprises Limited.

The trustees have a reasonable expectation that ACS International Schools Limited, ACS Doha International School LLC, ACS Overseas Holdings Limited and ACS Commercial Enterprises Limited have adequate resources to continue in operational existence for the foreseeable future. The trustees have further considered going concern implications in light of Covid-19 and believe it remains appropriate to prepare their financial statements on a going concern basis.

1.3 Judgement and estimation uncertainty

In application of the accounting policies, trustees are required to make judgements, estimates and assumptions about carrying value of assets and liabilities that are based on historical experience and other relevant factors. The estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognised in either the period of revision and/or in future periods if relevant.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date, are likely to result in a material adjustment to their carrying amounts in the next financial year.

The particular accounting policies adopted and applied consistently are described below.

1.4 School fees and trading income

School fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Scholarships and bursaries granted by the Charity against those fees are deducted in the school term to which they relate.

Trading income and other income is recognised in the period to which it relates.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1.5 Investment income

Investment income from bank balances is accounted for on an accruals basis.

1.6 Grants and donations

Voluntary incoming resources are accounted for as and when the entitlement arises, the amount can be reliably quantified and the economic benefit to the charity is considered probable.

Donations are restricted in accordance with the donor's intention. Where no restrictions are noted donations are utilised within unrestricted funds.

1.7 Expenses

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is included with the item of expenditure to which it relates. Intra-group sales and charges between the charity and its subsidiaries are excluded from trading income and expenditure.

Charitable activities include teaching staff salaries, depreciation of items related to education and classroom supplies.

Investment and estates management includes investment in new buildings and maintenance of existing ones, as well as depreciation relating to buildings.

Support activities include expenditure on salaries of non-teaching staff, depreciation and purchase of items not directly related to provision of education. The costs are allocated based on spend by department.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation with the exception of freehold land and buildings which are carried at open market value and revalued every five years by professionally qualified surveyors. The properties were last revalued in July 18 by Gerald Eve, Chartered Surveyors. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases and recognised within the statement of financial activities:

Freehold buildings	-	Straight line over 15-25 or 50 years
Leasehold improvements	-	Straight line over the period of the lease
Motor vehicles	-	Straight line over 4 or 10 years
Fixtures, fittings and equipment	-	Straight line over 2-15 years

Assets in the course of construction are capitalised at cost but are not depreciated until they become available for use.

1.9 Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following basis:

Computer software	-	Straight line over 3-5 years

Amortisation is included within expenditure in the statement of financial activities.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1.10 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to expenditure in the statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.12 Operating leases

Rentals under operating leases are charged to expenditure in the statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.13 Funds

The total funds of the charity and its subsidiaries are allocated to unrestricted and restricted based on the terms set by the donors.

Unrestricted income belongs to the charity's corporate reserves, spendable at the direction of the trustees either to further the charity's objects or to benefit the schools itself.

Restricted funds comprise gifts, legacies and grants where the donors have earmarked funds for specific purposes.

1.14 Cash

Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Cash balances are recognised at amortised cost.

1.15 Debtors and Creditors

Short term debtors and creditors are measured at transaction price less any impairment and are subsequently held at amortised cost. £5,054,000 (2020: £7,730,000) included in trade debtors at 31 July 2021 relates to 2021/22 fees invoiced in advance, of which there is a corresponding entry included in deferred income.

1.16 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1.17 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.18 Fees in advance

Fees in advance represent the following year's tuition, extras and bussing fees invoiced in the current year.

1.19 Management of liquid resources

Liquid resources are defined as cash, cash held at bank and treasury deposits.

1.20 Employee benefits

The liability recognised in the statement of financial position in respect of end of service benefits is the present value of the defined benefit obligation at the end of the reporting year. This is calculated annually by management using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the effective interest rate

1.21 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation because of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense

1.22 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost, with the exception of investments which are held at fair value.

Financial assets held at amortised cost comprise cash at bank and in hand, together with debtors excluding prepayments. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in bank accounts.

Financial liabilities held at amortised cost comprise all creditors excluding social security and other taxes, provisions and deferred income. Investments in subsidiary undertakings are held at cost less impairment.

1.23 Redundancy payments

Termination benefits are payable when employment is terminated by ACS or whenever an employee accepts voluntary redundancy in exchange for these benefits. ACS recognises termination benefits when a fully signed settlement agreement is in place, or when the cost has otherwise been confirmed and committed to.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE

	2021 £	2020 £
Fees receivable consist of:		
ACS school fees	56,273,389	57,118,182
ACS Doha school fees	<u>13,440,987</u>	<u>15,029,638</u>
	<u>69,714,376</u>	<u>72,147,820</u>

School fees are net of bursaries and scholarships.

3. ANCILLARY INCOME

Ancillary income includes income from application fees, bussing fees, student catering, trips and clubs.

	2021 £	2020 £
ACS ancillary income	3,833,889	4,908,229
ACS Doha ancillary income	<u>265,552</u>	<u>436,149</u>
	<u>4,099,441</u>	<u>5,344,378</u>

4. NON-ANCILLARY INCOME

	2021 £	2020 £
Non-student catering and shop income	182,695	219,094
Sports membership and activity fees	46,421	137,748
Hire of facilities	<u>95,053</u>	<u>57,282</u>
	<u>324,169</u>	<u>414,124</u>

5. INVESTMENT INCOME

	2021 £	2020 £
UK bank interest	<u>10,911</u>	<u>40,946</u>
	<u>10,911</u>	<u>40,946</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

6. DONATIONS & GRANTS

	2021 £	2020 £
Donations	217,439	252,166
Grants - Coronavirus Job Retention Scheme	379,473	794,696
Grant for research and school partnership	57,817	-
	<u>654,729</u>	<u>1,046,862</u>

7. PRINCIPAL SUBSIDIARIES AND HOLDING COMPANIES

Company name and registered address	Country/ Company number	Percentage Shareholding	Description
ACS International School Doha ¹ LLC, Building 10. Street 161 Al Kheesa, P.O. 200568, Doha	Qatar	49	Operation of overseas educational establishment
ACS International Schools Overseas Holdings Limited, Heywood, Portsmouth Road, Cobham, KT11 1BL	England and Wales 07537434	100	Intermediate holding company
ACS Commercial Enterprises Limited, Heywood, Portsmouth Road, Cobham, KT11 1BL	England and Wales 10887569	100	Trading company

1. *ACS International School Doha LLC is a subsidiary undertaking by a virtue of the fact that ACS International Schools Limited has a participating interest in the undertaking and actually exercises a dominant influence over it.*

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

7. PRINCIPAL SUBSIDIARIES AND HOLDING COMPANIES (continued)

	ACS Commercial Enterprises	ACS International Schools Overseas Holdings	ACS Doha International School	Total 2021	<i>Total 2020</i>
	£	£	£	£	£
Income	165,331	-	13,706,539	13,871,870	15,751,541
Expense	<u>(113,262)</u>	<u>371</u>	<u>(21,276,715)</u>	<u>(21,389,606)</u>	<u>(17,743,628)</u>
Net loss	<u>52,069</u>	<u>371</u>	<u>(7,570,176)</u>	<u>(7,517,736)</u>	<u>(1,992,087)</u>
Amount gift aided	<u>(52,069)</u>	-	-	<u>(52,069)</u>	<u>(120,311)</u>
Retained in subsidiary	<u>-</u>	<u>371</u>	<u>(7,570,176)</u>	<u>(7,569,805)</u>	<u>(2,112,398)</u>
Net assets	<u>100</u>	<u>(12,611)</u>	<u>(11,972,492)</u>	<u>(11,985,003)</u>	<u>(4,461,060)</u>

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

8. ANALYSIS OF EXPENDITURE

(a) Total expenditure

	Staff costs	Depreciation & amortisation	Other	Total 2021	Total 2020
	£	£	£	£	£
Expenditure on raising funds					
Fundraising costs	239,486	-	43,306	282,792	286,095
Other costs of raising funds	64,255	-	49,007	113,262	165,443
Total costs of raising funds	<u>303,741</u>	<u>-</u>	<u>92,313</u>	<u>396,054</u>	<u>451,538</u>
Charitable expenditure					
Education and grant making					
Teaching	29,425,239	2,523,236	11,817,985	43,766,460	45,140,374
Boarding and welfare	1,553,865	740,398	1,275,174	3,569,437	3,746,293
Premises repair and maintenance	1,493,220	443,273	1,837,909	3,774,402	3,598,649
Support costs and governance	8,752,086	2,056,355	8,432,170	19,240,611	19,015,963
Grants, awards and prizes	-	-	11,101	11,101	10,715
Total charitable expenditure	<u>41,224,410</u>	<u>5,763,262</u>	<u>23,374,339</u>	<u>70,362,011</u>	<u>71,511,994</u>
Other expenditure					
Taxation	-	-	-	-	-
Other	-	-	(371)	(371)	5,561
Total other expenditure	<u>-</u>	<u>-</u>	<u>(371)</u>	<u>(371)</u>	<u>5,561</u>
Total expended	<u>41,528,151</u>	<u>5,763,262</u>	<u>23,466,281</u>	<u>70,757,694</u>	<u>71,969,093</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

8. ANALYSIS OF EXPENDITURE (continued)

(b) Grants, awards and prizes

	2021	2020
	£	£
From Unrestricted Funds		
UK prizes and leaving awards	<u>11,101</u>	<u>10,715</u>

**(c) Governance included in support costs
(inclusive of VAT)**

	2021	2020
	£	£
Remuneration paid to Crowe UK LLP in respect of:		
Statutory audit	36,450	33,210
Tax compliance	10,900	6,600
Advisory services	1,562	732
Remuneration paid to PWC in respect of:		
Statutory audit (Doha)	23,947	22,922
Tax compliance and advisory	21,032	51,498
Reimbursement of personal expenses to Trustees – travel costs	<u>498</u>	<u>20,264</u>

Expenses were reclaimed by 3 Trustees (2020:7). No trustees have been paid any remuneration or received any other benefits during the year.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

9. STAFF COSTS

Staff costs, including director's remuneration, were as follows:

	2021	2020
	£	£
ACS wages and salaries	29,525,680	31,617,601
ACS Doha wages and salaries	7,650,082	8,702,199
ACS social security costs	2,928,397	3,133,265
ACS other pension costs	1,339,355	1,402,778
ACS Doha other pension costs	84,637	406,972
	<u>41,528,151</u>	<u>45,262,815</u>

Aggregate employee benefits of key management personnel	2,091,563	2,045,819

	2021	2020
	No.	No.
Number of higher paid employees with aggregate employee benefits in bands of:		
£60,001 to £70,000	34	26
£70,001 to £80,000	14	12
£80,001 to £90,000	6	11
£90,001 to £100,000	5	4
£100,001 to £110,000	3	3
£110,001 to £120,000	2	-
£120,001 to £130,000	-	2
£130,001 to £140,000	-	1
£140,001 to £150,000	-	1
£150,001 to £160,000	3	1
£160,001 to £170,000	-	-
£170,001 to £180,000	2	2
£180,001 to £190,000	2	2
£190,001 to £200,000	-	-
£200,001 to £210,000	1	-
£210,001 to £220,000	-	1
£230,001 to £240,000	1	-
£240,001 to £250,000	-	1
£260,001 to £270,000	-	1
£270,001 to £280,000	1	-

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

The average number of employees during the year was 824 (2020: 968).

	2021 No.	2020 No.
Academic staff	495	561
Substitute staff	41	78
Welfare	51	58
Support staff	237	271
	824	968

During the year redundancy payments of £58,307 (2020: £463,692) were awarded of which £12,924 remained outstanding at year end (2020: £147,016)

10. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the funds. Contributions of £237,608 (2020: £246,144) are outstanding at the balance sheet date.

11. FINANCE COSTS

	2021 £	2020 £
Interest payable and charges	31,186	63,395
	31,186	63,395

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

12. TANGIBLE FIXED ASSETS

Consolidated

Group	Freehold land and buildings £	Motor vehicles £	Fixtures, fittings and equipment £	Capital work in progress £	Total £
Cost					
At 1 August 2020	88,791,367	749,647	27,369,686	8,763,471	125,674,171
Additions	1,333,702	38,868	4,374,683	137,377	5,884,630
Disposals	-	(18,250)	(1,939,132)	-	(1,957,382)
Transfer			8,763,471	(8,763,471)	-
Revaluation	-	-	-	-	-
Exchange difference	-	(1,096)	(828,389)	(8,020)	(837,505)
At 31 July 2021	<u>90,125,069</u>	<u>769,169</u>	<u>37,740,319</u>	<u>129,357</u>	<u>128,763,914</u>
Depreciation					
At 1 August 2020	4,428,288	635,309	20,043,827	-	25,107,424
Charge for the year	2,357,318	26,951	3,080,115	-	5,464,384
Disposals	-	(18,250)	(1,888,543)	-	(1,906,793)
Revaluation	-	-	-	-	-
Exchange difference	-	(1,096)	(268,040)	-	(269,136)
At 31 July 2021	<u>6,785,606</u>	<u>642,914</u>	<u>20,967,359</u>	<u>-</u>	<u>28,395,879</u>
Net book value					
At 31 July 2021	<u>83,339,463</u>	<u>126,255</u>	<u>16,772,960</u>	<u>129,357</u>	<u>100,368,035</u>
At 31 July 2020	<u>84,363,079</u>	<u>114,338</u>	<u>7,325,859</u>	<u>8,763,471</u>	<u>100,566,747</u>

All properties were revalued on 31 July 2018 by Gerald Eve, Chartered Surveyors, on basis of open market value for current use at £80,870,000. The valuation was incorporated in the financial statements for the year ended 31 July 2018.

Included in land and buildings is freehold land valued at £14,663,000 which is not depreciated.

Land and buildings include £1,373,789 (2020: £1,446,686) in respect of assets under the course of construction.

The historic cost of assets included at valuation at the balance sheet date is £132,764,810 (2020: £131,431,108). At the balance sheet date there was no material difference between the historical cost depreciation and the actual depreciation charged in the accounts.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

13. TANGIBLE FIXED ASSETS

Charity only

	Freehold property £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost or valuation				
At 1 August 2020	88,791,367	730,875	22,377,257	111,899,499
Additions	1,333,702	38,868	2,442,441	3,815,011
Disposals	-	(18,250)	(438,412)	(456,662)
Revaluation	-	-	-	-
At 31 July 2021	<u>90,125,069</u>	<u>751,493</u>	<u>24,381,286</u>	<u>115,257,848</u>
Depreciation				
At 1 August 2020	4,428,288	616,537	15,230,793	20,275,618
Charge for the year	2,357,318	26,951	2,138,496	4,522,765
Disposals	-	(18,250)	(438,412)	(456,662)
Revaluation	-	-	-	-
At 31 July 2021	<u>6,785,606</u>	<u>625,238</u>	<u>16,930,877</u>	<u>24,341,721</u>
Net book value				
At 31 July 2021	<u>83,339,463</u>	<u>126,255</u>	<u>7,450,409</u>	<u>90,916,127</u>
At 31 July 2020	<u>84,363,079</u>	<u>114,338</u>	<u>7,146,464</u>	<u>91,623,881</u>

All properties were revalued on 31 July 2018 by Gerald Eve, Chartered Surveyors, on basis of open market value for current use at £80,870,000. The valuation was incorporated in the financial statements for the year ended 31 July 2018.

Included in land and buildings is freehold land valued at £14,663,000 which is not depreciated.

Land and buildings include £1,373,789 (2020: £1,446,686) in respect of assets under the course of construction.

The historic cost of assets included at valuation at the balance sheet date is £132,764,810 (2020: £131,431,108). At the balance sheet date there was no material difference between the historical cost depreciation and the actual depreciation charged in the accounts.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

14. INTANGIBLE FIXED ASSETS

Consolidated

**Computer
Software
£**

Cost

At 1 August 2020

3,352,387

Additions

20,577

Exchange difference

(5,107)

At 31 July 2021

3,367,857

Depreciation

At 1 August 2020

2,217,796

Charge for the year

385,891

Exchange difference

(4,567)

At 31 July 2021

2,599,120

Net book value

At 31 July 2021

768,737

At 31 July 2020

1,134,591

15. INTANGIBLE FIXED ASSETS

Charity only

**Computer
Software
£**

Cost

At 1 August 2020

3,264,918

Additions

20,577

Disposals

-

At 31 July 2021

3,285,495

Depreciation

At 1 August 2020

2,146,363

Charge for the year

370,395

Disposals

-

At 31 July 2021

2,516,758

Net book value

At 31 July 2021

768,737

At 31 July 2020

1,118,555

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

16. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Charity	
Cost or valuation	
At 1 August 2020	1,100
At 31 July 2021	<u>1,100</u>
Net book value	
At 31 July 2021	<u>1,100</u>
At 31 July 2020	<u>1,100</u>

Details of the principal subsidiaries can be found under note number 7.

17. DEBTORS

	<u>Group</u>		<u>Charity</u>	
Due within one year	2021	2020	2021	2020
	£	£	£	£
Trade debtors	5,391,641	8,000,399	5,191,469	6,637,822
Corporation tax	30,399	21,044	30,399	21,044
Other debtors	325,970	697,530	325,970	696,641
Prepayments and accrued income	1,477,541	1,306,901	1,470,601	1,301,281
Amounts owed by group undertakings	-	-	17,313,456	14,683,722
	<u>7,225,551</u>	<u>10,025,874</u>	<u>24,331,895</u>	<u>23,340,510</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

18. CREDITORS:
Amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	1,845,580	1,392,623	1,342,126	766,857
Social security and other taxes	1,057,199	1,143,157	1,057,199	1,143,157
Other creditors	347,007	407,423	136,985	238,702
Student deposits	3,362,650	3,698,650	3,362,650	3,698,650
Accruals and prepaid income	1,724,008	1,733,654	1,724,008	1,733,654
Deferred income	33,158,119	32,920,576	31,431,685	31,270,741
	<u>41,494,563</u>	<u>41,296,083</u>	<u>39,054,653</u>	<u>38,851,761</u>

19. DEFERRED INCOME

Deferred income relates to tuition fees and related income. Movements on deferred income balance during the year are as follows:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Deferred income b/f	32,920,276	35,194,251	31,270,741	33,895,764
Income released to SOFA in the year	(32,920,276)	(35,194,251)	(31,270,741)	(33,895,764)
Income deferred during the year	33,158,119	32,920,276	31,431,685	31,270,741
	<u>33,158,119</u>	<u>32,920,276</u>	<u>31,431,685</u>	<u>31,270,741</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

20. BANK LOANS DUE IN OVER ONE YEAR

In March 2019 ACS International Schools Limited secured a bank facility with a maximum loan value of £15 million. Current borrowings against the bank facility are £1 million. Interest on the loan is 1.35% above LIBOR and is payable quarterly. The loan is repayable in full 60 months after the loan is drawn. The loan contains financial covenants which apply to the Group's consolidated financial information. All financial covenants were met at 31 July 2021.

Loan repayable is as follows:	2021	2020
	£	£
Within one year	-	-
Between two to five years	1,000,000	1,000,000
More than five years	-	-
	<u>1,000,000</u>	<u>1,000,000</u>

National Westminster Bank PLC hold the following charges on ACS assets located at Heywood, Portsmouth Road, Cobham for continuing security:

- i. A fixed charge over the following property, owned now or in the future:
 - a. All land and fixtures and fittings related to the land and all rents receivable.
 - b. All plant and machinery, including any associated warranties and maintenance contracts.
 - c. All the goodwill.
 - d. Any uncalled share capital.
 - e. All stocks, shares and other securities in any subsidiaries and income and rights relating to them.
 - f. All intellectual property, licences, claims, insurance policies, proceeds of any insurance and any other legal rights.
 - g. The benefit of any hedging arrangements, futures transactions or treasury instruments.
- ii. A floating charge over all other property, assets and rights owned now or in the future which are not subject to an effective fixed charge.

The aggregate revalued amount of secured assets is £48,183,336 (2020: £47,179,016).

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

21. PROVISIONS

Group	Provision for employees £
At 1 August 2020	1,274,852
Additions	84,637
Paid	(164,800)
Exchange difference	<u>(72,390)</u>
At 31 July 2021	<u><u>1,122,299</u></u>

Provision for employees

Provision has been made for the net present value of ACS International School Doha's obligations at 31 July 2021 in respect of employees' end of service benefits payable under Qatar labour law.

The provision assumes no average increment / promotion costs (2020: 2.25%). The expected liability at the date of leaving service has been discounted to its net present value using a discount rate of 3.14% (2020: 2.81%).

22. SHARE CAPITAL

	2021 £	2020 £
<u>Allotted, called up and fully paid</u>		
500,000 Ordinary shares of £1 each	<u><u>500,000</u></u>	<u><u>500,000</u></u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

23a. FUNDS

	B/fwd £	Income £	Expenditure £	Transfers £	Gains and losses £	C/fwd £
Restricted funds						
Cobham	-	80,110	(14,040)	(66,070)	-	-
Hillingdon	-	39,051	(10,111)	(28,940)	-	-
Egham	-	98,278	(15,691)	(82,587)	-	-
Doha	-	-	-	-	-	-
	-	217,439	(39,842)	(177,597)	-	-
Unrestricted funds						
Share capital	500,000	-	-	-	-	500,000
Debentures	10,659,250	-	-	-	-	10,659,250
General reserves	<u>77,600,544</u>	<u>74,726,879</u>	<u>(70,717,853)</u>	<u>177,597</u>	<u>(471,483)</u>	<u>81,315,684</u>
	88,759,794	74,726,879	(70,717,853)	177,597	(471,483)	92,474,934
Total funds	<u>88,759,794</u>	<u>74,944,318</u>	<u>(70,757,695)</u>	<u>-</u>	<u>(471,483)</u>	<u>92,474,934</u>

Restricted funds include donations which the donors have earmarked for specific UK campuses. Restricted funds have been released to general reserves as their restrictions have been met during the year.

Unrestricted funds belong to the charity's corporate reserves, spendable at the direction of the Trustees to further the charity's objects.

Debentures (5th series)

The director considers that the nature and terms of the fifth issue debentures, issued by ACS International Schools Limited, more accurately reflect equity and therefore they were reclassified from long term creditors to equity within the balance sheet in the year ended 31 July 2011.

During the year ACS International Schools Limited issued and repaid no fifth issue debentures of £250 each (2020: Nil).

The fifth issue debentures are unsecured, non interest bearing and repayable only by ACS International Schools Limited giving debenture holders not less than one month's notice of its intention to repay the principal sum or on a winding up. As at 31 July 2021 this issue comprised 42,637 debentures of £250 each (2020: 42,637 debentures of £250 each).

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

23b. NET ASSETS SPLIT BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Intangible assets	768,737	-	768,737
Tangible fixed assets	100,368,035	-	100,368,035
Net current liabilities	(6,539,539)	-	(6,539,539)
Liabilities due in more than one year	(1,000,000)	-	(1,000,000)
Provisions	(1,122,299)	-	(1,122,299)
At 31 July 2021	<u>92,474,934</u>	<u>-</u>	<u>92,474,934</u>

24. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2020 £	Cash flow £	Exchange Movement £	31 July 2021 £
Cash at bank and in hand	19,603,517	6,608,611	517,345	26,729,473
Loan	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Net funds	<u>20,603,517</u>	<u>6,608,611</u>	<u>517,345</u>	<u>27,729,473</u>

25. CAPITAL COMMITMENTS

At 31 July 2021 the group and charity had capital commitments as follows:

	Group		Charity
	2021 £	2020 £	2021 £
Contracted for but not provided in these financial statements	<u>72,460</u>	<u>644,250</u>	<u>72,460</u>
			<u>644,250</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

26. OPERATING LEASE COMMITMENTS

At 31 July 2021 the group had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2021	2020	2021	2020
	£	£	£	£
Within 1 year	5,944,395	1,339,764	112,720	-
Between 2 and 5 years	33,774,008	7,516,225	422,896	-
After more than 5 years	77,110,509	17,930,221	-	-
	<u>116,828,912</u>	<u>26,786,210</u>	<u>535,616</u>	<u>-</u>

27. RELATED PARTY TRANSACTIONS

ACS International Schools Limited recharged £114,897 (2020: £172,115) to ACS Commercial Enterprises Limited for the provision of staff and expenditure incurred on its behalf. At year end the balance of £107,241 (2020: £131,542) was owed to ACS International Schools Limited. ACS Commercial Enterprises Limited gift aided its profit of £52,069 (2020: £120,311) to ACS International Schools Limited.

ACS International Schools Limited recharged £2,973,683 (2020: £2,695,966) to ACS Doha International School LLC for expenditure incurred on its behalf and royalty and management charges. At year end the amount owed by ACS Doha International School LLC to ACS International Schools Limited was £17,106,214 (2020: £14,444,592).

During the year, ACS International Schools Doha paid £Nil (2020: £11,200) to Marqeeepro Limited whose director is also part of the senior leadership team in ACS International Schools Doha.

ACS INTERNATIONAL SCHOOLS LIMITED

England & Wales - Charity number 1179820

Accounts

Registered number: 00910010
Registered Charity number: 1179820

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

ACS INTERNATIONAL SCHOOLS LIMITED

CHARITY INFORMATION

TRUSTEES

C J E Ferguson
S Beurier
N E Bobay
R C Prior (resigned 01/08/2020)
J B S Swallow
C J Wille
N Louis (resigned 10/10/2020)
R M Macnaughton - Chairman
P Mundy
S B Jackson (appointed 05/09/2019)

COMPANY SECRETARY

G Charles

REGISTERED COMPANY NUMBER 00910010

REGISTERED CHARITY NUMBER 1179820

REGISTERED OFFICE

Heywood
Portsmouth Road
Cobham
Surrey
KT11 1BL

INDEPENDENT AUDITOR

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

BANKERS

NatWest Bank Plc
135 Bishopsgate
London
EC2M 3UR

SOLICITORS

Eversheds Sutherland
1 Wood Street
London

ACS INTERNATIONAL SCHOOLS LIMITED

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ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

The Trustees present their Annual Report for the year ended 31 July 2020 under the Charities Act 2011, including the Trustees' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year and confirm that the latter comply with the requirements of the Charities Act 2011 and the Charities SORP 2015.

ACS International Schools Limited is a Registered Charity (registered charity number 1179820).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The Charity is governed by its Memorandum and Articles of Association, last amended on 1 October 2017.

Governing Body

The Governing Body of ACS International Schools Limited is known as the Board. There is one Governing Body for the three UK Schools and the one Qatar School. The Board is the main decision-making body of ACS International Schools Limited (the "Charity" also known as "ACS"). ACS and each subsidiary company are governed by a separate board (together the "ACS Group"). The Board is accountable to the Members and the public for setting the strategy and directing the performance of the ACS Group.

The Board is collectively responsible for promoting the long-term success and viability of the ACS Group by directing and supervising the ACS Group's affairs, exercising the powers of the Charity, subject to any relevant laws and regulations and in accordance with the Articles.

The Board conducts a full internal review of its activities and effectiveness annually. The Board also assesses its activities and effectiveness via an external third party every two years.

Recruitment and Training of Trustees

Appointments to the Board will be recommended by the People Committee for approval by the Board or will be approved by the Members by an ordinary resolution at a general meeting.

Appointments to the Board will be subject to the terms and conditions set out in an appointment letter recommended to the Board by the People Committee.

The term of appointment for a Trustee will normally be for an initial three year period, renewable by the Board on the recommendation of the People Committee for a further three year period, and thereafter annually for a maximum term of nine years in total. Exceptions may be made if deemed by the Board to be in the best interests of the Charity.

Prospective candidates for vacancies on the Board are considered in light of the skills and experience required at the time, which will include personal competence, professional qualities, specialist skills and experience. The Board is committed to being as diverse as practicable, balanced with ACS's needs for high quality Trustees. To ensure that Trustees' roles and responsibilities are carried out effectively, the new Board members attend a detailed brief by the Chairman, Chief Executive and other relevant members of the Leadership Team.

Overall the Trustees meet a significant proportion of the recommended and best practice for governance contained within the Charity Governance Code across the seven areas and are comfortable there are no significant areas of review required. Trustees continue to monitor the best practice principles contained within the Code.

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Organisational Management

The Board is legally responsible for the overall management and control of the schools.

The Board meets at least four times a year and is supported by the following committees:

- The Audit and Risk Committee investigate, advise and report to the Board on certain matters relating to financial reporting, external audit, internal controls and risk management. The Committee was chaired by C Ferguson until 16th June 2020. From 17th June 2020 the Committee is chaired by S Beurier;
- The Education Committee investigate, advise and report to the Board on certain matters relating to the educational philosophy, programmes and student learning outcomes of ACS Group schools. The Committee is chaired by P Mundy;
- The People Committee investigate, advise and report to the Board on certain matters relating to appointments, remuneration and governance. The Committee is chaired by C Wille.

All Board sub-committees meet at least three times a year.

In accordance with the Articles of Association, the Board has the power to delegate responsibility (but not accountability) to committees, directors, and the management of the Charity, and to that end the Board has established a Schedule of Delegated Authorities.

All powers, duties and decision-making responsibilities conferred on the Board by the Articles that are not set out in the Schedule of Matters Reserved for the Board and have not been delegated to a committee, the Company Secretary or a Director, are delegated to the Chief Executive.

The Chief Executive is Timothy Cagney. The Chief Executive is responsible for proposing and delivering the Group's strategy, and for managing the day-to-day activities, operations and resources of the Group.

The Chief Executive is the most senior member of the Leadership Team. The Leadership Team is the key management team. The Leadership Team includes the following employees:

- Chief Executive
- Chief Finance and Estates Officer
- Advancement Director
- Human Resources Director
- Education Strategy Director
- Partnerships Director
- ACS Cobham Head of School
- ACS Egham Head of School
- ACS Hillingdon Head of School
- ACS Doha Head of School

The People Committee consider remuneration and make recommendations to the Board on the remuneration policy for the Chief Executive and Leadership Team and the annual pay review and material changes to Group-wide compensation policy and practice. The Board reviews the People Committees' recommendations and determines the Group's remuneration policy.

The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with the local labour market and to comparisons with other independent schools to ensure that the Group remains sensitive to broader issues of pay and employment terms and conditions elsewhere.

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The Group's ability to deliver its charitable purpose and objectives is primarily dependent on its key management personnel and staff.

Promotion of the success of the organisation to provide public benefit

The Trustees confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider would be most likely to achieve the purposes of the Group. In making this assessment the Trustees have considered the following:

a. The likely consequences of any decision in the long term

The long-term sustainability of the operating model is considered by the Trustees as set out in the going concern statement in the Strategic Report section of the Trustees' Report. Specifically, the Trustees consider both short and longer term financial projections and the key risks that could negatively impact the sustainability of the Group. The Trustees are presented with management information, budgets, forecasts, cashflow projections and progress against the financial plan on a regular basis.

Risk management is embedded at all levels across the Group. The most significant risks are discussed at each Board meeting. See the risk management section for further details.

The Trustees review and endorse all policies to ensure consistent long term regulatory compliance.

b. The interests of the Group's employees

Frequent communication with employees is essential, especially during the Covid-19 lockdown when most employees were working remotely. This has been conducted by regular meetings and routine weekly written communications to employees.

See the employee policy section for further details.

c. The need to foster the Group's business relationships with suppliers, customers and others

All suppliers are treated fairly and promptly with business terms adhered to. The Company complies with the UK's Payment Practices Regulations that require the publication of information on the supplier terms offered and average payment statistics.

The parent contract forms the basis of the relationship with fee payers. This is reviewed regularly to ensure best practice and applied fairly and consistently.

A fair policy of bursary awards, consistently applied, support families who may not otherwise be able to access education at the school.

The Group works with a range of donors in support of furthering its fundraising aims and objectives. Group fundraising is bound by the Fundraising Policy and Gift Acceptance and Review Policy. The Group is transparent with information and prides itself on building mutually beneficial relationships.

d. The impact of the Group's operations on the community and the environment

The Group has completed the Energy Savings Opportunity Scheme (ESOS) reporting requirements and is preparing for reporting under the Streamlined Energy and Carbon Reporting (SECR). The Group is concerned about its energy consumption and carbon emissions and wishes to utilise the mandatory SECR legislation to identify ways of saving energy and reduce on carbon emissions. Further details of this are in the Strategic Report section of the Trustees' Report.

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e. The desirability of the Group in maintaining a reputation for high standards of business conduct

The Group's Procurement policy outlines the responsibility of company employees to undertake procurement processes that ensure procurement best practice is followed. This requires employees to produce an approved Purchase Order in order to procure goods and services. The policy also requires quotation and tender procedures with suppliers as the value of the order being placed rises. Preferred suppliers are used wherever possible with new suppliers going through an authorisation process. The Group may withhold payment of an invoice that doesn't include a Purchase Order but otherwise adheres to supplier payment terms wherever possible upon receipt of an invoice from the supplier. The Group would seek to resolve any supplier disputes on a case-by-case basis.

The Group's Anti-Bribery policy sets out the responsibilities of staff to report any incidents or suspicion of fraud, bribery or corruption arising in the course of their work and to cooperate fully with related investigations; and comply with applicable Finance policies and procedures. The Group takes a zero tolerance approach towards fraud, bribery and corruption. It is committed to complying with all applicable laws and regulations relating to fraud, bribery and corruption wherever it operates.

The Group has an Anti-money laundering policy which seeks to prevent the organisation and its staff being exposed to money laundering, to identify the potential areas where it may occur, and to comply with all legal and regulatory requirements, especially with regard to the reporting of actual or suspected cases.

f. The need to act fairly between members of the Group.

All Trustees and senior staff complete an annual Conflict of Interest declaration. There were no conflicts of interest identified in the year to 31st July 2020.

Group structure and relationships

ACS was established in 1967 as a commercial organisation founded and originally owned by Mr EJ Poularas and Mr G Speed but subsequently ultimately owned by The Emmanuel John Poularas Will Trust (registered charity number 1169800) following the death of Mr Poularas.

In 2018 ACS became a charity to advance education and secure the longevity of ACS. ACS operates under the registered charity number 1179820. In 2018 the Inland Revenue accepted the Company as a charity for tax purposes with effect from the date it adopted charitable articles.

On 12th November 2019, the entire issued share capital of ACS International Schools Limited was transferred from David Thomas, as the sole trustee of the Emmanuel John Poularas Will Trust, to the Members of ACS International Schools Limited. At the same time, David Thomas ceased to be the company's person with significant control and ACS International Schools Limited became the relevant legal entity.

Subsidiaries and holding companies

The group accounts of ACS International Schools Limited incorporate the results of the following subsidiaries:

ACS Commercial Enterprises Limited

ACS has a wholly owned non-charitable subsidiary, ACS Commercial Enterprises Limited (ACSCE), whose annual profits are donated to ACS under the Gift Aid Scheme. The trading activities of ACS Commercial Enterprises Limited primarily comprise revenue from the Sports Centres and lettings of the campus facilities when not in use by the Schools. The subsidiary's aims, objectives and achievements are covered in the relevant sections of this report.

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ACS International Schools Overseas Holdings Limited

ACS International Schools Overseas Holdings Limited acts as a holding company for ACS's investment in ACS Doha International School LLC. It was established to limit the risk exposure of the investment, and should ACS decide in the future to operate other schools overseas, it would be used to do the same for such operations.

ACS Doha International School LLC

ACS Doha International School LLC (ACS Doha) was incorporated in 2011 in Qatar and is a programme related investment to enable ACS to establish and operate a school in Doha. The objects of ACS Doha are to advance education and the school has grown since 2011 to approximately 900 students from ages 2-18.

Risk Management

ACS Group has established formal mechanisms that facilitate the identification and management of risk, thus safeguarding the delivery of strategic and operational objectives.

The risk management framework includes:

- A Risk Management Policy and Risk Appetite Statement;
- A Risk Register to identify, evaluate and manage significant risks;
- A standard Risk Matrix, identifying likelihood and impact used throughout the organisation;
- Assurance and audit processes;
- Governance processes;
- The underlying policy and control environment.

By applying the risk management framework throughout the organisation the ACS Group ensures:

- risks are identified, reviewed and where appropriate proactively managed;
- the parameters within which ACS Group would want to conduct its activities are clearly identified;
- controls and processes are designed and implemented to help mitigate identified risks to acceptable levels;
- the effectiveness of controls and processes are regularly reviewed and where necessary tested;
- there are crisis management and business continuity systems in place with clear accountabilities.

The Board has overall responsibility for the Risk Management Policy and Risk Appetite Statement, assisted by the Audit and Risk Sub-Committee whose activities include working with senior management to compile and review the Risk Register.

Principal risks and uncertainties facing the business

The principal risks that have been identified include:

- Significant decline in enrolment that could lead to financial loss, restriction on growth and educational offering. To grow, the ACS Group must continue to target other market segments including students from overseas (boarding) and local self-paying families, in addition to expat families. This enables the ACS Group to react quickly with improvements as necessary and maintain its word of mouth referrals;
- Along with other international schools in the UK and overseas, together with many British independent fee-paying schools, the Covid-19 pandemic has dampened demand for the upcoming year. ACS acted quickly to recognise this global impact and monitor demand, manage the enrolment pipeline and budget prudently. Marketing and Admissions programmes remain flexible to support a hybrid of virtual and face to face or move back to virtual only activity, if required, due to the continued pandemic and a change in government regulations. ACS continues to monitor the pandemic and the resultant economic and travel

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consequences closely and assess the impact on enrolment.

- Brexit remains a risk to enrolment, particularly if there is no deal, should this result in an economic downturn and a significant reduction in EU citizens living and working in London and the South East. ACS works closely with Corporate mobility service providers and corporates to monitor the situation and impact on global mobility. ACS works closely with diplomatic, and international entities, including the US government to secure enrolment from these sectors unaffected by Brexit. Additionally, programmes to target non-EU citizens, both local and overseas, have been increased to secure enrolment both day and boarding.
- Risk of cyber attack on IT systems and data that could lead to reputational damage or financial loss. Policies, procedures and training are in place to protect the IT systems and data;
- Safeguarding and Health and Safety. ACS Group wishes to create an environment in ACS schools where all feel safe and secure and can thrive and therefore policies, procedures and training are in place to mitigate these risks;
- Additional risks associated with the current Coronavirus pandemic have been identified which are included in the Coronavirus Pandemic Impact section of the Trustees report.

Careful and prudent financial management of the ACS Group ensures that it is not exposed to significant financial risks, providing a stable base for the future development of the organisation.

Employment policy

ACS is an equal opportunities employer. The ACS Group is committed to the fair treatment of all employees, potential employees or users of its services, regardless of race, gender, religion, sexual orientation, responsibilities for dependants, age, physical/mental disability or background.

ACS is committed to acting ethically and with integrity in all business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere within the ACS Group.

ACS are proud advocates of the London Living Wage, ensuring that staff receive a fair working wage.

In line with legislation, ACS reports its UK gender pay gap on an annual basis and takes measures to address any gender related bias identified.

The Group's policy is to consult and discuss with employees, hold staff forums and encourage meetings where matters that are likely to affect employees' interests can be discussed. Staff are also consulted on specific issues via pulse surveys – these have been run on specific topical issues such as support for wellbeing during the Coronavirus pandemic.

In addition to staff forums, information on matters of concern to employees is provided on a regular basis via staff meetings, all staff communications, and maintenance of information on the all staff portal, PowerSchool Learning.

ACS provides a strong level of support to staff for their wellbeing through the provision of private medical insurance, an employee assistance programme, counselling support, self-help guidance, low cost sports centre access and a range of wellbeing activities on campus.

CORONAVIRUS PANDEMIC IMPACT (COVID-19)

The Coronavirus pandemic has impacted the lives of citizens globally. ACS has responded proactively to the challenges brought about by Covid-19. Operationally, ACS's primary focus has been to comply fully with government regulations and guidelines. Within this framework, ACS has then sought to deliver the best possible education to its children and to support parents and staff as much as possible during this very challenging period. The financial impact of Covid-19 is included in the Financial Review later in the Trustees report.

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In line with the Government guidelines, in March 2020 we closed our campuses and focused on providing high quality online education to our students. Some grades returned to campus from early June 2020 and students from all grades returned to campuses in August 2020 for the start of the 2020/2021 academic year.

ACS responded quickly to legislative changes and the needs of its employees by taking the following actions:

- arranged for staff to work from home during lockdown;
- increased the level of wellbeing support for all staff;
- participated in the UK government's Job Retention Scheme, topping up payments for any furloughed staff to 100% of their normal pay. The costs of furloughed staff have been successfully reclaimed from the UK government;
- made all necessary arrangements to ensure a Covid secure educational setting and workplace when the schools returned to campus;
- communicated more frequently with staff on a wide range of issues including changes to working practices and government requirements for reporting suspected and confirmed cases of Covid-19.

Additional risks associated with Covid-19

- Risk of lower enrolment. Along with other international schools in the UK and overseas, together with many British independent fee-paying schools, Covid-19 has dampened demand for the upcoming year, impacting enrolment. ACS acted quickly to recognise this global impact and monitor demand, manage the enrolment pipeline and budget prudently. Whilst enrolment for the academic year 2020/21 is lower compared to last year, it is ahead of budget. Marketing and Admissions programmes and communications have pivoted to digital and virtual channels successfully to target securing interest in the schools, attendance at student recruitment virtual events and open days. Marketing and Admissions programmes remain flexible to support a hybrid of virtual and face to face or move back to virtual only activity, if required, due to the continued pandemic and a change in government regulations. ACS continues to monitor the pandemic and the resultant economic and travel consequences closely and assess the impact on enrolment.
- Increased risk to financial viability. This is predominantly driven by the risk of lower enrolment and fee levels. These risks have been extensively modelled and mitigated against with a wide range of cost reduction programmes.
- Impact on educational outcomes. The risk that student progress is reduced due to distanced learning or hybrid programmes, has been minimized by extensive planning and operational execution to provide the best possible distanced learning.
- Health and Safety risk. There are a wide range of potential Health & Safety risks associated with Covid-19. Led by the Health & Safety Manager, ACS has conducted extensive risk analysis, developed risk assessments in line with Government guidance and undertaken mitigation work in this area.

OBJECTS, AIMS, OBJECTIVES and ACTIVITIES

Charitable objects

ACS's charitable object, as set out in the Articles of Association, is to advance education in particular by the provision and conduct of schools. In furtherance of this object for the public benefit ACS has established and administers a Financial Assistance Programme and a Partnership, Grants and Access Programme. The Board is mindful of the longstanding need to provide public benefit and the requirements of the Charities Act 2011.

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Aims

Within its charitable object, ACS's intention is to operate schools that provide a high-quality education within an internationally diverse context with the highest standards of teaching, pastoral care, facilities and support for students.

ACS prepares its students to be ready. Ready for cultures that crossover, boundaries that blur and ideas that interconnect. Ready for a world that demands a new kind of learning, and a new kind of citizen. ACS is a dynamic learning community. ACS's character is built on integrity, open-mindedness and empathy. ACS is proud of its international community, and their commitment to make a difference. ACS welcomes people of all cultures from around the world to create a powerful, shared experience that shapes the way ACS teach and learn, and actively defines ACS's international character. ACS strives to build strong partnerships with parents and stakeholders. Above all, ACS appreciates that happiness enriches learning.

Objectives for the year

The main objective of ACS is to continue to provide education of the highest quality that meets the needs of an ever-changing future.

The primary objectives of ACS during the year were:

- **Progress the Financial Assistance Programme**
- **Progress the Partnerships, Grants and Access Strategy**
- **Focus on the Education Strategy and People Strategy**
- **Progress Fundraising plans and Alumni relations**
- **Progress work on new ACS Doha campus ready for opening in August 2020**

More detail is provided on the progress of each of the above areas, later in the Trustees report.

Supporting ACS's object to Advance Education the following core values have been developed:

- Engage in community
- Drive positive change
- Promote excellence through learning
- Enrich the international experience.

ACS's education philosophy ensures that ACS focuses on being a dynamic learning community. ACS believes that a great education needs to be balanced and so ACS focuses on three core expected school-wide learning results ensuring ACS students become:

- An effective learner
- A confident individual
- A caring contributor to society.

Public Benefit and Community Engagement

ACS was founded in 1967 to operate schools in order to educate students. As a charity ACS is committed to providing public benefit, in accordance with its objects. The Trustees have considered the requirements of the Charities Act 2011 and the charity commissions guidance on public benefit in setting the objectives and activities of the charity. Currently ACS Group operates four schools: ACS Cobham, ACS Egham, ACS Hillingdon and ACS Doha. During the year on average 3,444 students were educated by ACS.

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ACS's schools actively engage with communities, provide financially assisted places to help advance education and provide resources to develop community partnerships with both local organisations and schools.

Financial Assistance Programme

The ACS financially-assisted places programme, now in its third year will result in 40 students benefitting from a means tested bursary place, worth nearly £1million for the 2020–21 academic year.

Student recruitment commenced in September with an extensive marketing programme, and awards are made in the spring following agreement of the budget with the Board of Trustees. Bursaries are awarded from 10% - 100%. Recruitment of students from diverse backgrounds and economic circumstances has resulted in the average award of over 85% of fees, with a significant cohort of students receiving full fee remission.

Students from our inaugural intake graduated at the end of the school year securing top university placements including Oxbridge.

In addition, ACS also offered shorter period means tested Change of Circumstance Bursaries for families who suddenly and unexpectedly find themselves in serious financial difficulty. Recognising the challenges faced by ACS families due to Covid-19, we have also increased awards for families experiencing financial hardship. The budgeted support has been doubled for our means tested change in circumstances provision for this coming year.

We continue to fully support existing bursary recipients. The recruitment programme will recommence for new bursary students in September 2021 to start school the following year.

Partnerships, Grants and Access Strategy

ACS's ambition is to achieve a step change in engagement by developing partnerships with schools and organisations to advance education in their communities. ACS partnerships will focus on key areas to ensure ACS can provide valuable and ongoing public benefit. ACS's aim is to set up partnerships to widen access to ACS's education facilities and resources, by bringing independent and state school communities together. ACS shares their expertise and promotes active participation in a number of areas including:

- the sharing of teaching facilities with state schools (for example music facilities or sciences labs etc.);
- the sharing of teachers with local state schools;
- permitting pupils from state schools to attend instruction in subjects they would not ordinarily be able to study (for example Theory of Knowledge, a range of mother tongue foreign languages);
- making facilities, such as sports pitches, swimming pools, sports halls and theatres available to pupils at state schools;
- sharing teaching materials with state schools; and
- the sharing of expertise in key areas such as Leadership, Teaching, Curriculum development, and overall school improvement, mentoring and support.

ACS has started developing partnership hubs of schools and will continue to build further partnerships in our locality. For example, ACS's relationships with other local state schools include:

- Shared facilities, resources and expertise across partnership schools;
- A Friendship in Music programme, which is an annual festival in partnership with a group of schools. It is held at the beginning of each year and the host is rotated;

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- Working with special education needs pupils at a local school to help improve their social skills. The work also gives ACS students the opportunity to experience the challenges and opportunities faced by members of the community;
- Establishing a partnership with a school based on mathematics extension learning;
- The development of a partnership choir made up of local primary schools;
- A peer tutoring program where High school students tutor lower school pupils at partner schools.
- A service learning offer to ACS students working with the local community;
- Working with Partners such as Pinewood Studios on film, animation and set design.
- Teacher training and CPD i.e. Literature in education in partnership with Brunel University.
- Development of online training materials to support partner schools i.e. Blended/Hybrid learning (impact of Covid-19)
- Fundraising for local charitable needs and opportunities (i.e. Vulnerable children facing food insecurities)
- Staff from a primary school visit ACS in order to learn about the use of technology in the classroom.

With the employment of a Partnerships Director in January 2019, ACS schools are in the process of forming Partnerships hubs around each of our campuses. These hubs will offer educational events, shared resources and facilities, teacher training and a new initiative offering 'outreach boxes' for free loan of modern equipment for classroom topics. These include class sets of virtual reality and augmented reality headsets, various cameras (SLR, 360, Thermal, Go Pro) and high end technology such as Pepper the robot and Nao the robot. ACS won the International Schools Award this year for 'Community' and 'Digital Learning' for this initiative.

ACS is also developing a mobile application to assist our campuses with running these partnership hubs, monitor and evaluate impact and formulate high quality, useful partnerships with business, charities, schools, universities and parents. This application will also form the base of our Service learning offer, outside of what we already do with PYP, MYP, DP and DOE. This pilot application is now live on Apple and Google Play Stores (ACS School Partnerships).

During the Covid-19 pandemic ACS worked closely with the NHS ICU teams in the development of a 3D printed respirator project to fill a gap in medical provision. This was funded with generous donations from ACS parents and our educational network.

ACS supports many projects outside of the UK and Doha, to advance education of both ACS students and students abroad. Some of these projects include:

- Namibia Project (registered charity number 1163681) - Since 1999, ACS Cobham has been sending groups of students and teachers to Namibia, to participate in lasting partnerships with different schools and projects. During the summer break, the Grade 11 students travelled to Namibia and Zambia, to work on different projects to create global awareness for the students.
- Project Nepal - Through the Project Nepal, the community of ACS Egham supports Nepalese school communities while simultaneously providing ACS students with social action and emotional development opportunities and the chance to make a sustainable difference.
- ACS supported Orbis with a yearly donation and our students are actively involved in an internship with their flying eye hospital. Whilst they were grounded due to Covid-19 this year our relationship and collaboration has continued through a scheme to loan technology to support their work.

Unfortunately, due to Covid-19 no International trips were undertaken this year but contact with our international communities has been maintained.

ACS students also take part in practical voluntary service in the local community, as part of ACS providing them with a broad education. For example providing clothing, toiletries and food; volunteering at community centres; fundraising for the benefit of local communities and working with the elderly and the homeless.

Our service learning program is currently undergoing a full review as part of the Partnerships Strategy. This will be a vital element of our charitable work, in the future. Everything we do across our campuses will involve ACS

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student participation in some way, enhancing skills and knowledge for the future workplace, whilst teaching valuable experiential life skills.

A full evaluation and process of due diligence is underway for all our charitable projects. Partnership agreements are now in place for the majority of our collaborations and we hope to finalise this process in 2020/2021.

In Doha, ACS has also employed a Partnerships Manager. We are piloting an ACS 'Pathways' approach to education, partnering with local businesses to enhance the education of all children in our schools and local to the ACS Campus. In partnership with Paragon One we will launch our 'externships' programme in January 2021 for Doha Students.

When ACS Group is not using its facilities, ACS makes them available to the community. Schools that have signed up as registered partners will have access to facilities and resources free of charge.

Whilst many of our events were cancelled in 2020 due to Covid-19, wherever possible we have moved initiatives online or postponed activities to a time when restrictions ease. Our large launch event at Thorpe Park was cancelled for 2020. We plan to hold the event, which will benefit 10,000 children, once restrictions ease.

In 2020 our outreach boxes were used by 11,312 individual children, bringing the latest technologies to classrooms in our region. Our technology loan scheme and twilight CPD offer, provided training in new technologies to 1,412 local educators. The ACS partnerships app has been downloaded 4,412 times. The 27,842 hours of interaction with local students also delivered 10,253 hours of service learning for ACS students in partnership activities.

In addition, through our partnerships work, over £5,000 was raised for the Magic Breakfasts charity, which has provided 13,000 meals to children of families experiencing hardship in the local communities around our three UK schools.

Education Strategy

In November 2019, the Board approved a new Education Strategy that describes the desired position for ACS schools in 2025. Its principal objective is to increase the unique quality and value of the ACS educational experience.

Over the next five years, the Education Strategy intends to deliver significant change, including:

- a sharper focus on inspirational teaching that continually improves academic results
- demonstrated public benefit and global competence through a greater range of educational experiences
- an expanded and carefully monitored notion of what it means to belong to a healthy international learning community
- equitable, distinctive, and systematically implemented support for all students to achieve challenging educational goals.

Our highest level strategic objective is to ensure that we are ready for the future, empowering students to become more effective, confident and caring. The strategy's focus is on transformational learning, driving results through by inspirational teachers, allied leaders, and demonstrated impact through the application of education data. The strategy is organised around 4 objectives which are important thematic opportunities for growth, delivered through 10 challenging projects, over five years, that will make a positive difference in student learning outcomes.

While the new strategy formally launches with the 2020-21 school year, it anticipated and facilitated the group's successful pivot to online learning during the Covid-19 lockdown. Its emphasis on building resilient community, strengthening mutual support, and attending to health and wellbeing provided guidance for navigating a very challenging academic year.

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People Strategy

A new People Strategy has been in development throughout 2019/2020, focusing on key areas of people policies and practices that can ensure ACS both attracts and retains high quality talent and have extensive potential to influence organisational culture:

- Leadership – Role model leadership. Ensure Leadership Team joint ownership and alignment across divisions strategies and plans. Right people are in the right place to take the organisation forward and provide continuity of staff leadership.
- Talent – Understand and address personal motivations to join and stay. Identify, attract, develop, engage and retain staff who can help to build a high education performance and diverse workplace.
- Performance - Align goals to ACS strategy and engage and motivate staff to develop and improve performance.
- Reward - Reward people fairly within clearly communicated and appropriate remuneration frameworks whilst at the same time remaining competitive.

The strategy's implementation is being designed around exploration of a renewed employee value proposition that highlights growth, purpose and wellbeing. It was presented to the Board in Autumn 2020:

- Growth - Provide career support to give people the best possible start and develop people's personal and professional skills and knowledge throughout their careers.
- Purpose – Ensure that the ethos and DNA of ACS's charitable purpose and educational mission is understood and staff are proactively engaged.
- Wellbeing - Provide an environment where health and wellbeing are actively promoted, where people feel engaged and valued.

During the 2019/2020 financial year, the People Committee reviewed arrangements for executive level pay against the background of both the educational and charitable sectors and made recommendations for reform which were accepted by the Board and have now been implemented.

During the summer of 2020, ACS responded to the Black Lives Matter movement by engaging proactively with its staff and students and setting out a six point plan to take its policy and practices on Diversity & Inclusion to the next stage of development.

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Fundraising performance and Alumni relations

The Development & Alumni Relations team engages with and mobilises the ACS global alumni and friends communities which includes all current and former parents, former students and former staff.

There were no professional fundraising organisations used and no monitoring processes required during the year.

ACS works closely with the PSOs (Parent School Organisations) at each school which assists ACS with its philanthropic programmes.

Donations were raised for the benefit of the three UK schools for bursaries, teaching excellence and specific capital projects to further improve students' facilities and learning spaces.

Philanthropic giving has continued with founding donors from the parent communities of each of the three UK campuses, which has established a new bursary at our Hillingdon school as well as supporting campus development programmes. The majority of donations received have come from ACS parents. ACS has received donations during the year of £252,166 (2019: £322,000).

Fundraising commenced following the transition to a charity in September 2018. The costs of ACS's Development & Alumni Relations team are expected to be weighted at the beginning of the fundraising activity and will be initially higher than donations received whilst the fundraising programme develops.

The Development & Alumni Relations team engages ACS international alumni and former parents in informal alumni associations called Chapters, predominantly in the USA with the aim of reconnecting alumni with their school. Chapter Presidents host regional events and are preparing to support the first annual appeal to raise funds for financial assistance. A successful inaugural event took place in New York in October 2019 and resulted in establishing a new Chapter in New York.

Due to Covid-19, there was a shift to virtual/digital alumni channels and events engaging international alumni and friends. During the period April to July 2020, there has been a 9% increase in alumni engagement due to new alumni communications and virtual events, which also identified new donors and alumni Chapter leaders in the USA.

Alumni connections with the schools continues to grow and this year included virtual fora at the Staff Welcome Back event focusing on diversity and inclusion.

As the ACS international alumni community spans Europe, Asia, the Americas, Russia, Africa and Australia, ACS has launched an exclusive alumni social network called ACS Global Connect, facilitating friendships and networks for all alumni from current and previous campuses. ACS Global Connect has 2,300 members and enables:

- Reconnecting with old school friends through a world map and directory
- Career Mentoring and networking with peers
- Reconnecting with ACS through the digital archive of yearbooks and photos from all three UK campuses
- Joining International Alumni Chapters led by ACS alumni Chapter Presidents

Planning for further Development and Alumni Relations programmes was also undertaken during the year.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

ACS has a Fundraising Policy in place which sets out ACS's approach to fundraising and to protect vulnerable people and other members of the public from behaviour which:

- is an unreasonable intrusion on a person's privacy;
- is unreasonably persistent;
- places undue pressure on a person to give money or other property.

During the year ACS or any person acting on its behalf for the purposes of fundraising did not receive any complaints about fundraising activity.

ACS works closely with ACS International Schools in America Inc. which is a non-profit organisation based on the East Coast of America. The organisation supports education around the world with the mission to raise awareness of and support for ACS International Schools education allowing more students to benefit from the opportunities offered by the schools.

CHARITABLE DONATIONS

ACS International Schools Foundation was dissolved in May 2019 and therefore the Group did not make any charitable donation to the ACS International Schools Foundation or other entities (2019: £Nil).

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

STRATEGIC REPORT

Review of achievements and performance for the year

During the year ACS Group continued to provide a first-class educational experience for students between the ages of 2-18.

ACS Group students delivered another above average set of academic results reflecting the joint effort of ACS teachers and school leaders. 210 (2019: 142) students at ACS International Schools in the UK achieved the International Baccalaureate (IB) Diplomas, with average total points of 35 (2019: 32.6) and a pass rate of 98.6% (2019: 94%), which is higher than worldwide average of 29.9 points (2019: 30) and a 79.1% pass rate (2019: 77.8) and exceeds our Key Performance Indicators for DP assessment.

The IB Diploma was awarded under special conditions in May 2020 when examinations were cancelled on account of Covid-19. Initial results were improved for some students when the IB revised its grade awarding processes in late July. 203 (2019:181) Students took Advanced Placement exams, with 76% (2019: 79%) qualifying to receive college credit. In total, 288 ACS UK students earned American High School Diplomas (2019: 228). Modified AP Exams were administered securely online at students' homes during the Covid-19 lockdown

At ACS Doha 58 students (2019: 39) successfully completed their High School Diploma, of whom 21 (2019: 8) received IB Diplomas (100% pass rate, average total points 32 [2019: 30.63]).

At the beginning of the year ACS launched a new brand narrative, logo and visual identity. The new branding was developed to command a unique and differentiated position in the market following extensive research and customer and stakeholder engagement. The new brand narrative 'Ready for whatever comes next' was launched internally to all staff and externally across all touchpoints from August 2019. Feedback from the wider ACS community and externally was extremely positive. Interest in the school measured by open day registrations, digital and website views and engagement was ahead of the previous year until lockdown. The new brand has been successfully implemented across all assets at the Doha new campus.

In addition, there has been progress in the Financial Assistance Programme and the Partnerships, Grants and Access Strategy as previously discussed in the Trustees report.

The trustees have a reasonable expectation that ACS International Schools Limited, ACS Doha International School LLC, ACS International Schools Overseas Holdings Limited and ACS Commercial Enterprises Limited have adequate resources to continue in operational existence for the foreseeable future and it remains appropriate to prepare their financial statements on a going concern basis.

ACS International Schools Overseas Holdings Limited continues to act as a holding company.

ACS Commercial Enterprises Limited (ACSCE) continues to be profitable and profit of £120,311 (2019: £150,510) was donated to ACS under the Gift Aid Scheme.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

Capital Investment (including progress on Doha campus)

ACS Group continues to invest in its first-class educational facilities. At ACS Cobham, work on the Early Childhood and Lower School redevelopment progressed during the year. The initial undertaking was completed in spring/summer 2020 and provides new and enhanced classroom accommodation. Work on the High School Library refurbishment also took place during the year. The existing library was modernised and developed into a more contemporary and flexible environment, to enhance student work and social use of the facilities.

At ACS Hillingdon, the Pavilions Redevelopment was completed during the year. The existing Pavilions building was modernised to provide better organised learning space.

Work on the Egham Masterplan and new Barn project progressed as expected during the year. Planning permission was secured for this in June 2020, with works required to commence within three years. The Lower School consolidation and Maple workshop refit were completed in the summer of 2019 alongside the purchase of the existing Portakabin, providing an improved working environment for the Lower School and new equipment for Upper School students.

A number of other capital projects that were planned for Summer 2020 have been postponed as part of a re-prioritisation of capital spends due to Covid 19.

The construction and fit-out of a new ACS Doha campus progressed during the year, despite the challenges presented by Covid-19, culminating in its opening for the start of the 2020/2021 academic year, in September 2020. The new ACS Doha campus has increased capacity from 980 in the old campus, to 2,400 students.

ACS Group also invested significantly in educational equipment, I.T. and general campus improvements during the year.

Streamlined Energy and Carbon Reporting (SECR).

The Group has completed the Energy Savings Opportunity Scheme (ESOS) reporting requirements and is preparing for reporting under the Streamlined Energy and Carbon Reporting (SECR).

The Group has measured scope 1 and scope 2 emissions in the UK in accordance with UK Government's guidance on how to measure and report greenhouse gas emissions. Electricity and gas are the primary and only utilities used. There is no internal transport activity, heating or cooling purchases outside of electricity and gas.

The total annual net emissions in the UK to 31st July 2020 were 2,493 global tonnes of CO₂. The Group is targeting to reduce gross, global scope 1 and 2 emissions in tonnes of CO₂ by 5% from 2019-2020 to 2020-2021. The measures and projects that were initiated and planned, prior to Covid-19, will be implemented in 2020-2021 and centre around the upgrade to LED lighting in the UK campuses. It is anticipated that this upgrade will achieve the targeted emissions reduction.

The Group has engaged with an external sustainability company which will be compiling the first annual ESG Impact Report to the year ended 31 July 2020. The document will cover key statistics, actions undertaken during the year and plans for 2021 as well as longer term goals. A carbon reduction plan has already begun with us planting trees to reduce our carbon footprint. It is our desire to offset any carbon we create such that we are carbon neutral.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

FINANCIAL REVIEW

ACS Group results for the year

ACS Group has enjoyed another satisfactory year of operation despite the challenges associated with Covid-19. The financial performance for the year and the year-end financial position were both considered satisfactory by the Board, performing well against budget. Net income was £6,722,571 (2019: £8,254,212).

Total income reduced by 4% from £82,006,813 to £79,145,917, mainly due to the credits given for tuition, boarding and bussing fees as a result of Covid-19 and associated reductions in catering and trip income at the end of the 2019/2020 academic year. School fees income decreased by 2% from £73,591,456 to £72,147,820 for the same reason. School fees income was the primary source of revenue for the ACS Group.

Total expenditure also decreased by 3% from £74,072,356 to £71,969,093, mainly due to decreases in catering, trips and clubs and bussing costs, again associated with Covid-19 interruption. Staff costs represent 62% of total charitable expenditure.

Net Assets at 31st July 2020 were £88,759,794 compared to £82,036,723 as at 31st July 2019. The Group has a loan facility in place to enable it to manage its cash flow requirements.

ACS's net income decreased from £7,796,587 to £7,564,086 at a company level. ACS's income includes fundraising income of £372,477 (2019: £472,917), including the amounts donated from ACSCE under the Gift Aid Scheme.

ACS Doha produced a net loss before foreign exchange translation differences of £2,291,839 (2019: £26,903 net income before foreign exchange translation). The increase in expenditure compared to 2019 was mainly due to an unrealised loss on revaluation of Group inter-company balances of £686,865 (2019: unrealised gain of £662,045).

ACSCE continued to perform well in the months prior to Covid-19 but was adversely affected by lockdown. Despite this it remained profitable. Details of its results are given in Note 7.

Reserves Level and Policy and Financial Viability

The ACS Group reserves policy is that it should have access to sufficient financial resources to be able to ensure the sustainability of the ACS Group. In determining what level of financial resources are required we have considered the following:

- Current and projected levels of free reserves;
- What level of working capital the ACS Group needs to be able to operate effectively;
- The impact of seasonality;
- ACS Group capacity and appetite to borrow funds;
- ACS Group risk appetite;
- The likely financial impact of a range of unlikely but plausible scenarios linked to the most significant risks that the ACS Group faces. For each of these risks we have considered:
 - The timings of the risk and any potential mitigating steps associated with the risk;
 - If the risk happened, any impact on the ACS Group's capability to borrow money.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

This analysis led to the Board concluding that ACS Group's Reserves Policy is to target an annual minimum cash/net debt level between zero and a debt of £15,300,000. The minimum cash, net of borrowing, during the year was £7,100,000. ACS Group has a loan facility in place to enable it to manage its cash flow requirements. The ACS board has plans to bring its minimum cash balance back into line with the policy once the financial risk caused by Covid-19 has reduced. This involves reviving some of the Capital Expenditure plans, currently on hold as a result of the pandemic.

The Group Reserves Policy is reviewed annually by the Audit & Risk Committee and reflects the need to manage cash flow seasonality and not merely look at the year-end position.

The total reserves for the ACS Group at the year end were £88,759,794 (2019: £82,036,723) which were unrestricted. No unrestricted funds have been designated for specific purposes. Included within unrestricted funds are fixed assets with a net book value of £101,701,338 (2019: £100,175,809)

Since the initial impact of Covid-19 in March 2020, ACS has been conducting extensive financial reviews to ensure its ongoing financial viability. In March 2020 this work led to severe expenditure reduction programmes, which, alongside the government furlough scheme, has protected ACS's financial position. The review work undertaken has considered a wide range of potential scenarios and ensured ACS has plans in place to remain financially viable under all of them.

After reviewing the forecasts and projections, the trustees have a reasonable expectation that ACS has adequate resources to continue in operational existence for the foreseeable future. ACS Group therefore continues to adopt the going concern basis in preparing its financial statements.

FUTURE PLANS

The future plans include:

- To increase the overall amount of financial assistance provided and the number of children benefiting from the financial assistance. This will be achieved through ACS's Finance Assistance Programme and Partnerships, Grants and Access Strategy.
- Progress with redevelopment of the Early Childhood and Lower School at ACS Cobham;
- Fundraising initiatives to support bursaries, scholarships and to develop campuses;
- To progress the Education Strategy and People Strategy; and
- To ensure that ACS Group continues to play a significant part in the life of the local community.

ACS INTERNATIONAL SCHOOLS LIMITED

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland) and applicable law. Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group including income and expenditure of the group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RELEVANT AUDIT INFORMATION

Insofar as each of the Trustees, as members of the Board, at the date of approval of this report is aware there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each member of the Board has taken all the steps that he or she should have taken as a member of the Board in order to make himself or herself aware of the relevant audit information and to establish that the Charity's auditor is aware of that information.

Approved by the Board of ACS International Schools Limited on 8 December 2020 including, in their capacity as trustees, approving the Trustees' and Strategic Reports contained therein, and signed on its behalf by:



R M Macnaughton
(Chairman)

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

OPINION

We have audited the financial statements of ACS International Schools Limited (the "parent company") and its subsidiaries (the "group") for the year ended 31 July 2020 which comprise the Consolidated Statement of Financial Activities, Consolidated and Parent Company Balance Sheet, Consolidated Statement of Cash Flows 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 the charitable company's affairs as at 31 July 2020 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'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

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
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the 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 annual report, other than the financial statements and our auditor's report thereon. 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.

ACS INTERNATIONAL SCHOOLS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACS INTERNATIONAL SCHOOLS LIMITED

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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report included within the trustees' 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:

- the parent company has not kept adequate accounting records or
- the parent 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.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement, 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 or the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

ACS INTERNATIONAL SCHOOLS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF ACS INTERNATIONAL SCHOOLS LIMITED**

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.

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.



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: **10 December 2020**

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2020**

	Note	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Income from charitable activities					
School fees	2	72,147,820	-	72,147,820	73,591,456
Ancillary trading income	3	5,344,378	-	5,344,378	7,196,182
Non-ancillary trading income	4	414,124	-	414,124	621,939
Other income		151,787	-	151,787	235,523
Investment income	5	40,946	-	40,946	39,306
Donations & Grants	6	794,796	252,066	1,046,862	322,407
Total Income		<u>78,893,851</u>	<u>252,066</u>	<u>79,145,917</u>	<u>82,006,813</u>
Expenditure on					
Cost of raising funds	8	(451,538)	-	(451,538)	(736,463)
Charitable activities	8	(71,382,428)	(129,566)	(71,511,994)	(73,290,087)
Other expenditure	8	(5,561)	-	(5,561)	(45,806)
Total expenditure		<u>(71,839,527)</u>	<u>(129,566)</u>	<u>(71,969,093)</u>	<u>(74,072,356)</u>
Gain/(loss) on translation of foreign results		(454,253)	-	(454,253)	319,755
Net(expenditure) /income before transfers		<u>6,600,071</u>	<u>122,500</u>	<u>6,722,571</u>	<u>8,254,212</u>
Transfers		<u>122,500</u>	<u>(122,500)</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		6,722,571	-	6,722,571	8,254,212
Funds brought forward		82,036,723	-	82,036,723	73,784,011
Debentures repaid		500	-	500	(1,500)
Funds carried forward	23	<u><u>88,759,794</u></u>	<u><u>-</u></u>	<u><u>88,759,794</u></u>	<u><u>82,036,723</u></u>

The notes on pages 27 to 47 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2020**

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	12	100,566,747	98,723,054
Intangible assets	14	<u>1,134,591</u>	<u>1,452,755</u>
		101,701,338	100,175,809
CURRENT ASSETS			
Debtors	17	10,025,874	8,727,031
Cash at bank and in hand		<u>20,603,517</u>	<u>21,631,731</u>
		30,629,391	30,358,762
CREDITORS: amounts falling due within one year	18	<u>(41,296,083)</u>	<u>(46,331,698)</u>
NET CURRENT (LIABILITIES)		<u>(10,666,692)</u>	<u>(15,972,936)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		91,034,646	84,202,873
LONG TERM LIABILITIES			
Other provisions	21	(1,274,852)	(1,166,150)
Long term loan	20	<u>(1,000,000)</u>	<u>(1,000,000)</u>
		<u>(2,274,852)</u>	<u>(2,166,150)</u>
NET ASSETS		<u>88,759,794</u>	<u>82,036,723</u>
REPRESENTED BY:			
Restricted funds	23	-	-
Unrestricted funds	23	<u>88,759,794</u>	<u>82,036,723</u>
		<u>88,759,794</u>	<u>82,036,723</u>

Net result for the year for the charity before consolidation was a surplus of £7,564,086 (2019: £7,796,587).
The financial statements were approved and authorised for issue by the board and were signed on its behalf

on 8th December 2020



R M Macnaughton (Chairman)

The notes on pages 27 to 47 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

**CHARITY BALANCE SHEET
AS AT 31 JULY 2020**

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	13	91,623,881	91,807,989
Intangible assets	15	1,118,555	1,416,543
Investments	16	<u>1,100</u>	<u>1,100</u>
		92,743,536	93,225,632
CURRENT ASSETS			
Debtors	17	23,340,510	16,341,620
Cash at bank and in hand		<u>15,752,399</u>	<u>20,116,028</u>
		39,092,909	36,457,648
CREDITORS: amounts falling due within one year	18	<u>(38,851,761)</u>	<u>(44,263,182)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>241,148</u>	<u>(7,805,534)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		92,984,684	85,420,098
LONG-TERM LIABILITIES			
Long term loan	20	<u>(1,000,000)</u>	<u>(1,000,000)</u>
		(1,000,000)	(1,000,000)
NET ASSETS		<u>91,984,684</u>	<u>84,420,098</u>
REPRESENTED BY:			
Restricted funds		-	-
Unrestricted funds		<u>91,984,684</u>	<u>84,420,098</u>
		<u>91,984,684</u>	<u>84,420,098</u>

ACS has elected to not publish a charity only statement of financial activities. The unconsolidated surplus generated by the parent charity was £7,564,086 (2019: £7,796,587).

The financial statements were approved and authorised for issue by the board and were signed on its behalf

on 8th December 2020



R M Macnaughton(Chairman)

The notes on pages 27 to 47 form part of these financial statements

ACS INTERNATIONAL SCHOOLS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2020**

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income		6,722,571	8,254,212
Adjustments for:			
Depreciation of property, plant and equipment		4,430,748	4,949,533
Amortisation of intangible assets		544,024	497,136
Loss on disposal of property, plant and equipment		5,335	-
Interest paid		63,395	65,439
Interest received		(40,946)	(39,306)
Taxation charge		-	45,806
(Increase)/ decrease in debtors		(1,298,843)	308,895
(Decrease)/ increase in creditors		(5,035,615)	1,657,840
Increase in provisions		108,702	424,355
CASH FROM OPERATIONS		5,499,371	16,163,910
Interest paid		(63,395)	(65,439)
Income taxes recovered		-	3,366
NET CASH GENERATED FROM OPERATING ACTIVITIES		5,435,976	16,101,837
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(6,279,776)	(8,723,918)
Purchases of intangible assets		(225,860)	(339,105)
Interest received		40,946	39,306
NET CASH FROM INVESTING ACTIVITIES		(6,464,690)	(9,023,717)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue/ (repayment) of debenture loans		500	(1,500)
Proceeds from loan		-	1,000,000
NET CASH USED IN FINANCING ACTIVITIES		500	998,500
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of the year	24	(1,028,214) 21,631,731	8,076,620 13,555,111
CASH AND CASH EQUIVALENTS AT END OF YEAR	24	20,603,517	21,631,731

The notes on pages 27 to 47 form part of these financial statements.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

1.1 Company information

ACS International Schools Limited is a registered charity and public benefit entity in England and Wales and a company limited by guarantee. It was incorporated on 5 July 1967 (company number: 00910010) and registered as a charity on 5th September 2018 (charity number: 1179820). The registered office is Heywood, Portsmouth Road, Cobham, Surrey KT11 1BL.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2015.

The charity has taken the advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cashflow Statement with the consolidated financial statements.

The account presents the consolidated statement of financial activities (SOFA), the consolidated and charity balance sheets and the consolidated cash flow statement comprising the consolidation of the Charity and its subsidiaries ACS International School Doha LLC, ACS Overseas Holdings Limited and ACS Commercial Enterprises Limited.

The trustees have a reasonable expectation that ACS International Schools Limited, ACS Doha International School LLC, ACS Overseas Holdings Limited and ACS Commercial Enterprises Limited have adequate resources to continue in operational existence for the foreseeable future. The trustees have further considered going concern implications in light of Covid-19 and believe it remains appropriate to prepare their financial statements on a going concern basis.

1.3 Judgement and estimation uncertainty

In application of the accounting policies, trustees are required to make judgements, estimates and assumptions about carrying value of assets and liabilities that are based on historical experience and other relevant factors. The estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognised in either the period of revision and/or in future periods if relevant.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date, are likely to result in a material adjustment to their carrying amounts in the next financial year.

The particular accounting policies adopted and applied consistently are described below.

1.4 School fees and trading income

School fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Scholarships and bursaries granted by the Charity against those fees are deducted in the school term to which they relate.

Trading income and other income is recognised in the period to which it relates.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

1.5 Investment income

Investment income from bank balances is accounted for on an accruals basis.

1.6 Grants and donations

Voluntary incoming resources are accounted for as and when the entitlement arises, the amount can be reliably quantified and the economic benefit to the charity is considered probable.

Donations are restricted in accordance with the donor's intention. Where no restrictions are noted donations are utilised within unrestricted funds.

1.7 Expenses

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is included with the item of expenditure to which it relates. Intra-group sales and charges between the charity and its subsidiaries are excluded from trading income and expenditure.

Charitable activities include teaching staff salaries, depreciation of items related to education and classroom supplies.

Investment and estates management includes investment in new buildings and maintenance of existing ones, as well as depreciation relating to buildings.

Support activities include expenditure on salaries of non-teaching staff, depreciation and purchase of items not directly related to provision of education. The costs are allocated based on spend by department.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation with the exception of freehold land and buildings which are carried at open market value and revalued every five years by professionally qualified surveyors. The properties were last revalued in July 18 by Gerald Eve, Chartered Surveyors. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases and recognised within the statement of financial activities:

Freehold buildings	-	Straight line over 15-25 or 50 years
Leasehold improvements	-	Straight line over the period of the lease
Motor vehicles	-	Straight line over 4 or 10 years
Fixtures, fittings and equipment	-	Straight line over 2-15 years

Assets in the course of construction are capitalised at cost but are not depreciated until they become available for use.

1.9 Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following basis:

Computer software	-	Straight line over 3-5 years

Amortisation is included within expenditure in the statement of financial activities.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

1.10 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to expenditure in the statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.12 Operating leases

Rentals under operating leases are charged to expenditure in the statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.13 Funds

The total funds of the charity and its subsidiaries are allocated to unrestricted and restricted based on the terms set by the donors.

Unrestricted income belongs to the charity's corporate reserves, spendable at the direction of the trustees either to further the charity's objects or to benefit the schools itself.

Restricted funds comprise gifts, legacies and grants where the donors have earmarked funds for specific purposes.

1.14 Cash

Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Cash balances are recognised at amortised cost.

1.15 Debtors and Creditors

Short term debtors and creditors are measured at transaction price less any impairment and are subsequently held at amortised cost. £7,730,000 (2019: £6,591,000) included in trade debtors at 31 July 2020 relates to 2020/21 fees invoiced in advance, of which there is a corresponding entry included in deferred income.

1.16 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

1.17 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.18 Fees in advance

Fees in advance represent the following year's tuition, extras and bussing fees invoiced in the current year.

1.19 Management of liquid resources

Liquid resources are defined as cash, cash held at bank and treasury deposits.

1.20 Employee benefits

The liability recognised in the statement of financial position in respect of end of service benefits is the present value of the defined benefit obligation at the end of the reporting year. This is calculated annually by management using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the effective interest rate

1.21 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation because of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense

1.22 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost, with the exception of investments which are held at fair value.

Financial assets held at amortised cost comprise cash at bank and in hand, together with debtors excluding prepayments. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in bank accounts.

Financial liabilities held at amortised cost comprise all creditors excluding social security and other taxes, provisions and deferred income. Investments in subsidiary undertakings are held at cost less impairment.

1.23 Redundancy payments

Termination benefits are payable when employment is terminated by ACS or whenever an employee accepts voluntary redundancy in exchange for these benefits. ACS recognises termination benefits when a fully signed settlement agreement is in place, or when the cost has otherwise been confirmed and committed to.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE

	2020 £	2019 £
Fees receivable consist of:		
ACS school fees	57,118,182	59,478,460
ACS Doha school fees	<u>15,029,638</u>	<u>14,112,996</u>
	<u>72,147,820</u>	<u>73,591,456</u>
School fees are net of bursaries and scholarships.		

3. ANCILLARY INCOME

Ancillary income includes income from application fees, bussing fees, student catering, trips and clubs.

	2020 £	2019 £
ACS ancillary income	4,908,229	6,746,547
ACS Doha ancillary income	<u>436,149</u>	<u>449,635</u>
	<u>5,344,378</u>	<u>7,196,182</u>

4. NON-ANCILLARY INCOME

	2020 £	2019 £
Non-student catering and shop income	219,094	278,812
Sports membership and activity fees	137,748	176,374
Hire of facilities	<u>57,282</u>	<u>166,735</u>
	<u>414,124</u>	<u>621,939</u>

5. INVESTMENT INCOME

	2020 £	2019 £
UK bank interest	<u>40,946</u>	39,306
	<u>40,946</u>	<u>39,306</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

6. DONATIONS & GRANTS

	2020	2019
	£	£
Donations	252,166	322,407
Grants - Coronavirus Job Retention Scheme	794,696	-
	<u>1,046,862</u>	<u>322,407</u>

7. PRINCIPAL SUBSIDIARIES AND HOLDING COMPANIES

Company name and registered address	Country/ Company number	Percentage Shareholding	Description
ACS International School Doha ¹ LLC, Building 10. Street 161 Al Kheesa, P.O. 200568, Doha	Qatar	49	Operation of overseas educational establishment
ACS International Schools Overseas Holdings Limited, Heywood, Portsmouth Road, Cobham, KT11 1BL	England and Wales 07537434	100	Intermediate holding company
ACS Commercial Enterprises Limited, Heywood, Portsmouth Road, Cobham, KT11 1BL	England and Wales 10887569	100	Trading company

1. *ACS International School Doha LLC is a subsidiary undertaking by a virtue of the fact that ACS International Schools Limited has a participating interest in the undertaking and actually exercises a dominant influence over it.*

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

7. PRINCIPAL SUBSIDIARIES AND HOLDING COMPANIES (continued)

	ACS Commercial Enterprises	ACS International Schools Overseas Holdings	ACS Doha International School	Total 2020	<i>Total 2019</i>
	£	£	£	£	£
Income	285,754	-	15,465,787	15,751,541	14,844,112
Expense	<u>(165,443)</u>	<u>(5,561)</u>	<u>(17,572,624)</u>	<u>(17,743,628)</u>	<u>(14,303,940)</u>
Net (loss)/ profit	<u>120,311</u>	<u>(5,561)</u>	<u>(2,106,837)</u>	<u>(1,992,087)</u>	<u>540,172</u>
Amount gift aided	<u>(120,311)</u>	<u>-</u>	<u>-</u>	<u>(120,311)</u>	<u>(150,510)</u>
Retained in subsidiary	<u>-</u>	<u>(5,561)</u>	<u>(2,106,837)</u>	<u>(2,112,398)</u>	<u>389,662</u>
Net assets	<u>100</u>	<u>(12,983)</u>	<u>(4,448,177)</u>	<u>(4,461,060)</u>	<u>(2,416,625)</u>

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

8. ANALYSIS OF EXPENDITURE

(a) Total expenditure

	Staff costs	Depreciation & amortisation	Other	Total 2020	Total 2019
	£	£	£	£	£
Expenditure on raising funds					
Fundraising costs	226,565	-	59,530	286,095	456,662
Other costs of raising funds	79,629	-	85,814	165,443	279,801
Total costs of raising funds	<u>306,194</u>	<u>-</u>	<u>145,344</u>	<u>451,538</u>	<u>736,463</u>
Charitable expenditure					
Education and grant making					
Teaching	32,299,346	2,080,874	10,760,154	45,140,374	46,522,253
Boarding and welfare	1,619,233	727,162	1,399,898	3,746,293	4,111,882
Premises repair and maintenance	1,683,752	354,652	1,560,245	3,598,649	3,888,288
Support costs and governance	9,354,290	2,190,579	7,471,094	19,015,963	18,755,040
Grants, awards and prizes	-	-	10,715	10,715	12,624
Total charitable expenditure	<u>44,956,621</u>	<u>5,353,267</u>	<u>21,202,106</u>	<u>71,511,994</u>	<u>73,290,087</u>
Other expenditure					
Taxation	-	-	-	-	45,806
Other	-	-	-	-	-
Total other expenditure	<u>-</u>	<u>-</u>	<u>5,561</u>	<u>5,561</u>	<u>45,806</u>
Total expended	<u>45,262,815</u>	<u>5,353,267</u>	<u>21,353,011</u>	<u>71,969,093</u>	<u>74,072,356</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

8. ANALYSIS OF EXPENDITURE (continued)

(b) Grants, awards and prizes

	2020	2019
	£	£
From Unrestricted Funds		
UK prizes and leaving awards	<u>10,715</u>	<u>12,624</u>

**(c) Governance included in support costs
(inclusive of VAT)**

	2020	2019
	£	£
Remuneration paid to Crowe UK LLP in respect of:		
Statutory audit	33,210	32,400
Tax compliance	6,600	36,390
Advisory services	732	13,020
Remuneration paid to PWC in respect of:		
Statutory audit (Doha)	22,922	17,466
Tax compliance and advisory	51,498	10,733
Reimbursement of personal expenses to Trustees – travel costs	<u>20,264</u>	<u>12,383</u>

Expenses were reclaimed by 7 Trustees (2019:7). No trustees have been paid any remuneration or received any other benefits during the year.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

9. STAFF COSTS

Staff costs, including director's remuneration, were as follows:

	2020 £	2019 £
ACS wages and salaries	31,617,601	31,514,268
ACS Doha wages and salaries	8,702,199	8,529,607
ACS social security costs	3,133,265	3,154,326
ACS other pension costs	1,402,778	1,232,533
ACS Doha other pension costs	406,972	509,710
	<u>45,262,815</u>	<u>44,940,444</u>

Aggregate employee benefits of key management personnel	2,045,819	1,825,497

	2020 No.	2019 No.
Number of higher paid employees with aggregate employee benefits in bands of:		
£60,001 to £70,000	26	26
£70,001 to £80,000	12	9
£80,001 to £90,000	11	8
£90,001 to £100,000	4	4
£100,001 to £110,000	3	-
£110,001 to £120,000	-	2
£120,001 to £130,000	2	2
£130,001 to £140,000	1	-
£140,001 to £150,000	1	-
£150,001 to £160,000	1	-
£160,001 to £170,000	-	2
£170,001 to £180,000	2	1
£180,001 to £190,000	2	2
£200,001 to £210,000	-	1
£210,001 to £220,000	1	-
£240,001 to £250,000	1	-
£260,001 to £270,000	1	-
£270,001 to £280,000	-	1

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

The average number of employees during the year was 968 (2019: 991).

	2020 No.	2019 No.
Executive directors	-	-
Academic staff	561	581
Substitute staff	78	92
Welfare	58	57
Support staff	271	261
	968	991

During the year redundancy payments of £463,692 (2019: £235,361) were awarded of which £147,016 remained outstanding at year end (2019: £123,914)

10. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the funds. Contributions of £246,144 (2019: £244,019) are outstanding at the balance sheet date.

11. FINANCE COSTS

	2020 £	2019 £
Interest payable and charges	63,395	65,439
	63,395	65,439

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

12. TANGIBLE FIXED ASSETS

Consolidated

Group	Freehold land and buildings £	Motor vehicles £	Fixtures, fittings and equipment £	Capital work in progress £	Total £
Cost					
At 1 August 2019	86,457,836	761,870	26,200,397	6,521,360	119,941,463
Additions	2,333,531	-	2,105,030	2,943,189	7,381,750
Disposals	-	(10,722)	(536,347)	-	(547,069)
Revaluation	-	-	-	-	-
Exchange difference	-	(1,501)	(399,394)	(701,078)	(1,101,973)
At 31 July 2020	<u>88,791,367</u>	<u>749,647</u>	<u>27,369,686</u>	<u>8,763,471</u>	<u>125,674,171</u>
Depreciation					
At 1 August 2019	2,152,627	606,817	18,458,965	-	21,218,409
Charge for the year	2,275,661	40,522	2,488,134	-	4,804,317
Disposals	-	(10,722)	(531,012)	-	(541,734)
Revaluation	-	-	-	-	-
Exchange difference	-	(1,308)	(372,260)	-	(373,568)
At 31 July 2020	<u>4,428,288</u>	<u>635,309</u>	<u>20,043,827</u>	<u>-</u>	<u>25,107,424</u>
Net book value					
At 31 July 2020	<u>84,363,079</u>	<u>114,338</u>	<u>7,325,859</u>	<u>8,763,471</u>	<u>100,566,747</u>
At 31 July 2019	<u>84,305,209</u>	<u>155,053</u>	<u>7,741,432</u>	<u>6,521,360</u>	<u>98,723,054</u>

All properties were revalued on 31 July 2018 by Gerald Eve, Chartered Surveyors, on basis of open market value for current use at £80,870,000. The valuation was incorporated in the financial statements for the year ended 31 July 2018.

Included in land and buildings is freehold land valued at £14,663,000 which is not depreciated.

Land and buildings include £1,446,686 (2019: £3,241,807) in respect of assets under the course of construction.

The historic cost of assets included at valuation at the balance sheet date is £131,431,108 (2019: £129,097,577). At the balance sheet date there was no material difference between the historical cost depreciation and the actual depreciation charged in the accounts.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

13. TANGIBLE FIXED ASSETS

Charity only

	Freehold property £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost or valuation				
At 1 August 2019	86,457,836	741,597	20,920,320	108,119,753
Additions	2,333,531	-	1,993,284	4,326,815
Disposals	-	(10,722)	(536,347)	(547,069)
Revaluation	-	-	-	-
At 31 July 2020	<u>88,791,367</u>	<u>730,875</u>	<u>22,377,257</u>	<u>111,899,499</u>
Depreciation				
At 1 August 2019	2,152,627	591,190	13,567,947	16,311,764
Charge for the year	2,275,661	36,069	2,193,858	4,505,588
Disposals	-	(10,722)	(531,012)	(541,734)
Revaluation	-	-	-	-
At 31 July 2020	<u>4,428,288</u>	<u>616,537</u>	<u>15,230,793</u>	<u>20,275,618</u>
Net book value				
At 31 July 2020	<u>84,363,079</u>	<u>114,338</u>	<u>7,146,464</u>	<u>91,623,881</u>
At 31 July 2019	<u>84,305,209</u>	<u>150,407</u>	<u>7,352,373</u>	<u>91,807,989</u>

All properties were revalued on 31 July 2018 by Gerald Eve, Chartered Surveyors, on basis of open market value for current use at £80,870,000. The valuation was incorporated in the financial statements for the year ended 31 July 2018.

Included in land and buildings is freehold land valued at £14,663,000 which is not depreciated.

Land and buildings include £1,446,686 (2019: £3,241,807) in respect of assets under the course of construction.

The historic cost of assets included at valuation at the balance sheet date is £131,431,108 (2019: £129,097,577). At the balance sheet date there was no material difference between the historical cost depreciation and the actual depreciation charged in the accounts.

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

14. INTANGIBLE FIXED ASSETS

Consolidated

**Computer
Software
£**

Cost

At 1 August 2019

3,126,527

Additions

232,857

Exchange difference

(6,997)

At 31 July 2020

3,352,387

Depreciation

At 1 August 2019

1,673,772

Charge for the year

548,952

Exchange difference

(4,928)

At 31 July 2020

2,217,796

Net book value

At 31 July 2020

1,134,591

At 31 July 2019

1,452,755

15. INTANGIBLE FIXED ASSETS

Charity only

**Computer
Software
£**

Cost

At 1 August 2019

3,032,061

Additions

232,857

Disposals

-

At 31 July 2020

3,264,918

Depreciation

At 1 August 2019

1,615,518

Charge for the year

530,845

Disposals

-

At 31 July 2020

2,146,363

Net book value

At 31 July 2020

1,118,555

At 31 July 2019

1,416,543

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

16. FIXED ASSET INVESTMENTS

Charity	Investments in subsidiary companies £
Cost or valuation	
At 1 August 2019	1,100
At 31 July 2020	<u><u>1,100</u></u>
Net book value	
At 31 July 2020	<u><u>1,100</u></u>
At 31 July 2019	<u><u>1,100</u></u>

Details of the principal subsidiaries can be found under note number 7.

17. DEBTORS

	<u>Group</u>		<u>Charity</u>	
Due within one year	2020 £	2019 £	2020 £	2019 £
Trade debtors	8,000,399	5,895,817	6,637,822	4,839,845
Corporation tax	21,044	62,561	21,044	62,561
Other debtors	697,530	146,906	696,641	146,906
Prepayments and accrued income	1,306,901	2,621,747	1,301,281	2,285,595
Amounts owed by group undertakings	-	-	14,683,722	9,006,713
	<u><u>10,025,874</u></u>	<u><u>8,727,031</u></u>	<u><u>23,340,510</u></u>	<u><u>16,341,620</u></u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

18. CREDITORS:
Amounts falling due within one year

	<u>Group</u>		<u>Charity</u>	
	2020 £	2019 £	2020 £	2019 £
Trade creditors	1,392,623	2,741,407	766,857	2,174,294
Social security and other taxes	1,143,157	1,119,025	1,143,157	1,119,025
Other creditors	407,423	430,615	238,702	227,599
Student deposits	3,698,650	3,571,990	3,698,650	3,571,990
Accruals and prepaid income	1,733,654	3,274,410	1,733,654	3,274,410
Deferred income	32,920,576	35,194,251	31,270,741	33,895,864
	<u>41,296,083</u>	<u>46,331,698</u>	<u>38,851,761</u>	<u>44,263,182</u>

19. DEFERRED INCOME

Deferred income relates to tuition fees and related income. Movements on deferred income balance during the year are as follows:

	<u>Group</u>		<u>Charity</u>	
	2020 £	2019 £	2020 £	2019 £
Deferred income b/f	35,194,251	34,351,890	33,895,764	32,869,276
Income released to SOFA in the year	(35,194,251)	(34,351,890)	(33,895,764)	(32,869,276)
Income deferred during the year	32,920,276	35,194,251	31,270,741	33,895,864
	<u>32,920,276</u>	<u>35,194,251</u>	<u>31,270,741</u>	<u>33,895,864</u>

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

20. BANK LOANS DUE IN OVER ONE YEAR

In March 2019 ACS International Schools Limited secured a bank facility with a maximum loan value of £15 million. Current borrowings against the bank facility are £1 million. Interest on the loan is 1.35% above LIBOR and is payable quarterly. The loan is repayable in full 60 months after the loan is drawn. The loan contains financial covenants which apply to the Group's consolidated financial information. All financial covenants were met at 31 July 2020.

Loan repayable is as follows:	2020	2019
	£	£
Within one year	-	-
Between two to five years	1,000,000	1,000,000
More than five years	-	-
	<u>1,000,000</u>	<u>1,000,000</u>

National Westminster Bank PLC hold the following charges on ACS assets located at Heywood, Portsmouth Road, Cobham for continuing security:

- i. A fixed charge over the following property, owned now or in the future:
 - a. All land and fixtures and fittings related to the land and all rents receivable.
 - b. All plant and machinery, including any associated warranties and maintenance contracts.
 - c. All the goodwill.
 - d. Any uncalled share capital.
 - e. All stocks, shares and other securities in any subsidiaries and income and rights relating to them.
 - f. All intellectual property, licences, claims, insurance policies, proceeds of any insurance and any other legal rights.
 - g. The benefit of any hedging arrangements, futures transactions or treasury instruments.
- ii. A floating charge over all other property, assets and rights owned now or in the future which are not subject to an effective fixed charge.

The aggregate revalued amount of secured assets is £47,179,016 (2019: £44,556,029).

ACS INTERNATIONAL SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

21. PROVISIONS

Group	Provision for employees £
At 1 August 2019	1,166,150
Additions	406,972
Paid	(205,053)
Exchange difference	<u>(93,217)</u>
At 31 July 2020	<u><u>1,274,852</u></u>

Provision for employees

Provision has been made for the net present value of ACS International School Doha's obligations at 31 July 2020 in respect of employees' end of service benefits payable under Qatar labour law. The provision assumes average increment / promotion costs of 2.25% (2019: 2.25%). The expected liability at the date of leaving service has been discounted to its net present value using a discount rate of 2.81% (2019: 4.39%).

22. SHARE CAPITAL

	2020 £
<u>Allotted, called up and fully paid</u>	
500,000 Ordinary shares of £1 each	<u><u>500,000</u></u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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23a. FUNDS

	B/fwd	Income	Expenditure	Transfers	Gains and losses	C/fwd
	£	£	£	£	£	£
Restricted funds						
Cobham	-	37,663	(25,163)	(12,500)	-	-
Hillingdon	-	88,500	(88,500)	-	-	-
Egham	-	120,497	(10,497)	(110,000)	-	-
Doha	-	5,406	(5,406)	-	-	-
	-	252,066	(129,566)	(122,500)	-	-
Unrestricted funds						
Share capital	500,000	-	-	-	-	500,000
Debentures	10,658,750	500	-	-	-	10,659,250
General reserves	<u>70,877,973</u>	<u>78,893,851</u>	<u>(71,839,527)</u>	<u>122,500</u>	<u>(454,253)</u>	<u>77,600,544</u>
	82,036,723	78,894,351	(71,839,527)	122,500	(454,253)	88,759,794
Total funds	<u>82,036,723</u>	<u>79,146,417</u>	<u>(71,969,093)</u>	<u>-</u>	<u>(454,253)</u>	<u>88,759,794</u>

Restricted funds include donations which the donors have earmarked for specific UK campuses. Restricted funds have been released to general reserves as their restrictions have been met during the year.

Unrestricted funds belong to the charity's corporate reserves, spendable at the direction of the Trustees to further the charity's objects.

Debentures (5th series)

The director considers that the nature and terms of the fifth issue debentures, issued by ACS International Schools Limited, more accurately reflect equity and therefore they were reclassified from long term creditors to equity within the balance sheet in the year ended 31 July 2011.

During the year ACS International Schools Limited adjusted £500 (2019: Nil) and repaid £Nil (2019: £1,500) fifth issue debentures of £250 each.

The fifth issue debentures are unsecured, non interest bearing and repayable only by ACS International Schools Limited giving debenture holders not less than one month's notice of its intention to repay the principal sum or on a winding up. As at 31 July 2020 this issue comprised 42,637 debentures of £250 each (2019: 42,635 debentures of £250 each).

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

23b. NET ASSETS SPLIT BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Intangible assets	1,134,591	-	1,134,591
Tangible fixed assets	100,566,747	-	100,566,747
Net current liabilities	(10,666,692)	-	(10,666,692)
Liabilities due in more than one year	(1,000,000)	-	(1,000,000)
Provisions	<u>(1,274,852)</u>	<u>-</u>	<u>(1,274,852)</u>
At 31 July 2020	<u>88,759,794</u>	<u>-</u>	<u>88,759,794</u>

24. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2019 £	Cash flow £	Exchange Movement £	31 July 2020 £
Cash at bank and in hand	20,631,731	(1,482,467)	454,253	19,603,517
Loan	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Net funds	<u>21,631,731</u>	<u>(1,482,467)</u>	<u>454,253</u>	<u>20,603,517</u>

25. CAPITAL COMMITMENTS

At 31 July 2020 the group and charity had capital commitments as follows:

	<u>Group</u>		<u>Charity</u>	
	2020 £	2019 £	2020 £	2019 £
Contracted for but not provided in these financial statements	<u>644,520</u>	<u>1,630,223</u>	<u>644,520</u>	<u>1,630,223</u>

ACS INTERNATIONAL SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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26. OPERATING LEASE COMMITMENTS

At 31 July 2020 the group had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2020	2019	2020	2019
	£	£	£	£
Within 1 year	1,339,764	2,881,346	-	16,167
Between 2 and 5 years	7,516,225	77,400	-	-
After more than 5 years	17,930,221	737,942	-	-
	<u>26,786,210</u>	<u>3,696,688</u>	<u>-</u>	<u>16,167</u>

27. RELATED PARTY TRANSACTIONS

ACS International Schools Limited recharged £172,115 (2019: £251,089) to ACS Commercial Enterprises Limited for the provision of staff and expenditure incurred on its behalf. At year end the balance of £131,542 (2019: £162,676) was owed to ACS International Schools Limited. ACS Commercial Enterprises Limited gift aided its profit of £120,311 (2019: £150,510) to ACS International Schools Limited.

ACS International Schools Limited recharged £2,695,966 (2019: £675,015) to ACS Doha International School LLC for expenditure incurred on its behalf and royalty and management charges. At year end the amount owed by ACS Doha International School LLC to ACS International Schools Limited was £14,444,592 (2019: £8,744,037).

A member of the senior management of ACS International Schools Limited is Chairman of the Board of Focus Information Services Limited. During the year ACS International Schools Limited paid £Nil (2019: £4,000) for marketing sponsorship and advertising to Focus Information Services Limited. This transaction was at an arm's length basis.

A member of the senior leadership team of ACS International Schools Doha is a director of Marqeeepro Limited. During the year ACS International Schools Doha paid £11,200 (2019: £Nil) for goods and services to Marqeeepro Limited. All transactions were at arms' length basis.