

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.

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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 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.

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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 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.

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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 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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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.

ACS INTERNATIONAL SCHOOLS LIMITED

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

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.

ACS INTERNATIONAL SCHOOLS LIMITED

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

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.

ACS INTERNATIONAL SCHOOLS LIMITED

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

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
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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
	<hr/>	<hr/>
	<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
	<hr/>	<hr/>
	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
	<hr/>	<hr/>
	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>93,485,654</u>	<u>161,385</u>	<u>8,284,162</u>	<u>101,931,201</u>
At 31 July 2022	<u>82,516,663</u>	<u>125,638</u>	<u>7,673,169</u>	<u>90,315,470</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

	Group		Charity	
	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:

	Group		Charity	
	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	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<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).