

THE AMERICAN SCHOOL IN LONDON EDUCATIONAL TRUST LTD

England & Wales · Charity number 312738

Details

Status	Registered
Legal form	Charitable company
Company number	00784923
Registered	1964-09-23
Register	View on the Charity Commission register

Contact

Address	The American School in London 1 Waverley Place London NW8 0NP
Phone	02074491235
Email	asl@asl.org
Website	www.asl.org

Activities

Objects: THE PROVISION AND MAINTENANCE OF A SCHOOL FOR BOYS AND GIRLS.

Activities: See SIR

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** LONDON BOROUGH OF WESTMINSTER AND ELSEWHERE
- City Of Westminster

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£59,103,000	£53,857,000	£73,990,000	374
2024-06-30	£53,986,000	£53,360,000	£66,836,000	384
2023-06-30	£50,429,000	£51,966,000	£62,553,000	380
2022-06-30	£44,588,000	£48,181,000	£64,274,000	368
2021-06-30	£43,069,000	£42,645,000	£69,217,000	371

Trustees

Name	Role	Appointed
Dr Hahnah Kasowski Seminara	Chair	2019-07-31
Abigail Swalick Khatiblou		2025-07-16
Alison Victoria Ferguson-Woods		2021-09-01
Daniel Dwight Hajjar		2017-09-12
Dr John Christopher Brewer		2025-09-16
Elie Gamburg		2025-12-10
George Hadjigeorgiou		2023-07-01
George Hatzmann		2018-07-31
Gwion Rhisiart Lewis KC		2023-07-01
Irene Zia		2019-07-31
James Darren Allaway		2021-03-26
Kavi Vipul Thakrar		2019-07-31
Lofty Mohamed Lofty Mansour		2024-07-01
Luca Bassi		2018-03-05
Mallika Kapur		2022-07-01
Mark Edward Agne		2021-09-01
McKenzie Erin Webster		2021-01-26
Mohammad Jamil Saud Habbas		2025-03-01
Ralph Rivera		2022-07-01
Rayna Ann Barasch		2025-03-01
Stanford Horn		2022-07-01
Stephanie Roanne Schueppert		2018-03-05
Tsega Gebreyes		2024-07-01

THE AMERICAN SCHOOL IN LONDON EDUCATIONAL TRUST LTD

England & Wales - Charity number 312738

Accounts

The American School in London Educational Trust Limited

Financial Statements
for the year ended 30 June 2025
together with Trustees' and Auditor's Report

Company Registration Number: 784923

Registered Charity Number: 312738

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Trustees, Officers and Advisors

Trustees

The Directors of the School who are also the Trustees of the charity and who held office during the year, and to the date of signing this report except where otherwise stated, were:

Erin Roth (Chair)	Resigned 30 June 2024
Hannah Seminara (Chair)	Appointed 1 July 2024
Cynthia Bake (Vice Chair until 30 June 2024)	Resigned 30 June 2025
Stephanie Schueppert (Vice Chair)	Appointed 1 July 2024
George Robert Hatzmann (Secretary)	
Matthew Peter Horvat	Resigned 25th November 2025
Luca Bassi	
Mark Agne	
Darren Allaway	
Alison Victoria Ferguson-Woods	
George Hadjigeorgiou	
Stanford (Doc) Horn	
Gwion Rhisiart Lewis	
Daniel Dwight Hajjar	
Mallika Kapur	
Sherine Magar-Sawiris	Resigned 30 June 2025
Michael A. McCarthy	Resigned 30 June 2025
Ralph Rivera	
Kavi Thakrar	
Stacey Towfighi	Resigned 30 June 2025
McKenzie Erin Webster	
Irene Zia	
Lotfy Mohamed Lotfy Mansour	Appointed 1 July 2024
Tsega Gebreyes	Appointed 1 July 2024
Chris Anderson	Resigned 30 June 2024
Liad Meidar	Resigned 30 June 2024
Abigail Khatiblou	Appointed 16 July 2025
Rayna Barasch	Appointed 1 March 2025
Mohammad Habbas	Appointed 1 March 2025

Officers

Key management personnel currently and throughout the year. The day-to-day management of the College is delegated by the trustees to:

Matthew Horvat	Head of School
Noel Bradshaw	Director of Finance and Operations (Appointed 1 August 2024)

Principal Address and Registered Office

One Waverley Place, London, NW8 0NP

Advisors**Bankers**

JP Morgan Chase
25 Bank Street, Canary Wharf
London, E14 5JP

Barclays Bank Plc
1 Churchill Place
London, E14 5HP

Solicitors

Farrer & Co.
66 Lincoln's Inn Fields
London, WC2A 3LH

Mills & Reeves LLP,
Botanic House, 100 Hills Road
Cambridge, CB2 1PH

Auditor

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

Investment managers

Partners Capital
5 Young Street,
London, W8 5EH

J.P. Morgan
60 Victoria Embankment
London, EC4

Trustees' Report

The American School in London Educational Trust Limited (ASL, also referred to as 'The School') was incorporated as a company limited by guarantee in 1963 (company registration no. 784923) and hence the Trustees, who are also members of the School, hold no shares. In the event of the School's dissolution, their liability for its unpaid obligations is limited to £1 each. The School is governed by its Memorandum and Articles of Association, which were last amended in 2001. The School is also registered with the Charity Commission under charity registration no. 312738. The School and its subsidiary have their registered office address at One Waverley Place, London, NW8 0NP.

The Trustees, as directors of ASL, present their annual report on the affairs of the School for the year ended 30 June 2025 under the Charities Act 2011 and the Companies Act 2006. The annual report under the Companies Act 2006 includes the Directors' Report, together with the audited financial statements for the year.

OBJECTS AND AIMS

Founded in 1951, ASL is an independent, K-12 day school, providing an exceptional American education to an international student body in the heart of London. Innovation and individuality are celebrated, and outstanding academic success is applauded. Students thrive amid high expectations and the joy of authentic learning experiences. Committed to creating courageous global citizens, the School inspires students to engage with others across lines of difference in a changing world. In 2025, the School's diverse student body of approximately 1,430 represents 69 nationalities and speaks 58 languages, and families join the School from all over the globe.

CHARITABLE OBJECTS

A summary of the charity's objects, as set out in its Articles of Association as amended by special resolution dated 25 November 2024, is to carry on the School as an educational charity for children of any nationality and to provide educational instruction of the highest calibre, together with physical and moral learning. Within these objects, the School has created a Mission Statement, Core Values, Portrait of a Learner and a Diversity, Equity and Inclusion Statement.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty contained in the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit and fee charging charities.

MISSION STATEMENT

The American School in London empowers each student to thrive as a lifelong learner and courageous global citizen by fostering intellect, creativity, inclusivity and character.

CHARITY GOVERNANCE CODE

The ASL Board of Trustees, aims to have a governance framework that is fit for purpose, compliant and efficient. The Board has established a solid foundation in governance in which all of its trustees are clear about their roles, regulatory and legal responsibilities, are committed to supporting ASL to deliver its objectives most effectively for its beneficiaries' benefit, and contribute to ASL's continued improvement.

Overall, the ASL Board of Trustees meets a significant proportion of the recommended and best practice for governance contained within the Charity Governance Code across the seven areas and is comfortable that there are no significant areas of review required. Arrangements will continue to be monitored against the best practice principles contained in the Code.

ORGANISATIONAL MANAGEMENT

School policy is set by the Board of Trustees who make the strategic decisions and appoint the Head of School. The day-to-day management is delegated to the Head of School and then to a team of administrators, the Senior Leadership Team (SLT). The SLT is led by the Head of School Mr Matthew Horvat.

The work of the Board is supported by seven standing sub-committees – Admin Finance, Advancement, Building & Grounds, Educational Experience, Investment, Governance and Executive and meets regularly to discuss ongoing issues.

RECRUITMENT AND TRAINING OF TRUSTEES

At the Annual General Meeting every year, one third of the members of the Board retire by rotation but are eligible for re-election until they have served a maximum of three terms of three years, with some exceptions. Trustees are nominated by the Governance Committee based upon the specific needs, skills and responsibilities required by the Board. New Trustees receive training at the time of their appointment. Trustees also regularly engage in training on governance matters. The Board may, from time to time, elect a new member of the Board either to fill a casual vacancy or by way of addition to the Board, subject to the current maximum number of thirty. Any member so elected shall retain office only until the next Annual General Meeting, but shall then be eligible for re-election.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) and applicable law.

Under company 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 charitable company and of its net incoming/outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP (Statement of Recommended Practice)
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The following statements have been affirmed by each of the Trustees of the charitable company:

- so far as each Trustee is aware, there is no relevant audit information (that is, information needed by the School's auditors in connection with preparing their report) of which the School's auditors are unaware; and
- each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the School's auditors are aware of that information

OBJECTIVES FOR THE 2024-25 YEAR

Each year the Board establishes specific annual goals, which are later subject to review. In 2024/25, the Board committed to the following goals, with progress reported:

1. Complete a written five-year strategic plan in the academic year 2024-2025.

The Board, supported by an external consultant, led the development of a new five-year strategic plan. The process drew on previous research and strategic work, and involved committees of trustees and senior management organised around three strategic themes. Draft elements of the plan were tested in community focus groups, before being refined and approved by the Board in May 2025. The final plan, structured around the three strategic themes, was shared with the school community in autumn 2025-26.

2. Support the HOS and Board sub-committee focus on the financial well-being of the School, in particular strategic discussions on budgeting, fundraising, and implementation of VAT on school fees.

The Board actively supported the School's financial planning throughout the year. At the start of the year, Board members participated in the VAT Committee to finalise the School's response to VAT. The Board also reviewed long-term financial plans, budgets, staffing levels, salaries and benefits, and funding for plant replacement, primarily through the Admin Finance Committee.

3. Evaluate and evolve our current risk review process, including an analysis of political, financial, and demographic trends that may directly impact the School.

In spring 2025, the Board established a Risk Review Committee comprising the Executive Committee and the Head of School. The Committee undertook a process of identifying, scoring, and prioritising key risks, resulting in a register of the most significant risks facing the School. As of June 2025, School management is reviewing this register and will recommend mitigation measures to the Board.

4. Ensure ASL's ongoing adherence to the Independent School Standards (ISS).

The school received an "outstanding" rating as the result of the Ofsted inspection in November 2023. Subsequently, the school changed to ISI as the inspecting body for the school in the UK. In December 2024, the School also underwent an ISI 'material change inspection' due to increased enrolment; the inspection recommended that the material change be approved.

The Board maintains a routine framework for compliance, which includes:

- Regular review of policies in Board sub-committee meetings
- Standing ISS reporting items on Board sub-committee agendas
- Appointment of a safeguarding lead on the Board
- Periodic trustee on-site audits of HR and attendance records

In addition, ahead of an anticipated ISI inspection in 2026, the Board continues to work with the Head of School to ensure the School is fully prepared.

PRINCIPAL ACTIVITIES UNDERTAKEN

In addition to achieving and continuing to work on the specific goals of the Board of Trustees, the School taught on average 1,443 students in the year, spread over its three divisions:

Lower School (412) Middle School (479) High School (552)

During the year total re-enrollment was at 93% and 257 new students entered the School. The School's world-class faculty fosters confidence, curiosity and well-being in our students, preparing them for life beyond ASL. The School develops kind, independent individuals who will embrace learning and future challenges with confidence and the courage to act. The American curriculum emphasizes steady progression in core academic areas. ASL offers an unusually wide array of options for students to extend their knowledge in several subject areas. ASL's curriculum is enhanced by broad offerings in the computer sciences, and in the visual and performing arts. Students learn to make thoughtful choices to achieve the best possible balance between breadth and depth. 140 students graduated from the senior class in June 2025 with students accepted to colleges and universities in eight countries.

FINANCIAL AID

The School has a long history of enabling students from all backgrounds to benefit from its programs. The Board of Trustees believes in the importance of having a socioeconomically diverse student body and the benefit of having a robust financial aid budget year on year. It is a point of pride that our community supports this valuable endeavour, and we are grateful to all our supporters who have shown their dedication by contributing to the program.

Growing support for financial assistance has a positive impact on the community. Research shows that students benefit from learning alongside others with differing views of the world. The School remains committed to attracting talented students regardless of their financial situation.

Awards totalling £9,493 (2024, £7,326K) in financial aid and allowances were made to 224 (2024, 215) students in the year. Of these, 109 (2024, 111) students received financial help on a formal 'means-tested' basis through the School's financial aid program, the objective of which is to assist qualified students to attend the School regardless of their families' ability to pay. The availability of financial aid is communicated via the School's website, during the application process, in parent meetings and in various articles on School finances and admissions published both annually and from time to time.

Parents apply for Financial Aid through a formal and confidential process administered by a Financial Aid Committee. The Committee uses a financial model and principles developed by the Independent School and Student Services for Financial Aid (a US model of assessing need) to determine financial need and the amount of Financial Aid awarded. The

School sets a Financial Aid budget each year as part of its normal budgeting process. Subject to this budgetary constraint, the Financial Aid Committee seeks to meet all financial needs identified through the application process. The highest awards were for 100% of tuition fees and the average award was £30,813K.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF PEOPLE WITH A DISABILITY

The American School in London is an equal opportunities employer, and this is stated unequivocally to all prospective job candidates. In accordance with our Equal Opportunities Policy, the School treats all employees equitably, and employees or prospective employees with disabilities are given full and fair treatment, with reasonable adjustments and training opportunities implemented where necessary. Additionally, the School has a range of detailed HR policies designed to support employees and our charitable and business objectives and to ensure compliance with employment legislation. These are reviewed at least annually by the HR Director.

Employees are represented by faculty and staff associations who meet frequently with the School administration to discuss employees' requests and to resolve concerns. When important decisions are made that are likely to affect the interest of employees, a full and thorough consultation process is carried out. Examples of such consultations are: annual salary and benefits meetings with faculty and staff associations and the Senior Leadership Team (specifically, a minimum of three meetings before a final decision is made); briefings to employees at the beginning and end of the academic year in all-School meetings to update them on current issues and solicit feedback; monthly meetings held between the faculty and staff associations and Head of School; and annual leadership surveys for employees to provide extensive feedback on the effectiveness of the Senior Leadership Team. Leaving employees are also offered the opportunity to participate in exit interviews, the results of which are presented to the Board of Trustees annually. Results from the 2025 survey showed that 81% of leavers rated their overall experience as positive, with 94% indicating that they would recommend working at ASL to a friend.

DIVERSITY, EQUITY AND INCLUSION STATEMENT

The School's Diversity, Equity and Inclusion Statement which was developed from surveys, focus groups and interviews with faculty, staff, students and families remains a core tenant of ASL community. The statement is both reflective and aspirational, reflecting calls for action, authenticity and accountability to create a better future for our students.

The American School in London (ASL) is committed to building and sustaining a diverse, equitable and inclusive school community. Our strength is in our diversity. We are committed to providing equitable access to all facets of school life. ASL is dedicated to fostering an inclusive school environment in which members can thrive and be themselves in a fully authentic manner.

ASL upholds the right to an educational experience in which diverse identities, experiences and ideas are recognized and human dignity is affirmed. Diversity develops better collaborators, braver explorers, stronger communicators, greater innovators and deeper thinkers. From the time children enter the School, they learn to celebrate their differences and similarities, confront stereotypes and biases, and develop an understanding of historical and contemporary struggles and victories in the face of injustice. Through this education, students are empowered to advocate for a more just world and acquire the skills to be courageous global citizens.

Creating a diverse, equitable and inclusive school community is an ever-evolving journey. We challenge ourselves to do this work on a personal and institutional level, with empathy and mutual respect. Building and sustaining a diverse, equitable and inclusive school community is the responsibility of all. Our commitment to diversity, equity and inclusion holds the promise of a better future for all our children.

COMMUNITY SERVICE ACTIVITIES 2024–2025

Through wide-ranging partnerships with schools, youth agencies, elderly centres and homeless charities, ASL continues to place itself at the heart of the West London community, learning from and with the people we serve. Student voices shape the programme, which this year involved 330 high school and 80 middle school students, with more than 70% taking part in multiple strands. Weekly after-school partnerships offered 20–23 activities each term, engaging 150–180 students in tutoring, mentoring, arts, sports and robotics. Notable new initiatives included a Young Readers Club, sustainable art and dance programmes, expanded robotics outreach across several schools, and new Middle School projects in gardening, elder care and sport.

Flagship events again drew wide participation. The West London Model UN attracted over 330 students from 20 schools, while the *youngPOWER* Conference, themed *Taking Up Space*, engaged 150 students with guest speakers including writer Inua Ellams and youth activist Christina Adane. The High School Community Action Council coordinated extensive charitable giving, including collections of coats, costumes, holiday gifts, books and food, alongside fundraising and awareness for organisations such as the Red Cross, World Food Programme and local partners. Twice-yearly Community Volunteer Days mobilised more than 300 volunteers at each event across 15+ sites, with students taking on significant leadership roles.

Community action was also embedded in the curriculum across all divisions, from Grade 10 research projects on homelessness and food poverty to Lower School drives, gardening and Cards of Care initiatives. The SHINE Saturday Programme once again welcomed 31 students from local secondary schools for 17 weeks of enrichment in the arts, robotics and changemaking. Food poverty partnerships with Granville Community Kitchen and Second Harvest gained momentum, and ASL students and families also supported refugees through collaborations with Ukraine House and Young Roots. The year concluded with a spring Volunteer Day involving 350 volunteers at 13 partner agencies across London, highlighting the School's continuing commitment to service, leadership and community partnership.

GROUP STRUCTURE AND RELATIONSHIPS

The School has a wholly owned non-charitable subsidiary company: ASL Enterprises Ltd. (the "Subsidiary"). ASL Enterprises Ltd. was formed on 22 August 2016 to carry out trading activities mainly in respect of the use of the School's facilities when not in use by the School. The Subsidiary's achievements are covered in the relevant sections of this report.

The American School in London Foundation (UK) Limited is a registered charity and raises funds for the support of the American School in London. The two companies have shared administration and for this reason are "Connected Charities". During the year, the School received £1,727K of donations from the connected charity (2024, £1,640K). The American School in London Foundation (UK) Limited is a wholly owned subsidiary of The American School in London Foundation (the "Foundation"), which is a not-for-profit/501(c)(3) organization in the United States. Some of the School's teaching and administrative employees are also employees of the Foundation and are seconded to the School under an agreement between the two entities. Under that agreement, the School agrees to provide the necessary funds to cover the employee costs and to act as agent of the Foundation in respect of certain aspects of its employer obligations.

All ASL parents are welcome to become active participants of the Parent Community Association ("PCA") committees and events. Through the committees of the PCA, parents organize the biennial Global Festival, the Booster Club (supporting athletic teams), Friends of the Arts and the biennial Auction Benefit, in addition to a wide range of other activities, which promote the mission of the School.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees delegate oversight of pay and remuneration to the Head of School, who reviews compensation for the charity's key management personnel, defined as those with authority and responsibility for planning, directing, and controlling the activities of the charity. Pay and remuneration are overseen by the Admin Finance Committee.

The pay and remuneration of the Head of School are delegated to the Head of School Remuneration Committee, which convenes on an as-needed basis and follows a similar review process. The ASL Foundation Remuneration Committee also reviews and approves pay and remuneration for management personnel who are seconded from the Foundation.

Reviews take into account a combination of internal and external benchmarking to ensure that pay is fair, transparent, and aligned with the charity's mission and values. Reference points include US independent school and global international school market data, published surveys, and advice from external consultants where appropriate. Pay decisions consider both the ability to compete in the international hiring market and the financial sustainability of the charity.

The overall objective is to ensure remuneration levels are sufficient to attract and retain high-quality leadership while maintaining appropriate stewardship of charitable funds.

RISK MANAGEMENT AND PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees conduct regular reviews of risk management and have continued to monitor a broad range of risks facing the School. Key strategic risks considered during the year included long-term demand risk linked to economic factors and changing social attitudes, macroeconomic uncertainty and the potential impact of geopolitical events, the regulatory environment in both the UK and US, and the effect of emerging technologies such as AI on teaching methods. Trustees also reviewed staff recruitment and retention risks given the high cost of living in London, as well as compliance risks relating to safeguarding and pupil welfare. Reputational risks were considered in the context of maintaining high educational standards and outcomes in external assessments. Mitigation strategies have been identified and are subject to regular oversight by the Board and its committees.

Risk Area	Summary of Controls
Enrolment and market demand	Ongoing monitoring of enrolment trends and market conditions; multi-year financial and scenario planning; prudent reserves and contingency policies.
External or uncontrollable events	Crisis management and business continuity plans in place and regularly tested; insurance coverage and the ability to deliver remote learning if required.
Regulatory and political Change	Ongoing monitoring of legislative and policy developments in the UK and US; active engagement with sector bodies and professional advisers.
Technological change and educational innovation	Continuous curriculum development and integration of educational technology; investment in professional learning for faculty.
Recruitment and retention of high-quality staff	Competitive compensation and benefits; professional development opportunities; focus on staff wellbeing and engagement.
Safeguarding and pupil welfare	Comprehensive safeguarding procedures, as required by law, for the protection of children; regular staff training and trustee oversight.

Educational quality and parental confidence	Robust academic monitoring and reporting; faculty evaluation and development; regular feedback from parents and students.
Regulatory inspection and accreditation outcomes	Continuous compliance monitoring and self-study processes to maintain accreditation and inspection standards.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Consolidated Statement of Financial Activities on page 19 shows how the School's incoming resources have been generated and how they have been expended during the year together with the results of the Subsidiary and the closing balances on each of the reserves.

Total income during the year was £59.1M (2024, £54.0M) and the net surplus for the year was £7.2M (2024, £4.2M). There was an increase in total tuition income of £2.5M, an increase in donations of £2.1M, a decrease of bank and investment income of £7K, and an increase in non-ancillary trading income of £55K.

The reported surplus appears higher than the underlying operating result, as it includes several non-recurring and designated items. These comprise strong fundraising income, including proceeds from the auction in support of the Commons renovation project which will be expended in the following year, another year of robust investment performance, and amounts designated for significant capital expenditure and staff costs associated with the planned voluntary redundancy programme.

Total resources expended were £53.9M, which was an increase of £0.5M on the £53.4M of the previous year. In addition, the School recorded a net investment gain for the year of £854K (2024, gain of £3.7M).

The total unrestricted reserves increased by £6.9M, the restricted reserves increased by £27K and the endowments increased by £228K. As shown in note 12, there are sufficient net assets to meet the obligations of the Restricted Reserves. Net cash inflow from operations for the year was £5.8M (2024, £5.3M) as shown in the Cash Flow Statement on page 22 with the cash and cash equivalent balances at the level of £26.0M compared to £23.0M last year. The balance on the Current Asset Investments decreased by £2.2M during the year with a balance of £16.5M at the year end.

The Subsidiary income was £456K (2024, £427K) in the period and the expenses £338K (2024, £329K) resulting in profit of £117K (2024, £98K). The financial statements and this Report comply with statutory requirements and the Statement of Recommended Practice: ("Charities SORP (FRS 102)")

RESERVES LEVEL AND POLICY

The School's total reserves of £74.0M comprise £25.6M related to permanent endowment, £2.6M expendable endowment and £45.7M of unrestricted reserves.

The unrestricted reserves of £45.7M are represented by £56.8M of the net book value of fixed assets less the associated funding by a long-term loan of £27.0M leaving free reserves of £15.9M.

In accordance with the School's reserves policy, the school designates reserves for specific purposes as set out in Note 13a). These designated reserves totalled £14.5M at the end of the year.

At the year end, designated reserves totalled £14.5M against free reserves of £15.9M, leaving £1.4M of free reserves not yet designated. In the current economic environment, the Trustees consider this level of undesignated free reserves to be appropriate given the School's financial plans.

The enrolment reserve covers the financial risk to the School from any short-term decline in enrolment numbers due to general economic factors beyond the School's control. Enrolment levels have fluctuated significantly over the history of the School and the target level of the reserve is reviewed annually and historically has been set at between 8% and 16% of tuition income. The Board considers the reserve of £5.4M to be adequate at a level of 11% of tuition income.

The Trustees are committed to assuring the School's long-term physical viability and financial health and so have established a long-term designated facilities reserve of £3.5M (2024, £2.9M). This provides funds either to pay down debt incurred to fund capital projects or to fund new facility projects.

The School also has a designated plant reserve to ensure that it has funds available to cover the costs, which fluctuate annually, of the long-term maintenance plan to help assure the quality of its buildings and facilities. The value of this reserve has increased this year to £3.8M (2024, £423k) in preparation for future funding requirements of the School's long-term maintenance plan.

In addition, the School maintains its emergency building and equipment reserve of £0.4M (2024, £0.9M) to provide funds for emergency repairs and improvements, including for physical, cyber and health security.

The School has a staff cost reserve, which will allow it to absorb some additional costs of reorganising work if employee ill health or circumstances require it. The balance has increased this year to £1.3M in preparation for the costs of a voluntary redundancy programme in the next year.

The new initiative reserve was created to provide funds for pilot projects that it is hoped will enhance the curriculum and/or the learning environment at the School. These projects can be approved after the setting of the annual budget process and so would not be possible without these contingency funds. The projects are usually piloted over 1 or 2 years before they are assessed to see if they will become part of regular school operations.

The Board retains an applied returns reserve to meet any risks arising from market, economic and political volatility.

INVESTMENT POLICY AND OBJECTIVES

The permanent endowment has an investment objective to generate competitive returns that out-perform the market. Partners Capital was the investment manager for the permanent endowment for the year. JP Morgan is the investment manager of certain private equity investments. The trustees manage the School's endowed investments under the Trustee Act 2000, with no special restrictions on how the funds may be invested.

INVESTMENT PERFORMANCE OF PERMANENT ENDOWMENT

During the year, £1.05M of cumulative investment gains from the strong performance of the prior year were realised and transferred to operations and a further £0.7M of such gains were invested in the loan payment reserve with Partners Capital. During the year, total return on the permanent endowment was £1.23M (2024, £1.5M)

The School has investments in sterling-denominated short-term credit funds managed by BlackRock and Legal & General and other short-term liquid investments of £16.5M (2024, £18.7M). The amount invested is sourced from the School's positive working capital cycle. The credit funds are predominantly invested in investment-grade bonds with maturities shorter than five years. The loan repayment reserve had a balance of £4.2M (2024, £3.2M) and it remains invested with Partners Capital.

Under the School's Investment Policy, responsibility for setting and overseeing the asset allocation of the permanent endowment rests with the Investment Committee. The Committee reviews the portfolio's strategic asset allocation at least three times a year and monitors compliance with the agreed parameters through regular reporting from the investment manager.

TOTAL RETURN ACCOUNTING

The Charity Commission permitted the School to adopt the use of total return in relation to its permanent endowment on 12 April 2007. The power permits the Trustees to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised, the total return shall be an 'unapplied total return' and remain as part of the permanent endowment. In deciding how much of the unapplied total return to allocate to income, the Trustees take into account the current expenditure needs of the School and the need to ensure that future students also benefit from the endowments. Compliance with the strategies set out above and actual investment performance is reviewed by the Investment Committee on a periodic basis against the relevant benchmarking index.

FUNDRAISING PERFORMANCE

The tradition of philanthropy and volunteerism is an established and important aspect of life at ASL. The Annual Fund solicited parents of current students, our faculty and staff, alumni and parents of alumni who generously donated £1.9M of unrestricted giving this year. In addition, the School received a further £0.9M in restricted gifts for endowments and other specific purposes. Fundraising is undertaken by affiliated organisations of, primarily, volunteer groups of parents and alumni, supported by members of the Advancement team.

The School adheres to the Code of Fundraising Practice when undertaking fundraising activity. There are no professional fundraising organisations used and so no monitoring processes required. Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received no complaints in the year. The School takes its responsibility to anyone who might be vulnerable very seriously and this will continue to be considered in the School's approach to fundraising activity.

GOING CONCERN

The Trustees have undertaken a detailed review of the School's financial forecasts, budgets, cash flow and reserves covering a period extending to at least the financial year ending 30 June 2027. In doing so, the Trustees considered key risks such as enrolment stability, inflationary pressures on both operating costs and capital projects, and the significant expenditure required to maintain and replace elements of the School's ageing campus and plant infrastructure. The Board also reviewed the School's liquidity, solvency and compliance with loan covenants, together with its strong cash and reserves position. The Trustees also took account of the broader macroeconomic environment and potential changes in the regulatory and political landscape that could affect the School.

The Trustees also conclude that there are no material uncertainties that may cast significant doubt on the School's ability to continue as a going concern. The financial statements are therefore prepared on a going concern basis.

On the basis of this review, the Trustees have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future, which is defined for the purposes of the going concern assessment as at least 12 months from the date of signing these financial statements.

VOLUNTEERS

ASL's community is continually enriched by the volunteer activities of many groups and individuals. The gifts of time and energy by the hundreds of parents, alumni, past parents, faculty, staff and students are significant (though we cannot calculate their monetary value). The Board is grateful to those who are dedicated to serving the School and helping to enhance its special qualities. The Board is especially thankful to all the many volunteers of the Parent Community

Association (PCA) for the extensive community building events including the biennial Auction Benefit. The Board also thanks the PCA and the American School in London Foundations in the US and in the UK for their fundraising and generous grants to the School.

GREENHOUSE GAS EMISSIONS

The School receives an annual report by JRP Solutions in line with SECR guidelines which includes data on the full range of emissions defined by the Greenhouse Gas (GHG) Protocol (scope 1 and 2 emissions, and scope 3 emissions for grey fleet travel (use of employees' personal vehicles for work-related trips)).

The School's greenhouse gas emissions for the 2024-25 year totalled 1,013 tCO₂e tonnes (2024 989 tonnes) of carbon dioxide equivalent (tCO₂e), based on energy usage of 5,245,263 kWh (2024 5,085,859 kWh). When accounting for zero carbon electricity through a Renewable Energy Guarantees of Origin (REGO) contract, emissions were reduced to 574 tCO₂e (550 tCO₂e).

This represents 0.017 tCO₂e per £1,000 of total income (2024: 0.018 tCO₂e), or 0.010 tCO₂e per £1,000 of total income on a REGO-adjusted basis.

Energy efficiency actions during the year centered on the multi-year project to replace the rooftop air-handling units (AHU) which will be completed in summer 2026. The School achieved a 38.7% reduction in emissions compared to the baseline year (2019-20) but a 4.3% increase compared with last year when factoring in carbon offsetting. Significant reductions in energy usage and emissions are expected once the AHU project is complete.

PROMOTION OF THE SUCCESS OF THE ORGANISATION TO BENEFIT ITS MEMBERS

The Trustees confirm that, in accordance with Section 172 (1) of the Companies Act, they act in a way they consider most likely to achieve the purposes of the School. In making this assessment, the Trustees consider the relevant actions of the Board that are described throughout the Trustees' Report. Taking the areas required for disclosure in turn:

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 section (page 11) of the Trustees' Report. Specifically, the Trustees consider both operating results and financial projections and the key risks that could negatively impact the sustainability of the School. The Admin Finance Committee and the Board review management information, budgets, forecasts, cash flow projections and progress against budget on a regular basis. Risk management (page 9) and the level of reserves (page 10) are also discussed further in the report.

b. The interests of the School's employees

In relation to employee engagement, the Trustees receive regular reports from management on employee morale and speak directly to representatives of the faculty and staff associations when reviewing pay and conditions with them annually. Further details of employee involvement are discussed in the report (page 7).

c. The need to foster the School's business relationships with stakeholders

The Trustees recognise that the School's long-term success depends on maintaining strong and constructive relationships with its stakeholders. Parents, as the School's primary members and beneficiaries, are engaged through regular communication, consultation and opportunities for involvement in school life. Staff are supported through professional development, clear policies and open dialogue to ensure a positive working environment and high-quality teaching and support.

The School values its relationships with alumni, donors and partner organisations, who contribute to its wider mission through philanthropy, volunteering and collaboration. Links with local schools, charities and community groups provide mutual benefit, strengthen the School's social impact and enhance the educational experience of ASL students. The School also works with suppliers, contractors and professional advisors on the basis of fairness, sustainability and long-term partnership.

In addition, the School recognises the importance of fostering effective relationships with government entities and regulators, including education and safeguarding bodies, the Charity Commission, HMRC and Companies House. The Trustees are committed to ensuring compliance with all statutory and regulatory requirements, maintaining open communication, and engaging constructively with inspections and policy developments. Through these relationships the School promotes trust, accountability and the continued ability to achieve its charitable objectives.

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

The Trustees are mindful of the impact of the School's activities on both the local community and the wider environment, and seek to ensure that the School makes a positive contribution in both areas. The School engages with its community through partnerships, outreach and charitable initiatives, and is committed to minimising its environmental footprint through investment in energy-efficient infrastructure, sustainable practices and responsible resource use. In this way, the Trustees aim to balance the School's educational mission with its wider social and environmental responsibilities.

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

The Trustees recognise that the School's reputation for integrity, professionalism and high standards underpins its ability to deliver its mission and maintain the confidence of parents, staff, regulators and the wider community. The School is committed to strong governance, transparent financial management, compliance with statutory and regulatory requirements, and adherence to clear policies in areas such as safeguarding, employment practices and data protection. Compliance with Independent Schools Inspectorate (ISI) standards and Middle States Association (MSA) accreditation provides additional external assurance. The Trustees promote a culture of accountability and ethical conduct throughout the organisation, ensuring that decisions and operations are carried out in a manner consistent with the School's values and charitable objectives.

f. The need to act fairly as between members of the company.

The Trustees are committed to acting fairly between the School's members and to ensuring that decisions are taken in the collective interests of the organisation. Parents, as members of the company, are engaged through transparent communication and opportunities for feedback, and all are treated equitably regardless of individual circumstances. The Trustees also recognise the importance of avoiding and managing potential conflicts of interest in accordance with Charity Commission requirements. As the Company is limited by guarantee and does not have share capital, issues relating to shareholder rights or relations between majority and minority shareholders do not apply.

FUTURE PLANS

The Board of Trustees has approved the following specific goals for the school year 2025-26:

Ongoing responsibilities

- Support and evaluate the Head of School.
- Ensure ASL's adherence to its Mission Statement including monitoring student well-being, educational experience and outcomes.
- Ensure governance and management oversee ASL's ongoing compliance with all relevant regulatory bodies and accrediting organizations, including the Department for Education, the Independent Schools Inspectorate (ISI) and the Middle States Association (MSA).
- Support the implementation of short, medium and long-term strategic initiatives and the development of periodic strategic plans.
- Ensure financial well-being and prudent institutional management, and manage financial, legal, media and other risks to the school consistent with Board governance policies and applicable UK and US regulations and codes, including but not limited to the Independent School Standards (ISS) and the Charity Commission for England and Wales.
- Demonstrate support, stewardship and leadership through active participation in the Board's advancement activities, philanthropic commitment to the School, and engagement in defining ASL's culture and community.
- Promote exceptional Board governance and leadership by ensuring that Board composition is diverse and delivers the expertise and resources needed to effectively serve the School.

2025-26 priorities


- Oversee the successful implementation of the new strategic plan by monitoring progress, establishing checkpoints, and ensuring accountability.
 - Monitor progress through regular leadership updates.
 - Establish checkpoints and measurable benchmarks for accountability.
 - Provide guidance and adjust oversight strategies as needed to keep the plan on track.
- Maintain full compliance with the Independent School Standards and strengthen documentation and processes to demonstrate adherence.
- Develop the strategy and infrastructure for a major fundraising initiative to support future facilities and endowment growth.

AUDITOR

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

This Trustees' Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Trustees, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

George Hatzmann, Secretary



Date: 3rd December 2025

Independent Auditor's Report to the Members of The American School in London Educational Trust Limited

Opinion

We have audited the financial statements of The American School in London Educational Trust Limited (the "charitable company") and its subsidiary (the "group") for the year ended 30 June 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Group and Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements 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 30 June 2025 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 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.

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 charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report included within the trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

A further description of our responsibilities for the audit of the financial statements is available 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, including financial reporting legislation and the Charity SORP (FRS 102), and tax regulations. 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 necessary to the charitable company's/group's ability to operate or to avoid a material penalty. 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.

We also considered the opportunities and incentives that may exist within the charitable company/group for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Admin & Finance 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 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.



Nicola May

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

Date: 2 February 2026

Consolidated statement of financial activities
For the year ended 30 June 2025

	Notes	Total Unrestricted £,000	Restricted		2025	2024
			Other £,000	Endowment £,000	Total £,000	Total £,000
Income from						
Charitable activities:						
Fees receivable	2a	49,211	-	-	49,211	46,668
Other educational income	2b	3,092	-	-	3,092	2,696
Other trading activities	2c					
Non-ancillary trading		482	-	-	482	427
Investments						
Bank and investment income		824	-	1,050	1,874	1,881
Donations and legacies						
Donations		3,508	82	854	4,444	2,314
		<u>57,117</u>	<u>82</u>	<u>1,904</u>	<u>59,103</u>	<u>53,986</u>
Expenditure on raising funds:						
Non-ancillary		(456)	-	-	(456)	(427)
Fundraising costs		(1,184)	-	-	(1,184)	(671)
Financing costs		(686)	-	-	(686)	(686)
		<u>(2,326)</u>	<u>-</u>	<u>-</u>	<u>(2,326)</u>	<u>(1,784)</u>
Charitable activities:						
School operating costs		(51,146)	(80)	(306)	(51,532)	(51,576)
Total resources expended	3	<u>(53,472)</u>	<u>(80)</u>	<u>(306)</u>	<u>(53,858)</u>	<u>(53,360)</u>
Net investment gain		617	-	237	854	2,253
Net short term Investment gain/(loss)		1,055	-	-	1,055	1,404
Net income/(expenditure) before transfers		5,317	2	1,835	7,154	4,283
Transfers between reserves	7	<u>1,582</u>	<u>25</u>	<u>(1,607)</u>	<u>-</u>	<u>-</u>
Net movement in reserves in the year		<u>6,899</u>	<u>27</u>	<u>228</u>	<u>7,154</u>	<u>4,283</u>
Balances brought forward at 1 July		<u>38,829</u>	<u>57</u>	<u>27,950</u>	<u>66,836</u>	<u>62,553</u>
Balances carried forward at 30 June		<u>45,728</u>	<u>84</u>	<u>28,178</u>	<u>73,990</u>	<u>66,836</u>

All of the above are represented by continuing operations.

There are no recognised gains or losses other than those shown in the statement of financial activities. The accompanying notes on pages 29-33 are an integral part of this statement.

THE AMERICAN SCHOOL IN LONDON EDUCATIONAL TRUST LIMITED
Company number: 00784923

Consolidated group and company balance sheet
For the year ended 30 June 2025


	Notes	Group 2025 £,000	Group 2024 £,000	School 2025 £,000	School 2024 £,000
Fixed assets					
Tangible assets	8	56,767	54,866	56,767	54,866
Investments	9	32,648	30,744	32,648	30,744
		89,415	85,610	89,415	85,610
Current assets					
Stock		18	18	18	18
Debtors	10	6,895	1,914	7,012	1,994
Current asset investments		16,463	18,709	16,463	18,709
Cash at bank and in hand		25,971	23,063	25,845	22,977
		49,347	43,704	49,339	43,698
Creditors: Amounts falling due within 1 year	11a	(37,772)	(35,478)	(37,763)	(35,472)
Net current assets		11,575	8,226	11,575	8,226
Total assets less current liabilities		100,990	93,836	100,990	93,836
Creditors: Amounts falling due after 1 more than 1 year	11b	(27,000)	(27,000)	(27,000)	(27,000)
Total net assets		73,990	66,836	73,990	66,836
Financed by:					
Accumulated reserves					
Unrestricted reserves:					
General		31,207	28,648	31,207	28,648
Designated	13a	14,521	10,181	14,521	10,181
Total unrestricted reserves		45,728	38,829	45,728	38,829
Restricted	13b	84	57	84	57
Endowments	13f	28,178	27,950	28,178	27,950
		73,990	66,836	73,990	66,836

The net result for the financial year dealt with by the financial statements of the parent charity was a gain of £7,154K (2024, Gain of £4,281K). The accompanying notes on pages 33-39 are an integral part of this balance sheet.

The financial statements were approved by the Board and authorised for issue on 3rd December 2025.

Signed on behalf of the Board

Hannah Seminara, Trustee



Stephanie Schueppert, Trustee



Consolidated cash flow statement
For the year ended 30 June 2025

	Notes	2025		2024	
		£,000	£,000	£,000	£,000
Net cash inflow from operations					
Net cash inflow by operating activities	i		<u>5,813</u>		<u>5,308</u>
Cash flows from investing activities					
Payments for tangible fixed assets		(4,348)		(2,642)	
Payments to acquire investments		(650)		(625)	
New money waiting investment		(352)		(13)	
Disposals of investments		12		129	
Bank interest and investment income receivable		<u>1,874</u>		<u>1,881</u>	
Net cash provided (used in) investing activities			<u>(3,464)</u>		<u>(1,270)</u>
Cash flow from financing activities					
New endowment		1,246		1,425	
Bank interest payable		<u>(686)</u>		<u>(686)</u>	
Net cash provided by financing activities			<u>560</u>		<u>739</u>
Change in cash and cash equivalent in the reporting period			<u>2,909</u>		<u>4,777</u>
Cash and cash equivalents at the beginning of the period			<u>23,063</u>		<u>18,286</u>
Cash and cash equivalents at the end of the reporting period	ii		<u>25,972</u>		<u>23,063</u>

Cash flows have not been affected by charity law restrictions on the use of restricted funds. The accompanying notes on page 25 are an integral part of this cash flow statement.

Reconciliation of net income to net cash from operating activities

		2025	2024
	£,000	£,000	£,000
Net income before transfers		7,156	4,283
Elimination of non-operating cash flows:			
- Investment income	(1,874)		(1,881)
- Endowment donations	(251)		(345)
- Finance costs	686		686
- Unrealised investment loss (gain)	(1,910)		(3,657)
Depreciation	2,447		2,388
(Increase)/decrease in debtors	(4,981)		388
Increase/(decrease) in creditors excluding bank loans	2,294		4,403
(Increase)/decrease in current asset investments	2,246		(957)
Increase/(decrease) in stocks	-		-
		<u>(1,343)</u>	<u>1,025</u>
Net cash inflow from operations		<u>5,813</u>	<u>5,308</u>

Notes to the cash flow statement

i. Analysis of cash and cash equivalents

	2025	Cash flow movement in the year	2024
	£,000	£,000	£,000
Cash at bank	19,423	8,395	11,028
Deposits	<u>6,548</u>	<u>(5,487)</u>	<u>12,035</u>
	<u>25,971</u>	<u>2,908</u>	<u>23,063</u>

ii. Analysis of movement in loans

	2025	New loan	Repayment	2024
	£,000	£,000	£,000	£,000
Bank loan falling due within one year	-	-	-	-
Loans falling due after one year	<u>27,000</u>	<u>-</u>	<u>-</u>	<u>27,000</u>
Total loans	<u>27,000</u>	<u>-</u>	<u>-</u>	<u>27,000</u>

Notes to the financial statements

1 Summary of accounting policies

The financial statements have been prepared 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 FRS 102 – effective 1 January 2015.

The functional currency of the School is considered to be Great Britain Pounds (GBP) because that is the currency of the primary economic environment in which the School operates.

The financial statements of the School are drawn up under the historical cost basis of accounting, as modified by the revaluation of other investments.

The Financial Statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the balance sheets of the School and the consolidated group comprising the School and its wholly owned subsidiary, ASL Enterprises Limited. No separate SOFA has been presented for the School alone, as permitted by Section 408 of the Companies Act 2006. The School has taken advantage of the FRS 102 exemption from preparing its own entity statement of cash flows. The School has taken advantage of the exemption under section 408 of the Companies Act 2006 not to publish its own income and expenditure account.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated in 1963 (Company No: 783923) and registered as a charity with the Charities Commission (Charity No: 312738).

Critical accounting judgements and key sources of estimate and uncertainty

In the application of the accounting policies, trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affected current and future periods.

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.

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

a) Financial instruments

The School only holds **basic** financial instruments as defined in FRS 102. Basic financial instruments are initially recognised at transaction value, subsequently measured, and amortised 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 trade and other debtors. 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 instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year-end exchange rate.

b) *Tangible fixed assets*

Tangible fixed assets except investment assets, are shown at cost and depreciated at annual rates calculated to write off their cost less estimated residual values over their expected useful lives, the rates for which are currently as follows:

Long leasehold land	0.4% straight-line
Building extension and refurbishment	2-5% straight-line
Motor vehicles	25% straight-line
Buildings	2% straight-line
Furniture and equipment	10-25% straight-line
Laptops provided to students	25% straight-line

No depreciation is charged on freehold land.

Expenditure on fixed assets, which cost more than £250, is capitalised. Depreciation is charged on additions for a full year regardless of when the addition actually took place within the year.

c) *Stock*

Stock consists primarily of stationery supplies and is stated at latest invoice cost, which approximates purchase cost.

d) *Taxation*

The School, as a registered charity, is exempt from taxation on its income and gains falling within Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to their charitable purposes. A portion of their activities are classified as exempt or non-business activities for VAT purposes and consequently it is not possible to reclaim the full amount of VAT incurred on purchases ASL Enterprises Limited is registered for VAT and is subject to Corporation Tax.

e) *Pension costs*

The company contributes to the purchase of supplementary pension rights for staff as described in note 14. Pension costs are charged on an accruals basis.

f) *Accounting for foreign currency transactions*

Certain transactions take place in foreign currency and are translated into GBP at the rates of exchange at the date of the transaction. All foreign currency balances at the year-end are translated into GBP at the year-end rate of exchange and any gain or loss is credited or charged to the statement of financial activities.

g) *Investments*

The portfolio of investments in pooled funds is stated in the financial statements at market value. Investment income includes gross dividends receivable. Realised and unrealised capital gains and losses are shown separately in the balance sheet.

h) *Fees receivable*

Fees receivable represent tuition fees, transport, summer school and other fees receivable by the School during the year – see note 2.

Fees are recognised on an accruals basis. Fees received in advance represent amounts received prior to the School's year-end in respect of the next semester. Fees receivable are stated after deducting financial aid. Restricted donations for financial aid are disclosed separately.

i) *Donations*

Donations are recognised on a receivable basis when there is entitlement, the amount can be measured and receipt is probable.

Donations for specific projects are disclosed as restricted donations. When restricted donations are received for capital expenditure projects they are accounted for in a restricted reserve until the purchase of the asset or the expenditure on the specific project occurs. At this point, the funds and any subsequent funds received are transferred to unrestricted funds as corporate reserves – see note 7.

Donations for endowment funds are disclosed separately as part of restricted reserves on the statement of financial activities – see notes 13b to 13f.

Other donations, which include annual fund receipts, are shown as unrestricted donations.

j) *Total return accounting*

The Charity Commission permitted the School to adopt the use of total return in relation to its permanent endowment on 12 April 2007. The power permits the Trustees to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised, the total return shall be an 'unapplied total return' and remain as part of the permanent endowment – see note 13c. The Trustees have used the values of the permanent endowments at 30 June 2001 to represent the 'Preserved Value' of the original gifts. This was just after receipt of its second major gift of permanent endowment. In these Financial Statements, the allocation to income is now shown as Other Income rather than in previous years as a transfer between reserves.

k) *Allocation of costs to categories of resources expended*

All expenditure is accounted for on an accruals basis. Costs are allocated between the cost of generating funds and the actual cost of charitable activities by identifying the direct costs related to these activities. Any indirect costs are then apportioned on the basis of staff time. Charitable expenditure costs are also allocated to the different categories by direct costs where possible. Some compensation costs are apportioned on the basis of salary costs per category.

Support costs comprise all the costs of running the non-teaching and non-fundraising departments of the School such as Admissions, Communications and Finance. Salaries represent 90% of support costs.

Depreciation is included as part of premises costs.

Governance costs are only those related to the management and administration of the charity. They include both direct costs of the external audit and any legal advice to the Trustees plus a proportion of management and other staff time together with related overheads.

l) *Going Concern*

The Trustees have reviewed the School's liquidity, solvency, cash flow forecasts, loan covenants, enrolment levels for the forthcoming year, and reserves position. This review covered a forecast period extending to at least 30 June 2027. The School's assessment took into account its strong cash flow, significant cash balances, detailed financial projections and the level of available reserves and endowment.

Based on this review, the Trustees have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of signing these financial statements. The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

2a Fees receivable	2025	2024
	£,000	£,000
Gross tuition fees	56,591	51,929
Less: financial aid	(8,931)	(6,853)
Net tuition fees	<u>47,660</u>	<u>45,076</u>
Other fees:		
Gross transportation	1,246	1,263
Less: financial aid	<u>(285)</u>	<u>(263)</u>
Net transportation	961	1,000
Applications and retentions	<u>590</u>	<u>592</u>
	<u>49,211</u>	<u>46,668</u>
2b Other educational income	2025	2024
	£,000	£,000
Gross trips	852	1,017
Less: Financial aid	<u>(102)</u>	<u>(100)</u>
Net trips	750	917
Summer and after-school programs and other income	2,517	1,890
Less: Financial aid	<u>(175)</u>	<u>(111)</u>
Net non-trips	2,342	1,779
	<u>3,092</u>	<u>2,696</u>
2c Non-ancillary income	2025	2024
	£,000	£,000
Trading income from membership fees and swimming lessons	482	427

3 Analysis of total resources expended

	Staff costs	Other	Depreciation	2025 total	2024 total
	£,000	£,000	£,000	£,000	£,000
Charitable activities					
Teaching costs	28,768	4,120	-	32,888	31,732
Welfare	1,889	1,052	-	2,941	3,739
Premises	1,326	1,948	2,446	5,720	7,115
Transport	140	1,277	-	1,417	1,211
Support costs	5,900	2,518	-	8,418	7,641
Governance costs	109	39	-	148	138
	<u>38,132</u>	<u>10,954</u>	<u>2,446</u>	<u>51,532</u>	<u>51,576</u>
School operating costs					
Costs of raising funds					
Fundraising costs	526	658	-	1,184	671
Financing costs	-	686	-	686	686
Non-ancillary	299	157	-	456	427
Grand Total	<u>38,957</u>	<u>12,455</u>	<u>2,446</u>	<u>53,858</u>	<u>53,360</u>

4 Net incoming/(outgoing) resources for the year before transfers

Net income/(expenditure) for the year before transfers is stated after charging:

	2025 £,000	2024 £,000
Depreciation of tangible fixed assets	2,446	2,388
Auditors' remuneration		
- audit services	44	43
- non-audit services	4	6
Financing costs	686	686
Staff costs – see note 5	<u>38,958</u>	<u>38,741</u>

5 Employee costs

As stated in the Group Structure section of the Directors Report, some members of the teaching and administrative employees are also employees of the Foundation and are seconded to the School. Under that agreement, the Trust agrees to provide the necessary funds to cover the employee costs and to act as agent of the Foundation in respect of certain aspects of its employer obligations.

Total employee costs during the year amounted to:

	2025	2024
	£,000	£,000
Wages and salaries	32,397	32,478
Social security costs and national insurance contributions	3,669	3,421
Other pension costs	<u>2,892</u>	<u>2,842</u>
	<u>38,958</u>	<u>38,741</u>

The number of persons employed in the operation of the School during the year calculated was as follows:

	2025	2024	2025	2024
	Average	Average	FTE number	FTE number
Teachers and teachers' support	270	275	254	259
Administration	<u>104</u>	<u>109</u>	<u>100</u>	<u>103</u>
Total	<u>374</u>	<u>384</u>	<u>354</u>	<u>362</u>

The above numbers include 7 employees (2024, 8) who were jointly employed by the School and the subsidiary. There was 1 teacher on sabbatical leave during 2025 (2024, 1). During the year, total termination payments were £258K, with no amount owing at the year-end (2024, £26K).

The number of employees, including those of the Foundation, whose emoluments, including benefits in kind (excluding deferred compensation, pensions and pension contributions) exceeded £60,000 were:

	2025	2024
	number	number
£60,001 - £70,000	22	18
£70,001 - £80,000	20	29
£80,001 - £90,000	35	40
£90,001 - £100,000	53	82
£100,001 - £110,000	67	26
£110,001 - £120,000	8	13
£120,001 - £130,000	8	3
£130,001 - £140,000	1	2
£140,001- £150,000	3	2
£150,001- £160,000	3	1
£170,001 - £180,000	1	1
£190,001 - £200,000	1	2
£200,001 - £210,000	3	3
£210,001- £220,000	0	1
£220,000 - £230,000	1	0
£230,001 - £240,000	1	0
£250,001- £260,000	1	0
£260,001- £270,000	1	0
£270,001- £280,000	1	0
£410,001- £420,000	0	1
£420,001- £430,000	1	0
	<u>231</u>	<u>224</u>

The total employers' pension contributions to the School's and the Foundation's defined contribution schemes amounted to £2,892K (2024, £2,122K) in respect of the employees above.

	2025	2024
	£,000	£,000
Aggregate employee salary and other benefits of key management personnel (the SLT including the Head of School is 13 members (2024,13))	<u>3,104</u>	<u>2,934</u>

6 Transactions with Trustees

Donations from 16 trustees were received during the year, totalling £113,161K (2024: NIL).

7 Transfers between reserves

The transfers from Unrestricted to Restricted Reserves totalled £25K (note 13b) for the athletics program. In addition, £1,607K was transferred from the Endowment with £1,050K from Permanent Endowment (note 13d) to income, and £557K from the Expendable Endowment (note 13e). Of the £557K transfer, £315K was for the Eagle Scholar program and £243K was transferred to the Designated Reserves.

8 Tangible fixed assets - Group and Company

	Freehold	Building extension and refurbishment	Long leasehold	Furniture, fixtures & fittings	Motor vehicles	Assets Under Construction	Total
	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Cost							
At 1 July 2024	15,483	69,227	2,430	14,314	23	-	101,477
Additions	-	1,771	-	945	-	1,633	4,349
Disposal	-	-	-	-	-	-	-
23/24 Re-Classification	-	1,389	-	(1,389)	-	-	-
At 30 June 2025	<u>15,483</u>	<u>72,387</u>	<u>2,430</u>	<u>13,870</u>	<u>23</u>	<u>1,633</u>	<u>105,826</u>
Depreciation							
At 1 July 2024	932	36,188	623	8,845	23	-	46,611
Disposal	-	-	-	-	-	-	-
Charge	61	1,395	39	953	-	-	2,448
At 30 June 2025	<u>993</u>	<u>37,583</u>	<u>662</u>	<u>9,798</u>	<u>23</u>	<u>-</u>	<u>49,059</u>
Net book value							
At 1 July 2024	<u>14,552</u>	<u>33,039</u>	<u>1,807</u>	<u>5,469</u>	<u>-</u>	<u>-</u>	<u>54,866</u>
At 30 June 2025	<u>14,490</u>	<u>34,804</u>	<u>1,768</u>	<u>4,072</u>	<u>-</u>	<u>1,633</u>	<u>56,767</u>

Adjustment of £1,389K due to the re-classification of asset class from Furniture, fixtures & fittings to Building extension and refurbishment.

At 30 June 2025, the School had capital commitments of £8.2M, authorised and contracted for but not provided for in the financial statements, in respect of plant replacement (2024: £NIL).

9 Investments – Group and Company

	2025		2024	
	£,000	Group £,000	£,000	Group £,000
Market value of investments brought forward		30,744		27,570
Disposal of cash brought forward				296
Purchases in the year		650		625
New money waiting investments		367		-
Investment income reinvested				-
Disposals in year	(1,050)		(1,050)	
Gross investment gain in the year	1,992		3,358	
Management fee	(55)		(55)	
Net investment gain /(loss) in year		887		2,253
Market value carried forward		<u>32,648</u>		<u>30,744</u>
Cost of investments carried forward		<u>23,653</u>		<u>22,263</u>

The total unrealised gain included above was £8,995K at 30 June 2025 (2024, £8,481K).

Investments comprise:	Group	Group
	2025 £,000	2024 £,000
Listed investments		
Fixed interest		-
Multi-asset class	6,778	6,787
Equities	14,217	12,981
Alternative investments	10,774	10,927
Cash	879	49
Foreign exchange		-
Group investments	<u>32,648</u>	<u>30,744</u>
Investment in subsidiaries	-	-
Company investments	<u>32,648</u>	<u>30,744</u>

In addition to the above investments, other endowment funds are invested as current asset investments.

The main investments for the Group are managed by Partners Capital with some investments remaining with JP Morgan Private Bank.

10 Debtors

Amounts falling due within one year:	Group	Group	School	School
	2025	2024	2025	2024
	£,000	£,000	£,000	£,000
Other debtors	5,175	1,163	5,292	1,243
Prepayments and accrued income	1,720	751	1,720	751
	<u>6,895</u>	<u>1,914</u>	<u>7,012</u>	<u>1,994</u>

11 Creditors

a) Amounts falling due within one year:	Group	Group	School	School
	2025	2024	2025	2024
	£,000	£,000	£,000	£,000
Fees received in advance (note 1h)	27,475	30,376	27,475	30,376
PAYE and social security creditors	2,284	2,076	2,284	2,076
Other creditors and accruals	8,013	3,026	8,004	3,020
	<u>37,772</u>	<u>35,478</u>	<u>37,763</u>	<u>35,472</u>

b) Fees received in advance	2025	2024
	£'000	£'000
Fees in advance brought forward	30,376	23,959
Released in the year	(31,135)	(24,519)
Deferred in the year	28,234	30,936
Fees in advance carried forward	<u>27,475</u>	<u>30,376</u>

c) Amounts due after one year – Group and Company	30 June	Increase in	30 June
	2025	Loan	2024
	£,000	£,000	£,000
Loan falling due after one year	<u>27,000</u>	-	<u>27,000</u>

The loans were refinanced in November 2019 for a 30-year term, with the new loan having security on certain property at the School. The interest on the loan is at a fixed rate. The first repayment instalment is after 10 years in November 2029.

12 Allocation of Group net assets

The net assets as at 30 June 2025 are held for the various funds as follows:

	Net Current Assets £,000	Loans due after more than 1 year £,000	Investments £,000	Tangible fixed assets £,000	Total £,000
Permanent endowment	352	-	25,273	-	25,625
Expendable endowment	2,553	-	-	-	2,553
Restricted reserves	84	-	-	-	84
Designated enrolment reserves	5,350	-	-	-	5,350
Designated facilities reserves	(677)	-	4,190	-	3,513
Designated reserves – other	5,658	-	-	-	5,658
Designated reserves – applied total return	(3,185)	-	3,185	-	-
General reserves	1,440	(27,000)	-	56,767	31,207
Total reserves	<u>11,575</u>	<u>(27,000)</u>	<u>32,648</u>	<u>56,767</u>	<u>73,990</u>

The investment policy with respect to endowment reserves is summarised on page 11.

The notes on pages 10 describe the purposes of the various reserves held.

13 Reconciliation of opening and closing Group and Company reserves

a) Designated reserves

	Balance 30 June 2024 £,000	Movements between Reserves £,000	New funds designated £,000	Resources expended £,000	Transfer to general reserve £,000	Balance 30 June 2025 £,000
Enrolment reserve	5,350	-	-	-	-	5,350
Facilities reserve	2,888	-	1,311	(686)	-	3,513
Building & equipment reserve	923	(500)	-	-	-	423
Plant reserve	424	718	6,670	(600)	(3,404)	3,808
Staff cost reserve	247	-	1,048	-	-	1,295
New initiatives reserve	132	-	-	-	-	132
Applied returns investment	218	(218)	-	-	-	-
	<u>10,182</u>	<u>-</u>	<u>9,029</u>	<u>(1,286)</u>	<u>(3,404)</u>	<u>14,521</u>

The transfer to the general reserve of £3,404K was made to cover the capital expenditure of the ongoing roof project and the commons project.

Enrolment reserve

The enrolment reserve represented approximately 11% of tuition income at 30 June 2025. The School undertakes regular reviews of the level of this reserve. While enrolment in the last couple of years has been stable, enrolment is impacted by external economic factors. Historically, enrolment has fluctuated significantly and by up to 100 students from year to

year. This reserve will enable the School to maintain its staff and operating cost levels in the short-term (over 2-3 years) if there were a fall in enrolment.

Facilities reserve

This reserve is held to help fund future facilities developments and for the repayment of the long-term loans in accordance with the School's reserves policy. The amounts transferred to this reserve during the year were the budgeted amount towards future principal repayments and the interest on the loan payable in the year. The resources expended of £686K were in respect of loan interest. The carry forward balance represents the scheduled accumulation of funds in preparation for the repayment for the first instalment repaying the loan capital.

Building and equipment reserve

The building and equipment reserve is a reserve set up to provide funds for emergency or unanticipated repairs or improvements.

Plant reserve

This reserve is a rolling reserve to ensure that the School has funds available to contract for significant building maintenance projects, which run into the following financial year. The balance on this reserve is planned to be spent in the next two years.

Staff cost reserve

The staff cost reserve was created to provide additional funding for exceptional compensation costs.

New Initiative reserve

This reserve was created to provide funds for pilot projects that it is hoped will enhance the curriculum and/or the learning environment at the School. These projects can be approved after the setting of the annual budget process and so would not be possible without these contingency funds. The projects are usually piloted over 1 or 2 years before they are assessed to see if they will become part of regular school operations.

Applied returns investment

The Board set up a reserve to enable the School to face any unidentified challenges that may emerge from the difficult economic situation with rising utility prices, resource scarcity and political uncertainty.

13 Reconciliation of opening and closing reserves (continued)

b) Restricted reserves

	Balance	Movement	Incoming	Resources	Balance
	2024	between	resources	expended	2025
		reserves			
	£,000	£,000	£,000	£,000	£,000
Community Support	-	-	10	-	10
Other Restricted	57	25	72	(80)	74
	<u>57</u>	<u>25</u>	<u>82</u>	<u>(80)</u>	<u>84</u>

The Restricted Reserves comprise mainly funds received from the American School in London Foundations in the US and the UK. The remaining reserves are expected to be spent in the next 1-2 years.

The transfers between reserves are in accordance with the accounting policy 1i.

c) Permanent Endowment funds - Statement of total return

Calculation of total return:	2025
	£,000
Total unrealised return for year	237
Disinvestment from JPM Investment	1,050
Total return for the year	1,287
Less: Allocation to income	(1,050)
Unapplied total return	237
30 June 2024	3,610
30 June 2025	3,848
Add:	
Preserved value at 30 June 2001	371
Additions since 30 June 2001	21,408
Total preserved value at 30 June 2025	21,779
Total value of permanent endowment	25,625
	Note 13d

d) Permanent endowment funds

	Balance 30 June 2024	Donations	Total return	Disinvest ment	Allocation to income	Balance 30 June 2025
	£,000	£,000	£,000	£,000	£,000	£,000
Student financial assistance	9,454	519	91	402	(402)	10,064
Facilities fund	177	-	2	8	(8)	179
Community enrichment fund	1,386	221	13	59	(59)	1,620
Faculty and staff support	13,045	-	125	556	(556)	13,170
General	586	-	6	25	(25)	592
	<u>24,648</u>	<u>740</u>	<u>237</u>	<u>1,050</u>	<u>(1,050)</u>	<u>25,625</u>

e) Expendable endowment funds:

	Balance 30 June 2024	Transfers between reserves	Donations	Resources expended	Allocation to income	Balance 30 June 2025
	£,000	£,000	£,000	£,000	£,000	£,000
Community enrichment	245	(222)	23	-	-	46
Program enrichment	925	-	-	(126)	-	799
Student financial assistance	1,791	-	91	-	(315)	1,567
Faculty and staff support	341	(21)	-	(179)	-	141
	<u>3,302</u>	<u>(243)</u>	<u>114</u>	<u>(305)</u>	<u>(315)</u>	<u>2,553</u>

Student financial assistance

The earnings will be used to provide financial assistance to qualified students and to support student participation in the life of the School once enrolled.

Facilities fund

The earnings will be used to support and enhance the facilities at ASL.

Community enrichment fund

The earnings will be used to fund programs and activities that foster a strong sense of community within ASL and strengthen the School's relationship with its neighbourhood and with the wider London area.

Faculty and staff support fund

The earnings will be restricted to support the faculty and staff of ASL at the discretion of the Board.

f) Total endowment

	2025	2024
	£,000	£,000
Permanent	25,625	24,648
Expendable	<u>2,553</u>	<u>3,302</u>
	<u>28,178</u>	<u>27,950</u>

14 Pension arrangements

The School contributes towards retirement benefits in respect of employees who have opted to participate in a defined contribution plan. A range of investment funds is available. The School's contribution is 10% of basic salary provided the employee contributes at least 5% of salary.

The School also provides funds to the Foundation for its costs incurred for a similar US retirement benefits plan in respect of employees of the Foundation.

The employer's contributions for both the School and the Foundation are charged in the Statement of Financial Activities in the period in which the salaries to which they relate are due. These contributions in the year amounted to £4,848K (2024, £4,975K) at 30 June 2025

Under terms of the plans, the School has no liability beyond the agreed rate of its contributions each year. The School and the Subsidiary have entered into joint contracts of employment for certain staff. The pension contributions are paid by the School on behalf of these staff.

15 Subsidiary company and related party transactions

The School owns all of the issued share capital of ASL Enterprises Limited, Company Number 10339054 incorporated in England in August 2016. This company carries out trading activities on behalf of the School. ASL Enterprises Limited had a turnover of £456K, expenses of £338K resulting in £117K profit before tax in the year ended 30 June 2025 (2024, £98K) which was gifted to the School. There were no other amounts due to/from the School in the year.

At 30 June 2025, the Company had shareholders' funds of £1.

In the period to 30 June 2025, the school charged £338K to the Subsidiary company for the provision of staff and administrative services and licence fees.

There were no other related party transactions in the year ended 30 June 2025 (2024, nil).

16 Post balance sheet events

Prior to the year end, the School announced its intention to implement a voluntary redundancy scheme as part of ongoing cost management measures. The detailed terms and specific costs of the scheme were finalised and approved subsequent to the year end with total costs estimated at £1.45M. These will be recognised in the financial year ending 30 June 2026.

17 Comparative fund statements for year ended 30 June 2024

Statement of financial activities

	Notes	Total	Restricted		2024
		Unrestricted	Other	Endowment	Total
		£,000	£,000	£,000	£,000
Incoming resources					
<i>Income from charitable activities:</i>					
Fees receivable	2a	46,668	-	-	46,668
Other educational income	2b	2,696	-	-	2,696
Non-ancillary trading	2c	427	-	-	427
Government grants	2d	-	-	-	-
Bank and investment income		831	-	1,050	1,881
Donations		1,790	159	365	2,314
		<u>52,412</u>	<u>159</u>	<u>1,415</u>	<u>53,986</u>
Resources expended					
<i>Cost of raising funds:</i>					
Non-ancillary		(427)	-	-	(427)
Fundraising costs		(671)	-	-	(671)
Financing costs		(686)	-	-	(686)
		<u>(1,784)</u>	<u>-</u>	<u>-</u>	<u>(1,784)</u>
<i>Charitable activities:</i>					
School operating costs		(51,187)	(128)	(261)	(51,576)
Total resources expended	3	<u>(52,971)</u>	<u>(128)</u>	<u>(261)</u>	<u>(53,360)</u>
Net investment gain	9	732	-	1,521	2,253
Net short term investment loss		1,404	-	-	1,404

Net income/(expenditure) before transfers		1,577	31	2,675	4,283
Transfers between reserves	7	<u>1,458</u>	<u>(6)</u>	<u>(1,452)</u>	<u>-</u>
Net movement in reserves in the year		<u>3,035</u>	<u>25</u>	<u>1,223</u>	<u>4,283</u>
Balances brought forward at 1 July		<u>35,794</u>	<u>32</u>	<u>26,727</u>	<u>62,553</u>
Balances carried forward at 30 June		<u><u>38,829</u></u>	<u><u>57</u></u>	<u><u>27,950</u></u>	<u><u>66,836</u></u>

All of the above are represented by continuing operations.

There were no recognised gains or losses other than those shown in the statement of financial activities. The accompanying notes are an integral part of this statement.

Allocation of Group net assets

The net assets as at 30 June 2024 are held for the various funds as follows:

	Net Current Assets £,000	Bank Loans due after more than 1 year £,000	Investments £,000	Tangible Fixed Assets £,000	Total £,000
Permanent endowment	12	-	24,636	-	24,648
Expendable endowment	3,302	-	-	-	3,302
Restricted reserves	57	-	-	-	57
Designated enrolment reserves	5,350	-	-	-	5,350
Designated facilities reserves	(312)	-	3,199	-	2,887
Designated reserves – other	1,726	-	-	-	1,726
Designated reserves-applied rtn	(2,691)	-	2,909	-	218
General reserves	782	(27,000)	-	54,866	28,648
Total reserves	8,226	(27,000)	30,744	54,866	66,836

Reconciliation of opening and closing reserves

a) Designated reserves

	Balance 30 June 2023 £,000	New funds designated £,000	Resources expended £,000	Transfer to general reserve £,000	Balance 30 June 2024 £,000
Enrolment reserve	5,350	-	-	-	5,350
Facilities reserve	2,287	1,286	(686)	-	2,887
Building & equipment reserve	923	-	-	-	923
Plant reserve	1,156	1,050	(393)	(1,389)	424
Prolonged disability reserve	247	-	-	-	247
Staff cost reserve	132	-	-	-	132
New initiatives reserve	218	-	-	-	218
	<u>10,313</u>	<u>2,336</u>	<u>(1,079)</u>	<u>(1,389)</u>	<u>10,181</u>

g) Restricted reserves

	Balance 2023 £,000	Movement between reserves £,000	Incoming resources £,000	Resources expended £,000	Transfer between reserves £,000	Balance 2024 £,000
Restricted reserves	<u>32</u>	<u>65</u>	<u>159</u>	<u>(128)</u>	<u>(71)</u>	<u>57</u>
	<u>32</u>	<u>65</u>	<u>159</u>	<u>(128)</u>	<u>(71)</u>	<u>57</u>

d) Permanent endowment funds

	Balance 30 June 2023	Donations	Total Return	Disinvest	Allocation to Income	Allocation to reserves	Balance 30 June 2024
	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Student financial Assistance	8,848	20	586	404	(404)	-	9,454
Facilities fund	166	-	11	8	(8)	-	177
Community enrichment	1,179	129	78	54	(54)	-	1,386
Faculty and staff support	12,235	-	810	559	(559)	-	13,045
General	550	-	36	25	(25)	-	586
	<u>22,978</u>	<u>149</u>	<u>1,521</u>	<u>1,050</u>	<u>(1,050)</u>	<u>-</u>	<u>24,648</u>

e) Expendable endowment funds:

	Balance 30 June 2023	Transfers between Reserves	Donations	Resources Expended	Allocation to Income	Balance 30 June 2024
	£,000	£,000	£,000	£,000	£,000	£,000
Community enrichment	232	-	13	-	-	245
Program enrichment (computer sciences)	1,076	(89)	-	(62)	-	925
Student financial assistance	1,927	-	201	(24)	(313)	1,791
Faculty and staff support	514	-	2	(175)	-	341
	<u>3,749</u>	<u>(89)</u>	<u>216</u>	<u>(261)</u>	<u>(313)</u>	<u>3,302</u>

THE AMERICAN SCHOOL IN LONDON EDUCATIONAL TRUST LTD

England & Wales - Charity number 312738

Accounts

The American School in London Educational Trust Limited

Financial Statements
for the year ended 30 June 2024
together with Trustees' and Auditor's Report

Company Registration Number: 784923

Registered Charity Number: 312738

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Trustees, Officers and Advisors

Trustees

The Directors of the School who are also the Trustees of the charity and who held office during the year, and to the date of signing this report except where otherwise stated, were:

Erin Roth (Chair)	Resigned 30 June 2024
Hahnah Seminara (Chair)	Appointed 1 July 2024
Cynthia Bake (Vice Chair until 30 June 2024)	
Stephanie Schueppert (Vice Chair)	Appointed 1 July 2024
George Robert Hatzmann (Secretary)	
Matthew Peter Horvat	
Luca Bassi	
Mark Agne	
Darren Allaway	
Alison Victoria Ferguson-Woods	
George Hadjigeorgiou	
Stanford (Doc) Horn	
Gwion Rhisiart Lewis	
Daniel Dwight Hajjar	
Mallika Kapur	
Sherine Magar-Sawiris	
Michael A. McCarthy	
Ralph Rivera	
Kavi Thakrar	
Stacey Towfighi	
McKenzie Erin Webster	
Irene Zia	
Lotfy Mohamed Lotfy Mansour	Appointed 1 July 2024
Tsega Gebreyes	Appointed 1 July 2024
Chris Anderson	Resigned 30 June 2024
Liad Meidar	Resigned 30 June 2024

Officers

Matthew Horvat
John Robinson
Noel Bradshaw

Head of School
Director of Finance (Resigned 31 December 2023)
Director of Finance and Operations (Appointed 1 August 2024)

Principal Address and Registered Office

One Waverley Place, London, NW8 0NP

Trustees, Officers and Advisors

Advisors

Bankers

JP Morgan Chase
25 Bank Street, Canary Wharf
London, E14 5JP

Barclays Bank Plc
1 Churchill Place
London, E14 5HP

Solicitors

Farrer & Co.
66 Lincoln's Inn Fields
London, WC2A 3LH

Mills & Reeves LLP,
Botanic House, 100 Hills Road
Cambridge, CB2 1PH

Auditor

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

Investment managers

Partners Capital
5 Young Street,
London, W8 5EH

J.P. Morgan
60 Victoria Embankment
London, EC4

Trustees' Report

DIRECTORS' REPORT

The American School in London Educational Trust Limited (ASL, also referred to as 'The School') was incorporated as a company limited by guarantee in 1963 (company registration no. 784923) and hence the Trustees, who are also members of the School, hold no shares. In the event of the School's dissolution, their liability for its unpaid obligations is limited to £1 each. The School is governed by its Memorandum and Articles of Association, which were last amended in 2001. The School is also registered with the Charity Commission under charity registration no. 312738. The School and its subsidiary have their registered office address at One Waverley Place, London, NW8 0NP.

The Trustees, as directors of ASL, present their annual report on the affairs of the School for the year ended 30 June 2024 under the Charities Act 2011 and the Companies Act 2006. The annual report under the Companies Act 2006 includes the Directors' Report, together with the audited financial statements for the year.

OBJECTS AND AIMS

Founded in 1951, the American School in London is an independent, K-12 day school, providing an exceptional American education to an international student body in the heart of London. Innovation and individuality are celebrated, and outstanding academic success is applauded. Students thrive amid high expectations and the joy of authentic learning experiences. Committed to creating courageous global citizens, the School inspires students to engage with others across lines of difference in a changing world. The School's diverse student body of approximately 1,421 represents 75 nationalities and speaks 64 languages, and families join the School from all over the globe.

Charitable objects

A summary of the charity's objects, as set out in its Memorandum of Association, is to carry on the School as an educational charity for children of any nationality and to provide educational instruction of the highest calibre, together with physical and moral learning. Within these objects, the School has created a Mission Statement, Core Values, Portrait of a Learner and a Diversity, Equity and Inclusion Statement.

Public benefit

The Trustees confirm that they have complied with the duty contained in the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit and fee charging charities.

Mission statement

The American School in London empowers each student to thrive as a lifelong learner and courageous global citizen by fostering intellect, creativity, inclusivity and character.

CHARITY GOVERNANCE CODE

The ASL Board of Trustees, aims to have a governance framework that is fit for purpose, compliant and efficient. The Board has established a solid foundation in governance in which all of its trustees are clear about their roles, regulatory and legal responsibilities, are committed to supporting ASL to deliver its objectives most effectively for its beneficiaries' benefit, and contribute to ASL's continued improvement.

Trustees' Report

Overall, the ASL Board of Trustees meets a significant proportion of the recommended and best practice for governance contained within the Charity Governance Code across the seven areas and is comfortable that there are no significant areas of review required. Arrangements will continue to be monitored against the best practice principles contained in the Code.

ORGANISATIONAL MANAGEMENT

School policy is set by the Board of Trustees who make the strategic decisions and appoint the Head of School. The day-to-day management is delegated to the Head of School and then to a team of administrators, the Senior Leadership Team (SLT). The SLT is led by the Head of School Mr Matthew Horvat.

The Board is organised into eight standing committees - Admin/Finance, Advancement, Building & Grounds, Student Experience, Investment, Governance, Executive and Independent School Standards (ISS) Compliance and meets regularly to discuss ongoing issues.

RECRUITMENT AND TRAINING OF TRUSTEES

At the Annual General Meeting every year, one third of the members of the Board retire by rotation but are eligible for re-election until they have served a maximum of three terms of three years, with some exceptions. Trustees are nominated by the Governance Committee based upon the specific needs, skills and responsibilities required by the Board. New Trustees receive training at the time of their appointment. Trustees also regularly engage in training on governance matters. The Board may, from time to time, elect a new member of the Board either to fill a casual vacancy or by way of addition to the Board, subject to the current maximum number of thirty. Any member so elected shall retain office only until the next Annual General Meeting, but shall then be eligible for re-election.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) and applicable law.

Under company 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 charitable company and of its net incoming/outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP (Statement of Recommended Practice)
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

Trustees' Report

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The following statements have been affirmed by each of the Trustees of the charitable company:

- so far as each Trustee is aware, there is no relevant audit information (that is, information needed by the School's auditors in connection with preparing their report) of which the School's auditors are unaware; and
- each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the School's auditors are aware of that information

OBJECTIVES FOR THE 2023-24 YEAR

Each year the Board establishes specific annual goals, which are later subject to review. In 2023/24, the Board committed to the following goals, with progress reported:

1. Support the new Head of School and ensure his successful transition

The Head of School has had a successful transition and has indicated that both the Board and the Senior Leadership Team have been very supportive as he has gained an understanding of the School and the School community over the course of the year. The Head of School has worked at building and maintaining regular and open communication with the Board, developing a strong working relationship with the Board's Trustees.

2. Ensure regular, proactive communication from the Board to inform the community of leadership goals, progress towards goals, and school matters.

The Board Chair regularly attended School meetings and events throughout the academic year, increasing visibility of the Board in the community. Three Board written communications were delivered to the parent community, striking an optimal balance of communication in a year which necessitated a higher volume of communication from the School administration.

3. Conduct a succession planning process to appoint a new Chair of the Board in the Spring of 2024.

A new Chair of the Board was successfully elected in the Spring of 2024 and commenced her term of office on July 1, 2024.

4. Ensure ASL's ongoing adherence to and oversight of the ISS and carry out an audit to review its effectiveness.

The Independent School Standards remain unchanged since their implementation in 2015, and ASL's full compliance with them was confirmed during the Ofsted inspection of November 2023. The report of the Ofsted visiting team constituted an audit of the school's compliance with the standards and ensured that the anticipated separate audit was not required this year.

Trustees' Report

5. Support the Head and the Board sub-committee focus on the financial well-being of the School in particular strategic decision on budget and fundraising.

Work on the financial sustainability and well-being of the School is ongoing, as a primary responsibility of the Board. A sub-committee of the Board was formed in 2023-2024 to explore the potential impact of the expected implementation of VAT on school fees.

6. Lay groundwork for embarking on strategic planning (identifying areas of focus) in academic year 2024-2025.

The Board worked with an external consultant during the Spring and Summer of 2024 to devise a plan for how the School would engage in strategic planning in the 2024-25 school year.

PRINCIPAL ACTIVITIES UNDERTAKEN

In addition to achieving and continuing to work on the specific goals of the Board of Trustees, the School taught on average 1,421 students in the year, spread over its three divisions:

Lower School (382) Middle School (485) High School (554)

During the year total re-enrollment was at 92% and 253 new students entered the School. The School's world-class faculty fosters confidence, curiosity and well-being in our students, preparing them for life beyond ASL. The School develops kind, independent individuals who will embrace learning and future challenges with confidence and the courage to act. The American curriculum emphasizes steady progression in core academic areas. ASL offers an unusually wide array of options for students to extend their knowledge in several subject areas. ASL's curriculum is enhanced by broad offerings in the computer sciences, and in the visual and performing arts. Students learn to make thoughtful choices to achieve the best possible balance between breadth and depth. 140 students graduated from the senior class in June 2024 with students accepted to colleges and universities in eight countries.

FINANCIAL AID

The School has a long history of enabling students from all backgrounds to benefit from its programs. The Board of Trustees believes in the importance of having a socioeconomically diverse student body and the benefit of having a robust financial aid budget year on year. It is a point of pride that our community supports this valuable endeavour, and we are grateful to all our supporters who have shown their dedication by contributing to the program.

Growing support for financial assistance has a positive impact on the community. Research shows that students benefit from learning alongside others with differing views of the world. The School remains committed to attracting talented students regardless of their financial situation.

Awards totalling £7,326K (2023, £6,137K) in financial aid and allowances were made to 215 (2023, 196) students in the year. Of these, 111 (2023, 107) students received financial help on a formal 'means-tested' basis through the School's financial aid program, the objective of which is to assist qualified students to attend the School regardless of their families' ability to pay. The availability of financial aid is communicated via the School's website, during the application

Trustees' Report

process, in parent meetings and in various articles on School finances and admissions published both annually and from time to time.

Parents apply for Financial Aid through a formal and confidential process administered by a Financial Aid Committee. The Committee uses a financial model and principles developed by the Independent School and Student Services for Financial Aid (a US model of assessing need) to determine financial need and the amount of Financial Aid awarded. The School sets a Financial Aid budget each year as part of its normal budgeting process. Subject to this budgetary constraint, the Financial Aid Committee seeks to meet all financial needs identified through the application process. The highest awards were for 100% of tuition fees and the average award was £28,900.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF PEOPLE WITH A DISABILITY

The American School in London is an equal opportunities employer, and this is stated unequivocally to all prospective job candidates. In accordance with our Equal Opportunities Policy, the School treats all employees equitably, and employees or prospective employees with disabilities are given full and fair treatment, with reasonable adjustments and training opportunities implemented where necessary. Additionally, the School has a range of detailed HR policies designed to support employees and our charitable and business objectives and to ensure compliance with employment legislation. These are reviewed at least annually by the HR Director.

Employees are represented by faculty and staff associations who meet frequently with the School administration to discuss employees' requests and to resolve concerns. When important decisions are made that are likely to affect the interest of employees, a full and thorough consultation process is carried out. Examples of such consultations are: annual salary and benefits meetings with faculty and staff associations and the Senior Leadership Team (specifically, a minimum of three meetings before a final decision is made); briefings to employees at the beginning and end of the academic year in all-School meetings to update them on current issues and solicit feedback; monthly meetings held between the faculty association and Head of School; and annual leadership surveys for employees to provide extensive feedback on the effectiveness of the Senior Leadership Team. Leaving employees are also offered the opportunity to participate in exit interviews, the results of which are presented to the Board of Trustees annually. Results from the 2024 survey showed that 100% of leavers rated their overall experience as positive, with 88% indicating that they would recommend working at ASL to a friend.

DIVERSITY, EQUITY AND INCLUSION STATEMENT

The School's Diversity, Equity and Inclusion Statement which was developed from surveys, focus groups and interviews with faculty, staff, students and families remains a core tenant of ASL community. The statement is both reflective and aspirational, reflecting calls for action, authenticity and accountability to create a better future for our students.

The American School in London (ASL) is committed to building and sustaining a diverse, equitable and inclusive school community. Our strength is in our diversity. We are committed to providing equitable access to all facets of school life. ASL is dedicated to fostering an inclusive school environment in which members can thrive and be themselves in a fully authentic manner.

ASL upholds the right to an educational experience in which diverse identities, experiences and ideas are recognized and human dignity is affirmed. Diversity develops better collaborators, braver explorers, stronger communicators, greater innovators and deeper thinkers. From the time children enter the School, they learn

Trustees' Report

to celebrate their differences and similarities, confront stereotypes and biases, and develop an understanding of historical and contemporary struggles and victories in the face of injustice. Through this education, students are empowered to advocate for a more just world and acquire the skills to be courageous global citizens.

Creating a diverse, equitable and inclusive school community is an ever-evolving journey. We challenge ourselves to do this work on a personal and institutional level, with empathy and mutual respect. Building and sustaining a diverse, equitable and inclusive school community is the responsibility of all. Our commitment to diversity, equity and inclusion holds the promise of a better future for all our children.

COMMUNITY SERVICE ACTIVITIES 2023-2024

Through a wide range of partnerships with schools, youth agencies, elderly centres, and homeless charities, ASL places itself at the heart of our West London community, learning from and with the people we serve. Student voices and interests shape the program. Over the year, 330 high school students participated in the various elements of the extra-curricular community action program, as well as 80 middle schoolers, with over 70% engaging in multiple aspects of the program.

Activities included the following:

- Approximately 20 after-school volunteering outings involving 150-180 students every week of the school year
- Programs where students and teachers offer tutoring and homework help, dance classes, coding classes, art classes, robotics skills, and play and mentoring programs at a wide range of schools, youth and elderly centres, and projects supporting various vulnerable populations
- The West London Model UN, helping students develop research, literacy and oracy, for more than 330 students from 20 London Schools, and the youngPOWER conference in which 150 students explore issues of community cohesion and safe and healthy lives
- Students and families engaging in extensive charitable giving, with many book drives, coat drives, food drives, and fundraisers taking place across the School on a nearly weekly basis and involving students from ages 4-18 including the giving of over 200 Christmas gifts to vulnerable young people through the annual holiday giving tree
- Two Community Volunteer Days, where families work for four hours at over 15-18 sites across two weekends (one in the fall and one in the spring), gardening, painting and beautifying, with over 600 community members involved each school year, including 55 student organizers
- The SHINE Saturday program, which is an opportunity offered to 31 middle school students from seven local secondary schools to participate in a 17-week Saturday enrichment program at ASL, supported by ASL employees and high school volunteers
- The integration of community action into the curriculum, with students across all divisions learning about issues such as, food insecurity and homelessness and having opportunities to participate in extensive food, clothing and sanitary product drives

Trustees' Report

GROUP STRUCTURE AND RELATIONSHIPS

The School has a wholly owned non-charitable subsidiary company: ASL Enterprises Ltd. (the "Subsidiary"). ASL Enterprises Ltd. was formed on 22 August 2016 to carry out trading activities mainly in respect of the use of the School's facilities when not in use by the School. The Subsidiary's achievements are covered in the relevant sections of this report.

The American School in London Foundation (UK) Limited is a registered charity and raises funds for the support of the American School in London. The two companies have shared administration and for this reason are "Connected Charities". During the year, the School received £1,640K of donations from the connected charity (2023, £3,422K). The American School in London Foundation (UK) Limited is a wholly owned subsidiary of The American School in London Foundation (the "Foundation"), which is a not-for-profit/501(c)(3) organization in the United States. Some of the School's teaching and administrative employees are also employees of the Foundation and are seconded to the School under an agreement between the two entities. Under that agreement, the School agrees to provide the necessary funds to cover the employee costs and to act as agent of the Foundation in respect of certain aspects of its employer obligations.

All ASL parents are welcome to become active participants of the Parent Community Association ("PCA") committees and events. Through the committees of the PCA, parents organize the biennial Global Festival, the Booster Club (supporting athletic teams), Friends of the Arts and the biennial Auction Benefit, in addition to a wide range of other activities, which promote the mission of the School.

RISK MANAGEMENT AND PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees conduct regular risk management reviews. This year, the Board's risk assessment focused on risks associated with the upcoming VAT on school fees. Risks including reduced enrolment, reduced cashflow and lower employee retention were identified and evaluated alongside financial analysis with a resulting plan put in place to mitigate the risks.

The Board's formal annual risk management review was not conducted in 2023-24 and was carried forward to 2024-25 to align with the School's strategic planning process.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Consolidated Statement of Financial Activities on page 19 shows how the School's incoming resources have been generated and how they have been expended during the year together with the results of the Subsidiary and the closing balances on each of the reserves.

Total income during the year was £54.0M (2023, £50.4M) and the net surplus for the year was £4.2M (2023, deficit of £1.7M). There was an increase in total tuition income of £4.7M, a decrease in donations of £1.7M, an increase of bank and investment income of £0.5M, and non-ancillary trading income of £0.02M.

Total resources expended were £53.4M, which was an increase of £1.4M on the £52.0M of the previous year. In addition, the School recorded a net investment gain for the year of £3.7M (2023, loss of £0.2M).

Trustees' Report

The total unrestricted reserves increased by £3.0M, the restricted reserves increased by £0.03M and the endowments increased by £1.2M. As shown in note 12, there are sufficient net assets to meet the obligations of the Restricted Reserves. Net cash inflow from operations for the year was £5.3M (2023, loss of £3.8M) as shown in the Cash Flow Statement on page 22 with the cash and cash equivalent balances at the level of £23.0M compared to £18.3M last year. The balance on the Current Asset Investments increased by £1.0M during the year with a balance of £18.7M at the year end.

The Subsidiary income was £427K (2023, £398K) in the period and the expenses £329K (2023, £236K) resulting in profit of £98K (2023, £142K). The financial statements and this Report comply with statutory requirements and the Statement of Recommended Practice: ("Charities SORP (FRS 102)").

RESERVES LEVEL AND POLICY

The School's total reserves of £66.8M comprise £24.6M related to permanent endowment, £3.4M of expendable endowment and £38.8M of unrestricted reserves.

The unrestricted reserves of £38.3M are represented by £54.9M of the net book value of fixed assets less the associated funding by a long-term loan of £27M leaving free reserves of £10.4M.

In accordance with the School's reserves policy, the school designates reserves for specific purposes as set out in Note 13a). These designated reserves totalled £10.2M at the end of the year.

The enrolment reserve covers the financial risk to the School from any short-term decline in enrolment numbers due to general economic factors beyond the School's control. Enrolment levels have fluctuated significantly over the history of the School and the target level of the reserve is reviewed annually and historically has been set at between 8% and 16% of tuition income. The Board considers the reserve of £5.3M to be adequate at a level of 12% of tuition income.

The Trustees are committed to assuring the School's long-term physical viability and financial health and so have established a long-term designated facilities reserve. This provides funds either to pay down debt incurred to fund capital projects or to fund new facility projects.

The School also has a designated plant reserve to ensure that it has funds available to cover the costs, which fluctuate annually, of the long-term maintenance plan to help assure the quality of its buildings and facilities. The value of this reserve has decreased this year by £0.7M due to the ongoing improvements as per the long-term maintenance plan.

In addition, the School maintains its emergency building and equipment reserve of £2.9M (2023, £2.3M) to provide funds for emergency repairs and improvements, including for physical, cyber and health security.

The School has a staff cost reserve, which will allow it to absorb some additional costs of reorganising work if employee ill health or circumstances require it.

The new initiative reserve was created to provide funds for pilot projects that it is hoped will enhance the curriculum and/or the learning environment at the School. These projects can be approved after the setting of the annual budget process and so would not be possible without these contingency funds. The projects are usually piloted over 1 or 2 years before they are assessed to see if they will become part of regular school operations.

The Board retains an applied returns reserve to meet any risks arising from market, economic and political volatility.

Trustees' Report

INVESTMENT POLICY AND OBJECTIVES

The permanent endowment has an investment objective to generate competitive returns that out-perform the market. Partners Capital was the investment manager for the permanent endowment for the year. JP Morgan is the investment manager of certain private equity investments. There are no specific restrictions on the School's powers in respect of the endowed investments, which are administered in accordance with the Trustee Act 2000.

INVESTMENT PERFORMANCE OF PERMANENT ENDOWMENT

During the year, £1.05M of cumulative investment gains from the strong performance of the prior year were realized and transferred to operations and a further £0.6M of such gains were invested in the loan payment reserve with Partners Capital. During the year, total return on the permanent endowment was £1.5M (2023, £0.1M loss)

The School has investments in sterling-denominated short-term credit funds managed by BlackRock, Legal & General and Fidelity of £27.4M (2023, £17.8M). The amount invested is sourced from the School's positive working capital cycle. The credit funds are predominantly invested in investment-grade bonds with maturities shorter than five years. The loan repayment reserve had a balance of £3.2M (2023, £2.3M) and it remains invested with Partners Capital.

TOTAL RETURN ACCOUNTING

The Charity Commission permitted the School to adopt the use of total return in relation to its permanent endowment on 12 April 2007. The power permits the Trustees to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised, the total return shall be an 'unapplied total return' and remain as part of the permanent endowment. In deciding how much of the unapplied total return to allocate to income, the Trustees take into account the current expenditure needs of the School and the need to ensure that future students also benefit from the endowments. Compliance with the strategies set out above and actual investment performance is reviewed by the Investment Committee on a periodic basis against the relevant benchmarking index.

FUNDRAISING PERFORMANCE

The tradition of philanthropy and volunteerism is an established and important aspect of life at ASL. The Annual Fund solicited parents of current students, our faculty and staff, alumni and parents of alumni who generously donated £1.8M of unrestricted giving this year. In addition, the School received a further £0.5M in restricted gifts for endowments and other specific purposes. Fundraising is undertaken by affiliated organisations of, primarily, volunteer groups of parents and alumni, supported by members of the Advancement team.

The School adheres to the Code of Fundraising Practice when undertaking fundraising activity. There are no professional fundraising organisations used and so no monitoring processes required. Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received no complaints in the year. The School takes its responsibility to anyone who might be vulnerable very seriously and this will continue to be considered in the School's approach to fundraising activity.

GOING CONCERN

The School's long-term financial viability is supported by a strong cash flow, significant cash balances, detailed financial projections, a sufficient level of reserves and endowment, a tradition of fundraising and a good relationship with our key

Trustees' Report

donors. The Board has reviewed its liquidity, its solvency, its loan covenants, high re-enrolment driving high overall enrolment for the 2024-25 year, and the level of reserves. The Board has analysed the impact of the government's plan to charge VAT on school fees and to remove business rates charitable relief and has put in place a plan to mitigate impacts. The School has, therefore, a reasonable expectation that it has sufficient resources to continue in operational existence for the foreseeable future which is at least 12 months from the date of the signing of this report. The Trustees believe that there are no material uncertainties that call into doubt the ability of the School to continue as a going concern.

In November 2023, Ofsted inspectors concluded that the School was "Outstanding" in all areas. All the standards were met and the School demonstrated it was exceptionally rich in its curriculum offer and effective in safeguarding. The Ofsted survey results showed that 96% of parents would recommend this school to another parent and that 98% of parents agree that their children are happy at the School.

ASL has since applied to be inspected by the ISI rather than Ofsted going forward, in line with its membership of the Independent School's Association (ISA) whose schools are usually inspected by the ISI. This application was accepted by the Department of Education.

In addition, The School has been accredited by the Middle States Association (MSA) for decades, maintaining high educational standards. In 2022-23, ASL completed a self-study for accreditation, involving six committees and extensive feedback from its community. Based on the self-study, the School was selected for MSA's Sustaining Excellence protocol, a recognition for leading schools. This protocol focuses on a singular action research project, which was approved in September 2023. Following a March 2024 visit, MSA recommended full accreditation for another seven years, pending final confirmation in November 2024.

VOLUNTEERS

ASL's community is continually enriched by the volunteer activities of many groups and individuals. The gifts of time and energy by the hundreds of parents, alumni, past parents, faculty, staff and students are significant (though we cannot calculate their monetary value). The Board is grateful to those who are dedicated to serving the School and helping to enhance its special qualities. The Board is especially thankful to all the many volunteers of the Parent Community Association (PCA) for the extensive community building events including the biennial Auction Benefit. The Board also thanks the PCA and the American School in London Foundations in the US and in the UK for their fundraising and generous grants to the School.

GREENHOUSE GAS EMISSIONS

The School receives an annual report by JRP Solutions in line with SECR guidelines which includes data on the full range of emissions defined by the Greenhouse Gas (GHG) Protocol (scope 1 and 2 emissions, and scope 3 emissions for grey fleet travel (use of employees' personal vehicles for work-related trips)).

The School's greenhouse gas emissions for the 2023-24 year totalled 989 tonnes of carbon dioxide equivalent (tCO₂e), based on energy usage of 5,085,859 kWh. When accounting for zero carbon electricity through a Renewable Energy Guarantees of Origin (REGO) contract, emissions were reduced to 550 tCO₂e.

Trustees' Report

Energy efficiency actions during the year included installing new air handling units, solar PV panels, a pool cover to retain heat, and an energy tracker. The School achieved a 41.2% reduction in emissions compared to the baseline year (2019-20) and a 31.1% reduction compared with last year when factoring in carbon offsetting.

PROMOTION OF THE SUCCESS OF THE ORGANISATION TO BENEFIT ITS MEMBERS

The Trustees confirm that, in accordance with Section 172 (1) of the Companies Act, they act in a way they consider most likely to achieve the purposes of the School. In making this assessment, the Trustees consider the relevant actions of the Board that are described throughout the Trustees' Report. Taking the areas required for disclosure in turn:

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 section (page 11) of the Trustees' Report. Specifically, the Trustees consider both operating results and financial projections and the key risks that could negatively impact the sustainability of the School. The Admin/Finance Committee and the Board review management information, budgets, forecasts, cash flow projections and progress against budget on a regular basis. Risk management (page 9) and the level of reserves (page 10) are also discussed further in the report.

b. The interests of the School's employees

In relation to employee engagement, the Trustees receive regular reports from management on employee morale and speak directly to representatives of the faculty and staff associations when reviewing pay and conditions with them annually. Further details of employee involvement are discussed in the report (page 7).

c. The need to foster the School's business relationships with stakeholders

In relation to key stakeholder engagement, the Trustees work closely with the families of ASL's students. The Trustees regularly communicate with families. The Board works closely with the Parent Community Association (PCA) whose members provide most of the volunteer effort for the School. Last year the School hosted a meeting open to all families at which the Chair of the Board and other Trustees presented on the School's governance structures and how tuition level decisions are made.

The School has a variety of suppliers local and international and proactively endeavours to keep a positive business relationship.

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

The School commissions an annual independent review of energy use with the objective of monitoring and reducing ASL's carbon footprint. The Trustees are proud of the community service activities of the students which are described in more detail in the relevant section of the Trustees' Report (page 8).

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

The School 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.

f. The need to act fairly as between members of the company.

Trustees' Report

The Directors understand the Charity Commission requirements and understand the need to avoid and manage potential conflicts of interest. The Company is limited by guarantee so does not have share capital, therefore issues relating to Director shareholders or relations between majority and minority shareholders do not apply. ...

Trustees' Report

FUTURE PLANS

The Board of Trustees has approved the following specific goals for the school year 2024-25:

Ongoing responsibilities

- Support and evaluate the Head of School.
- Ensure ASL's adherence to its Mission Statement including monitoring student well-being, educational experience and outcomes.
- Ensure governance and management oversee ASL's ongoing compliance with all relevant regulatory bodies and accrediting organizations, including the Department for Education, the Independent Schools Inspectorate (ISI) and the Middle States Association (MSA).
- Support the implementation of short, medium and long-term strategic initiatives and the development of periodic strategic plans.
- Ensure financial well-being and prudent institutional management, and manage financial, legal, media and other risks to the School consistent with Board governance policies and applicable UK and US regulations and codes, including but not limited to the Independent School Standards (ISS) and the Charity Commission for England and Wales.
- Demonstrate support, stewardship and leadership through active participation in the Board's advancement activities, philanthropic commitment to the School, and engagement in defining ASL's culture and community.
- Promote exceptional Board governance and leadership by ensuring that Board composition is diverse and delivers the expertise and resources needed to effectively serve the School.

2024-2025 priorities

- Complete a written five-year strategic plan in the academic year 2024-2025
- Support the HOS and Board sub-committee focus on the financial well-being of the School, in particular, strategic discussions on budgeting, fundraising, and implementation of VAT on school fees.
- Evaluate and evolve our current risk review process, including an analysis of political, financial, and demographic trends that may directly impact the School.
- Ensure ASL's ongoing adherence to the Independent School Standards (ISS).

AUDITOR

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

This Trustees' Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Trustees, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

George Hatzmann, Secretary



Date: 25 November 2024

Independent auditor's report to the Members and Trustees

INDEPENDENT- AUDITOR'S REPORT TO THE MEMBERS OF THE AMERICAN SCHOOL IN LONDON EDUCATIONAL TRUST LIMITED

Opinion

We have audited the financial statements of The American School in London Educational Trust Limited ('the charitable company') for the year ended 30 June 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Summary Income and Expenditure Account, the Consolidated Cash Flow Statement 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 30 June 2024 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditor's report to the Members and Trustees

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 page 16, 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.

Independent auditor's report to the Members and Trustees

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 the applicable financial reporting framework and the audit standards will detect all errors 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 and 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, 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.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Admin & Finance 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 regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Independent auditor's report to the Members and Trustees

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,



Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor London

Date 23 December 2024

Consolidated statement of financial activities
For the year ended 30 June 2024

	Notes	Total	Restricted		2024	2023
		Unrestricted	Other	Endowment	Total	Total
		£,000	£,000	£,000	£,000	£,000
Income from						
Charitable activities:						
Fees receivable	2a	46,668	-	-	46,668	42,444
Other educational income	2b	2,696	-	-	2,696	2,183
Other trading activities	2c					
Non-ancillary trading		427	-	-	427	398
Investments						
Bank and investment income		831	-	1,050	1,881	1,384
Donations and legacies						
Donations		1,790	159	365	2,314	4,020
		<u>52,412</u>	<u>159</u>	<u>1,415</u>	<u>53,986</u>	<u>50,429</u>
Expenditure on raising funds:						
Non-ancillary		(427)	-	-	(427)	(398)
Fundraising costs		(671)	-	-	(671)	(717)
Financing costs		(686)	-	-	(686)	(686)
		<u>(1,784)</u>	<u>-</u>	<u>-</u>	<u>(1,784)</u>	<u>(1,801)</u>
Charitable activities:						
School operating costs		(51,187)	(128)	(261)	(51,576)	(50,165)
Total resources expended	3	<u>(52,971)</u>	<u>(128)</u>	<u>(261)</u>	<u>(53,360)</u>	<u>(51,966)</u>
Net investment gain		732	-	1,521	2,253	52
Net short term Investment gain/(loss)		1,404	-	-	1,404	(236)
Net income/(expenditure) before transfers		1,577	31	2,675	4,283	(1,721)
Transfers between reserves	7	1,458	(6)	(1,452)	-	-
Net movement in reserves in the year		<u>3,035</u>	<u>25</u>	<u>1,223</u>	<u>4,283</u>	<u>(1,721)</u>
Balances brought forward at 1 July		<u>35,794</u>	<u>32</u>	<u>26,727</u>	<u>62,553</u>	<u>64,274</u>
Balances carried forward at 30 June		<u>38,829</u>	<u>57</u>	<u>27,950</u>	<u>66,836</u>	<u>62,553</u>

All of the above are represented by continuing operations.

There are no recognised gains or losses other than those shown in the statement of financial activities. The accompanying notes are an integral part of this statement.

Consolidated group and company balance sheet
For the year ended 30 June 2024


	Notes	Group 2024 £,000	Group 2023 £,000	School 2024 £,000	School 2023 £,000
Fixed assets					
Tangible assets	8	54,866	54,612	54,866	54,612
Investments	9	30,744	27,570	30,744	27,570
		<u>85,610</u>	<u>82,182</u>	<u>85,610</u>	<u>82,182</u>
Current assets					
Stock		18	18	18	18
Debtors	10	1,914	2,390	1,994	2,371
Current asset investments		18,709	17,752	18,709	17,752
Cash at bank and in hand		23,063	18,286	22,977	18,139
		<u>43,704</u>	<u>38,446</u>	<u>43,698</u>	<u>38,280</u>
Creditors: Amounts falling due within 1 year	11a	<u>(35,478)</u>	<u>(31,075)</u>	<u>(35,472)</u>	<u>30,909</u>
Net current assets		<u>8,226</u>	<u>7,371</u>	<u>8,226</u>	<u>7,371</u>
Total assets less current liabilities		<u>93,836</u>	<u>89,553</u>	<u>93,836</u>	<u>89,553</u>
Creditors: Amounts falling due after 1 more than 1 year	11b	<u>(27,000)</u>	<u>(27,000)</u>	<u>(27,000)</u>	<u>(27,000)</u>
Total net assets		<u>66,836</u>	<u>62,553</u>	<u>66,836</u>	<u>62,553</u>
Financed by:					
Accumulated reserves					
Unrestricted reserves:					
General		28,648	25,481	28,648	25,481
Designated	13a	10,181	10,313	10,181	10,313
Total unrestricted reserves		<u>38,829</u>	<u>35,794</u>	<u>38,829</u>	<u>35,794</u>
Restricted	13b	57	32	57	32
Endowments	13f	27,950	26,727	27,950	26,727
		<u>66,836</u>	<u>62,553</u>	<u>66,836</u>	<u>62,553</u>

The net result for the financial year dealt with by the financial statements of the parent charity was a gain of £4,281K (2023, Loss of £1,721K).

The financial statements on pages 19 to 20 were approved by the Board and authorised for issue on 25 November 2024.

Signed on behalf of the Board

Hannah Seminarra, Trustee



Stephanie Schueppert, Trustee



The accompanying notes are an integral part of this balance sheet.

Consolidated cash flow statement

	Notes	2024		2023	
		£,000	£,000	£,000	£,000
Net cash inflow from operations					
Net cash inflow/(outflow) by operating activities	i		<u>5,308</u>		<u>(3,751)</u>
Cash flows from investing activities					
Payments for tangible fixed assets		(2,642)		(2,709)	
Payments to acquire investments		(625)		(600)	
New money waiting investment		(13)		(161)	
Disposals of investments		129		-	
Bank interest and investment income receivable		1,881		1,384	
Net cash provided (used in) investing activities			<u>(1,270)</u>		<u>(2,086)</u>
Cash flow from financing activities					
New endowment		1,425		2,676	
Bank interest payable		(686)		(686)	
Net cash provided by financing activities			<u>739</u>		<u>1,990</u>
Change in cash and cash equivalent in the reporting period			<u>4,777</u>		<u>(3,847)</u>
Cash and cash equivalents at the beginning of the period			<u>18,286</u>		<u>22,133</u>
Cash and cash equivalents at the end of the reporting period	ii		<u>23,063</u>		<u>18,286</u>

Cash flows have not been affected by charity law restrictions on the use of restricted funds. The accompanying notes are an integral part of this cash flow statement.

Reconciliation of net income to net cash from operating activities

	£,000	2024		2023	
		£,000	£,000	£,000	£,000
Net income before transfers		4,283		(1,721)	
Elimination of non-operating cash flows:					
- Investment income	(1,881)		(1,384)		
- Endowment donations	(345)		(2,487)		
- Finance costs	686		686		
- Unrealised investment loss (gain)	(3,657)		184		
Depreciation	2,388		2,389		
(Increase)/decrease in debtors	388		(1,217)		
Increase/(decrease) in creditors excluding bank loans	4,403		990		
(Increase)/decrease in current asset investments	(957)		(1,189)		
Increase/(decrease) in stocks	-		(2)		
			<u>1,025</u>		<u>(2,030)</u>
Net cash inflow from operations			<u>5,308</u>		<u>(3,751)</u>

Notes to the cash flow statement

i. Analysis of cash and cash equivalents

	2024	Cash flow movement in the year	2023
	£,000	£,000	£,000
Cash at bank	11,028	2,375	8,653
Deposits	12,035	2,402	9,633
	<u>23,063</u>	<u>4,777</u>	<u>18,286</u>

ii. Analysis of movement in loans

	2024	New loan	Repayment	2023
	£,000	£,000	£,000	£,000
Bank loan falling due within one year	-	-	-	-
Loans falling due after one year	27,000	-	-	27,000
Total loans	<u>27,000</u>	<u>-</u>	<u>-</u>	<u>27,000</u>

Notes to the financial statements

1 Summary of accounting policies

The financial statements have been prepared 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 FRS 102 – effective 1 January 2015.

The functional currency of the School is considered to be Great Britain Pounds (GBP) because that is the currency of the primary economic environment in which the School operates.

The financial statements of the School are drawn up under the historical cost basis of accounting, as modified by the revaluation of other investments.

The Financial Statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the balance sheets of the School and the consolidated group comprising the School and its wholly owned subsidiary, ASL Enterprises Limited. No separate SOFA has been presented for the School alone, as permitted by Section 408 of the Companies Act 2006. The School has taken advantage of the FRS 102 exemption from preparing its own entity statement of cash flows. The School has taken advantage of the exemption under section 408 of the Companies Act 2006 not to publish its own income and expenditure account.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated in 1963 (Company No: 783923) and registered as a charity with the Charities Commission (Charity No: 312738).

Critical accounting judgements and key sources of estimate and uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affected current and future periods.

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.

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

a) Financial instruments

Basic financial instruments are initially recognised at transaction value, subsequently measured, and amortised 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 trade and other debtors. 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 instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year-end exchange rate.

Notes to the financial statements

b) *Tangible fixed assets*

Tangible fixed assets except investment assets, are shown at cost and depreciated at annual rates calculated to write off their cost less estimated residual values over their expected useful lives, the rates for which are currently as follows:

Long leasehold land	0.4% straight-line
Building extension and refurbishment	5% straight-line
Motor vehicles	25% straight-line
Buildings	2% straight-line
Furniture and equipment	10-25% straight-line
Laptops provided to students	50% straight-line

No depreciation is charged on freehold land.

Expenditure on fixed assets, which cost more than £250, is capitalised.

c) *Stock*

Stock consists primarily of stationery supplies and is stated at latest invoice cost, which approximates purchase cost.

d) *Taxation*

As a charity, the School's income falls within the exemptions granted by the Corporation Tax Act of 2010. The School is therefore not subject to taxes on income and chargeable gains.

e) *Pension costs*

The company contributes to the purchase of supplementary pension rights for staff as described in note 14. Pension costs are charged on an accruals basis.

f) *Accounting for foreign currency transactions*

Certain transactions take place in foreign currency and are translated into GBP at the rates of exchange at the date of the transaction. All foreign currency balances at the year-end are translated into GBP at the year-end rate of exchange and any gain or loss is credited or charged to the statement of financial activities.

g) *Investments*

The portfolio of investments in pooled funds is stated in the financial statements at market value. Investment income includes gross dividends receivable. Realised and unrealised capital gains and losses are shown separately in the balance sheet.

h) *Fees receivable*

Fees receivable represent tuition fees, transport, summer school and other fees receivable by the School during the year – see note 2.

Fees are recognised on an accruals basis. Fees received in advance represent amounts received prior to the School's year-end in respect of the next semester. Fees receivable are stated after deducting financial aid. Restricted donations for financial aid are disclosed separately.

i) *Donations*

Donations are recognised on a receivable basis when there is entitlement, the amount can be measured and receipt is probable.

Notes to the financial statements

Donations for specific projects are disclosed as restricted donations. When restricted donations are received for capital expenditure projects they are accounted for in a restricted reserve until the purchase of the asset or the expenditure on the specific project occurs. At this point, the funds and any subsequent funds received are transferred to unrestricted funds as corporate reserves – see note 7.

Donations for endowment funds are disclosed separately as part of restricted reserves on the statement of financial activities – see notes 13b to 13f.

Other donations, which include annual fund receipts, are shown as unrestricted donations.

j) *Total return accounting*

The Charity Commission permitted the School to adopt the use of total return in relation to its permanent endowment on 12 April 2007. The power permits the Trustees to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised, the total return shall be an `unapplied total return` and remain as part of the permanent endowment – see note 13c. The Trustees have used the values of the permanent endowments at 30 June 2001 to represent the `Preserved Value` of the original gifts. This was just after receipt of its second major gift of permanent endowment. In these Financial Statements, the allocation to income is now shown as Other Income rather than in previous years as a transfer between reserves.

k) *Allocation of costs to categories of resources expended*

All expenditure is accounted for on an accruals basis. Costs are allocated between the cost of generating funds and the actual cost of charitable activities by identifying the direct costs related to these activities. Any indirect costs are then apportioned on the basis of staff time. Charitable expenditure costs are also allocated to the different categories by direct costs where possible. Some compensation costs are apportioned on the basis of salary costs per category. Support costs comprise all the costs of running the non-teaching and non-fundraising departments of the School such as Admissions, Communications and Finance. Salaries represent 90% of support costs.

Depreciation is included as part of premises costs.

Governance costs are only those related to the management and administration of the charity. They include both direct costs of the external audit and any legal advice to the Trustees plus a proportion of management and other staff time together with related overheads.

l) *Going Concern*

The School's long-term financial viability is supported by a strong cash flow, significant cash balances, detailed financial projections, a sufficient level of reserves and endowment and a tradition of fundraising and a good relationship with the community and key donors. The Board has reviewed its liquidity, its solvency, its loan covenants, enrolment for the 2024-25 year, volatility and level of reserves. The School has, therefore, a reasonable expectation that it has sufficient resources to continue in operational existence for the foreseeable future which is at least 12 months from the date of the signing of this report. The Trustees believe that there are no material uncertainties that call into doubt the ability of the School to continue as a going concern.

Notes to the financial statements

2a Fees receivable	2024	2023
	£,000	£,000
Gross tuition fees	51,929	46,582
Less: financial aid	(6,853)	(5,723)
Net tuition fees	<u>45,076</u>	<u>40,859</u>
Other fees:		
Gross transportation	1,263	1,172
Less: financial aid	(263)	(215)
Net transportation	1,000	957
Applications and retentions	592	628
	<u>46,668</u>	<u>42,444</u>
2b Other educational income	2024	2023
	£,000	£,000
Gross trips	1,017	805
Less: Financial aid	(100)	(72)
Net trips	<u>917</u>	<u>733</u>
Summer and after-school programs and other income	1,890	1,577
Less: Financial aid	(111)	(127)
Net non-trips	1,779	1,450
	<u>2,696</u>	<u>2,183</u>
2c Non-ancillary income	2024	2023
	£,000	£,000
Trading income from membership fees and swimming lessons	427	398

Notes to the financial statements

3 Analysis of total resources expended

	Staff costs	Other	Depreciation	2024 total	2023 total
	£,000	£,000	£,000	£,000	£,000
Charitable activities					
Teaching costs	28,146	3,586	-	31,732	29,776
Welfare	2,444	1,295	-	3,739	3,337
Premises	1,276	3,451	2,388	7,115	6,864
Transport	185	1,026	-	1,211	1,154
Support costs	5,724	1,917	-	7,641	8,888
Governance costs	110	28	-	138	146
	<u>37,885</u>	<u>11,303</u>	<u>2,388</u>	<u>51,576</u>	<u>50,165</u>
School operating costs					
Costs of raising funds					
Fundraising costs	565	106	-	671	717
Financing costs	-	686	-	686	686
Non-ancillary	291	136	-	427	398
Grand Total	<u>38,741</u>	<u>12,231</u>	<u>2,388</u>	<u>53,360</u>	<u>51,966</u>

4 Net incoming/(outgoing) resources for the year before transfers

Net income/(expenditure) for the year before transfers is stated after charging:

	2024 £,000	2023 £,000
Depreciation of tangible fixed assets	2,389	2,472
Auditors' remuneration		
- audit services	41	38
- non-audit services	6	26
Financing costs	686	686
Staff costs – see note 5	<u>38,741</u>	<u>36,555</u>

Notes to the financial statements

5 Employee costs

As stated in the Group Structure section of the Directors Report, some members of the teaching and administrative employees are also employees of the Foundation and are seconded to the School. Under that agreement, the Trust agrees to provide the necessary funds to cover the employee costs and to act as agent of the Foundation in respect of certain aspects of its employer obligations.

Total employee costs during the year amounted to:

	2024	2023
	£,000	£,000
Wages and salaries	32,478	30,530
Social security costs and national insurance contributions	3,421	3,329
Other pension costs	<u>2,842</u>	<u>2,696</u>
	<u>38,741</u>	<u>36,555</u>

The number of persons employed in the operation of the School during the year calculated was as follows:

	2024	2023	2024	2023
	Average	Average	FTE number	FTE number
Teachers and teachers' support	275	274	259	257
Administration	<u>109</u>	<u>106</u>	<u>103</u>	<u>102</u>
Total	<u>384</u>	<u>380</u>	<u>362</u>	<u>359</u>

The above numbers include 8 employees (2023, 21) who were jointly employed by the School and the subsidiary. There was 1 teacher on sabbatical leave during 2024 (2023, 1). During the year, total termination payments were £26K, with no amount owing at the year-end (2023, £110K).

Notes to the financial statements

The number of employees, including those of the Foundation, whose emoluments, including benefits in kind (excluding deferred compensation, pensions and pension contributions) exceeded £60,000 were:

	2024	2023
	number	number
£60,001 - £70,000	18	27
£70,001 - £80,000	29	24
£80,001 - £90,000	40	39
£90,001 - £100,000	82	60
£100,001 - £110,000	26	29
£110,001 - £120,000	13	18
£120,001 - £130,000	3	7
£130,001 - £140,000	2	0
£140,001- £150,000	2	2
£150,001- £160,000	1	1
£160,001 - £170,000	0	1
£170,001 - £180,000	1	1
£180,001 - £190,000	0	1
£190,001 - £200,000	2	2
£200,001 - £210,000	3	1
£210,001- £220,000	1	1
£230,000 - £240,000	0	0
£410,001 - £420,000	1	0
£430,001- £440,000	0	1
	<u>224</u>	<u>215</u>

The total employers' pension contributions to the School's and the Foundation's defined contribution schemes amounted to £2,122K (2023, £2,035K) in respect of the employees above.

	2024	2023
	£,000	£,000
Aggregate employee salary and other benefits of key management personnel (the SLT including the Head of School is 13 members (2023, 14))	<u>2,934</u>	<u>2,709</u>

Notes to the financial statements

6 Transactions with Trustees

The Trustees, with the exception of the Head of School, received no emoluments or reimbursement of expenses. The Head of School, in accordance with the School's Memorandum and Articles of Association, was a Trustee, as was the Interim Head of School.

The Head of School and the Interim Head of School's remuneration including pension contributions and benefits-in-kind were as follows:

	2024	2023
	£,000	£,000
Salary	414	436
Other remuneration including utilities and accounting	9	9
Pension contributions	<u>41</u>	<u>44</u>
Total	<u>464</u>	<u>489</u>

7 Transfers between reserves

The transfers from Designated Reserves to the General Reserves totalled £1,389K which came from the Plant Reserve. The transfers from Restricted to Unrestricted Reserves totalled £71K (note 13b). In addition, £1,452K was allocated to Income from Endowment with £1,050K from Permanent Endowment (note 13d) and £402K from Expendable Endowment (note 13e).

8 Tangible fixed assets - Group and Company

	Freehold	Building extension and refurbishment	Long leasehold	Furniture, fixtures & fittings	Motor vehicles	Total
	£,000	£,000	£,000	£,000	£,000	£,000
Cost						
At 1 July 2023	15,483	69,227	2,430	11,672	23	98,835
Additions	-	-	-	2,642	-	2,642
Disposal	-	-	-	-	-	-
At 30 June 2024	<u>15,483</u>	<u>69,227</u>	<u>2,430</u>	<u>14,314</u>	<u>23</u>	<u>101,477</u>
Depreciation						
At 1 July 2023	870	34,859	584	7,887	23	44,223
Disposal	-	-	-	-	-	-
Charge	<u>62</u>	<u>1,329</u>	<u>39</u>	<u>958</u>	<u>-</u>	<u>2,388</u>
At 30 June 2024	<u>932</u>	<u>36,188</u>	<u>623</u>	<u>8,845</u>	<u>23</u>	<u>46,611</u>
Net book value						
At 1 July 2023	<u>14,613</u>	<u>34,368</u>	<u>1,846</u>	<u>3,785</u>	<u>-</u>	<u>54,612</u>
At 30 June 2024	<u>14,552</u>	<u>33,039</u>	<u>1,807</u>	<u>5,469</u>	<u>-</u>	<u>54,866</u>

At 30 June 2024, the School had no capital commitments authorised and contracted for but outstanding, in respect of land and buildings refurbishment (2023 was also NIL).

Notes to the financial statements

9 Investments – Group and Company

	2024		2023	
	£,000	Group	£,000	Group
Market value of investments brought forward		27,570		27,033
Disposal of cash brought forward		296		(115)
Purchases in the year		625		600
New money waiting investments		-		-
Investment income reinvested		-		-
Disposals in year	(1,050)		(1,049)	
Gross investment gain in the year	3,358		1,170	
Management fee	(55)		(69)	
Net investment gain /(loss) in year		2,253		52
Market value carried forward		30,744		27,570
Cost of investments carried forward		22,263		23,165

The total unrealised gain included above was £8,481K at 30 June 2024 (2023, £4,405K).

Investments comprise:	Group	Group
	2024	2023
	£,000	£,000
Listed investments		
Fixed interest	-	-
Multi-asset class	6,787	11,273
Equities	12,981	11,455
Alternative investments	10,927	4,140
Cash	49	702
Foreign exchange	-	-
Group investments	30,744	27,570
Investment in subsidiaries	-	-
Company investments	30,744	27,570

In addition to the above investments, other endowment funds are invested as current asset investments.

The main investments for the Group are managed by Partners Capital with some investments remaining with JP Morgan Private Bank.

Notes to the financial statements

10 Debtors

Amounts falling due within one year:	Group	Group	School	School
	2024	2023	2024	2023
	£,000	£,000	£,000	£,000
Other debtors	1,163	1,738	1,243	1,718
Prepayments and accrued income	751	652	751	652
	<u>1,914</u>	<u>2,390</u>	<u>1,994</u>	<u>2,370</u>

11 Creditors

a) Amounts falling due within one year:	Group	Group	School	School
	2024	2023	2024	2023
	£,000	£,000	£,000	£,000
Fees received in advance (note 1h)	30,376	23,959	30,376	23,959
PAYE and social security creditors	2,076	2,230	2,076	2,230
Other creditors and accruals	3,026	4,886	3,020	4,720
	<u>35,478</u>	<u>31,075</u>	<u>35,472</u>	<u>30,909</u>

b) Amounts due after one year – Group and Company

	30 June	Increase in	30 June
	2024	loan	2023
	£,000	£,000	£,000
Loan falling due after one year	<u>27,000</u>	<u>-</u>	<u>27,000</u>

The loans were refinanced in November 2019 for a 30-year term, with the new loan having security on certain property at the School. The interest on the loan is at a fixed rate. The first repayment instalment is after 10 years in November 2029.

12 Allocation of Group net assets

The net assets as at 30 June 2024 are held for the various funds as follows:

	Net Current	Loans due after	Investments	Tangible fixed	Total
	Assets	more than 1 year		assets	
	£,000	£,000	£,000	£,000	£,000
Permanent endowment	12	-	24,636	-	24,648
Expendable endowment	3,302	-	-	-	3,302
Restricted reserves	57	-	-	-	57
Designated enrolment reserves	5,350	-	-	-	5,350
Designated facilities reserves	(312)	-	3,199	-	2,887
Designated reserves – other	1,726	-	-	-	1,726
Designated reserves – applied	(2,691)	-	2,909	-	218
total return					
General reserves	<u>782</u>	<u>(27,000)</u>	<u>-</u>	<u>54,866</u>	<u>28,648</u>
Total reserves	<u>8,226</u>	<u>(27,000)</u>	<u>30,744</u>	<u>54,866</u>	<u>66,836</u>

The investment policy with respect to endowment reserves is summarised on page 10.

The notes on pages 10 describe the purposes of the various reserves held.

Notes to the financial statements

13 Reconciliation of opening and closing Group and Company reserves

a) Designated reserves

	Balance 30 June 2023	New funds designated	Resources expended	Transfer to general reserve	Balance 30 June 2024
	£,000	£,000	£,000	£,000	£,000
Enrolment reserve	5,350	-			5,350
Facilities reserve	2,287	1,286	(686)		2,887
Building & equipment reserve	923				923
Plant reserve	1,156	1,050	(393)	(1,389)	424
Staff cost reserve	247				247
New initiatives reserve	132				132
Applied returns investment	218				218
	<u>10,313</u>	<u>2,336</u>	<u>(1,079)</u>	<u>(1,389)</u>	<u>10,181</u>

Enrolment reserve

The enrolment reserve represented approximately 12% of tuition income at 30 June 2024. The School undertakes regular reviews of the level of this reserve. While enrolment in the last couple of years has been stable, enrolment is impacted by external economic factors. Historically, enrolment has fluctuated significantly and by up to 100 students from year to year. This reserve will enable the School to maintain its staff and operating cost levels in the short-term (over 2-3 years) if there were a fall in enrolment.

Facilities reserve

This reserve is held to help fund future facilities developments and for the repayment of the long-term loans in accordance with the School's reserves policy. The amounts transferred to this reserve during the year were the budgeted amount for the capital repayments and the interest on the loan. The resources expended of £686K were in respect of loan interest. The carry forward balance represents the scheduled accumulation of funds in preparation for the repayment for the first instalment repaying the loan capital.

Building and equipment reserve

The building and equipment reserve is a reserve set up to provide funds for emergency or unanticipated repairs or improvements.

Plant reserve

This reserve is a rolling reserve to ensure that the School has funds available to contract for significant building maintenance projects, which run into the following financial year. The balance on this reserve is planned to be spent in the next two years.

Staff cost reserve

The staff cost reserve was created to provide additional funding for exceptional compensation costs.

New Initiative reserve

This reserve was created to provide funds for pilot projects that it is hoped will enhance the curriculum and/or the learning environment at the School. These projects can be approved after the setting of the annual budget process and so would not be possible without these contingency funds. The projects are usually piloted over 1 or 2 years before they are assessed to see if they will become part of regular school operations.

Applied returns investment

The Board set up a reserve to enable the School to face any unidentified challenges that may emerge from the difficult economic situation with rising utility prices, resource scarcity and political uncertainty.

Notes to the financial statements

13 Reconciliation of opening and closing reserves (continued)

b) Restricted reserves

	Balance 2023	Movement between reserves	Incoming resources	Resources expended	Transfer between reserves	Balance 2024
	£,000	£,000	£,000	£,000	£,000	£,000
Restricted reserves	32	65	159	(128)	(71)	57
	<u>32</u>	<u>65</u>	<u>159</u>	<u>(128)</u>	<u>(71)</u>	<u>57</u>

The Restricted Reserves comprise mainly funds received from the American School in London Foundations in the US and the UK. The remaining reserves are expected to be spent in the next 1-2 years.

The transfers between reserves are in accordance with the accounting policy 1i.

c) Permanent Endowment funds - Statement of total return

Calculation of total return:

	2024
	£,000
Total unrealised return for year	471
Disinvestment from JPM Investment	1,050
Total return for the year	1,521
Less: Allocation to income	(1,050)

Unapplied total return

30 June 2023	2,089
30 June 2024	3,610
Add:	
Preserved value at 30 June 2001	371
Additions since 30 June 2001	20,668
Total preserved value at 30 June 2024	21,038
Total value of permanent endowment	24,648

Note 13d

Notes to the financial statements

d) Permanent endowment funds

	Balance		Total		Allocation	to	Balance
	30 June	Donations	return	Disinvestment	to income	reserves	30 June
	2023						2024
	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Student financial assistance	8,848	20	586	404	(404)	-	9,454
Facilities fund	166	-	11	8	(8)	-	177
Community enrichment fund	1,179	129	78	54	(54)	-	1,386
Faculty and staff support	12,235	-	810	559	(559)	-	13,045
General	550	-	36	25	(25)	-	586
	<u>22,978</u>	<u>149</u>	<u>1,521</u>	<u>1,050</u>	<u>(1,050)</u>	<u>-</u>	<u>24,648</u>

e) Expendable endowment funds:

	Balance 30	Transfers		Resources	Allocation	Balance
	June 2023	between	Donations	expended	to income	30 June
		reserves				2024
	£,000	£,000	£,000	£,000	£,000	£,000
Community enrichment	232	-	13	-	-	245
Program enrichment (computer sciences)	1,076	(89)	-	(62)	-	925
Student financial assistance	1,927	-	201	(24)	(313)	1,791
Faculty and staff support	514	-	2	(175)	-	341
	<u>3,749</u>	<u>(89)</u>	<u>216</u>	<u>(261)</u>	<u>(313)</u>	<u>3,302</u>

Student financial assistance

The earnings will be used to provide financial assistance to qualified students and to support student participation in the life of the School once enrolled.

Facilities fund

The earnings will be used to support and enhance the facilities at ASL.

Community enrichment fund

The earnings will be used to fund programs and activities that foster a strong sense of community within ASL and strengthen the School's relationship with its neighbourhood and with the wider London area.

Faculty and staff support fund

The earnings will be restricted to support the faculty and staff of ASL at the discretion of the Board.

Notes to the financial statements

f) Total endowment	2024	2023
	£,000	£,000
Permanent	24,648	22,978
Expendable	3,302	3,749
	<u>27,950</u>	<u>26,727</u>

14 Pension arrangements

The School contributes towards retirement benefits in respect of employees who have opted to participate in a defined contribution plan. A range of investment funds is available. The School's contribution is 10% of basic salary provided the employee contributes at least 5% of salary.

The School also provides funds to the Foundation for its costs incurred for a similar US retirement benefits plan in respect of employees of the Foundation.

The employer's contributions for both the School and the Foundation are charged in the Statement of Financial Activities in the period in which the salaries to which they relate are due. These contributions in the year amounted to £3,114K (2023, £2,696K) at 30 June 2024.

Under terms of the plans, the School has no liability beyond the agreed rate of its contributions each year. The School and the Subsidiary have entered into joint contracts of employment for certain staff. The pension contributions are paid by the School on behalf of these staff.

15 Subsidiary company and related party transactions

The School owns all of the issued share capital of ASL Enterprises Limited, Company Number 10339054 incorporated in England in August 2016. This company carries out trading activities on behalf of the School. ASL Enterprises Limited had a turnover of £427K, and £98K profit before tax in the year ended 30 June 2023 (2022, £162K profit before tax). At 30 June 2024, the Company had shareholders' funds of £1.

In the period to 30 June 2024, the School charged £328K to the Subsidiary company for the provision of staff and administrative services and licence fees.

There were no other related party transactions in the year ended 30 June 2024 (2022, nil).

Notes to the financial statements

16 Financial Instruments

	Fair Value	Amortised cost	Non-financial instruments	2024 Total	2023 Total
	£,000	£,000	£,000	£,000	£,000
Assets					
Tangible assets	-	-	54,866	54,866	54,612
Investments	30,744	-	-	30,744	27,570
Stock	-	18	-	18	18
Debtors	-	1,244	670	1,914	2,390
Cash at bank and in hand	-	26,365	-	26,365	18,286
Short term investments	15,407	-	-	15,407	17,732
Liabilities					
Creditors due within one year	-	(35,477)	-	(35,478)	(31,075)
Creditors due after one year	-	(27,000)	-	(27,000)	(27,000)
	<u>46,151</u>	<u>(34,850)</u>	<u>55,536</u>	<u>66,836</u>	<u>62,533</u>

The income, expenditure and net gains and losses recognized in the Statement of Financial Activities during the year to 30 June 2024 by category are shown below:

	Fair Value £,000	Amortised cost £,000	2024 Total £,000	2023 Total £,000
Investment income	-	-	-	-
Foreign exchange gains on evaluation	-	5	5	24
Net gain on investments	<u>3,657</u>	<u>-</u>	<u>3,657</u>	<u>(184)</u>
	<u>3,657</u>	<u>5</u>	<u>3,662</u>	<u>(160)</u>

Notes to the financial statements

17 Comparative fund statements for year ended 30 June 2023

Statement of financial activities

	Notes	Total	Restricted		2023
		Unrestricted	Other	Endowment	Total
		£,000	£,000	£,000	£,000
Incoming resources					
<i>Income from charitable activities:</i>					
Fees receivable	2a	42,444	-	-	42,444
Other educational income	2b	2,183	-	-	2,183
Non-ancillary trading	2c	398	-	-	398
Government grants	2d	-	-	-	-
Bank and investment income		335	-	1,049	1,384
Donations		1,490	141	2,389	4,020
		<u>46,850</u>	<u>141</u>	<u>3,438</u>	<u>50,429</u>
Resources expended					
<i>Cost of raising funds:</i>					
Non-ancillary		(398)	-	-	(398)
Fundraising costs		(717)	-	-	(717)
Financing costs		(686)	-	-	(686)
		<u>(1,801)</u>	<u>-</u>	<u>-</u>	<u>(1,801)</u>
<i>Charitable activities:</i>					
School operating costs		<u>(49,410)</u>	<u>(156)</u>	<u>(599)</u>	<u>(50,165)</u>
Total resources expended	3	<u>(51,211)</u>	<u>(156)</u>	<u>(599)</u>	<u>(51,966)</u>
Net investment gain	9	186	-	(134)	52
Net short term investment loss		(236)	-	-	(236)
Net income/(expenditure) before transfers		(4,411)	(15)	2,705	(1,721)
Transfers between reserves	7	1,614	(243)	(1,371)	-
Net movement in reserves in the year		<u>(2,797)</u>	<u>(258)</u>	<u>1,334</u>	<u>(1,721)</u>
Balances brought forward at 1 July		<u>38,591</u>	<u>290</u>	<u>25,393</u>	<u>64,274</u>
Balances carried forward at 30 June		<u>35,794</u>	<u>32</u>	<u>26,727</u>	<u>62,553</u>

All of the above are represented by continuing operations.

There were no recognised gains or losses other than those shown in the statement of financial activities. The accompanying notes are an integral part of this statement.

Notes to the financial statements

Allocation of Group net assets

The net assets as at 30 June 2023 are held for the various funds as follows:

	Net Current Assets £,000	Bank Loans due after more than 1 year £,000	Investments £,000	Tangible Fixed Assets £,000	Total £,000
Permanent endowment	160		22,818		22,978
Expendable endowment	3,749	-	-	-	3,749
Restricted reserves	32	-	-	-	32
Designated enrolment reserves	5,350	-	-	-	5,350
Designated facilities reserves	101	-	2,186	-	2,287
Designated reserves – other	2,458	-	-	-	2,458
Designated reserves-applied rtn	(66)	-	284	-	218
General reserves	(4,413)	(27,000)	2,282	54,612	25,481
Total reserves	7,371	(27,000)	27,570	54,612	62,553

Reconciliation of opening and closing reserves

a) Designated reserves

	Balance 30 June 2022 £,000	New funds designated £,000	Resources expended £,000	Transfer to general reserve £,000	Balance 30 June 2023 £,000
Enrolment reserve	5,350	-	-	-	5,350
Facilities reserve	1,687	1,286	(686)	-	2,287
Building & equipment reserve	973	-	(50)	-	923
Plant reserve	2,286	1,050	(792)	(1,388)	1,156
Prolonged disability reserve	54	-	(54)	-	-
Staff cost reserve	347	-	(100)	-	247
New initiatives reserve	202	-	(70)	-	132
Applied returns investment	2,500	-	-	(2,282)	218
	13,399	2,336	(1,752)	(3,670)	10,313

b) Restricted reserves

	Balance 30 June 2022 £,000	Incoming resources £,000	Resources expended £,000	Transfer between reserves £,000	Balance 30 June 2023 £,000
Other restricted reserves	290	141	(156)	(243)	32
	290	141	(156)	(243)	32

d) Permanent endowment funds

Notes to the financial statements

	Balance 30 June	Donations	Total Return	Disinvest	Allocation to Income	Allocation to reserves	Balance 30 June
	2022						2023
	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Student financial Assistance	8,856	44	(52)	402	(172)	(230)	8,848
Facilities fund	166	-	(1)	8	(3)	(4)	166
Community enrichment	1,186	-	(7)	54	(23)	(31)	1,179
Faculty and staff support	12,306	-	(72)	560	(240)	(319)	12,235
General	555	-	(3)	25	(11)	(16)	550
	<u>23,069</u>	<u>44</u>	<u>(135)</u>	<u>1,049</u>	<u>(449)</u>	<u>(600)</u>	<u>22,978</u>

a) Expendable endowment funds:

	Balance 30 June 2022	Transfers between Reserves	Donations	Resources Expended	Allocation to Income	Balance 30 June 2023
	£,000	£,000	£,000	£,000	£,000	£,000
Community enrichment	372		10	(150)	-	232
Program enrichment (computer sciences)	-		1,275	(199)	-	1,076
Student financial assistance	1,191		1,059	(1)	(322)	1,927
Faculty and staff support	761		2	(249)	-	514
	<u>2,324</u>	<u></u>	<u>2,346</u>	<u>(599)</u>	<u>(322)</u>	<u>3,749</u>

THE AMERICAN SCHOOL IN LONDON EDUCATIONAL TRUST LTD

England & Wales - Charity number 312738

Accounts

The American School in London Educational Trust Limited

**Financial Statements
for the year ended 30 June 2023
together with Trustees' and Auditor's Report**

Company Registration Number: 784923

Registered Charity Number: 312738

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Trustees, Officers and Advisors

Trustees

The Directors of the Company who are also the Trustees of the charity and who held office during the year, and to the date of signing this report except where otherwise stated, were:

Mark Agne	
Darren Allaway	
Chris Anderson	
Cynthia Bake	Vice Chair
Luca Bassi	
Darcey Crawford	Resigned 1 July 2023
Alison Ferguson-Woods	
Daniel Hajjar	
George Hatzmann	Company Secretary
George Hadjigeorgiou	Appointed 1 July 2023
Coreen Hester	Resigned 1 July 2023
Priya Hiranandani Vandrevala Stanford (Doc) Horn	Resigned 1 July 2023
Gwion Lewis	Appointed 1 July 2023
Matthew Horvat	Appointed 1 July 2023
Mallika Kapur	
Sherine Magar-Sawiris	
Rebecca Manuel	Resigned 1 July 2023
Michael A. McCarthy	Appointed 21 August 2023
Liad Meidar	
Ralph Rivera	
Erin Roth	Chair
Hahnah Semiñara	
Stephanie Schueppert	
Nikos Stathopoulos	Resigned 1 July 2023
Kavi Thakrar	
Stacey Towfighi	
McKenzie Webster	
Christopher Whitman	Resigned 1 July 2023
Irene Zia	

All trustees served on at least one of the eight standing committees during the year.

Officers

Coreen R. Hester	Interim Head of School (until 30 th June 2023)
Matthew Horvat	Head of School (from 1 st July 2023)
John Robinson	Director of Finance

Principal Address and Registered Office

One Waverley Place, London, NW8 0NP

Trustees, Officers and Advisors

Advisors

Bankers

JP Morgan Chase
25 Bank Street, Canary Wharf
London, E14 5JP

Barclays Bank Plc
1 Churchill Place
London, E14 5HP

Solicitors

Farrer & Co.
66 Lincoln's Inn Fields
London, WC2A 3LH

Mills & Reeves LLP,
Botanic House, 100 Hills Road
Cambridge, CB2 1PH

Auditor

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

Investment managers

Partners Capital
5 Young Street,
London, W8 5EH

J.P. Morgan
60 Victoria Embankment
London, EC4

Trustees' Report

DIRECTORS' REPORT

The American School in London Educational Trust Limited (ASL, also referred to as School) was incorporated as a company limited by guarantee in 1963 (company registration no. 784923) and hence the Trustees, who are also members of the company, hold no shares. In the event of the School's dissolution, their liability for its unpaid obligations is limited to £1 each. The School is governed by its Memorandum and Articles of Association, which were last amended in 2001. The School is also registered with the Charity Commission under charity registration no. 312738. The School and its subsidiary have their registered office address at One Waverley Place, London, NW8 0NP.

The Trustees, as directors of ASL, present their annual report on the affairs of the School for the year ended 30 June 2023 under the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

Founded in 1951, the American School in London is an independent, college-preparatory, K-12-day school, providing an exceptional American education to an international student body in the heart of London. Innovation and individuality are celebrated, and outstanding academic success is applauded. Students thrive amid high expectations and the joy of authentic learning experiences. Committed to creating courageous global citizens, the School inspires students to engage with others across lines of difference in a changing world. Our diverse student body of approximately 1,400 represents 66 nationalities and speaks 62 languages, and families join the School from all over the globe. London is an extension of the classroom, and the School makes the most of the cultural and artistic opportunities our location provides.

OBJECTS AND AIMS

Charitable Objects

A summary of the charity's objects, as set out in its Memorandum of Association, is to carry on the American School in London as an educational charity for children of any nationality and to provide educational instruction of the highest calibre, together with physical and moral learning. Within these objects, the School has created a Mission Statement, Core Values, Portrait of a Learner and a Diversity, Equity and Inclusion Statement.

Public Benefit

The Trustees confirm that they have complied with the duty contained in the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit and fee charging charities.

Mission Statement

The School's mission is that the American School in London empowers each student to thrive as a lifelong learner and courageous global citizen by fostering intellect, creativity, inclusivity and character.

CHARITY GOVERNANCE CODE

The ASL Board of Trustees takes its governance responsibilities seriously and, as ASL is a large charity, aims to have a governance framework that is fit for purpose, compliant and efficient. The Board has established a solid foundation in governance in which all of its trustees are clear about their roles, regulatory and legal responsibilities, are committed to supporting ASL to deliver its objectives most effectively for its beneficiaries' benefit, and contribute to ASL's continued improvement.

Trustees' Report

Overall, the ASL Board of Trustees meets a very significant proportion of the recommended and best practice for governance contained within the Charity Governance Code across the seven areas and are comfortable that there are no significant areas of review required. Arrangements will continue to be monitored against the best practice principles contained in the Code.

ORGANISATIONAL MANAGEMENT

School policy is set by the Board of Trustees who make the strategic decisions and appoint the Head of School. The day-to-day management is delegated to the Head of School and then to a team of administrators (the Senior Leadership Team (SLT)). The SLT was led by the Interim Head of School, Coreen R. Hester up to 30 June 2023. On 1 July 2023, Matt Horvat became ASL's ninth Head of School. Prior to joining our school, Matt served for 11 years as head at The Overlake School in Redmond, Washington, U.S.A., a grade 5-12 independent school.

The Board held five regular meetings with one additional meeting specifically to address the successful Ofsted inspection. The Board is organised into eight standing committees - Admin/Finance, Advancement, Building & Grounds, Student Experience, Investment, Governance, Executive and Independent School Standards (ISS) Compliance.

The School considers it critical to offer competitive compensation and benefits to attract and retain outstanding employees. This recognizes that the School is located in an expensive part of the UK and that we are recruiting in an international market of educators. The Board sets compensation levels every year through a process of fact-finding, benchmarking and discussion with the employees. A number of the School's employees, including members of the SLT, are seconded to the School by the American School in London Foundation, which performs its own periodic benchmarking exercises for management positions. Both the School and the Foundation use external recruitment agencies to help hire the SLT and, therefore, these agencies provide additional information for compensation comparisons.

RECRUITMENT AND TRAINING OF TRUSTEES

The Board may, from time to time, elect a new member of the Board either to fill a casual vacancy or by way of addition to the Board, subject to the current maximum number of thirty. Any member so elected shall retain office only until the next Annual General Meeting, but shall then be eligible for re-election. At the Annual General Meeting every year, one third of the members of the Board retire by rotation but are eligible for re-election until they have served a maximum of three terms of three years, with some exceptions. Trustees are nominated by the Governance Committee based upon the specific needs, skills and responsibilities required by the Board. New Trustees receive training at the time of their appointment. Trustees also regularly engage in training on governance matters at special meetings.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company 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 charitable company and of its net incoming/outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

Trustees' Report

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP (Statement of Recommended Practice)
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The following statements have been affirmed by each of the Trustees of the charitable company:

- so far as each Trustee is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

OBJECTIVES FOR THE 2022-23 YEAR

Each year the Board establishes specific annual goals, which are later subject to review. In 2022, the Board established the following priorities in addition to its on-going responsibilities (see pages 4 and 20) and these are reviewed below.

1. Address the failures noted in the 2021 Ofsted report and ensure ASL's ongoing adherence to and have oversight of the Independent School Standards.

The Ofsted inspection in November 2022 confirmed that the school met all of the Independent School Standards that were checked during this inspection. On Ofsted's site, 96% of the School's parents said that they would recommend this school to another parent. The Board considers that it has met all the standards and is fully prepared for the next Ofsted inspection.

2. Work with the Interim Head of School to rebuild trust and improve communication throughout the School community.

This objective was met. The parent listening sessions hosted by Mrs. Hester continued from last year with a series of roundtable meetings as parent meetings. School communications improved throughout the year.

3. Appoint a new Head of School and develop a clear strategic transition plan to support the incoming Head.

The objective was met. Mr. Horvat had been appointed as the Head of School and concrete goals have been set for the 2023-2024 school year. The strategic transition plan focussed on information sharing with the previous Interim Head of School, with the school community as a whole, in-person events with the Board and Senior

Trustees' Report

Leadership Team and also welcoming Mr Horvat and his wife to London, the school and to his new home at Bruce House..

4. Monitor risks to the School and its community including financial, legal and media risks.

This objective had been met. There was an annual risk review process with membership of all the Chairs/Co Chairs of the Board Committees, the Interim Head of School and the Director of Finance to discuss and prioritize areas of risk. The group identified 3 general area of potential risk as 1) Decrease in enrolment; 2) A major catastrophe including terrorism; 3) Complicated, long-term litigation.

The assigning of responsibilities for mitigation of the risks identified were further reviewed once Mrs Hester had held discussions with the SLT and the Board.

PRINCIPAL ACTIVITIES UNDERTAKEN

In addition to achieving and continuing to work on the specific goals of the Board of Trustees, the School taught on average 1,397 students in the year, spread over its three divisions:

Lower School (376) Middle School (491) High School (530)

Total enrollment was above the budgeted level for the year with high re-enrollment at 94% and 265 new students entering the School. The School's world-class faculty fosters confidence, curiosity and well-being in our students, preparing them for life beyond ASL. The School develops kind, independent individuals who will embrace learning and future challenges with confidence and the courage to act. The American curriculum emphasizes steady progression in core academic areas. ASL offers an unusually wide array of options for students to extend their knowledge in several subject areas. ASL's curriculum is enhanced by broad offerings in the computer sciences, and in the visual and performing arts. Students learn to make thoughtful choices to achieve the best possible balance between breadth and depth. 136 students graduated from the senior class in June 2023 with students accepted to colleges and universities in eight countries.

FINANCIAL AID

The School has a long history of enabling students from all backgrounds to benefit from its programs. The Board of Trustees believes in the importance of having a socioeconomically diverse student body and the benefit of having a robust financial aid budget year on year. It is a point of pride that our community supports this valuable endeavour, and we are grateful to all our supporters who have shown their dedication by contributing to the program.

Growing support for financial assistance has a positive impact on the community. Research shows that students benefit from learning alongside others with differing views of the world. The School remains committed to attracting talented students regardless of their financial situation.

Awards totalling £6,137K (2022, £5,672K) in financial aid and allowances were made to 196 (2022, 187) students in the year. Of these, 175 (2022, 162) students received financial help on a formal 'means-tested' basis through the School's financial aid program, the objective of which is to assist qualified students to attend the School regardless of their families' ability to pay. The availability of financial aid is communicated via the School's website, during the application process, in parent meetings and in various articles on School finances and admissions published both annually and from time to time.

Trustees' Report

Parents apply for Financial Aid through a formal process administered by a confidential Financial Aid Committee. The Committee uses a financial model and principles developed by the independent School and Student Services for Financial Aid (a US model of assessing need) to determine financial need and the amount of Financial Aid awarded. The School sets a Financial Aid budget each year as part of its normal budgeting process. Subject to this budgetary constraint, the Financial Aid Committee seeks to meet all financial needs identified through the application process. The highest awards were for 100% of tuition fees and the average award was £29,130.

GOING CONCERN

The School's long-term financial viability is supported by a strong cash flow, significant cash balances, detailed financial projections, a sufficient level of reserves and endowment, a tradition of fundraising and a good relationship with our key donors. The Board has reviewed its liquidity, its solvency, its loan covenants, high re-enrolment driving high overall enrolment for the 2023-24 year, and the level of reserves. The School has, therefore, a reasonable expectation that it has sufficient resources to continue in operational existence for the foreseeable future which is at least 12 months from the date of the signing of this report. The Trustees believe that there are no material uncertainties that call into doubt the ability of the School to continue as a going concern.

The School was inspected by Ofsted on 15 December 2021 and in March 2022 their report was published stating that our rating has been changed from *Outstanding* to *Requires Improvement* because the school had not met three of the Independent School Standards. The school developed an action plan to meet those standards and Ofsted inspected the school again in October 2022 and concluded that the school now meets the Independent School Standards of i) Quality of education provided, ii) Spiritual, moral, social and cultural development of pupils and iii) Quality of leadership in and management of schools. Additionally, the inspectors spent time on two other standards we had passed previously – a regular part of their protocol - and confirmed that the School continues to meet the standards for its safeguarding practices and for the provision of information for all constituencies. The Ofsted survey results showed that 96% of parents would recommend this school to another parent and that 98% of parents agree that their children are happy at the School. As we move forward, we will be relentless in continuing to improve the quality of education for our students. Inspections of this kind help us to reflect on and refine our practice. The Senior Leadership Team and the Board of Trustees are working closely with our new Head of School, Matthew Horvat, to ensure that ASL continues to be a reflective and dynamic educational environment for all.

The School has been accredited by the Middle States Association of Colleges and Schools (MSA) for several decades which ensures that we maintain a high level of US and international school educational standards and informs universities of the quality of our students' educational experience. It emphasizes continuous improvement; is a non-profit organization; inspections are conducted by fellow educators from schools who volunteer for accreditation visits; and in the 2022-23 school year, we completed our self-study for accreditation. Our steering committee created a vision for the self-study. Six committees met over the course of the year to gather evidence for each of the six standards: School Profile, Foundations, Governance & Leadership, Resources, Student Well-being, and Teaching & Learning. The planning team, which is comprised of members of the SLT, ALT, Trustees, employees, parents, and students provided feedback throughout the process. Based on the success of the self-study, ASL was selected by MSA to utilize a new protocol for accreditation called Sustaining Excellence. This protocol is only offered to "leading schools" based on a school's efficacy over time in producing the levels of student performance that are desired and expected by their community stakeholders. The protocol entails an action research project that allows the school to focus its time, energy and resources on a singular focus. Since completing the self-study, ASL has been the process of developing Phase I of the action research proposal which will be submitted in September 2023. Following that, we will embark on developing Phase II of the action research over the course of the 2023-24 school year. Finally, the MSA accreditation team are expected to visit on March 4-5, 2024 for our self-study review.

Trustees' Report

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF PEOPLE WITH A DISABILITY

The American School in London is an equal opportunities employer, and this is stated unequivocally to all prospective job candidates. In accordance with our Equal Opportunities Policy, the School treats all employees equitably, and employees or prospective employees with disabilities are given full and fair treatment, with reasonable adjustments and training opportunities implemented where necessary. Additionally, the School has a range of detailed HR policies designed to support our employees and our charitable and business objectives and to ensure compliance with employment legislation. These are reviewed at least annually by the HR Director.

We consult with our employees about future School activities and issues of direct concern (such as terms and conditions) through a range of mechanisms. Employees are represented by faculty and staff associations who meet frequently with the School administration to discuss employees' requests and to resolve concerns. When a decision is made that is likely to affect the interest of employees, a full and thorough consultation process is carried out. Examples of such consultations are: annual salary and benefits meetings with faculty and staff associations and the Senior Leadership Team (specifically, a minimum of three meetings before a final decision is made); briefings to employees at the beginning and end of the academic year in all-School meetings to update them on current issues and solicit feedback; monthly meetings held between the faculty association and Head of School; and annual leadership surveys for employees to provide extensive feedback on the effectiveness of the Senior Leadership Team. Leaving employees are also offered the opportunity to participate in exit interviews, the results of which are presented to the Board of Trustees annually. Results from the 2022 survey showed that 82% of leavers rated their overall experience as positive, with 88% indicating that they would recommend working at ASL to a friend.

DIVERSITY, EQUITY AND INCLUSION STATEMENT

The School's Diversity, Equity and Inclusion Statement which had been developed from surveys, focus groups and interviews with faculty, staff, students and families remains a core tenant of ASL community. The statement is both reflective and aspirational, reflecting calls for action, authenticity and accountability to create a better future for our students.

The American School in London (ASL) is committed to building and sustaining a diverse, equitable and inclusive school community. Our strength is in our diversity. We are committed to providing equitable access to all facets of school life. ASL is dedicated to fostering an inclusive school environment in which members can thrive and be themselves in a fully authentic manner.

ASL upholds the right to an educational experience in which diverse identities, experiences and ideas are recognized and human dignity is affirmed. Diversity develops better collaborators, braver explorers, stronger communicators, greater innovators and deeper thinkers. From the time children enter the School, they learn to celebrate their differences and similarities, confront stereotypes and biases, and develop an understanding of historical and contemporary struggles and victories in the face of injustice. Through this education, students are empowered to advocate for a more just world and acquire the skills to be courageous global citizens.

Creating a diverse, equitable and inclusive school community is an ever-evolving journey. We challenge ourselves to do this work on a personal and institutional level, with empathy and mutual respect. Building and sustaining a diverse, equitable and inclusive school community is the responsibility of all. Our commitment to diversity, equity and inclusion holds the promise of a better future for all our children.

Trustees' Report

COMMUNITY SERVICE ACTIVITIES

Through a wide range of partnerships with schools, youth agencies, elderly centers, and homeless charities, ASL places itself at the heart of our West London community, learning from and with the people we serve. Student voice and interests shape the program.

This year was the largest in the history of the high school program. Our community partnerships consist of between 20 and 23 weekly activities, varying from season to season.

Over the year, 280 high school students participated in the various elements of the community action program, as well as 40 middle schoolers. For many of our students, community action becomes part of their identity, with 87% engaging in multiple aspects of the program.

This past year saw the birth of several new after-school partnership programs to which our students bring their skills and passions, enriching learning at schools in the local community:

- Five Grade 11 students launched Wobbeltech, providing weekly coding and app development lessons to young people at Harris Academy, St. John's Wood.
- Students taught dance at Barrow Hill Junior School and organized and delivered a sustainable art program. We also launched new Zumba programs at both Barrow Hill and George Eliot schools, which proved very popular.
- High school students delivered weekly robotics enrichment activities to George Eliot and Holy Trinity CofE Primary school students.
- *West London Model United Nations (MUN)* has grown into one of London's flagship MUN events, involving more than 330 young people from 22 London schools. In addition to organizing this major event and serving as committee chairs, our student leaders delivered training to participants at ASL, weekly training sessions at Harris Academy, and online training sessions at Bow School.

Our youngPOWER conference drew together students from six London schools to connect and explore paths around the theme of Voices from the Margins. The work involved weekly meetings of the conference executive team comprised of students from ASL and Westminster Academy. Over 160 students, 117 from outside ASL, attended the conference, featuring outstanding speakers, including Laura Bates, author of the "Everyday Sexism" blog, young climate and community activist Anita Okunde, and poet Kat Francois.

2022-23 saw the launch of the High School Community Action Council (CAC). The CAC's activities included co-organizing Community Volunteer Day with the School's Parent Community Association. The Community Volunteer Day supported the HandsOn London coat drive and collected 372 coats, coordinated food drives, managed the holiday Giving Tree Program and provided gifts to 226 children at the Winch, Doorstep and PACE, organized a bangers and bash dunk tank for charity; coordinating bake sales in response to the earthquakes in Turkey and Syria, and London cost of living crisis, as well as an all-school fundraising drive in support of victims of the floods in Pakistan.

For our younger students, the first middle school after-school community program started during the year with four partnerships each week at PACE and the Adventure Playhub. In the lower school, our grandfriend program expanded

Trustees' Report

significantly in the year, and we have established two new partner organizations that will be joining the program in 2023-24. Kindergarten children supported our school-wide coat drive, engaged in food drives for Granville Community Kitchen, and made cards for isolated elders through the Cards of Care project.

The SHINE Saturday program continues to thrive, offering 31 middle school students from seven local secondary schools the opportunity to participate in a 17-week Saturday enrichment program at ASL, engaging in activities such as photography, drama, dance, and robotics, and each developing and delivering their changemaker project, culminating in a presentation to their parents/guardians and teachers in our School Center. The program is supported by ASL employees and four high school volunteers.

GROUP STRUCTURE AND RELATIONSHIPS

The American School in London Foundation (UK) Limited is a registered charity and raises funds for the support of the American School in London. The two companies have shared administration and for this reason are "Connected Charities". During the year, the School received £3,584K of donations from the connected charity (2022 - £1,137K).

The School has a wholly owned non-charitable subsidiary company: ASL Enterprises Ltd. (the Subsidiary). ASL Enterprises Ltd. was formed on 22 August 2016 to carry out trading activities mainly in respect of the use of the School's facilities when not in use by the School. The Subsidiary's achievements are covered in the relevant sections of this report.

The School actively supports the attainment of the highest standards in education. Through networking with other schools and organising, as well as attending, professional development conferences, the School promotes improvements in educational standards. We also cooperate with local schools and charities to widen public access to the schooling we provide, to facilitate the use of our cultural and sporting facilities and to develop in our students an awareness of the social context of the all-round education they receive at the School. All ASL parents are welcome to become active participants of the Parent Community Association ("PCA") committees and events. Through the committees of the PCA, parents organize the Global Festival, the Booster Club (supporting athletic teams), Friends of the Arts and the biennial Auction Benefit, in addition to a wide range of other activities, which promote the mission of the School.

RISK MANAGEMENT AND PRINCIPAL RISKS AND UNCERTAINTIES

In line with the Charities SORP 2015, the Trustees participate in annual risk management reviews. This year the Risk Group of Committee Chairs again individually reviewed over 100 risks identified under four headings: Strategic, Operational, Financial and Compliance. The individual evaluations were compared and circulated for collective discussion. The Risk Group also performed a pre-mortem to provide a holistic perspective on high impact risks and then compared these to the highest scoring risks that were identified on the survey. A report of the conclusions and mitigations was produced and then reviewed by the Admin/Finance Committee and subsequently the full Board.

The group identified 3 general areas of potential risk as 1) A decrease in enrolment; 2) A major catastrophe including terrorism; 3) Complicated and long lasting litigation. With respect to all the key risks identified, the Head of School and the Senior Leadership Team have been requested to identify mitigations and initiate actions to monitor and manage those risk and report periodically to the relevant Board committees.

Trustees' Report

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Consolidated Statement of Financial Activities on page 27 shows how the School's incoming resources have been generated and how they have been expended during the year together with the results of the subsidiary company and the closing balances on each of the reserves. The net result for the year was a deficit of -£1.7M (2022, deficit of -£4.9M).

Total income increased from £44.6M to £50.4M during the year. Of the net £5.8M gain, there was increased tuition and education fee income of £3.0M, an increase of donation of £2.0 M, bank and investment income of £0.6M, non-ancillary trading £0.2M.

Total resources expended were £52.0M, which was an increase of £3.8M on the £48.2M of the previous year. The School's general operating costs increased by £3.6M and increased by a further £0.1M in costs associated with non-ancillary trading and fundraising respectively. In addition, the School recorded a net investment loss for the year of -£0.2M (2022 – loss of -£1.3M).

The total unrestricted reserves decreased by £2.8M, the restricted reserves decreased by £0.3M and the endowments increased by £1.33M. As shown in note 12, there are sufficient net assets to meet the obligations of the Restricted Reserves. Net cash outflow from operations for the year was -£3.8M (2022 - inflow of £2.1M) as shown in the Cash Flow Statement on page 29 with the cash and cash equivalent balances at the level of £18.3M compared to £22.1M last year. The balance on the Current Asset Investments increased by £1.1M during the year with a balance of £17.8M at the year end.

The Subsidiary company income was £398K (2022 - £258K) in the period and the expenses £236K (2022 - £192K) resulting in profit of £142K (2022 - £66K). The financial statements and this Report comply with statutory requirements and the Statement of Recommended Practice: ("Charities SORP (FRS 102)").

RESERVES LEVEL AND POLICY

The School's total reserves of £62.5M comprise £23.0M related to permanent endowment, £3.7M of expendable endowment and £35.8M of Unrestricted Reserves.

The Unrestricted Reserves of £35.8M are represented by £54.6M of the net book value of fixed assets less the associated funding by a long term loan of £27.0M leaving free reserves of £8.2M.

However, in accordance with the School's Reserves Policy, the Unrestricted Reserves are reviewed and may then be designated for specific purposes as set out in Note 13a). Specific reserves provide funds for future expenditure or potential contingencies identified through the Risk Review are called Designated Reserves and the major reserves are identified in the School's Reserves Policy. These Designated Reserves totalled £10.3M at the end of the year. The target range is between £8M to £12M.

The Reserves Policy recognises the need to establish an unrestricted operating reserve to cover the financial risk to the School from any short-term decline in enrolment income due to general economic factors beyond the School's control. This Designated Reserve is called the Enrolment Reserve. Enrolment levels have fluctuated significantly over the history of the School and the target level of the reserve is reviewed annually and historically has been set at between 8% and 16% of tuition income. The Board considers the reserve of £5.35M to be adequate at a level of 13% of tuition income.

Trustees' Report

The Trustees are committed to assuring the School's long-term physical viability and financial health and so have established a long-term Designated Facilities reserve. This provides funds either to pay down debt incurred to fund capital project or to fund new facility projects. Of the reserves at the end of the year, £2.3M is set aside for the repayment of the outstanding loan in 2029.

The School also has a Designated Plant Reserve to ensure that it has funds available to cover the costs, which fluctuate annually, of the long-term maintenance plan to help assure the quality of its buildings and facilities. The value of this reserve has decreased this year to account for works originally deferred from the previous summer. Those works were deferred due to the uncertainties over the imposition of lockdown and social distancing in the periods for contracting and performing the works.

In addition, the School maintains its Emergency Building and Equipment Reserve to provide funds for emergency repairs and improvements, including for physical, cyber and health security.

The School has a Staff Cost Reserve, which will allow it to absorb some additional costs of reorganising work if employee ill health or circumstances require it.

The School retains a New Initiative reserve to allow the Head of School to take advantage of an opportunity and respond to local changes. With the difficult year for the School, approximately a third of the funds were expended in the year, £70K, and the remainder is expected to be spent during this following year.

The Board recognised that the School faced uncertain times and has set up the Applied Returns reserve to meet any risks arising from market, economic and political volatility.

Trustees' Report

INVESTMENT POLICY AND OBJECTIVES

The permanent endowment has an investment objective to generate an annual return in pounds of inflation (RPI) plus 4% after expenses over the long term. Partners Capital were the investment managers for the permanent endowment for the year and funds were transitioned, as scheduled, from the previous investment managers, JP Morgan, over the course of the year. JP Morgan remain as investment managers of some private equity investments. There are no specific restrictions on the company's powers in respect of the endowed investments, which are administered in accordance with the Trustee Act 2000.

The School has also decided to invest £17.8M (2022, £16.6M) from its cash balances into sterling-denominated short-term credit funds managed by BlackRock, Legal & General and Fidelity. The amount invested is sourced from the school's positive working capital cycle. The credit funds predominantly invest in investment-grade bonds with maturities shorter than five years. We believe we can earn higher returns than bank deposits typically pay with an acceptable risk profile and mark-to-market volatility. The School also has £2.3M (2022, £1.7M) of its loan repayment reserve with Partners Capital, since the partial loan repayment is not due until November 2029. For the year there was an unrealised loss of -£0.2M (2022- £0.8M). The mark-to-market loss was primarily attributable to rising interest rates and secondarily attributable to widening credit spreads.

A total of £0.3M bank and interest income was generated for the year from unrestricted funds.

INVESTMENT PERFORMANCE OF PERMANENT ENDOWMENT

During the year, £1.049M of cumulative investment gains from the strong performance of the prior year were realized and transferred to operations and a further £0.6M of such gains were invested in the loan payment reserve with Partners Capital as described above. During the year there were negative returns of -£0.1M.

TOTAL RETURN ACCOUNTING

The Charity Commission permitted the School to adopt the use of total return in relation to its permanent endowment on 12 April 2007. The power permits the Trustees to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised, the total return shall be an 'unapplied total return' and remain as part of the permanent endowment.

The Trustees have used the values of the permanent endowments at 30 June 2001 of £371K to represent the 'Preserved Value' of the original gifts. In deciding how much of the unapplied total return to allocate to income, the Trustees take into account the current expenditure needs of the School and the need to ensure that future students benefit too from the endowments.

Compliance with the strategies set out above and actual investment performance is reviewed by the Investment Committee at least three times a year against the relevant benchmarking index. During the past year, the Investment Committee met four times.

Trustees' Report

FUNDRAISING PERFORMANCE

The tradition of philanthropy and volunteerism is an established and important aspect of life at ASL. The volunteer-run Annual Fund solicited parents of current students, our faculty and staff, alumni and parents of alumni who generously donated £1.5M of unrestricted giving this year. In addition, the School received a further £2.5M in restricted gifts for endowments and other specific purposes. Fundraising is undertaken by affiliated organisations of, primarily, volunteer groups of parents and alumni, supported by members of the Advancement team.

The School adheres to the Code of Fundraising Practice when undertaking fundraising activity. There are no professional fundraising organisations used and so no monitoring processes required. Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received no complaints in the year. The School takes its responsibility to anyone who might be vulnerable very seriously and this will continue to be considered in the School's approach to fundraising activity.

VOLUNTEERS

Our School community is continually enriched by the volunteer activities of many groups and individuals. The gifts of time and energy by the hundreds of parents, alumni, past parents, faculty, staff and students are significant (though we cannot calculate their monetary value). The Board is grateful to those who are dedicated to serving the School and helping to enhance its special qualities. The Board is especially thankful to all the many volunteers of the Parent Community Association (PCA) for the extensive community building events including the biennial auction. The Board also thanks the PCA and the American School in London Foundations in the US and in the UK for their fundraising and generous grants to the School.

GREENHOUSE GAS EMISSIONS

The School's greenhouse gas emissions for the 2022-23 financial year were equivalent to 1,001 tonnes of carbon dioxide equivalents (tCO₂e) based on a verified usage of 5,314,545 kilo-Watt-hours (kWh) of energy.

If accounting for zero carbon electricity, which has been procured through a REGO backed contract, the total emissions were 645 tonnes of carbon dioxide equivalents (tCO₂e). The School has undertaken 5 energy efficiency actions (EEA) in this reporting year.

This report has been compiled by JRP Solutions Limited in line with the "Environmental Reporting Guidelines" (SECR) (March 2019). All sites and companies in the UK have been included in the reporting even if they do not qualify in their own right. Only environmental impacts from greenhouse gasses (GHG) are included in this report. Environmental impacts from water, resource efficiency, ecosystem interaction and non GHG emission are considered separately and are outside the scope of this report. The report has been limited to scope 1 and scope 2 emissions with scope 3 emissions for grey fleet travel as required by SECR reporting. The data and information included in this report has been compiled and verified by independent consultants.

Greenhouse Gas Emissions

Table 1 below shows the GHG emissions for the School in tonnes of carbon dioxide equivalent for the base year of 19/20, last year and the current reporting year. Total emissions for 22/23= are 1,001 tonnes of carbon dioxide equivalent. The general definitions of the GHG Scopes are detailed below:

Trustees' Report

Greenhouse Gas Emissions

Table 1 below shows the GHG emissions for the School in tonnes of carbon dioxide equivalent for the base year of 19/20, last year and the current reporting year. Total emissions for 21/22 are 986 tonnes of carbon dioxide equivalent.

The general definitions of the GHG Scopes are detailed below:

Scope 1 – All Direct Emissions from the activities of an organisation or under their control. Including combustion of fuel on site such as gas boilers, purchased fuel for vehicles and air-conditioning leaks.

Scope 2 – Indirect Emissions from electricity purchased and used by the organisation.

Scope 3 – All Other Indirect Emissions from activities of the organisation, occurring from sources that they do not own or control. Only Grey Fleet/employee car mileage claims need including for SECR.

	Emission Source	Units	Baseline	Last Year	Report Year
			19/20	21/22	22/23
Scope 1	Gaseous Fuel	Emissions (tCO ₂ e)	455.6	610.8	566.3
	Passenger Vehicles	Emissions (tCO ₂ e)	0.5	0.8	0.7
	Sub Total	Emissions (tCO₂e)	456.1	611.6	567.1
Scope 2	Grid Electricity	Emissions (tCO ₂ e)	461.1	366.5	427.2
	Sub Total	Emissions (tCO₂e)	461.1	366.5	427.2
Scope 3	Grey Fleet	Emissions (tCO ₂ e)	0.0	0.0	0.0
	Water supply	Emissions (tCO ₂ e)	6.2	2.7	2.4
	Water treatment	Emissions (tCO ₂ e)	12.7	4.9	4.4
	Sub Total	Emissions (tCO₂e)	18.9	7.6	6.8
TOTAL EMISSIONS		Emissions (tCO₂e)	936.1	985.7	1,001.1
Variance to baseline		%		5.3%	6.9%
Carbon Offsets & Green Tariffs Purchased		Emissions (tCO ₂ e)	0.0	413.1.4	356.3
TOTAL EMISSIONS WITH OFFSETTING		Emissions (tCO₂e)	936.1	572.5	644.8
Variance to baseline		%		-38.6%	-31.1%

Absolute Emissions Performance

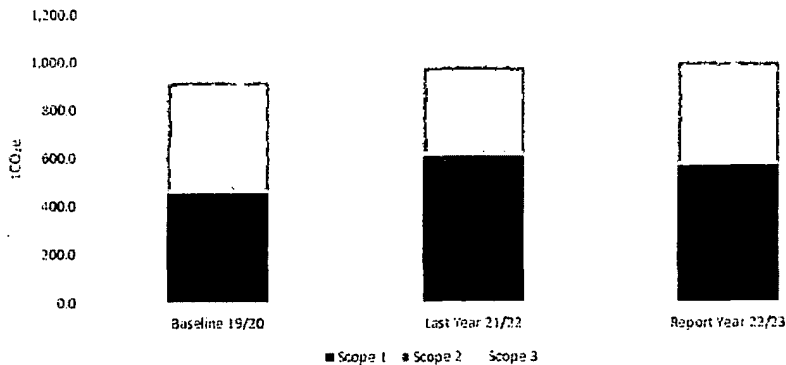


Figure 1: Emissions Performance

Trustees' Report

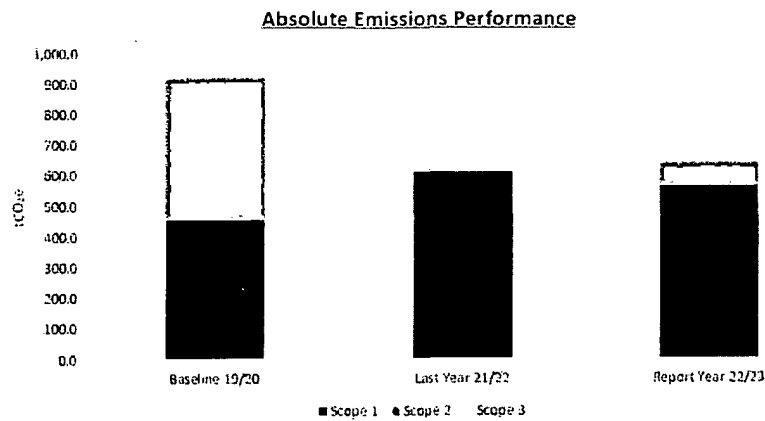


Figure 2: Emissions Performance Including Zero Carbon Electricity

The relative emissions performance shown below is in tonnes of carbon dioxide equivalents (tCO₂e) per student

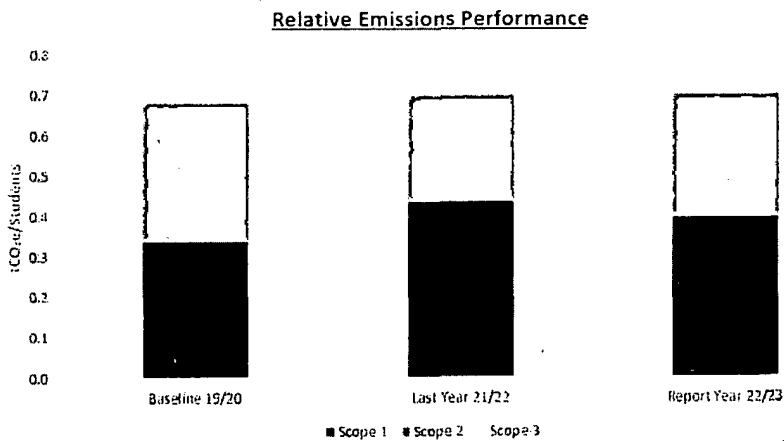


Figure 3: Emissions Performance

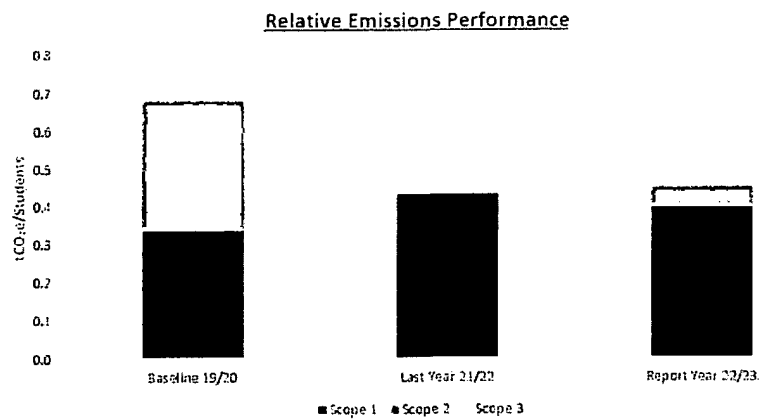


Figure 4: Emissions Performance Including Zero Carbon Electricity

Trustees' Report

Underlying Energy Use

Table 2 below shows the energy use for the School in kilowatt hours (kWh) for the base year of 19/20, last year and the current reporting year. Total energy used for 22/223 was 5,314,545 kWh.

	Emission Source	Units	Baseline	Last Year	Report Year
			19/20	21/22	22/23
Scope 1	Gaseous Fuel	Energy (kWh)	2,478,379	3,334,733	3,102,539
	Passenger Vehicles	Energy (kWh)	1,961	3,014	2,920
	Sub Total	Energy (kWh)	2,480,340	3,337,748	3,105,459
Scope 2	Grid Electricity	Energy (kWh)	1,803,963	1,726,011	2,209,086
	Sub Total	Energy (kWh)	1,803,963	1,726,011	2,209,086
Scope 3	Grey Fleet	Energy (kWh)	0	0	0
	Sub Total	Energy (kWh)	0	0	0
TOTAL ENERGY		Energy (kWh)	4,284,303	5,063,758	5,314,545
Variance to baseline		%		18.2%	24.0%

Table 2: Underlying Energy Use

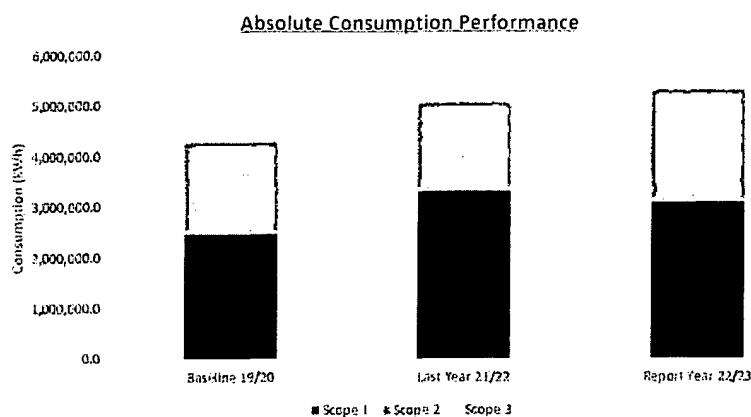


Figure 5: Consumption Performance

The relative consumption performance shown below is in kilo-Watt-hours (kWh) per student.

Trustees' Report

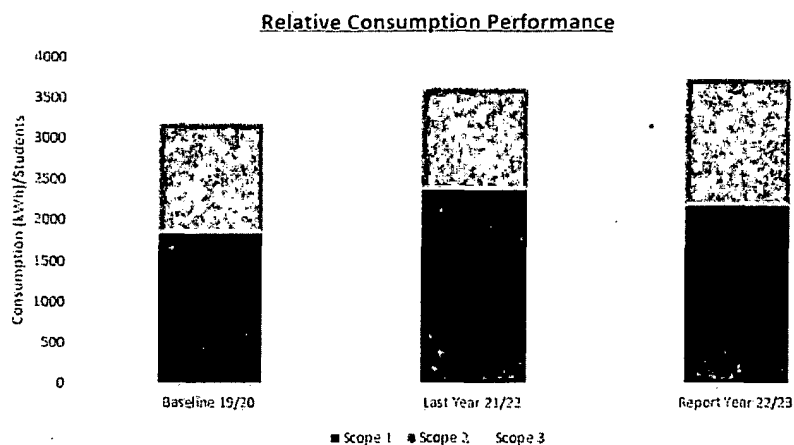


Figure 6: Consumption Performance

Intensity Ratios

The tables below show the intensity ratios for the organisation.

Type	Units	Baseline	Last Year	Report Year
		19/20	21/22	22/23
Occupancy	kWh/Students	3,173.6	3,601.5	3,732.1

Table 3: Operation Consumption Intensity Ratios

Type	Units	Baseline	Last Year	Report Year
		19/20	21/22	22/23
Occupancy	tCO ₂ e/Students	0.693	0.701	0.703

Table 4: Operation Emissions Intensity Ratios (without zero carbon electricity)

Type	Units	Baseline	Last Year	Report Year
		19/20	21/22	22/23
Occupancy	tCO ₂ e/Students	0.693	0.407	0.453

Table 5: Operation Emissions Intensity Ratios (with zero carbon electricity)

Trustees' Report

Energy Efficiency Actions Taken

During the reporting year 22/23 the following energy efficiency actions were taken:

Category	Title	Description
HVAC	2-pipe to 4-pipe system upgrade and Fan Coil Unit replacement	Yellow tower, 3 floors consisting of 18 teaching spaces
Other	8 bathroom renovations	20-year-old bathrooms upgraded with eco flush systems, lower energy hand driers and automated soap dispensers.
Other	Pool cover installation	Pool cover installation
BMS & Controls	Metering upgrade	Increase utility metering and monitoring to supply data to a Dashboard
Other	Replacement of roof plant equipment	Design and plan the replacement of roof plant equipment and enclosures, to include green roofs, solar panels and efficient air handling units.

Table 6: Energy Efficiency

PROMOTION OF THE SUCCESS OF THE ORGANISATION TO BENEFIT ITS MEMBERS

The Trustees confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider most likely to achieve the purposes of the Company. In making this assessment, the Trustees consider the relevant actions of the Board that are described throughout the Trustees' Report. Taking the areas required for disclosure in turn:

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 section of the Trustees' Report. Specifically, the Trustees consider both operating results and financial projections and the key risks that could negatively impact the sustainability of the School. The Admin/Finance Committee and the Board review management information, budgets, forecasts, cash flow projections and progress against budget on a regular basis. Risk management (page 10-11) and the level of reserves (pages 11-12) are also discussed further in the report.

b. The interests of the company's employees

In relation to employee engagement, the Trustees receive regular reports from management on the employee morale and speak directly to representatives of the faculty and staff associations when reviewing the pay and conditions with them annually. Further details of employee involvement are discussed in the report (page 8).

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

In relation to key stakeholder engagement, the Trustees work closely with the families of the students in ASL. The Trustees communicate with families regularly via email and provide an annual report to the community which i) recognises the time and resources our community of volunteers dedicate to the School and ii) describes the impact of such generosity. The Board works closely with the Parent Community Association (PCA) whose members provide most

Trustees' Report

of the volunteer effort for the School. Last year the School hosted a meeting open to all families at which the Chair of the Board and other Trustees presented on the School's governance structures and how tuition level decisions are made.

In accordance with the American School in London's standard payment terms, supplier payment is due within 30 days after the School receives the invoice from the supplier.

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

The Trustees have commissioned an independent review of energy use. This report has provided a review of greenhouse gas emissions in compliance with the Streamlined Energy and Carbon Reporting (SECR) Report. The Trustees are proud of the community service activities of the students which are described in more detail in the relevant section of the Trustees' Report (Pages 9-10).

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

The American School in London 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.

f. The need to act fairly as between members of the company.

The Directors understand the Charity Commission requirements and understand the need to avoid and manage potential conflicts of interest. The Company is limited by guarantee so does not have share capital, therefore issues relating to Director shareholders or relations between majority and minority shareholders do not apply.

FUTURE PLANS

The Trustees have approved the following specific goals for the School year 2023-24:

Responsibilities

- Support and evaluate the Head of School.
- Ensure ASL's adherence to its Mission Statement including monitoring student well-being, educational experience and outcomes.
- Ensure governance and management oversee ASL's ongoing compliance with all relevant regulatory bodies and accrediting organizations, including the Department for Education/Ofsted and the Middle States Association (MSA).
- Support the implementation of short, medium and long-term strategic initiatives and the development of periodic strategic plans.
- Ensure financial well-being and prudent institutional management, and manage financial, legal, media and other risks to the School consistent with Board governance policies and applicable UK and US regulations and codes, including but not limited to the Independent School Standards (ISS) and the Charity Commission for England and Wales.
- Demonstrate support, stewardship and leadership through active participation in the Board's advancement activities, philanthropic commitment to the School, and engagement in defining ASL's culture and community.
- Promote exceptional Board governance and leadership by ensuring that Board composition is diverse and delivers the expertise and resources needed to effectively serve the School.

Trustees' Report

2023-24 Priorities

- Support the new Head of School and ensure his successful transition, for example, by
 - Supporting Mr Horvat's understanding of school and community
 - Working to build trusting relationships with the Head of School, including via 1-to-1 trustee meetings
 - Ensuring regular, proactive and open communication between the Head and the Board.
- Ensure regular, proactive communication from the Board to inform the community of leadership goals, progress towards goals, and school matters.
- Conduct a succession planning process to appoint a new Chair of the Board in the Spring of 2024.
- Ensure ASL's ongoing adherence to and oversight of the ISS and carry out an audit to review its effectiveness.
- Support the Head and the Board sub-committee focus on the financial well-being of the school in particular strategic decision on budget and fundraising.
- Lay groundwork for embarking on strategic planning (identifying areas of focus) in academic year 2024-2025.

AUDITOR

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

This Trustees' Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Trustees, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



George Hatzmann
Secretary

Date: 29 November 2023

Independent auditor's report to the Members and Trustees
INDEPENDENT- AUDITOR'S REPORT TO THE MEMBERS OF THE AMERICAN SCHOOL IN LONDON
EDUCATIONAL TRUST LIMITED

Opinion

We have audited the financial statements of The American School in London Educational Trust Limited ('the charitable company') for the year ended 30 June 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Summary Income and Expenditure Account, the Consolidated Cash Flow Statement 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 30 June 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.

Independent auditor's report to the Members and Trustees

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 page 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.

Independent auditor's report to the Members and Trustees

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 the auditing standards issued by the Institute of Chartered Accountants in England and Wales and the Institute of Chartered Accountants in Scotland 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 and 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, 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.

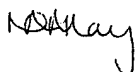
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Admin & Finance 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 regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Independent auditor's report to the Members and Trustees

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,



Nicola May

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor London

Date 8 December 2023

Consolidated Statement of financial activities
For the year ended 30 June 2023

	Notes	Total	Restricted		2023	2022
		Unrestricted	Other	Endowment	Total	Total
		£,000	£,000	£,000	£,000	£,000
Income from						
Charitable activities:						
Fees receivable	2a	42,444	-	-	42,444	40,296
Other educational income	2b	2,183	-	-	2,183	1,278
Other trading activities	2c					
Non-ancillary trading		398	-	-	398	258
Other income	2d					
Government grants		-	-	-	-	12
Investments						
Bank and investment income		335	-	1,049	1,384	765
Donations and legacies						
Donations		1,490	141	2,389	4,020	1,979
		<u>46,850</u>	<u>141</u>	<u>3,438</u>	<u>50,429</u>	<u>44,588</u>
Expenditure on						
Raising funds:						
Non-ancillary		(398)			(398)	(258)
Fundraising costs		(717)			(717)	(666)
Financing costs		(686)			(686)	(686)
		<u>(1,801)</u>	<u>-</u>	<u>-</u>	<u>(1,801)</u>	<u>(1,610)</u>
Charitable activities:						
School operating costs		(49,410)	(156)	(599)	(50,165)	(46,571)
Total resources expended	3	<u>(51,211)</u>	<u>(156)</u>	<u>(599)</u>	<u>(51,966)</u>	<u>(48,181)</u>
Net investment gain/ (loss)		186		(134)	52	(588)
Net Short Term Investment loss		(236)			(236)	(761)
Net income/(expenditure) before transfers		(4,411)	(15)	2,705	(1,721)	(4,942)
Transfers between reserves	7	1,614	(243)	(1,371)	-	-
Net movement in reserves in the year		<u>(2,797)</u>	<u>(258)</u>	<u>1,334</u>	<u>(1,721)</u>	<u>(4,942)</u>
Balances brought forward at 1 July		<u>38,591</u>	<u>290</u>	<u>25,393</u>	<u>64,274</u>	<u>69,216</u>
Balances carried forward at 30 June		<u>35,794</u>	<u>32</u>	<u>26,727</u>	<u>62,553</u>	<u>64,274</u>

All of the above are represented by continuing operations.

There are no recognised gains or losses other than those shown in the statement of financial activities. The accompanying notes are an integral part of this statement.

Consolidated Group and Company Balance Sheet
For the year ended 30 June 2023

	Notes	Group 2023 £,000	Group 2022 £,000	Company 2023 £,000	Company 2022 £,000
Fixed assets					
Tangible assets	8	54,612	54,292	54,612	54,292
Investments	9	27,570	27,033	27,570	27,033
		<u>82,182</u>	<u>81,325</u>	<u>82,182</u>	<u>81,325</u>
Current assets					
Stock		18	21	18	21
Debtors	10	2,390	1,317	2,371	1,317
Current asset investments		17,752	16,563	17,752	16,563
Cash at bank and in hand		18,286	22,133	18,139	22,061
		<u>38,446</u>	<u>40,034</u>	<u>38,280</u>	<u>39,962</u>
Creditors: Amounts falling due within 1 year	11a	<u>(31,075)</u>	<u>(30,085)</u>	<u>(30,909)</u>	<u>(30,013)</u>
Net current assets		<u>7,371</u>	<u>9,949</u>	<u>7,371</u>	<u>9,949</u>
Total assets less current liabilities		<u>89,553</u>	<u>91,274</u>	<u>89,553</u>	<u>91,274</u>
Creditors: Amounts falling due after 1 more than 1 year	11b	<u>(27,000)</u>	<u>(27,000)</u>	<u>(27,000)</u>	<u>(27,000)</u>
Total net assets		<u>62,553</u>	<u>64,274</u>	<u>62,553</u>	<u>64,274</u>
Financed by:					
Accumulated reserves					
Unrestricted reserves:					
General		25,481	25,192	25,481	25,192
Designated	13a	10,313	13,399	10,313	13,399
Total unrestricted reserves		<u>35,794</u>	<u>38,591</u>	<u>35,794</u>	<u>38,591</u>
Restricted	13b	32	290	32	290
Endowments	13f	26,727	25,393	26,727	25,393
		<u>62,553</u>	<u>64,274</u>	<u>62,553</u>	<u>64,274</u>

The net result for the financial year dealt with by the financial statements of the parent charity was a Loss of £1,721K (2022: Loss: £4,872K).

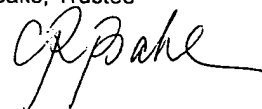
The financial statements on pages 26 to 48 were approved by the Board and authorised for issue on 29 November 2023.

Signed on behalf of the Board

Erin Roth, Trustee



Cynthia Bake, Trustee



The accompanying notes are an integral part of this balance sheet.

Consolidated cash flow statement
For the year ended 30 June 2023

	Notes	2023		2022	
		£,000	£,000	£,000	£,000
Net cash inflow from operations					
Net cash provided by operating activities	i		<u>(3,751)</u>		<u>2,103</u>
Cash flows from investing activities					
Payments for tangible fixed assets		(2,709)		(2,153)	
Payments to acquire investments		(600)		(16,675)	
New money waiting investment		(161)		(116)	
Investment Income (Dividends and interests)		-		-	
Disposals of investments				700	
Bank interest and investment income receivable		1,384		765	
Net cash provided (used in) investing activities			<u>(2,086)</u>		<u>(17,479)</u>
Cash flow from financing activities					
New endowment		2,676		405	
Bank interest payable		(686)		(686)	
Net cash provided by financing activities			<u>1,990</u>		<u>(281)</u>
Change in cash and cash equivalent in the reporting period			<u>(3,847)</u>		<u>(15,657)</u>
Cash and cash equivalents at the beginning of the period			<u>22,133</u>		<u>37,790</u>
Cash and cash equivalents at the end of the reporting period	ii		<u>18,286</u>		<u>22,133</u>

Cash flows have not been affected by charity law restrictions on the use of restricted funds. The accompanying notes are an integral part of this cash flow statement.

Notes to Cash flow statement

i. Reconciliation of net income to net cash from operating activities

		2023		2022
	£,000	£,000	£,000	£,000
Net income before transfers		(1,718)		(4,942)
Elimination of non-operating cash flows:				
- Investment income	(1,384)		(765)	
- Endowment donations	(2,487)		(825)	
- Finance costs	686		686	
- Unrealised investment loss (gain)	184		1,349	
Depreciation	2,389		2,472	
(Increase)/decrease in debtors	(1,220)		(255)	
Increase/(Decrease) in creditors excluding bank loans	990		4,910	
(Increase)/decrease in current asset investments	(1,189)		(519)	
Increase/(Decrease) in stocks	(2)		(8)	
		<u>(2,033)</u>		<u>7,045</u>
Net cash inflow from operations		<u>(3,751)</u>		<u>2,103</u>

ii. Analysis of cash and cash equivalents

	2023	Cash flow movement in the year	2022
	£,000	£,000	£,000
Cash at bank	8,653	(9,966)	18,619
Deposits	9,633	6,119	3,514
	<u>18,286</u>	<u>(3,847)</u>	<u>22,133</u>

iii. Analysis of movement in loans

	2023	New loan	Repayment	2022
	£,000	£,000	£,000	£,000
Bank loan falling due within one year	-	-	-	-
Loans falling due after one year	<u>27,000</u>	-	-	<u>27,000</u>
Total loans	<u>27,000</u>	-	-	<u>27,000</u>

Notes to the financial statements (continued)

1 Summary of accounting policies

The financial statements have been prepared 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 FRS 102 – effective 1 January 2015.

The functional currency of the School is considered to be Great Britain Pounds (GBP) because that is the currency of the primary economic environment in which the School operates.

The financial statements of the School are drawn up under the historical cost basis of accounting, as modified by the revaluation other investments.

The Financial Statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the School with its wholly owned subsidiary ASL Enterprises Limited. No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006. The Charity has taken advantage of the FRS 102 exemption from preparing its own entity statement of cash flows. The School has taken advantage of the exemption under section 408 of the Companies Act 2006 not to publish its own income and expenditure account.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated in 1963 (Company No: 783923) and registered as a charity with the Charities Commission (Charity No: 312738).

Critical accounting judgements and key sources of estimate and uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affected current and future periods.

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.

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

a) Financial instruments

Basic financial instruments are initially recognised at transaction value, subsequently measured, and amortised 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 trade and other debtors. 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 instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to Pounds GBP at the balance sheet date at an appropriate year-end exchange rate.

Notes to the financial statements (continued)

b) *Tangible fixed assets*

Tangible fixed assets except investment assets, are shown at cost and depreciated at annual rates calculated to write off their cost less estimated residual values over their expected useful lives, the rates for which are currently as follows: -

Long Leasehold Land	0.4% straight-line
Building Extension and Refurbishment	5% straight-line
Motor Vehicles	25% straight-line
Buildings	2% straight-line
Furniture and Equipment	10-25% straight-line
Laptops provided to students	50% straight-line

No depreciation is charged on freehold land.

Expenditure on fixed assets, which cost more than £250, is capitalised.

c) *Stock*

Stock consists primarily of stationery supplies and is stated at latest invoice cost, which approximates purchase cost.

d) *Taxation*

As a charity, the School's income falls within the exemptions granted by the Corporation Tax Act of 2010. The School is therefore not subject to taxes on income and chargeable gains.

e) *Pension costs*

The company contributes to the purchase of supplementary pension rights staff as described in note 14. Pension costs are charged on an accruals basis.

f) *Accounting for foreign currency transactions*

Certain transactions take place in foreign currency and are translated into pounds at the rates of exchange at the date of the transaction. All foreign currency balances at the year-end are translated into pounds at the year-end rate of exchange and any gain or loss is credited or charged to the statement of financial activities.

g) *Investments*

The portfolio of investments in pooled funds is stated in the financial statements at market value. Investment income includes gross dividends receivable. Realised and unrealised capital gains and losses are shown separately in the balance sheet.

h) *Fees receivable*

Fees receivable represent tuition fees, transport, summer school and other fees receivable by the company during the year – see note 2.

Fees are recognised on an accruals basis. Fees received in advance represent amounts received prior to the company's year-end in respect of the next semester. Fees receivable are stated after deducting financial aid. Restricted donations for financial aid are disclosed separately.

i) *Donations*

Donations are recognised on a receivable basis when there is entitlement, the amount can be measured and receipt is probable.

Notes to the financial statements (continued)

Donations for specific projects are disclosed as restricted donations. When restricted donations are received for capital expenditure projects they are accounted for in a restricted reserve until the purchase of the asset or the expenditure on the specific project occurs. At this point, the funds and any subsequent funds received are transferred to unrestricted funds as corporate reserves – see note 7.

Donations for endowment funds are disclosed separately as part of Restricted Reserves on the statement of financial activities – see notes 13b to 13f.

Other donations, which include Annual Fund receipts, are shown as unrestricted donations.

j) *Total Return accounting*

The Charity Commission permitted the School to adopt the use of total return in relation to its permanent endowment on 12 April 2007. The power permits the trustees to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised, the total return shall be an 'unapplied total return' and remain as part of the permanent endowment – see note 13c. The trustees have used the values of the permanent endowments at 30 June 2001 to represent the 'Preserved Value' of the original gifts. This was just after receipt of its second major gift of permanent endowment. In these Financial Statements, the allocation to income is now shown as Other Income rather than in previous years as a transfer between reserves.

k) *Allocation of costs to categories of resources expended*

All expenditure is accounted for on an accruals basis. Costs are allocated between the cost of generating funds and the actual cost of charitable activities by identifying the direct costs related to these activities. Any indirect costs are then apportioned on the basis of staff time. Charitable expenditure costs are also allocated to the different categories by direct costs where possible. Some compensation costs are apportioned on the basis of salary costs per category. Support costs comprise all the costs of running the non-teaching and non-fund-raising departments of the School such as Admissions, Communications and Finance. Salaries represent 90% of support costs.

Depreciation is included as part of premises costs.

Governance costs are only those related to the management and administration of the charity. They include both direct costs of the external audit and any legal advice to the Trustees plus a proportion of management and other staff time together with related overheads.

l) *Going Concern*

The School's long-term financial viability is supported by a strong cash flow, significant cash balances, detailed financial projections, a sufficient level of reserves and endowment and a tradition of fundraising and a good relationship with our community and key donors. The Board has reviewed its liquidity, its solvency, its loan covenants, enrolment for the 2023-24 year, volatility and level of reserves. The School has, therefore, a reasonable expectation that it has sufficient resources to continue in operational existence for the foreseeable future which is at least 12 months from the date of the signing of this report. The Trustees believe that there are no material uncertainties that call into doubt the ability of the School to continue as a going concern.

Notes to the financial statements (continued)

2a Fees receivable	2023	2022
	£,000	£,000
Gross tuition fees	46,582	44,386
Less: Financial Aid	(5,723)	(5,325)
Less: Community Support Fund	-	(260)
Net tuition fees	<u>40,859</u>	<u>38,801</u>
Other fees:		
Gross Transportation	1,172	1,096
Less: Financial Aid	(215)	(199)
Net Transportation	957	897
Applications and retentions	<u>628</u>	<u>598</u>
	<u>42,444</u>	<u>40,296</u>
2b Other educational income	2023	2022
	£,000	£,000
Gross Trips	805	170
Less: Financial Aid	(72)	(24)
Net Trips	<u>733</u>	<u>146</u>
Summer and After-School programs and other income	1,577	1,256
Less: Financial Aid	(127)	(124)
Net Non-Trips	<u>1,450</u>	<u>1,132</u>
	<u>2,183</u>	<u>1,278</u>
2c Non-ancillary income	2023	2022
	£,000	£,000
Trading income from membership fees and swimming lessons	<u>398</u>	<u>258</u>
2d Government grant	2023	2022
	£,000	£,000
Grants relate to the furlough of staff not working from the period July 2022 to June 2023	-	12

Notes to the financial statements (continued)

3 Analysis of total resources expended

	Staff costs	Other	Depreciation	2023 Total	2022 Total
	£,000	£,000	£,000	£,000	£,000
Charitable Activities					
Teaching costs	26,117	3,659	-	29,776	29,583
Welfare	2,045	1,292	-	3,337	3,225
Premises	1,496	2,979	2,389	6,864	5,444
Transport	169	985	-	1,154	1,135
Support costs	5,878	3,010	-	8,888	6,760
Governance costs	104	42	-	146	164
Community Support Fund	-	-	-	-	260
	<u>35,809</u>	<u>11,967</u>	<u>2,389</u>	<u>50,165</u>	<u>46,571</u>
School operating costs					
Costs of raising funds					
Fundraising costs	586	131	-	717	666
Financing costs	-	686	-	686	686
Non-ancillary	160	238	-	398	258
	<u>36,555</u>	<u>13,022</u>	<u>2,389</u>	<u>51,966</u>	<u>48,181</u>

4 Net incoming/(outgoing) resources for the year before transfers

Net income/(expenditure) for the year before transfers is stated after charging:

	2023 £,000	2022 £,000
Depreciation of tangible fixed assets	2,389	2,472
Auditors' remuneration	-	-
- audit services	38	33
- non-audit services	26	9
Financing costs	686	686
Staff costs – see note 5	<u>36,555</u>	<u>35,076</u>

Notes to the financial statements (continued)

5 Employee Costs

Some members of the teaching and administrative employees are also employees of the American School in London Foundation (the Foundation), which is based in the United States and are seconded to the American School in London Educational Trust Limited (the "Trust") under an agreement between the two companies. Under that agreement, the Trust agrees to provide the necessary funds to cover the employee costs and to act as agent of the Foundation in respect of certain aspects of its employer obligations.

Total employee costs during the year amounted to:

	2023	2022
	£,000	£,000
Wages and salaries	30,530	29,436
Social security costs and NI contributions	3,329	3,099
Other pension costs	2,696	2,541
	<u>36,555</u>	<u>35,076</u>

The number of persons employed in the operation of the School during the year calculated was as follows:

	2023	2022	2023	2022
	Average	Average	FTE Number	FTE Number
Teachers and Teachers' Support	274	258	257	242
Administration	<u>106</u>	<u>110</u>	<u>102</u>	<u>108</u>
Total	<u>380</u>	<u>368</u>	<u>359</u>	<u>350</u>

There was 1 teacher on sabbatical leave during 2023 (2022 – 0). During the year, there was 1 redundancy or termination payments (£119K) of which NIL was owing at the year-end (2022 – £507K). The above numbers include 21 employees (2022 – 20) who were jointly employed by the School and the subsidiary.

Notes to the financial statements (continued)

The number of employees, including those of the Foundation, whose emoluments, including benefits in kind (excluding deferred compensation, pensions and pension contributions) exceeded £60,000 were:

	2023	2022
	Number	Number
£60,001 - £70,000	27	29
£70,001 - £80,000	24	50
£80,001 - £90,000	39	46
£90,001 - £100,000	60	36
£100,001 - £110,000	29	9
£110,001 - £120,000	18	2
£120,001 - £130,000	7	4
£130,001 - £140,000	0	2
£140,001 - £150,000	2	0
£150,001 - £160,000	1	0
£160,001 - £170,000	1	2
£170,001 - £180,000	1	1
£180,001 - £190,000	1	2
£190,001 - £200,000	2	1
£200,001 - £210,000	1	0
£210,001 - £220,000	1	0
£230,000 - £240,000	0	1
£430,001 - £440,000	1	-
£940,000 - £950,000	0	1
	<u>215</u>	<u>186</u>

The total employers' pension contributions to the School's and Foundation's defined contribution schemes amounted to £2,035 (2022 £1,639K) in respect of the employees above.

	2023	2022
	£,000	£,000
Aggregate employee benefits of key management personnel (the SLT including the Head of School remained at 14 members as last year)	<u>2,709</u>	<u>3,131</u>

Notes to the financial statements (continued)

6 Transactions with Trustees

The Trustees, with the exception of the Interim Head of School and the former Head of School, received no emoluments or reimbursement of expenses. The Head of School, in accordance with the School's Memorandum and Articles of Association, was a Trustee, as was the Interim Head of School.

The Head of School and the Interim Head of School's remuneration including pension contributions and benefits-in-kind were as follows:

	2023	2022
	£,000	£,000
Salary	436	396
Deferred compensation	-	507
Other remuneration including utilities and accounting	9	55
Pension contributions	<u>44</u>	<u>40</u>
Total	489	998

7 Transfers between reserves

The transfers from Designated Reserves to the General Reserves totalled £3,670K of which £2,282K came from the Applied returns Investment and £1,388K from the Plant Reserve. The transfers from restricted to unrestricted reserves totalled £243K (note 13b). In addition, £771K was allocated to income from Endowment with £449K from Permanent Endowment (note 13d) and £322K from Expendable Endowment (note 13e). An additional £600K was transferred from the Returns from the Permanent Endowment to the Designated Reserves (13d).

Notes to the financial statements (continued)

8 Tangible fixed assets - Group and Company

	Freehold	Building Extension and Refurbishment	Long Leasehold	Furniture and Equipment	Motor Vehicles	Total
	£,000	£,000	£,000	£,000	£,000	£,000
Cost						
At 1 July 2022	15,483	69,227	2,430	8,963	23	96,126
Additions	-	-	-	2,709	-	2,709
Disposal						
At 30 June 2023	<u>15,483</u>	<u>69,227</u>	<u>2,430</u>	<u>11,672</u>	<u>23</u>	<u>98,835</u>
Depreciation						
At 1 July 2022	809	33,547	545	6,910	23	41,834
Disposal	-	-	-	-	-	-
Charge	<u>61</u>	<u>1,312</u>	<u>39</u>	<u>977</u>	<u>-</u>	<u>2,389</u>
At 30 June 2023	<u>870</u>	<u>34,859</u>	<u>584</u>	<u>7,887</u>	<u>23</u>	<u>44,223</u>
Net book value						
At 1 July 2022	<u>14,674</u>	<u>35,680</u>	<u>1,885</u>	<u>2,053</u>	<u>-</u>	<u>54,292</u>
At 30 June 2023	<u>14,613</u>	<u>34,368</u>	<u>1,846</u>	<u>3,785</u>	<u>--</u>	<u>54,612</u>

At 30 June 2023, the Company has no capital commitments authorised and contracted for but outstanding, in respect of land and buildings refurbishment (2022 was also NIL).

Notes to the financial statements (continued)

9 Investments – Group and Company

	2023		2022	
	Group & Company		Group & Company	
	£,000	£,000	£,000	£,000
Market value of investments brought forward		27,033		25,883
Disposal of cash brought forward		(116)		(90)
Purchases in the year		600		1,675
New money waiting investments		-		116
Investment income reinvested		-		39
Disposals in year	(1,049)		(700)	
Gross investment gain in the year	1,170		226	
Management fee	<u>(69)</u>		<u>(114)</u>	
Net investment gain (loss) in year		52		(588)
Market value carried forward		<u>27,570</u>		<u>27,033</u>
Cost of investments carried forward		<u>23,165</u>		<u>22,520</u>

The total unrealised gain included above was £4,405K at 30 June 2023 (2022 – £4,513K).

Investments comprise:	Group &	Group &
	Company	Company
	2023	2022
	£,000	£,000
Listed investments		
Fixed interest	-	-
Multi-asset class	11,273	6,993
Equities	11,455	11,156
Alternative investments	4,140	8,733
Cash	702	151
Forex	-	-
Group investments	<u>27,570</u>	<u>27,033</u>
Investment in subsidiaries	-	-
Company investments	<u>27,570</u>	<u>27,033</u>

In addition to the above investments, other endowment funds are invested as current asset investments.

The main investments for the Group are managed by Partners Capital with some residual investments remaining with JP Morgan Private Bank.

Notes to the financial statements (continued)

10 Debtors

Amounts falling due within one year:	Group 2023 £,000	Group 2022 £,000	Company 2022 £,000	Company 2022 £,000
Other debtors	1,738	794	1,718	794
Prepayments and accrued income	<u>652</u>	<u>523</u>	<u>652</u>	<u>523</u>
	<u>2,390</u>	<u>1,317</u>	<u>2,370</u>	<u>1,317</u>

11 Creditors

a) Amounts falling due within one year:	Group 2023 £,000	Group 2022 £,000	Company 2023 £,000	Company 2022 £,000
Fees received in advance (note 1h)	23,959	22,766	23,959	22,766
PAYE and social security creditors	2,230	1,991	2,230	1,991
Other creditors and accruals	<u>4,886</u>	<u>5,328</u>	<u>4,720</u>	<u>5,257</u>
	<u>31,075</u>	<u>30,085</u>	<u>30,909</u>	<u>30,014</u>

b) Amounts due after one year – Group and Company	30 June 2023 £,000	Increase in loan £,000	30 June 2022 £,000
Loan falling due after one year	<u>27,000</u>	<u>-</u>	<u>27,000</u>

The loans were refinanced in November 2019 for a 30-year term, with the new loan having security on certain property at the School. The interest on the loan is at a fixed rate. The first repayment instalment is after 10 years in November 2029.

12 Allocation of Group Net Assets

The net assets as at 30 June 2023 are held for the various funds as follows:

	Net Current Assets £,000	Loans due after more than 1 year £,000	Investments £,000	Tangible Fixed Assets £,000	Total £,000
Permanent endowment	160	-	22,818	-	22,978
Expendable endowment	3,749	-	-	-	3,749
Restricted reserves	32	-	-	-	32
Designated enrolment reserves	5,350	-	-	-	5,350
Designated facilities reserves	101	-	2,186	-	2,287
Designated reserves – other	2,458	-	-	-	2,458
Designated reserves- applied total return	(66)	-	284	-	218
General reserves	<u>(4,413)</u>	<u>(27,000)</u>	<u>2,282</u>	<u>54,612</u>	<u>25,481</u>
Total reserves	<u>7,371</u>	<u>(27,000)</u>	<u>27,570</u>	<u>54,612</u>	<u>62,553</u>

The investment policy with respect to endowment reserves is summarised on page 13.

The notes on pages 11 to 12 describe the purposes of the various reserves held.

Notes to the financial statements (continued)

13 Reconciliation of opening and closing Group and Company reserves

a) Designated reserves	Balance 30 June 2022	New funds designated	Resources expended	Transfer to general reserve	Balance 30 June 2023
	£,000	£,000	£,000	£,000	£,000
Enrolment reserve	5,350	-	-	-	5,350
Facilities reserve	1,687	1,286	(686)	-	2,287
Building & Equipment reserve	973	-	(50)	-	923
Plant reserve	2,286	1,050	(792)	(1,388)	1,156
Prolonged Disability reserve	54	-	(54)	-	-
Staff Cost reserve	347	-	(100)	-	247
New Initiatives reserve	202	-	(70)	-	132
Applied Returns investment	<u>2,500</u>	<u>-</u>	<u>-</u>	<u>(2,282)</u>	<u>218</u>
	<u>13,399</u>	<u>2,336</u>	<u>(1,752)</u>	<u>(3,670)</u>	<u>10,313</u>

Enrolment reserve

The enrolment reserve represented approximately 13% of tuition income at 30 June 2023. The School undertakes regular reviews of the level of this reserve. While enrolment in the last couple of years has been stable, enrolment is impacted by external economic factors. Historically, enrolment has fluctuated significantly and by up to 100 students from year to year. This reserve will enable the School to maintain its staff and operating cost levels in the short-term (over 2-3 years) if there were a fall in enrolment.

Facilities reserve

This reserve is held to help fund future facilities developments and for the repayment of the long-term loans in accordance with the School's reserves policy. The amounts transferred to this reserve during the year were the budgeted amount for the capital repayments and the loan interest on the loans before refinancing. The resources expended of £686K were in respect of loan interest. The carry forward balance represents the scheduled accumulation of funds in preparation for the repayment for the first instalment repaying the loan capital.

Building and Equipment reserve

The building and equipment reserve is a reserve set up to provide funds for emergency or unanticipated repairs or improvements.

Plant reserve

This reserve is a rolling reserve to ensure that the School has funds available to contract for significant building maintenance projects, which run into the following financial year. The balance on this reserve is planned to be spent in the next two years.

Staff Cost and Prolonged Disability reserves

The prolonged disability reserve was established to provide funds for employees who suffer prolonged disability during the period before the School's insurance scheme comes into effect. The reserve has been spent down and in future this will be covered from recurrent expenditure or the Staff Cost Reserve. The Staff Cost reserve was created to provide additional funding for exceptional compensation costs.

New Initiative reserve

This reserve was created to provide funds for pilot projects that it is hoped will enhance the curriculum and/or the learning environment at the School. These projects can be approved after the setting of the annual budget process and so would not be possible without these contingency funds. The projects are usually piloted over 1 or 2 years before they are assessed to see if they will become part of regular school operations.

Applied Returns Investment

The Board set up a reserve to enable the School to face any unidentified challenges that may emerge from the difficult economic situation with rising utility prices, resource scarcity and political uncertainty.

Notes to the financial statements (continued)

13 Reconciliation of opening and closing reserves (continued)

b) Restricted reserves	Balance 2022	Incoming resources	Resources expended	Transfer between reserves	Balance 2023
	£,000	£,000	£,000	£,000	£,000
Restricted reserves	<u>290</u>	<u>141</u>	<u>(156)</u>	<u>(243)</u>	<u>32</u>
	<u>290</u>	<u>141</u>	<u>(156)</u>	<u>(243)</u>	<u>32</u>

The Restricted Reserves comprise mainly funds received from the American School in London Foundations in the US and the UK. The remaining reserves are expected to be spent in the next 1-2 years.

The transfers between reserves are in accordance with the accounting policy 1i.

c) Permanent Endowment funds - Statement of total return

Calculation of total return:	2023
	£,000
Investment returns in year	
Investment income	-
Capital gains (loss)	<u>(134)</u>
Total unrealised return for year	<u>(134)</u>
Disinvestment from JPM Investment	<u>(1,049)</u>
Total return for the year	<u>(1,183)</u>
Less: Allocation to income	<u>1,049</u>
Movement in unapplied total return for the year	<u>(134)</u>
Unapplied total return	
30 June 2022	2,223
30 June 2023	<u>2,089</u>
Add:	
Preserved value at 30 June 2001	371
Additions since 30 June 2001	<u>20,519</u>
Total preserved value at 30 June 2023	<u>20,890</u>
Total value of permanent endowment	Note 13d <u>22,978</u>

Notes to the financial statements (continued)

d) Permanent Endowment funds

	Balance		Total		Allocation	Allocation	Balance
	30 June	Donations	Return	Disinvestment	to Income	to Reserves	30 June
	2022						2023
	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Student Financial Assistance	8,856	44	(52)	402	(172)	(230)	8,848
Facilities Fund	166	-	(1)	8	(3)	(4)	166
Community Enrichment Fund	1,186	-	(7)	54	(23)	(31)	1,179
Faculty and Staff Support	12,306	-	(72)	560	(240)	(319)	12,235
General	555	-	(3)	25	(11)	(16)	550
	<u>23,069</u>	<u>44</u>	<u>(135)</u>	<u>1,049</u>	<u>(449)</u>	<u>(600)</u>	<u>22,978</u>

e) Expendable endowment funds:

	Balance 30	Transfers		Resources	Allocation	Balance 30
	June 2022	between	Donations	Expended	to Income	June 2023
	£,000	Reserves	£,000	£,000	£,000	£,000
Community Enrichment	372	-	10	(150)	-	232
Program Enrichment (Computer Sciences)	-	-	1,275	(199)	-	1,076
Student Financial Assistance	1,191	-	1,059	(1)	(322)	1,927
Faculty and Staff Support	761	-	2	(249)	-	514
	<u>2,324</u>	<u>-</u>	<u>2,346</u>	<u>(599)</u>	<u>(322)</u>	<u>3,749</u>

Student Financial Assistance

The earnings will be used to provide financial assistance to qualified students and to support student participation in the life of the School once enrolled.

Facilities Fund

The earnings will be used to support and enhance the facilities at ASL.

Community Enrichment Fund

The earnings will be used to support programs and activities that support a sense of community within the ASL family or that serve to enhance the relationship of ASL to its neighbourhood or to London.

Faculty and Staff Support Fund

The earnings will be restricted to support the Faculty and Staff of ASL at the discretion of the Board.

Notes to the financial statements (continued)

f) Total Endowment	2023	2022
	£,000	£,000
Permanent	22,978	23,069
Expendable	<u>3,749</u>	<u>2,324</u>
	<u>26,727</u>	<u>25,393</u>

14 Pension arrangements

The School contributes towards retirement benefits in respect of employees who have opted to participate in a defined contribution plan. A range of investment funds is available. The School's contribution is 10% of basic salary provided the employee contributes at least 5% of salary.

The School also provides funds to the Foundation for its costs incurred for a similar US retirement benefits plan in respect of employees of the Foundation.

The employer's contributions for both the School and the Foundation are charged in the Statement of Financial Activities in the period in which the salaries to which they relate are due. These contributions in the year amounted to £2,696K (2022, £2,541K) at 30 June 2023.

Under terms of the plans, the School has no liability beyond the agreed rate of its contributions each year. The School and its subsidiary have entered into joint contracts of employment for certain staff. The pension contributions are paid by the School on behalf of these staff.

15 Subsidiary company and related party transactions

The School owns all of the issued share capital of ASL Enterprises Limited, Company Number 10339054 incorporated in England in August 2016. This company carries out trading activities on behalf of the School. ASL Enterprises Limited had a turnover of £398K, and £162K profit before tax in the year ended 30 June 2023 (2022 - £66K profit before tax). At 30 June 2023, the Company had shareholders' funds of £1.

In the period to 30 June 2023, the School charged £215K to the Subsidiary company for the provision of staff and administrative services and licence fees.

There were no other related party transactions in the year ended 30 June 2023 (2022, nil).

Notes to the financial statements (continued)

16 Financial Instruments

	Fair Value	Amortised cost	Non-financial instruments	2023 Total	2022 Total
	£,000	£,000	£,000	£,000	£,000
Assets					
Tangible assets	-	-	54,612	54,612	54,292
Investments	27,570	-	-	27,570	26,918
Stock	-	18	-	18	20
Debtors	-	1,738	652	2,390	1,317
Cash at bank and in hand	-	18,286	-	18,286	24,573
Short term investments	17,732	-	-	17,732	14,239
Liabilities					
Creditors due within one year	-	(31,075)	-	(31,075)	(30,085)
Creditors due after one year	-	(27,000)	-	(27,000)	(27,000)
	<u>45,302</u>	<u>(38,033)</u>	<u>55,264</u>	<u>62,533</u>	<u>64,274</u>

The income, expenditure and net gains and losses recognized in the Statement of Financial Activities during the year to 30 June 2023 by category are shown below:

	Fair Value	Amortised cost	2023 Total	2022 Total
	£,000	£,000	£,000	£,000
Investment income	-	-	-	39
Foreign exchange gains on evaluation	-	24	24	133
Net Loss on investments	<u>(184)</u>	<u>-</u>	<u>(184)</u>	<u>(1,349)</u>
	<u>(184)</u>	<u>24</u>	<u>(160)</u>	<u>(1,177)</u>

Notes to the financial statements (continued)

17 Comparative fund statements for year ended 30 June 2022

Statement of Financial Activities

	Notes	Total	Restricted		2022
		Unrestricted	Other	Endowment	Total
		£,000	£,000	£,000	£,000
Incoming resources					
<i>Income from charitable activities:</i>					
Fees receivable	2a	40,296	-	-	40,296
Other educational income	2b	1,278	-	-	1,278
Non-ancillary trading	2c	258	-	-	258
Government grants	2d	12	-	-	12
Bank and investment income		26	-	739	765
Donations		<u>1,396</u>	<u>178</u>	<u>405</u>	<u>1,979</u>
		<u>43,266</u>	<u>178</u>	<u>1,144</u>	<u>44,588</u>
Resources expended					
<i>Cost of raising funds:</i>					
Non-ancillary		(258)	-	-	(258)
Fundraising costs		(665)	(1)	-	(666)
Financing costs		<u>(686)</u>	<u>-</u>	<u>-</u>	<u>(686)</u>
		<u>(1,609)</u>	<u>(1)</u>	<u>-</u>	<u>(1,610)</u>
<i>Charitable activities:</i>					
School operating costs		<u>(46,293)</u>	<u>(260)</u>	<u>(18)</u>	<u>(46,571)</u>
Total resources expended	3	<u>(47,902)</u>	<u>(261)</u>	<u>(18)</u>	<u>(48,181)</u>
Net investment gain	9	(209)	-	(379)	(588)
Net Short Term Investment loss		(761)	-	-	(761)
Net income/(expenditure) before transfers		(5,606)	(83)	747	(4,942)
Transfers between reserves	7	<u>3,792</u>	<u>(532)</u>	<u>(3,260)</u>	<u>-</u>
Net movement in reserves in the year		<u>(1,814)</u>	<u>(615)</u>	<u>(2,513)</u>	<u>(4,942)</u>
Balances brought forward at 1 July		<u>40,405</u>	<u>905</u>	<u>27,906</u>	<u>69,216</u>
Balances carried forward at 30 June		<u>38,591</u>	<u>290</u>	<u>25,393</u>	<u>64,274</u>

All of the above are represented by continuing operations.

There were no recognised gains or losses other than those shown in the statement of financial activities. The accompanying notes are an integral part of this statement.

Notes to the financial statements (continued)

Allocation of Group Net Assets

The net assets as at 30 June 2022 are held for the various funds as follows:

	Net Current Assets £,000	Bank Loans due after more than 1 year £,000	Investments £,000	Tangible Fixed Assets £,000	Total £,000
Permanent endowment	-	-	23,070	-	23,070
Expendable endowment	2,324	-	-	-	2,324
Restricted reserves	290	-	-	-	290
Designated enrolment reserves	5,350	-	-	-	5,350
Designated facilities reserves	224	-	1,463	-	1,687
Designated reserves – other	3,862	-	-	-	3,862
Designated reserves-applied Rtn	-	-	2,500	-	2,500
General reserves	(2,100)	(27,000)	-	54,292	25,192
Total reserves	9,950	(27,000)	27,033	54,292	64,275

Reconciliation of opening and closing reserves

a) Designated reserves	Balance 30 June 2021 £,000	New funds designated £,000	Resources expended £,000	Transfer to general reserve £,000	Balance 30 June 2022 £,000
Enrolment reserve	5,350	-	-	-	5,350
Facilities reserve	1,112	1,261	(686)	-	1,687
Building & Equipment reserve	973	-	-	-	973
Plant reserve	3,011	1,200	(812)	(1,113)	2,286
Prolonged Disability reserve	54	-	-	-	54
Staff Cost reserve	347	-	-	-	347
New Initiatives reserve	410	-	(209)	-	201
Applied Returns investment	-	2,500	-	-	2,500
	<u>11,257</u>	<u>4,961</u>	<u>(1,707)</u>	<u>(1,113)</u>	<u>13,398</u>

b) Restricted reserves	Balance 30 June 2021 £,000	Incoming resources £,000	Resources expended £,000	Transfer between reserves £,000	Balance 30 June 2022 £,000
New Frontiers Capital Campaign	488	25	(260)	(253)	-
Other restricted reserves	418	153	-	(281)	290
	<u>906</u>	<u>178</u>	<u>(260)</u>	<u>(534)</u>	<u>290</u>

Notes to the financial statements (continued)

a) Permanent Endowment funds

	Balance	Transfers		Total	Allocation	Balance	
	30 June	between	Donations	Return			
	2021			Disinvestment	to Income	2022	
	£,000	£,000	£,000	£,000	£,000	£,000	
Student Financial Assistance	9,960	27	(131)	269	(269)	(1,000)	8,856
Facilities Fund	168	-	(2)	5	(5)	-	166
Community Enrichment	1,202	-	(16)	32	(32)	-	1,186
Faculty and Staff support	13,990	-	(184)	378	(378)	(1,500)	12,306
General	562	-	(7)	16	(16)	-	555
	<u>25,882</u>	<u>27</u>	<u>(340)</u>	<u>700</u>	<u>(700)</u>	<u>(2,500)</u>	<u>23,069</u>

b) Expendable endowment funds:

	Balance 30	Transfers		Resources	Allocation	Balance 30
	June 2021	between	Donations	Expended		
	£,000	£,000	£,000	£,000	£,000	£,000
Community Enrichment	389	-	-	(17)	-	372
Student Financial Assistance	873	253	378	-	(313)	1,191
Faculty and Staff support	762	-	-	(1)	-	761
	<u>2,024</u>	<u>253</u>	<u>378</u>	<u>(18)</u>	<u>(313)</u>	<u>2,324</u>

THE AMERICAN SCHOOL IN LONDON EDUCATIONAL TRUST LTD

England & Wales - Charity number 312738

Accounts

The American School in London Educational Trust Limited

**Financial Statements
for the year ended 30 June 2022
together with Trustees' and Auditor's Report**

Company Registration Number: 784923

Registered Charity Number: 312738

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Trustees, Officers and Advisors

Trustees

The Directors of the Company who are also the Trustees of the charity and who held office during the year, and to the date of signing this report except where otherwise stated, were:

Mark Agne	Appointed 1 September 2021
Darren Allaway	
Chris Anderson	
Robin S Appleby	Head of School, Resigned 1 January 2022
Cynthia Bake	Appointed Vice Chair, 1 July 2022
Luca Bassi	
Darcey Crawford	Appointed 12 August 2022
Alison Ferguson-Woods	Appointed 1 September 2021
Daniel Hajjar	
George Hatzmann	Company Secretary
Coreen Hester	Interim Head of School Appointed 21 March 2022
Priya Hiranandani Vandrevala	
Stanford (Doc) Horn	Appointed 1 July 2022
Mallika Kapur	Appointed 1 July 2022
Sherine Magar-Sawiris	
Rebecca Manuel	
Sacha McVean	Acting Interim Head of School Appointed 1 January 2022 and resigned 21 March 2022
Liad Meidar	
David Novak	Chair resigned 1 July 2022
Ralph Rivera	Appointed 1 July 2022
Danny Rimer	Resigned 18 May 2022
Erin Roth	Vice Chair, appointed Chair 1 July 2022
Russell Roth	Resigned 12 August 2022
Hahnah Seminara	
Stephanie Schueppert	
Nikos Stathopoulos	
Kavi Thakrar	
Stacey Towfighi	
Osi Umenyiora	Resigned 10 January 2022
McKenzie Webster	
Christopher Whitman	
Irene Zia	

All trustees served on at least one of the six standing committees during the year.

Officers

Coreen R. Hester	Interim Head of School
John Robinson	Director of Finance

Principal Address and Registered Office

One Waverley Place, London, NW8 0NP

Trustees, Officers and Advisors

Advisors

Bankers

JP Morgan Chase
25 Bank Street, Canary Wharf
London, E14 5JP

Barclays Bank Plc
1 Churchill Place
London, E14 5HP

Solicitors

Farrer & Co.
66 Lincoln's Inn Fields
London, WC2A 3LH

Mills & Reeves LLP,
Botanic House, 100 Hills Road
Cambridge, CB2 1PH

Auditor

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

Investment managers

J.P. Morgan
60 Victoria Embankment
London, EC4

Partners Capital LLP
5th Floor, 5 Young Street
London
W8 5EH

Trustees' Report

DIRECTORS' REPORT

The American School in London Educational Trust Limited (ASL, also referred to as School) was incorporated as a company limited by guarantee in 1963 (company registration no. 784923) and hence the Trustees, who are also members of the company, hold no shares. In the event of the School's dissolution, their liability for its unpaid obligations is limited to £1 each. The School is governed by its Memorandum and Articles of Association, which were last amended in 2001. The School is also registered with the Charity Commission under charity registration no. 312738. The School and its subsidiary have their registered office address at One Waverley Place, London, NW8 0NP.

The Trustees, as directors of ASL, present their annual report on the affairs of the School for the year ended 30 June 2022 under the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

Founded in 1951, the American School in London is an independent, college-preparatory, K-12-day school, providing an exceptional American education to an international student body in the heart of London. Innovation and individuality are celebrated, and outstanding academic success is applauded. Students thrive amid high expectations and the joy of authentic learning experiences. Committed to creating courageous global citizens, the School inspires students to engage with others across lines of difference in a changing world. Our diverse student body of approximately 1,400 represents 66 nationalities and speaks 57 languages, and families join the School from all over the globe. London is an extension of the classroom, and the School makes the most of the cultural and artistic opportunities our location provides.

OBJECTS AND AIMS

Charitable Objects

A summary of the charity's objects, as set out in its Memorandum of Association, is to carry on the American School in London as an educational charity for children of any nationality and to provide educational instruction of the highest calibre, together with physical and moral learning. Within these objects, the School has created a Mission Statement, Core Values, Portrait of a Learner and a Diversity, Equity and Inclusion Statement.

Public Benefit

The Trustees confirm that they have complied with the duty contained in the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit and fee charging charities.

Mission Statement

The School's mission is that the American School in London empowers each student to thrive as a lifelong learner and courageous global citizen by fostering intellect, creativity, inclusivity and character.

CHARITY GOVERNANCE CODE

The ASL Board of Trustees takes its governance responsibilities seriously and, as ASL is a large charity, aims to have a governance framework that is fit for purpose, compliant and efficient. The Board has established a solid foundation in governance in which all of its trustees are clear about their roles and legal responsibilities, are committed to supporting ASL to deliver its objectives most effectively for its beneficiaries' benefit, and contribute to ASL's continued improvement.

Trustees' Report

Overall, the ASL Board of Trustees meets a very significant proportion of the recommended and best practice for governance contained within the Charity Governance Code across the seven areas and are comfortable that there are no significant areas of review required. Arrangements will continue to be monitored against the best practice principles contained in the Code.

ORGANISATIONAL MANAGEMENT

School policy is set by the Board of Trustees who make the strategic decisions and appoint the Head of School. The day-to-day management is delegated to a team of administrators (the Senior Leadership Team (SLT)) led by the Interim Head of School, Coreen R. Hester. The Board held five regular meetings with additional eight meetings specifically to address public relations, leadership change and Ofsted inspection. The Board is organised into eight standing committees - Admin/Finance, Advancement, Building & Grounds, Student Experience, Investment, Trustee Affairs, Executive and Independent School Standards (ISS) Compliance.

The School considers it critical to offer competitive compensation and benefits to attract and retain outstanding employees. This recognizes that the School is located in an expensive part of the UK and that we are recruiting in an international market of educators. The Board sets compensation levels every year through a process of fact-finding, benchmarking and discussion with the employees. A number of the School's employees, including members of the SLT, are seconded to the School by the American School in London Foundation, which performs its own periodic benchmarking exercises for management positions. Both the School and the Foundation use external recruitment agencies to help hire the SLT and, therefore, these agencies provide additional information for compensation comparisons.

RECRUITMENT AND TRAINING OF TRUSTEES

The Board may, from time to time, elect a new member of the Board either to fill a casual vacancy or by way of addition to the Board, subject to the current maximum number of thirty. Any member so elected shall retain office only until the next Annual General Meeting, but shall then be eligible for re-election. At the Annual General Meeting every year, one third of the members of the Board retire by rotation but are eligible for re-election until they have served a maximum of three terms of three years, with some exceptions. Trustees are nominated by the Trustee Affairs Committee based upon the specific needs, skills and responsibilities required by the Board. New Trustees receive training at the time of their appointment. Trustees also engage in training on governance matters at special meetings annually.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company 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 charitable company and of its net incoming/outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;

Trustees' Report

- observe the methods and principles in the Charity SORT;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The following statements have been affirmed by each of the Trustees of the charitable company:

- so far as each Trustee is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

OBJECTIVES FOR THE 2021-22 YEAR

Each year the Board establishes specific annual goals, which are later subject to review. In 2021, the Board established the following priorities in addition to its on-going responsibilities (see page 20).

1. Support the Acting Interim Head and Interim Head of School during the transition to new School leadership and the rebuilding of trust throughout the School community. (added January 2022).

It was felt that trust was being rebuilt in the community. The significant number of parent and employee listening sessions hosted by Mrs. Hester, her attendance at the parent grade rep meetings, improved school communications, and parents being back on campus for school events has had a significant beneficial impact.

2. Initiate Head of School search (added January 2022).

Completed - the Search Committee conducted a thorough search process, kept the community informed throughout the process, shortlisted excellent candidates and subsequently the Board appointed Matthew Horvat as Head of School starting on 1 July 2023 .

3. Continue to oversee the management of risks to the School and its community due to the impact of Covid-19 while providing ongoing support to the Head of School for this critical work.

Met – the Senior Leadership Team continued to do an excellent job in Covid management.

4. Ensure that the communication and implementation of ASL's DEI work is consistent with strategic objectives and ASL's mission, DEI statement and values.

Trustees' Report

This was a work in progress and would continue into the next school year.

5. Conduct a succession planning process in order to appoint a new Chair of the Board in the Spring of 2022.

Completed – Ms. Erin Roth had been appointed Chair of the Board, her two-year term beginning 1 July 2022.

6. Begin a review of ASL's institutional policies including considering such policies as part of the risk management process.

Mrs. Alison Ferguson-Woos and Mrs. Stacey Towfighi were progressing well with this alongside Mrs. Megan Gomm, Director of HR. This would continue into the next school year, including ensuring the development of a central register of policies with a schedule for review and approval.

PRINCIPAL ACTIVITIES UNDERTAKEN

In addition to achieving and continuing to work on the specific goals of the Board of Trustees, the School taught on average 1,406 students in the year, spread over its three divisions:

Lower School (382) Middle School (482) High School (542)

Total enrollment was above the budgeted level for the year with high re-enrollment at 91% and 285 new students entering the School. The School's world-class faculty fosters confidence, curiosity and well-being in our students, preparing them for life beyond ASL. The School develops kind, independent individuals who will embrace learning and future challenges with confidence and the courage to act. The American curriculum emphasizes steady progression in core academic areas. ASL offers an unusually wide array of options for students to extend their knowledge in several subject areas. ASL's curriculum is enhanced by broad offerings in the computer sciences, and in the visual and performing arts. Students learn to make thoughtful choices to achieve the best possible balance between breadth and depth. 125 students graduated from the senior class in June 2022 with students accepted to colleges and universities in eight countries.

FINANCIAL AID

The School has a long history of enabling students from all backgrounds to benefit from its programs. The Board of Trustees believes in the importance of having a socioeconomically diverse student body and the benefit of having a robust financial aid budget year on year. It is a point of pride that our community supports this valuable endeavour, and we are grateful to all our supporters who have shown their dedication by contributing to the program.

Growing support for financial assistance has a positive impact on the community. Research shows that students benefit from learning alongside others with differing views of the world. The School remains committed to attracting talented students regardless of their financial situation.

Awards totalling £5,672K (2021, £5,057K) in financial aid and allowances were made to 187 (2021, 172) students in the year. Of these, 162 (2021, 141) students received financial help on a formal 'means-tested' basis through the School's financial aid program, the objective of which is to assist qualified students to attend the School regardless of their families' ability to pay. The availability of financial aid is communicated via the School's website, during the application process, in parent meetings and in various articles on School finances and admissions published both annually and from time to time.

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Parents apply for Financial Aid through a formal process administered by a confidential Financial Aid Committee. The Committee uses a financial model and principles developed by the independent School and Student Services for Financial Aid (a US model of assessing need) to determine financial need and the amount of Financial Aid awarded. The School sets a Financial Aid budget each year as part of its normal budgeting process. Subject to this budgetary constraint, the Financial Aid Committee seeks to meet all financial needs identified through the application process. The highest awards were for 99% of tuition fees and the average award was £27,791.

GOING CONCERN

The School's long-term financial viability is supported by a strong cash flow, significant cash balances, detailed financial projections, a sufficient level of reserves and endowment, a tradition of fundraising and a good relationship with our key donors. The Board has reviewed its liquidity, its solvency, its loan covenants, high enrollment for the 2022-23 year, and the level of reserves. The School has, therefore, a reasonable expectation that it has sufficient resources to continue in operational existence for the foreseeable future which is at least 12 months from the date of the signing of this report. The Trustees believe that there are no material uncertainties that call into doubt the ability of the School to continue as a going concern.

The School was inspected by Ofsted on 15 December 2021 and in March 2022 their report was published stating that our rating has been changed from *Outstanding* to *Requires Improvement* because the school had not met three of the Independent School Standards. The school developed an action plan to meet those standards and Ofsted inspected the school again in October and concluded that the school now meets the Independent School Standards of i) Quality of education provided, ii) Spiritual, moral, social and cultural development of pupils and iii) Quality of leadership in and management of schools. Additionally, the inspectors spent time on two other standards we had passed previously – a regular part of their protocol and confirmed that the School continues to meet the standards for its safeguarding practices and for the provision of information for all constituencies. The OFSTED parent survey results showed that 96% would recommend this school to another parent and that 98% of parents agree that their children are happy at the School. As we move forward we will be relentless in continuing to improve the quality of education for our students. Inspections of this kind help us to reflect on and refine our practice. The Senior Leadership Team and the Board of Trustees will be working closely with our new head of school, Matthew Horvat, to ensure that ASL continues to be a reflective and dynamic educational environment for all.

COVID-19 Impact on ASL during 2021-22

Covid Impact on Academic Program and Finances

In the summer of 2021, the start of the financial year, the School was able to reopen the summer camp program, albeit with the activities at a reduced level. This was much appreciated by the parents and very much enjoyed by the students. It also provided school managers with useful experience about the most effective controls needed to manage the full return of all the students to school. At the start of the School year, the School reopened as planned, putting in place enhanced safety measures that were more extensive than the government guidance, including mandatory wearing of masks for adults and suggested wearing by students. These requirements which had worked successfully during the summer program, were reviewed regularly and updated over the course of the school year.

For the early part of the school year, international travel, trips and external activities were postponed. Where possible, smaller scale, more local activities were substituted and, as government guidance allowed, the School was able to increase the number of extra-curricular activities for our students.

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For the 2021-22 year, the Board had decided that the tuition fees would remain at 2019-20 levels for a second year and that savings from previous years would be used for the continuing costs for additional physical safety measures, for potential Covid-19 staff absences and related contingencies, and that budgets would be provided for extra-curricular activities. The School's reserves have been established for circumstances like these and were to be called upon for any temporary shortfall.

Community Support Fund

The Board of Trustees established the Community Support Fund in May 2020 to offset tuition, related fees and other associated costs for those families enrolled in the School most economically impacted by COVID-19. The Fund continued to operate throughout the 2021-22 school year enabling 12 families with grants supporting 22 students (2020-21 school year: 26 families with grants supporting 44 students).

Tuition grants ranged from 20% to 90%, and the total spent on grants during the year was £260K bringing the total allocated to £765K. The residual funds of £253K were allocated to student financial aid at the end of the year.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF PEOPLE WITH A DISABILITY

The American School in London is an equal opportunities employer, and this is stated unequivocally to all prospective job candidates. In accordance with our Equal Opportunities Policy, the School treats all employees equitably, and employees or prospective employees with disabilities are given full and fair treatment, with reasonable adjustments and training opportunities implemented where necessary. Additionally, the School has a range of detailed HR policies designed to support our employees and our charitable and business objectives and to ensure compliance with employment legislation. These are reviewed at least annually by the HR Director.

We consult with our employees about future School activities and issues of direct concern (such as terms and conditions) through a range of mechanisms. Employees are represented by faculty and staff associations who meet frequently with the School administration to discuss employees' requests and to resolve concerns. When a decision is made that is likely to affect the interest of employees, a full and thorough consultation process is carried out. Examples of such consultations are: annual salary and benefits meetings with staff associations and the Senior Leadership Team (specifically, a minimum of three meetings before a final decision is made); briefings to employees at the beginning and end of the academic year in all-School meetings to update staff on current issues and solicit feedback; monthly meetings held between the faculty association and Head of School; and annual leadership surveys for employees to provide extensive feedback on the effectiveness of the Senior Leadership Team. Leaving employees are also offered the opportunity to participate in exit interviews, the results of which are presented to the Board of Trustees annually. Results from the 2022 survey showed that 88% of leavers rated their overall experience as positive, with 88% indicate that they would recommend working at ASL to a friend.

DIVERSITY, EQUITY AND INCLUSION STATEMENT

The School's Diversity, Equity and Inclusion Statement which had been developed from surveys, focus groups and interviews with faculty, staff, students and families remains a core tenant of ASL community. The statement is both reflective and aspirational, reflecting calls for action, authenticity and accountability to create a better future for our students.

The American School in London (ASL) is committed to building and sustaining a diverse, equitable and inclusive school community. Our strength is in our diversity. We are committed to providing equitable

Trustees' Report

access to all facets of school life. ASL is dedicated to fostering an inclusive school environment in which members can thrive and be themselves in a fully authentic manner.

ASL upholds the right to an educational experience in which diverse identities, experiences and ideas are recognized and human dignity is affirmed. Diversity develops better collaborators, braver explorers, stronger communicators, greater innovators and deeper thinkers. From the time children enter the School, they learn to celebrate their differences and similarities, confront stereotypes and biases, and develop an understanding of historical and contemporary struggles and victories in the face of injustice. Through this education, students are empowered to advocate for a more just world and acquire the skills to be courageous global citizens.

Creating a diverse, equitable and inclusive school community is an ever-evolving journey. We challenge ourselves to do this work on a personal and institutional level, with empathy and mutual respect. Building and sustaining a diverse, equitable and inclusive school community is the responsibility of all. Our commitment to diversity, equity and inclusion holds the promise of a better future for all our children.

COMMUNITY SERVICE ACTIVITIES

With the waning of the pandemic, community action has come back in full force this year.

In the high school, long-standing partnerships with the Winch, the Adventure Play hub, Doorstep, and PACE have expanded with new opportunities for middle school students to get involved, and many high schoolers joining these programmes. 87% of the graduating class of 2022 had participated in at least one community partnership program. And with our new post-pandemic skills in digital learning, we have developed online service opportunities, with our students continuing to teach small-group lessons to disadvantaged young people served by the Rugby Portobello Trust. Our students continue to enrich learning at local schools, through our weekly dance programs, and sustainable art clubs at Barrow Hill Junior School, the new robotics programs at George Eliot primary and Pimlico Academy, and the weekly Saturday SHINE program for local middle school age students.

We also were thrilled to hold our annual Young Power conference in person once again, drawing students from six London schools to connect with each other and explore paths to explore the theme "Building the World We Want to Live In," and we hosted over 200 young people from 11 local schools for our most recent West London Model UN conference helping local students build skills in research, public speaking and negotiation as they explored the topic "Truth and Democracy."

Unfortunately, food poverty in London continues to grow and our Community Action Programme has provided new ways for our students to address this challenge. High schoolers have participated in a new weekly partnership to pack and distribute groceries through Granville Community Kitchen's Food Aid programme, Grade 10 student advisories have been taking turns organizing food drives for Second Harvest.

Middle schoolers have also learned about food banks and aid societies in the local area and have run a range of food and clothing drives across the year, and in the lower school third graders organized a major food drive for Granville Community Kitchen, while students in all grades participated in the Wrap Up London coat drive, as well as sending holiday cards to local elders through the Cards for Care program.

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In the middle school we also introduced our first weekly after-school community partnerships for 7th and 8th graders at two local sites, PACE Fairfield and the Adventure Playground. We were very pleased by year end to be able to renew our fifth graders connection with elders from the local community by hosting a tea.

Students and parents across the School have also been moved by the crisis in the Ukraine, and have worked with Ukraine House to ship a wide range of goods to refugees from that country, while participants in our health classes and high school Community Action Seminar organized goods and clothing drives for young refugees living in London, through our close collaboration with local charity Young Roots.

Finally, our two Community Volunteer Days are thriving, with over 350 volunteers this spring contributing time and work at 13 local agencies in both the fall and spring of this year in an array of projects ranging from environmental clean ups to painting and planting.

GROUP STRUCTURE AND RELATIONSHIPS

The American School in London Foundation (UK) Limited is a registered charity and raises funds for the support of the American School in London. The two companies have shared administration and for this reason are "Connected Charities". During the year, the School received £1,137K of donations from the connected charity (2021 - £1,669K).

The School has a wholly owned non-charitable subsidiary company; ASL Enterprises Ltd. (The Subsidiary). ASL Enterprises Ltd was formed on 22 August 2016 to carry out trading activities mainly in respect of the use of the School's sports facilities when not in use by the School. The subsidiary's achievements are covered in the relevant sections of this report.

The School actively supports the attainment of the highest standards in education. Through networking with other schools and organising, as well as attending, professional development conferences, the School promotes improvements in educational standards. We also cooperate with local schools and charities to widen public access to the schooling we provide, to facilitate the use of our cultural and sporting facilities and to develop in our students an awareness of the social context of the all-round education they receive at the School. All ASL parents are welcome to become active participants of the Parent Community Association ("PCA") committees and events. Through the committees of the PCA, parents organize the Global Festival, the Booster Club (supporting athletic teams), Friends of the Arts and the biennial Auction Benefit, in addition to a wide range of other activities, which promote the mission of the School.

RISK MANAGEMENT AND PRINCIPAL RISKS AND UNCERTAINTIES

In line with the Charities SORP 2015, the Trustees participate in annual risk management reviews. This year the Risk Group of Committee Chairs again individually reviewed over 100 risks identified under four headings: Strategic, Operational, Financial and Compliance. The individual evaluations were compared and circulated for collective discussion. The Risk Group also performed a pre-mortem to provide a holistic perspective on high impact risks. A report of the conclusions and mitigations was produced and then reviewed by the Admin/Finance Committee and subsequently the full Board.

The most relevant risk identified by the risk management process are: i) decrease in student enrolment that can materially impact the financial stability of the School; ii) one off event that could create discontinuity, being difficult to manage either in the key school personnel or in the School infrastructure (including cybersecurity attacks) as well as impact the external reputation of the School.

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With respect to all the key risks identified, the Head of School and the Senior Leadership Team have been requested to identify mitigants and initiate actions to manage those risk as well as to constantly monitor the progress of those activities and report to the board any relevant matter in this respect.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Consolidated Statement of Financial Activities on page 26 shows how the School's incoming resources have been generated and how they have been expended during the year together with the results of the subsidiary company and the closing balances on each of the reserves. The School has a policy of breaking even over the three year period of the Covid cycle. The accumulated surpluses of the previous two years have been allocated to expenditure during this year. The net result for the year was a deficit of -£4.9M (2021 – surplus of £3.6M).

Total income increased from £43.1M to £44.6M during the year. Of the net £1.5M gain, there was increased tuition fee income of £1.3M, other educational income of £0.6M, non-ancillary trading £0.3M, bank and investment income of £0.3M, offset by a decrease in donations of £0.7M and a reduction in government grants received for furloughing staff unable to work £0.3M.

Total resources expended were £48.2M, which was an increase of £5.5M on the £42.6M of the previous year. The School's general operating costs increased by £5.2M and increased by a further £0.3M in costs associated with non-ancillary trading. In addition, the School recorded a significant net investment loss for the year of -£1.3M (2021 – gain of £3.2M).

The total unrestricted reserves decreased by £1.9M, the restricted reserves decreased by £0.6M and the endowments decreased by £2.6M. As shown in note 12, there are sufficient net assets to meet the obligations of the Restricted Reserves. Net cash inflow from operations for the year was £2.1M (2021 - £6.5M) as shown in the Cash flow Statement on page 28 with the cash and cash equivalent balances at the level of £22.1M compared to £37.8M last year. The explanation for the fall in the cash equivalent balances of £15.7M is largely due to the purchase of Sterling short term credit bonds during the year. Accordingly, the balance on the Current Asset Investments increased by £14.4M during the year with a balance of £16.6M at the year end.

The subsidiary company income was £258K (2021 - £17K) in the period and the expenses £192K (2021 - £14K) resulting in profit of £66K (2021 - £3K profit). The financial statements and this Report comply with statutory requirements and the Statement of Recommended Practice: ("Charities SORP (FRS 102)").

RESERVES LEVEL AND POLICY

The School's total reserves of £64.3M comprise £23.1M related to permanent endowment, £2.3M of expendable endowment, £0.3M of Restricted Reserves and £38.6M of Unrestricted Reserves. These reserves are broken down further in Notes 12 and 13 where the purpose of the reserve, the movement during the year and the balances at 30 June 2022 are set out. The Plant increased by £1.6M last year to enable works postponed from the 2020 summer to be carried out last year and the balance has subsequently reduced by £0.7m to £2.3m and a new Applied Returns from Investments has been designated with funds of £2.5m of returns from the Permanent Endowment.

The Unrestricted Reserves of £38.6M are represented by £54.3M of the net book value of fixed assets less the associated funding by bank loans of £27.0M leaving free reserves of £11.3M. However, in accordance with the School's Reserves Policy, the Unrestricted Reserves are reviewed and may then be designated for specific purposes as set out in

Trustees' Report

Note 13a). Specific reserves provide funds for future expenditure or potential contingencies identified through the Risk Review are called Designated Reserves and the major reserves are identified in the School's Reserves Policy. These Designated Reserves totalled £13.4M at the end of the year. The target range is normally between £8M to £12M but in the light of the risk assessment and economic uncertainty, it was agreed to increase the reserve levels.

The Reserves Policy recognises the need to establish an unrestricted operating reserve to cover the financial risk to the School from any short-term decline in enrolment income due to general economic factors beyond the School's control. This Designated Reserve is called the Enrolment Reserve. Enrolment levels have fluctuated significantly over the history of the School and the target level of the reserve is reviewed annually and historically has been set at between 8% and 16% of tuition income. The Board considers the reserve of £5.35M to be adequate at a level of 14% of tuition income.

The Trustees are committed to assuring the School's long-term physical viability and financial health and so have established a long-term Designated Facilities reserve. This provides funds either to pay down debt incurred to fund capital project or to fund new facility projects. Of the reserves at the end of the year, £1.7M is set aside for the repayment of the outstanding loan in 10 years' time.

The School also has a Designated Plant Reserve to ensure that it has funds available to cover the costs, which fluctuate annually, of the long-term maintenance plan to help assure the quality of its buildings and facilities. The value of this reserve has decreased this year to account for works originally deferred from the previous summer. Those works were deferred due to the uncertainties over the imposition of lockdown and social distancing in the periods for contracting and performing the works.

In addition, the School maintains its Emergency Building and Equipment Reserve to provide funds for emergency repairs and improvements, including for physical, cyber and health security.

The School has a Staff Cost Reserve, which will allow it to absorb some additional costs of reorganising work if employee ill health or circumstances require it.

The School retains a New Initiative reserve to allow the Head of School to take advantage of an opportunity and respond to local changes. With the difficult year for the School, approximately half of the funds were expended in the year, £209K, and the remainder are expected to be spend during this following year.

The Board recognises that the School is facing uncertain times and has set up a further reserve to enable the School to face any unidentified challenges that may emerge from the difficult economic situation with rising utility prices, resource scarcity and political uncertainty. As a result, the Board decided to apply £2.5m from the accumulated returns in the permanent endowment to ensure that there were funds available in the Applied Returns reserve to meet any risks arising from market, economic and political volatility.

Notes 12 and 13a) to the financial statements set out the Designated Reserve balances at 30 June 2022, the movements during the year and the anticipated uses of the reserves in the future.

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INVESTMENT POLICY AND OBJECTIVES

The permanent endowment has an investment objective to generate an annual return in Sterling of inflation (RPI) plus 4% after expenses over the long term. Partners Capital were the investment managers for the permanent endowment for the year and funds were transitioned, as scheduled, from the previous investment managers, JP Morgan, over the course of the year. JP Morgan remain as investment managers of some private equity investments. There are no specific restrictions on the company's powers in respect of the endowed investments, which are administered in accordance with the Trustee Act 2000.

The School has also decided to invest £15 million from its cash balances into sterling-denominated short-term credit funds managed by BlackRock and Legal & General. The amount invested is sourced from our positive working capital cycle. The credit funds predominantly invest in investment-grade bonds with maturities shorter than five years. We believe we can earn higher returns than bank deposits typically pay with an acceptable risk profile and mark-to-market volatility. The School also decided to invest £1.675 million of the loan repayment reserve with Partners Capital, since the partial loan repayment is not due until November 2029. For the year there was an unrealised loss of £970K. The mark-to-market loss is primarily attributable to rising interest rates and secondarily attributable to widening credit spreads.

INVESTMENT PERFORMANCE OF PERMANENT ENDOWMENT

During the year, £700k of investment gains from the strong performance of the prior year were realized and transferred to operations at the start of the year. During the year there were negative returns of £379K.

A total of £27K bank and interest income was generated for the year from unrestricted funds.

TOTAL RETURN ACCOUNTING

The Charity Commission permitted the School to adopt the use of total return in relation to its permanent endowment on 12 April 2007. The power permits the Trustees to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised, the total return shall be an `unapplied total return` and remain as part of the permanent endowment.

The Trustees have used the values of the permanent endowments at 30 June 2001 of £371K to represent the 'Preserved Value' of the original gifts. In deciding how much of the unapplied total return to allocate to income, the Trustees take into account the current expenditure needs of the School and the need to ensure that future students benefit too from the endowments.

Compliance with the strategies set out above and actual investment performance is reviewed by the Investment Committee at least three times a year against the relevant benchmarking index. During the past year, the Investment Committee met four times.

FUNDRAISING PERFORMANCE

The tradition of philanthropy and volunteerism is an established and important aspect of life at ASL. The volunteer-run Annual Fund solicited parents of current students, our faculty and staff, alumni and parents of alumni who generously donated £1.4M of unrestricted giving this year. In addition, the School received a further £0.6M in restricted gifts for endowments and other specific purposes. Fundraising is undertaken by affiliated organisations of, primarily, volunteer groups of parents and alumni, supported by members of the Advancement team.

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The School subscribes to the Fundraising Regulator and adheres to the Code of Fundraising Practice when undertaking fundraising activity. There are no professional fundraising organisations used and so no monitoring processes required. Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received no complaints in the year. The School takes its responsibility to anyone who might be vulnerable very seriously and this will continue to be considered in the School's approach to fundraising activity.

VOLUNTEERS

Our School community is continually enriched by the volunteer activities of many groups and individuals. The gifts of time and energy by the hundreds of parents, alumni, past parents, faculty, staff and students are significant (though we cannot calculate their monetary value). The Board is grateful to those who are dedicated to serving the School and helping to enhance its special qualities. The Board is especially thankful to all the many volunteers of the Parent Community Association (PCA) for the extensive community building events and programs provided during a year when in-person gatherings were restricted due to Covid-19. The Board also thanks the PCA and the American School in London Foundations in the US and in the UK for their fundraising and generous grants to the School.

GREENHOUSE GAS EMISSIONS

The School's greenhouse gas emissions for the 2021-22 financial year were equivalent to 986 tonnes of carbon dioxide equivalents (tCO₂e) based on a verified usage of 5,063,758 kilo-Watt-hours (kWh) of energy.

If accounting for zero carbon electricity, which has been procured through a REGO backed contract, the total emissions were 572 tonnes of carbon dioxide equivalents (tCO₂e). The School has undertaken 5 energy efficiency actions (EEA) in this reporting year.

This report has been compiled by JRP Solutions Limited in line with the "Environmental Reporting Guidelines" (SECR) (March 2019). All sites and companies in the UK have been included in the reporting even if they do not qualify in their own right. Only environmental impacts from greenhouse gasses (GHG) are included in this report. Environmental impacts from water, resource efficiency, ecosystem interaction and non GHG emission are considered separately and are outside the scope of this report. The report has been limited to scope 1 and scope 2 emissions with scope 3 emissions for grey fleet travel as required by SECR reporting. The data and information included in this report has been compiled and verified by independent consultants.

Greenhouse Gas Emissions

Table 1 below shows the GHG emissions for the School in tonnes of carbon dioxide equivalent for the base year of 19/20, last year and the current reporting year. Total emissions for 21/22 are 0,986 tonnes of carbon dioxide equivalent. The general definitions of the GHG Scopes are detailed below:

Scope 1 – All Direct Emissions from the activities of an organisation or under their control. Including combustion of fuel on site such as gas boilers, purchased fuel for vehicles and air-conditioning leaks.

Scope 2 – Indirect Emissions from electricity purchased and used by the organisation.

Scope 3 – All Other Indirect Emissions from activities of the organisation, occurring from sources that they do not own or control. Only Grey Fleet/employee car mileage claims need including for SECR

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	Emission Source	Units	Baseline	Last Year	Report Year
			19/20	20/21	21/22
Scope 1	Gaseous Fuel	Emissions (tCO ₂ e)	455.6	559.3	610.8
	Passenger Vehicles	Emissions (tCO ₂ e)	0.5	0.5	0.8
	Sub Total	Emissions (tCO₂e)	456.2	559.8	611.5
Scope 2	Grid Electricity	Emissions (tCO ₂ e)	461.1	409.4	366.5
	Sub Total	Emissions (tCO₂e)	461.1	409.4	366.5
Scope 3	Grey Fleet	Emissions (tCO ₂ e)	0.0	0.0	0.0
	Water supply	Emissions (tCO ₂ e)	6.2	6.2	2.7
	Water treatment	Emissions (tCO ₂ e)	12.7	12.7	4.9
	Sub Total	Emissions (tCO₂e)	18.8	18.8	7.5
TOTAL EMISSIONS		Emissions (tCO₂e)	936.1	988.0	985.6
Variance to baseline		%		5.5%	-0.2%
Carbon Offsets & Green Tariffs Purchased		Emissions (tCO ₂ e)	0.0	409.4	413.1
TOTAL EMISSIONS WITH OFFSETTING		Emissions (tCO₂e)	936.1	578.6	572.5
Variance to baseline		%		-38.2%	-1.1%

Table 1: Greenhouse Gas Emission (GHG)

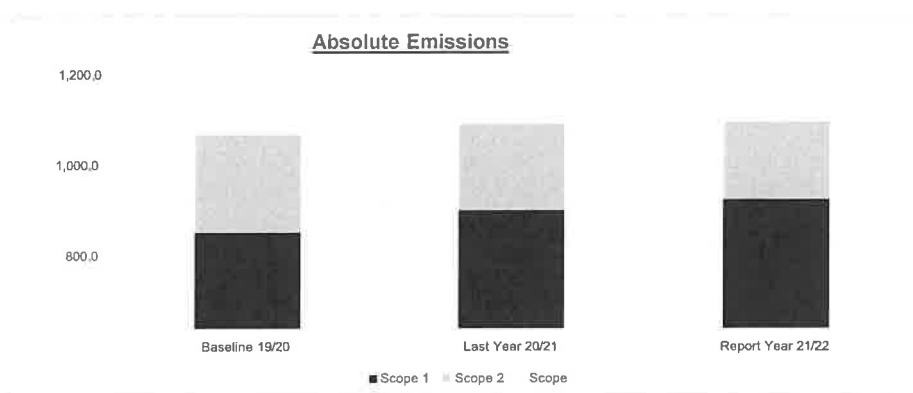


Figure 1: Emissions Performance

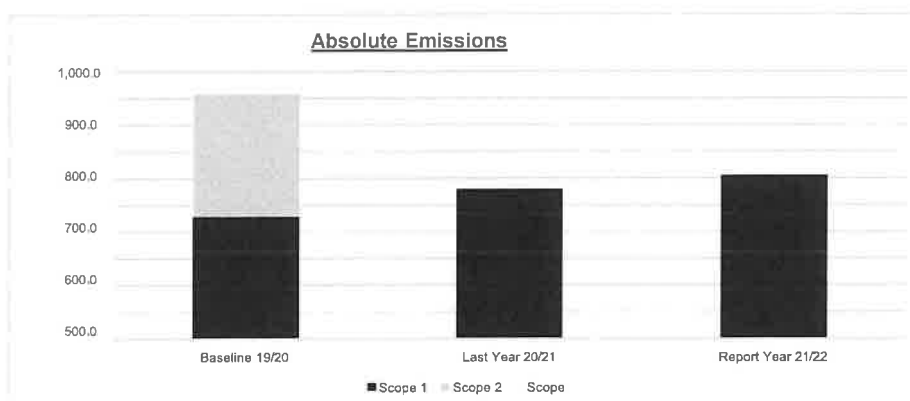


Figure 2: Emissions Performance Including Zero Carbon Electricity

The relative emissions performance shown below is in tonnes of carbon dioxide equivalents (tCO₂e) per student

Trustees' Report

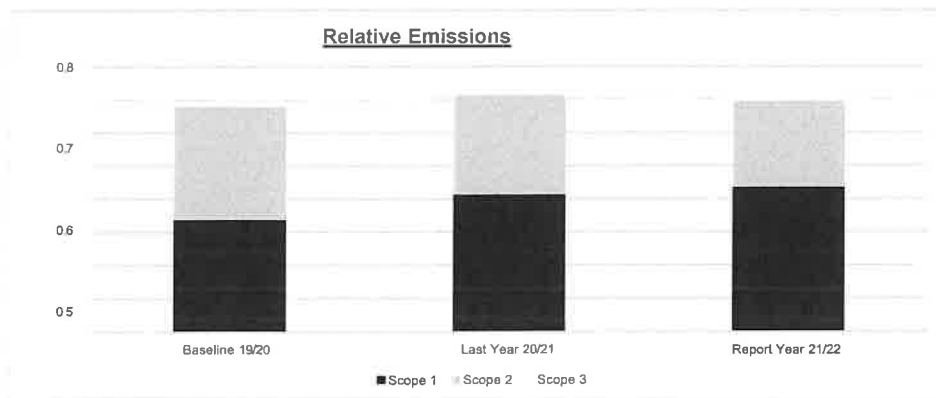


Figure 3: Emissions Performance

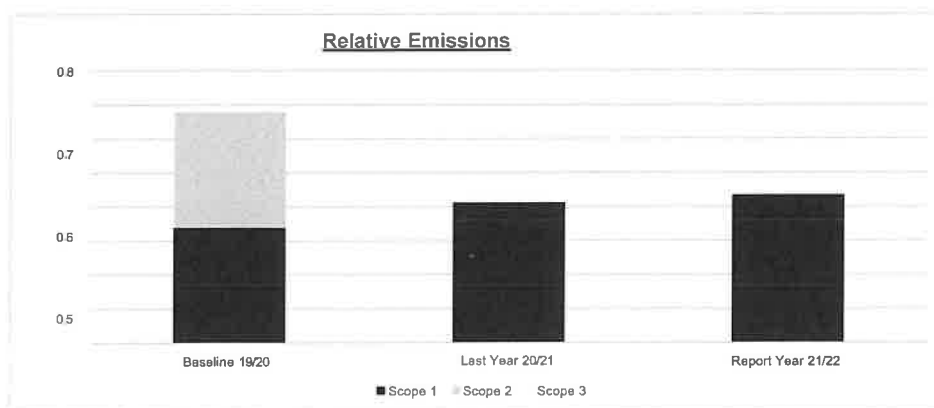


Figure 4: Emissions Performance Including Zero Carbon Electricity

Underlying Energy Use

Table 2 below shows the energy use for the School in kilowatt hours (kWh) for the base year of 19/20, last year and the current reporting year. Total energy used for 21/22 was 5,063,758 kWh.

	Emission Source	Units	Baseline	Last Year	Report Year
			19/20	20/21	21/22
Scope 1	Gaseous Fuel	Energy (kWh)	2,478,379	3,041,791	3,334,733
	Passenger Vehicles	Energy (kWh)	1,961	1,831	3,014
	Sub Total	Energy (kWh)	2,480,340	3,043,622	3,337,748
Scope 2	Grid Electricity	Energy (kWh)	1,803,963	1,756,055	1,726,011
	Sub Total	Energy (kWh)	1,803,963	1,756,055	1,726,011
Scope 3	Grey Fleet	Energy (kWh)	0	0	0
	Sub Total	Energy (kWh)	0	0	0
TOTAL ENERGY		Energy (kWh)	4,284,303	4,799,677	5,063,758
Variance to baseline		%		12.0%	5.5%

Table 2: Underlying Energy Use

Trustees' Report

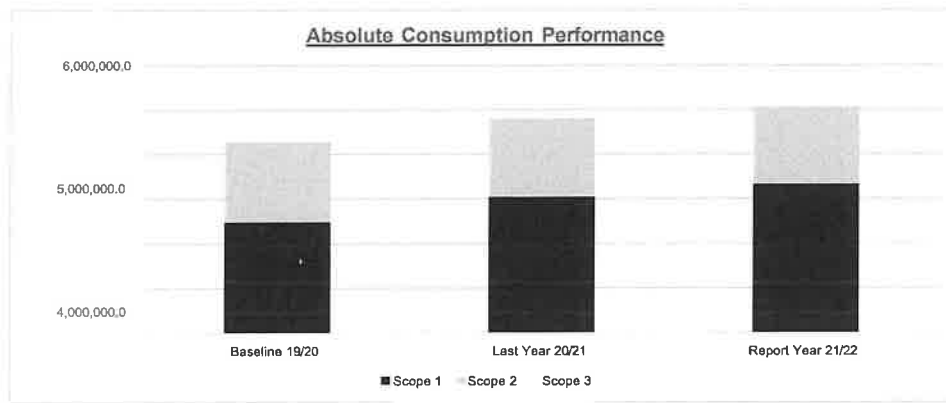


Figure 5: Consumption Performance

The relative consumption performance shown below is in kilo-Watt-hours (kWh) per student.

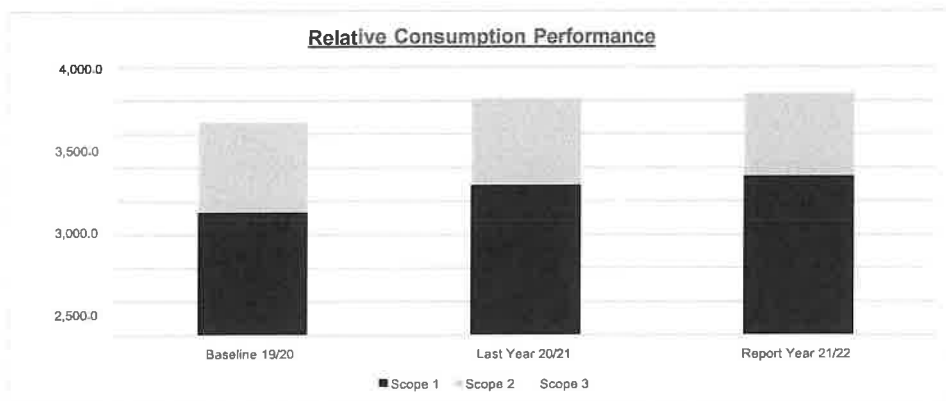


Figure 6: Consumption Performance

Intensity Ratios

The tables below show the intensity ratios for the organisation.

Type	Units	Baseline	Last Year	Report Year
		19/20	20/21	21/22
Occupancy	kWh/Students	3,173.6	3,534.4	3,601.5

Table 3: Operation Consumption Intensity Ratios

Type	Units	Baseline	Last Year	Report Year
		19/20	20/21	21/22
Occupancy	tCO ₂ e/Students	0.679	0.714	0.696

Table 4: Operation Emissions Intensity Ratios (without zero carbon electricity)

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Type	Units	Baseline	Last Year	Report Year
		19/20	20/21	21/22
Occupancy	tCO ₂ e/Students	0.693	0.426	0.407

Table 5: Operation Emissions Intensity Ratios (with zero carbon electricity)

Energy Efficiency Actions Taken

During the reporting year 21/22 the following energy efficiency actions were taken:

Category	Title	Description
HVAC	Fan coil unit replacement/upgrade	2-pipe to 4-pipe system upgrade and Fan Coil Unit replacement – Middle White offices (level 2) – including Tech, Mellon Library, Head of School offices and Admissions offices.
HVAC	Fan coil unit replacement/upgrade	2-pipe to 4-pipe system upgrade and Fan Coil Unit replacement – Lower school reception offices through to & including Lower school Library
Lighting	Upgrade fluorescent lights to LED	School Centre house lights – fluorescent lights replaced with LED, including full rewire.
Other	6 bathroom renovations	6-bathroom renovations – 20-year-old bathrooms upgraded with eco flush systems, lower energy hand driers and automated soap dispensers.
Lighting	Upgrade fluorescent lights to LED	Student canteen lights - fluorescent lights replaced with LED fittings.

Table 6: Energy Efficiency

Trustees' Report

PROMOTION OF THE SUCCESS OF THE ORGANISATION TO BENEFIT ITS MEMBERS

The Trustees confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider most likely to achieve the purposes of the Company. In making this assessment, the Trustees consider the relevant actions of the Board are described throughout the Trustees' Report. Taking the areas required for disclosure in turn:

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 section of the Trustees' Report. Specifically, the Trustees consider both operating results and financial projections and the key risks that could negatively impact the sustainability of the School. The Admin/Finance Committee and the Board review management information, budgets, forecasts, cash flow projections and progress against budget on a regular basis. Risk management (page 10-11) and the level of reserves (pages 11-12) are also discussed further in the report.

b. The interests of the company's employees

In relation to employee engagement, the Trustees receive regular reports from management on the employee morale and speak directly to representatives of the faculty and staff associations when reviewing the pay and conditions with them annually. Further details of employee involvement are discussed in the report (page 8).

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

In relation to key stakeholder engagement, the Trustees work closely with the families of the students in ASL. The Trustees communicate with families regularly via email and provide an annual report to the community which i) recognises the time and resources our community of volunteers dedicate to the School and ii) describes the impact of that generosity. The Board works closely with the Parent Community Association (PCA) whose members provide most of the volunteer effort for the School. Every year the PCA hosts a General Meeting open to all families at which there is a presentation by the Chair of the Board and other Trustees on the School's governance structures and how tuition level decisions are made.

In accordance with the American School in London's standard payment terms, supplier payment is due within 30 days after the School receives the invoice from the supplier.

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

The Trustees have commissioned an independent review of energy use and has provided a review of greenhouse gas emissions later in the report in compliance with the Streamlined Energy and Carbon Reporting (SECR) Report. The Trustees are proud of the community service activities of the students which are described in more detail in that section of the Trustees' Report (Pages 9-10).

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

The American School in London 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.

Trustees' Report

- f. The need to act fairly as between members of the company.
- g. The Trustees understand the Charity Commission requirements and understand the need to avoid and manage potential conflicts of interest. The Company is limited by guarantee so does not have share capital with the result that issues relating to Director shareholders or relations between majority and minority shareholders do not apply.

FUTURE PLANS

The Trustees have approved the following specific goals for the School year 2022-23:

Responsibilities

- Support and evaluate the Head of School.
- Ensure ASL's adherence to its Mission Statement including monitoring student well-being, educational experience and outcomes.
- Ensure governance and management oversee ASL's ongoing compliance with all relevant regulatory bodies and accrediting organizations, including the Department for Education/Ofsted and the Middle States Association (MSA).
- Support the implementation of short, medium and long-term strategic initiatives and the development of periodic strategic plans.
- Ensure financial well-being and prudent institutional management consistent with Board governance policies and applicable UK and US regulations and codes, including but not limited to the Independent School Standards (ISS) and the Charity Commission for England and Wales.
- Demonstrate support, stewardship and leadership through active participation in the Board's advancement activities, philanthropic commitment to the School, and engagement in defining ASL's culture and community.
- Promote exceptional Board governance and leadership by ensuring that Board composition is diverse and delivers the expertise and resources needed to effectively serve the School.

2022-23 Priorities

- Independent School Standards/Ofsted Adherence
 - Address the failures noted in the 2021 Ofsted Report
 - Ensure ASL's ongoing adherence to and oversight of the ISS
 - Incorporate ISS into Board committees and roles
 - Develop Board knowledge and skills necessary to secure the ISS's ongoing implementation
 - Ensure the School is thoroughly prepared for inspections by Ofsted and the MSA
- Work with the Interim Head of School to rebuild trust and improve communication throughout the School community.
- Appoint a new Head of School and develop a clear strategic transition plan to support the incoming Head.
- Monitor and manage risks to the School and its community including financial, legal, and media risks, and the ongoing impact of Covid-19.

Trustees' Report

NEW HEAD OF SCHOOL

In October 2022, the Board of Trustees unanimously voted to appoint Matthew Horvat as ASL's next Head of School, effective 1 July 2022. Matt was appointed after an extensive and rigorous search process lead by a dedicated Search Committee, co-chaired by two Board members and including Trustees, faculty, staff, and administrators, and supported by an external search firm. The search firm visited ASL in May to meet our community stakeholders including parents, administrators, faculty, staff, trustees and students to prepare a position description for the next Head of School. The excellent, shortlisted candidates were invited to the school and had an opportunity to learn about the School and to meet and be questioned by our community stakeholders. The Board are grateful for the engagement and participation of the community in the search process and for providing thoughtful and thorough feedback which proved invaluable in making the decision. The Board is confident that Mr. Horvat's will provide strong, thoughtful and inspirational leadership, and value his commitment to high quality education and to each student thriving. The Board has begun transition planning with Mr. Horvat to ensure he is best prepared to begin his role at the School and looks forward to welcoming him to ASL in July 2023.

AUDITOR

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

This Trustees' Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Trustees, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



George Hatzmann
Secretary

Date: 30 November 2022

Independent auditor's report to the Members and Trustees
**INDEPENDENT- AUDITOR'S REPORT TO THE MEMBERS OF THE AMERICAN SCHOOL IN LONDON
EDUCATIONAL TRUST LIMITED**

Opinion

We have audited the financial statements of The American School in London Educational Trust Limited ('the charitable company') for the year ended 30 June 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Summary Income and Expenditure Account, the Consolidated Cash Flow Statement 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 30 June 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditor's report to the Members and Trustees

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 page 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.

Independent auditor's report to the Members and Trustees

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 the standards for professional accountants will detect all material misstatements. Material misstatements are those that, 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 and 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, 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.

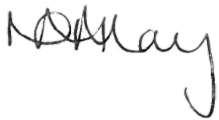
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Admin & Finance 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 regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Independent auditor's report to the Members and Trustees

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,



Nicola May

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor London **Date** 26th January 2023

Consolidated Statement of financial activities
For the year ended 30 June 2022

	Notes	Total	Restricted		2022	2021
		Unrestricted	Other	Endowment	Total	Total
		£,000	£,000	£,000	£,000	£,000
Income from						
Charitable activities:						
Fees receivable	2a	40,296	-	-	40,296	38,905
Other educational income	2b	1,278	-	-	1,278	639
Other trading activities	2c					
Non-ancillary trading		258	-	-	258	17
Other income	2d					
Government grants		12	-	-	12	348
Investments						
Bank and investment income		26	-	739	765	479
Donations and legacies						
Donations		<u>1,396</u>	<u>178</u>	<u>405</u>	<u>1,979</u>	<u>2,681</u>
		<u>43,266</u>	<u>178</u>	<u>1,144</u>	<u>44,588</u>	<u>43,069</u>
Expenditure on						
Raising funds:						
Non-ancillary		(258)	-	-	(258)	(17)
Fundraising costs		(665)	(1)	-	(666)	(606)
Financing costs		(686)	-	-	(686)	(686)
		<u>(1,609)</u>	<u>(1)</u>	<u>-</u>	<u>(1,610)</u>	<u>(1,309)</u>
Charitable activities:						
School operating costs		<u>(46,293)</u>	<u>(260)</u>	<u>(18)</u>	<u>(46,571)</u>	<u>(41,336)</u>
Total resources expended	3	<u>(47,902)</u>	<u>(261)</u>	<u>(18)</u>	<u>(48,181)</u>	<u>(42,645)</u>
Net investment loss	9	(209)	-	(379)	(588)	3,224
Net Short Term Investment loss		(761)	-	-	(761)	-
Net income/(expenditure) before transfers		(5,606)	(83)	747	(4,942)	3,648
Transfers between reserves	7	<u>3,794</u>	<u>(534)</u>	<u>(3,260)</u>	<u>-</u>	<u>-</u>
Net movement in reserves in the year		<u>(1,813)</u>	<u>(616)</u>	<u>(2,513)</u>	<u>(4,942)</u>	<u>3,648</u>
Balances brought forward at 1 July		<u>40,405</u>	<u>905</u>	<u>27,906</u>	<u>69,216</u>	<u>65,568</u>
Balances carried forward at 30 June		<u>38,592</u>	<u>289</u>	<u>25,393</u>	<u>64,274</u>	<u>69,216</u>

All of the above are represented by continuing operations.

There are no recognised gains or losses other than those shown in the statement of financial activities. The accompanying notes are an integral part of this statement.

Consolidated Group and Company Balance Sheet
For the year ended 30 June 2022

	Notes	Group 2022 £,000	Group 2021 £,000	Company 2022 £,000	Company 2021 £,000
Fixed assets					
Tangible assets	8	54,292	54,610	54,292	54,610
Investments	9	27,033	25,883	27,033	25,883
		81,326	80,493	81,325	80,493
Current assets					
Stock		20	28	20	28
Debtors	10	1,317	1,061	1,317	1,058
Current asset investments		16,563	2,024	16,563	2,024
Cash at bank and in hand		22,133	37,790	22,062	37,784
		40,033	40,903	39,962	40,895
Creditors: Amounts falling due within 1 year	11a	(30,085)	(25,179)	(30,013)	(25,171)
Net current assets		9,949	15,724	9,949	15,724
Total assets less current liabilities		91,274	96,217	91,274	96,217
Creditors: Amounts falling due after 1 more than 1 year	11b	(27,000)	(27,000)	(27,000)	(27,000)
Total net assets		64,274	69,217	64,274	69,217
Financed by:					
Accumulated reserves					
Unrestricted reserves:					
General		25,192	29,148	25,192	29,148
Designated	13a	13,399	11,257	13,399	11,257
Total unrestricted reserves		38,591	40,405	38,591	40,405
Restricted	13b	290	905	290	905
Endowments	13f	25,393	27,906	25,393	27,906
		64,274	69,217	64,274	69,217

The net result for the financial year dealt with by the financial statements of the parent charity was a Loss of £4,872K (2021: Surplus £3,648K).

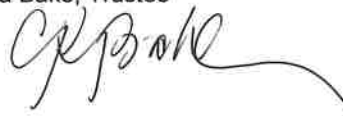
The financial statements on pages 26 to 48 were approved by the Board and authorised for issue on 30 November 2022.

Signed on behalf of the Board

Erin Roth, Trustee



Cynthia Bake, Trustee



The accompanying notes are an integral part of this balance sheet.

Consolidated cash flow statement
For the year ended 30 June 2022

	Notes	2022		2021	
		£,000	£,000	£,000	£,000
Net cash inflow from operations					
Net cash provided by operating activities	i		<u>2,111</u>		<u>6,469</u>
Cash flows from investing activities					
Payments for tangible fixed assets		(2,153)		(894)	
Payments to acquire investments		(16,675)		-	
New money waiting investment		(116)		(89)	
Investment Income (Dividends and interests)		-		(175)	
Disposals of investments		700		280	
Bank interest and investment income receivable		<u>765</u>		<u>479</u>	
Net cash provided (used in) investing activities			<u>(17,480)</u>		<u>(399)</u>
Cash flow from financing activities					
New endowment		405		514	
Bank interest payable		<u>(686)</u>		<u>(686)</u>	
Net cash provided by financing activities			<u>(281)</u>		<u>(172)</u>
Change in cash and cash equivalent in the reporting period			<u>(15,650)</u>		<u>5,898</u>
Cash and cash equivalents at the beginning of the period			37,790		31,894
Cash and cash equivalents at the end of the reporting period	ii		<u>22,140</u>		<u>37,790</u>

Cash flows have not been affected by charity law restrictions on the use of restricted funds. The accompanying notes are an integral part of this cash flow statement.

Notes to Cash flow statement

i. Reconciliation of net income to net cash from operating activities

	2022	2021
	£,000	£,000
Net income before transfers	(4,938)	3,648
Elimination of non-operating cash flows:		
- Investment income	(765)	(479)
- Endowment donations	(825)	(552)
- Finance costs	686	686
- Unrealised investment loss (gain)	1,349	(3,224)
Depreciation	2,472	2,792
(Increase)/decrease in debtors	(255)	375
Increase/(Decrease) in creditors excluding bank loans	4,906	3,132
(Increase)/decrease in current asset investments	(519)	91
Increase/(Decrease) in stocks	(8)	(2)
	<u>7,049</u>	<u>2,821</u>
Net cash inflow from operations	<u>2,111</u>	<u>6,469</u>

ii. Analysis of cash and cash equivalents

	2022	Cash flow movement in the year	2021
	£,000	£,000	£,000
Cash at bank	18,619	(9,651)	28,453
Deposits	3,514	(5,823)	9,337
	<u>22,133</u>	<u>(15,474)</u>	<u>37,790</u>

iii. Analysis of movement in loans

	2022	New loan	Repayment	2021
	£,000	£,000	£,000	£,000
Bank loan falling due within one year	-	-	-	-
Loans falling due after one year	<u>27,000</u>	<u>-</u>	<u>-</u>	<u>27,000</u>
Total loans	<u>27,000</u>	<u>-</u>	<u>-</u>	<u>27,000</u>

Notes to the financial statements (continued)

1 Summary of accounting policies

The financial statements have been prepared 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 FRS 102 – effective 1 January 2015.

The functional currency of the School is considered to be Great Britain Pounds (GBP) because that is the currency of the primary economic environment in which the School operates.

The financial statements of the School are drawn up under the historical cost basis of accounting, as modified by the revaluation other investments.

The Financial Statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the School with its wholly owned subsidiary ASL Enterprises Limited. No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006. The Charity has taken advantage of the FRS 102 exemption from preparing its own entity statement of cash flows. The School has taken advantage of the exemption under section 408 of the Companies Act 2006 not to publish its own income and expenditure account.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated in 1963 (Company No: 783923) and registered as a charity with the Charities Commission (Charity No: 312738).

Critical accounting judgements and key sources of estimate and uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affected current and future periods.

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.

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

a) Financial instruments

Basic financial instruments are initially recognised at transaction value, subsequently measured, and amortised 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 trade and other debtors. 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 instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to Pounds Sterling at the balance sheet date at an appropriate year-end exchange rate.

Notes to the financial statements (continued)

b) *Tangible fixed assets*

Tangible fixed assets except investment assets, are shown at cost and depreciated at annual rates calculated to write off their cost less estimated residual values over their expected useful lives, the rates for which are currently as follows: -

Long Leasehold Land	0.4% straight-line
Building Extension and Refurbishment	5% straight-line
Motor Vehicles	25% straight-line
Buildings	2% straight-line
Furniture and Equipment	10-25% straight-line
Laptops provided to students	50% straight-line

No depreciation is charged on freehold land.

Expenditure on fixed assets, which cost more than £250, is capitalised.

c) *Stock*

Stock consists primarily of stationery supplies and is stated at latest invoice cost, which approximates purchase cost.

d) *Taxation*

As a charity, the School's income falls within the exemptions granted by the Corporation Tax Act of 2010. The School is therefore not subject to taxes on income and chargeable gains.

e) *Pension costs*

The company contributes to the purchase of supplementary pension rights staff as described in note 14. Pension costs are charged on an accruals basis.

f) *Accounting for foreign currency transactions*

Certain transactions take place in foreign currency and are translated into sterling at the rates of exchange at the date of the transaction. All foreign currency balances at the year-end are translated into sterling at the year-end rate of exchange and any gain or loss is credited or charged to the statement of financial activities.

g) *Investments*

The portfolio of investments in pooled funds is stated in the financial statements at market value. Investment income includes gross dividends receivable. Realised and unrealised capital gains and losses are shown separately in the balance sheet.

h) *Fees receivable*

Fees receivable represent tuition fees, transport, summer school and other fees receivable by the company during the year – see note 2.

Fees are recognised on an accruals basis. Fees received in advance represent amounts received prior to the company's year-end in respect of the next semester. Fees receivable are stated after deducting financial aid. Restricted donations for financial aid are disclosed separately.

i) *Donations*

Donations are recognised on a receivable basis when there is entitlement, the amount can be measured and receipt is probable.

Notes to the financial statements (continued)

Donations for specific projects are disclosed as restricted donations. When restricted donations are received for capital expenditure projects they are accounted for in a restricted reserve until the purchase of the asset or the expenditure on the specific project occurs. At this point, the funds and any subsequent funds received are transferred to unrestricted funds as corporate reserves – see note 7.

Donations for endowment funds are disclosed separately as part of Restricted Reserves on the statement of financial activities – see notes 13b to 13f.

Other donations, which include Annual Fund receipts, are shown as unrestricted donations.

j) *Total Return accounting*

The Charity Commission permitted the School to adopt the use of total return in relation to its permanent endowment on 12 April 2007. The power permits the trustees to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised, the total return shall be an `unapplied total return` and remain as part of the permanent endowment – see note 13c. The trustees have used the values of the permanent endowments at 30 June 2001 to represent the `Preserved Value` of the original gifts. This was just after receipt of its second major gift of permanent endowment. In these Financial Statements, the allocation to income is now shown as Other Income rather than in previous years as a transfer between reserves.

k) *Allocation of costs to categories of resources expended*

All expenditure is accounted for on an accruals basis. Costs are allocated between the cost of generating funds and the actual cost of charitable activities by identifying the direct costs related to these activities. Any indirect costs are then apportioned on the basis of staff time. Charitable expenditure costs are also allocated to the different categories by direct costs where possible. Some compensation costs are apportioned on the basis of salary costs per category. Support costs comprise all the costs of running the non-teaching and non-fund-raising departments of the School such as Admissions, Communications and Finance. Salaries represent 90% of support costs.

Depreciation is included as part of premises costs.

Governance costs are only those related to the management and administration of the charity. They include both direct costs of the external audit and any legal advice to the Trustees plus a proportion of management and other staff time together with related overheads.

l) *Going Concern*

The School's long-term financial viability is supported by a strong cash flow, significant cash balances, detailed financial projections, a sufficient level of reserves and endowment and a tradition of fundraising and a good relationship with our key donors. The Board has reviewed its liquidity, its solvency, its loan covenants, enrolment for the 2021-22 year, volatility and increased level of reserves. The School has, therefore, a reasonable expectation that it has sufficient resources to continue in operational existence for the foreseeable future which is at least 12 months from the date of the signing of this report. The Trustees believe that there are no material uncertainties that call into doubt the ability of the School to continue as a going concern.

Notes to the financial statements (continued)

2a Fees receivable	2022	2021
	£,000	£,000
Gross tuition fees	44,386	42,904
Less: Financial Aid	(5,325)	(4,877)
Less: Community Support Fund	(260)	(505)
Net tuition fees	<u>38,801</u>	<u>37,522</u>
Other fees:		
Gross Transportation	1,096	786
Less: Financial Aid	(199)	(127)
Net Transportation	897	659
Applications and retentions	<u>598</u>	<u>724</u>
	<u>40,296</u>	<u>38,905</u>
2b Other educational income	2022	2021
	£,000	£,000
Gross Trips	170	81
Less: Financial Aid	(24)	(4)
Net Trips	<u>146</u>	<u>76</u>
Summer, After School programs and other income	1,255	610
Less: Financial Aid	(124)	(49)
Net Non-Trips	<u>1,130</u>	<u>561</u>
	<u>1,278</u>	<u>639</u>
2c Non-ancillary income	2022	2021
	£,000	£,000
Trading income from membership fees and swimming lessons	<u>258</u>	<u>17</u>
2d Government grant	2022	2021
	£,000	£,000
Grants relate to the furlough of staff not working from the period July 2021 to June 2022	12	348

Notes to the financial statements (continued)

3 Analysis of total resources expended

	Staff costs	Other	Depreciation	2022 Total	2021 Total
	£,000	£,000	£,000	£,000	£,000
Charitable Activities					
Teaching costs	25,410	4,173	-	29,583	25,403
Welfare	2,143	1,082	-	3,225	2,778
Premises	948	2,024	2,472	5,444	5,798
Transport	178	958	-	1,135	1,095
Support costs	5,548	1,212	-	6,760	5,665
Governance costs	110	53	-	163	102
Community Support Fund	-	260	-	260	505
	<u>34,337</u>	<u>9,762</u>	<u>2,472</u>	<u>46,571</u>	<u>41,336</u>
School operating costs					
Costs of raising funds					
Fundraising costs	566	100	-	666	606
Financing costs	-	686	-	686	686
Non-ancillary	173	85	-	258	17
	<u>35,076</u>	<u>10,633</u>	<u>2,472</u>	<u>48,181</u>	<u>42,645</u>

4 Net incoming/(outgoing) resources for the year before transfers

Net income/(expenditure) for the year before transfers is stated after charging:

	2022	2021
	£,000	£,000
Depreciation of tangible fixed assets	2,472	2,792
Auditors' remuneration		
- audit services	33	31
- non-audit services	9	5
Financing costs	686	686
Staff costs – see note 5	<u>35,076</u>	<u>32,306</u>

Notes to the financial statements (continued)

5 Staff Costs

Some members of the teaching and administrative staff are employees of the American School in London Foundation (the Foundation), which is based in the United States and are seconded to the American School in London Educational Trust Limited (the "Trust") under an agreement between the two companies. Under that agreement, the Trust agrees to provide the necessary funds to cover these staffs' costs and to act as agent of the Foundation in respect of certain aspects of its employer obligations.

Total staff costs during the year amounted to:

	2022	2021
	£,000	£,000
Wages and salaries	29,436	26,987
Social security costs and NI contributions	3,099	2,842
Other pension costs	<u>2,541</u>	<u>2,478</u>
	<u>35,076</u>	<u>32,305</u>

The number of persons employed in the operation of the School during the year calculated was as follows:

	2022	2021	2022	2021
	Average	Average	FTE Number	FTE Number
Teachers and Teachers' Support	258	259	242	240
Administration	<u>110</u>	<u>112</u>	<u>108</u>	<u>107</u>
Total	<u>368</u>	<u>371</u>	<u>350</u>	<u>347</u>

There were no teachers on sabbatical leave during 2022 (2021 – 1). During the year, there were 2 redundancy or termination payments (£507K) which was owing at the year-end (2021 – £75K). The above numbers include 0 (2021 – 0) employees who were jointly employed by the School and the subsidiary.

The number of employees, including those of the Foundation, whose emoluments, including benefits in kind (excluding deferred compensation, pensions and pension contributions) exceeded £60,000 were:

	2022	2021
	Number	Number
£60,001 - £70,000	29	19
£70,001 - £80,000	50	42
£80,001 - £90,000	46	53
£90,001 - £100,000	36	44
£100,001 - £110,000	9	13
£110,001 - £120,000	2	5
£120,001 - £130,000	4	4
£130,001 - £140,000	2	1
£160,001 - £170,000	2	2
£170,001 - £180,000	1	1
£180,001 - £190,000	2	-
£190,001 - £200,000	1	2
£200,001 - £210,000	0	1
£230,000 - £240,000	1	1
£390,001 - £400,000	-	1
£940,000 - £950,000	1	-
	<u>186</u>	<u>188</u>

The total employers' pension contributions to the School's and Foundation's defined contribution schemes amounted to £1,639K (2021 £1,678K) in respect of the employees above.

	2022	2021
	£,000	£,000
Aggregate employee benefits of key management personnel (the SLT including the Head of School has expanded to 14 members from 12 last year)	<u>3,131</u>	<u>2,251</u>

6 Transactions with Trustees

The Trustees, with the exception of the Head of the School, the Acting Interim Head of School, and the Interim Head of School, received no emoluments or reimbursement of expenses. The Head of School in accordance with the School's Memorandum and Articles of Association is a Trustee.

The Head of School remuneration including pension contributions and benefits-in-kind was as follows:

	2022	2021
	£,000	£,000
Salary	396	396
Deferred compensation	507	-
Other remuneration including utilities and accounting	55	7
Pension contributions	<u>40</u>	<u>40</u>
Total	<u>998</u>	<u>443</u>

Notes to the financial statements (continued)

The Interim Head of School remuneration including pension contributions and benefits-in-kind was as follows:

	2022	2021
	£,000	£,000
Salary	116	-
Deferred compensation	-	-
Other remuneration including utilities and accounting	-	-
Pension contributions	<u>11</u>	<u>-</u>
Total	128	-

The Acting Interim Head of School remuneration including pension contributions and benefits-in-kind was as follows:

	2022	2021
	£,000	£,000
Salary	77	-
Deferred compensation	-	-
Other remuneration including utilities and accounting	-	-
Pension contributions	<u>7</u>	<u>-</u>
Total	84	-

7 Transfers between reserves

The transfers from restricted to unrestricted reserves totalled £281K (note 13b). In addition, £1,013K was allocated to income from Endowment with £700K from Permanent Endowment (note 13d) and £313K from Expendable Endowment (note 13e). An additional £2,500K was transferred from the Returns from the Permanent Endowment to the Designated Reserves.

Notes to the financial statements (continued)

8 Tangible fixed assets - Group and Company

	Freehold	Building Extension and Refurbishment	Long Leasehold	Furniture and Equipment	Motor Vehicles	Total
	£,000	£,000	£,000	£,000	£,000	£,000
Cost						
At 1 July 2021	15,453	67,742	2,430	8,325	23	93,973
Additions	30	1,485	-	638	-	2,153
Disposal	-	-	-	-	-	-
At 30 June 2022	<u>15,483</u>	<u>69,227</u>	<u>2,430</u>	<u>8,963</u>	<u>23</u>	<u>91,126</u>
Depreciation						
At 1 July 2021	730	31,976	506	6,133	17	39,363
Disposal	-	-	-	-	-	-
Charge	<u>79</u>	<u>1,571</u>	<u>39</u>	<u>777</u>	<u>6</u>	<u>2,472</u>
At 30 June 2022	<u>809</u>	<u>33,547</u>	<u>545</u>	<u>6,910</u>	<u>23</u>	<u>41,834</u>
Net book value						
At 1 July 2021	<u>14,754</u>	<u>35,766</u>	<u>1,923</u>	<u>2,192</u>	<u>5</u>	<u>54,610</u>
At 30 June 2022	<u>14,675</u>	<u>35,680</u>	<u>1,885</u>	<u>2,053</u>	<u>-</u>	<u>54,292</u>

At 30 June 2022, the Company has no capital commitments authorised and contracted for but outstanding, in respect of land and buildings refurbishment (2021 was also NIL).

Notes to the financial statements (continued)

9 Investments – Group and Company

	2022		2021	
	£,000	Group & Company £,000	£,000	Group & Company £,000
Market value of investments brought forward		25,883		22,818
Disposal of cash brought forward	(90)		(424)	
Purchases in the year	1,675		-	
New money waiting investments		116		89
Investment income reinvested		39		175
Disposals in year	(700)		(280)	
Gross investment gain in the year	226		3,637	
Management fee	<u>(114)</u>		<u>(133)</u>	
Net investment gain (loss) in year		(588)		3,224
Market value carried forward		<u>27,033</u>		<u>25,883</u>
Cost of investments carried forward		<u>22,520</u>		<u>20,819</u>

The total unrealised gain included above was £4,513K at 30 June 2022 (2021 – £5,063K).

Investments comprise:	Group &	Group &
	Company	Company
	2022	2021
	£,000	£,000
Listed investments		
Fixed interest	-	4,023
Multi-asset class	6,993	
Equities	11,156	11,245
Alternative investments	8,733	11,078
Cash	151	548
Forex	-	(11)
Group investments	<u>27,033</u>	<u>22,883</u>
Investment in subsidiaries	-	-
Company investments	<u>27,033</u>	<u>25,883</u>

In addition to the above investments, other endowment funds are invested as current asset investments.

The main investments for the Group were managed by JP Morgan Private Bank at 30 July 2021 and largely transferred to Partners Capital LLP by 30 June 2022.

Notes to the financial statements (continued)

10 Debtors

Amounts falling due within one year:	Group	Group	Company	Company
	2022	2021	2022	2021
	£,000	£,000	£,000	£,000
Other debtors	794	773	794	773
Prepayments and accrued income	523	288	523	288
	<u>1,317</u>	<u>1,061</u>	<u>1,317</u>	<u>1,061</u>

11 Creditors

a) Amounts falling due within one year:	Group	Group	Company	Company
	2022	2021	2022	2021
	£,000	£,000	£,000	£,000
Fees received in advance (note 1h)	22,766	20,552	22,766	20,552
PAYE and social security creditors	1,991	1,751	1,991	1,751
Other creditors and accruals	5,328	2,876	5,257	2,868
	<u>30,085</u>	<u>25,179</u>	<u>30,014</u>	<u>25,171</u>

b) Amounts due after one year – Group and Company	30 June	Increase in	30 June
	2022	loan	2021
	£,000	£,000	£,000
Loan falling due after one year	<u>27,000</u>	-	<u>27,000</u>

The loans were refinanced in November 2020 for a 30-year term, with the new loan having security on certain property at the School. The interest on the loan is at a fixed rate. The first repayment instalment is after 10 years in November 2029.

12 Allocation of Group Net Assets

The net assets as at 30 June 2022 are held for the various funds as follows:

	Net Current	Loans due after	Investments	Tangible	Total
	Assets	more than 1 year		Fixed Assets	
	£,000	£,000	£,000	£,000	£,000
Permanent endowment	-	-	23,070	-	23,070
Expendable endowment	2,324	-	-	-	2,324
Restricted reserves	290	-	-	-	290
Designated enrolment reserves	5,350	-	-	-	5,350
Designated facilities reserves	224	-	1,463	-	1,687
Designated reserves – other	3,862	-	-	-	3,862
Designated reserves- applied total return	-	-	2,500	-	2,500
General reserves	<u>(2,100)</u>	<u>(27,000)</u>	-	<u>54,292</u>	<u>25,192</u>
Total reserves	<u>9,949</u>	<u>(27,000)</u>	<u>27,033</u>	<u>54,292</u>	<u>64,274</u>

The investment policy with respect to endowment reserves is summarised on page 13.

The notes on pages 11 to 12 describe the purposes of the various reserves held.

Notes to the financial statements (continued)

13 Reconciliation of opening and closing Group and Company reserves

a) Designated reserves	Balance 30 June 2021	New funds designated	Resources expended	Transfer to general reserve	Balance June 2022
	£,000	£,000	£,000	£,000	£,000
Enrolment reserve	5,350	-	-	-	5,350
Facilities reserve	1,112	1,261	(686)	-	1,687
Building & Equipment reserve	973	-	-	-	973
Plant reserve	3,011	1,200	(812)	(1,113)	2,286
Prolonged Disability reserve	54	-	-	-	54
Staff Cost reserve	347	-	-	-	347
New Initiatives reserve	410	-	(209)	-	201
Applied Returns investment	-	2,500	-	-	2,500
	<u>11,257</u>	<u>4,961</u>	<u>(1,706)</u>	<u>(1,113)</u>	<u>13,399</u>

Enrolment reserve

The enrolment reserve represented approximately 14% of tuition income at 30 June 2022. The School undertakes regular reviews of the level of this reserve. While enrolment in the last couple of years has been stable, enrolment is impacted by external economic factors. Historically, enrolment has fluctuated significantly and by up to 100 students from year to year. This reserve will enable the School to maintain its staff and operating cost levels in the short-term (over 2-3 years) if there were a fall in enrolment.

Facilities reserve

This reserve is held to help fund future facilities developments and for the repayment of the long-term loans in accordance with the School's reserves policy. The amounts transferred to this reserve during the year were the budgeted amount for the capital repayments and the loan interest on the loans before refinancing. The resources expended of £686K were in respect of loan interest. The carry forward balance represents the scheduled accumulation of funds in preparation for the repayment for the first instalment repaying the loan capital.

Building and Equipment reserve

The building and equipment reserve is a reserve set up to provide funds for emergency or unanticipated repairs or improvements.

Plant reserve

This reserve is a rolling reserve to ensure that the School has funds available to contract for significant building maintenance projects, which run into the following financial year. The balance on this reserve is planned to be spent in the next two years.

Prolonged Disability reserve

The prolonged disability reserve has been established to provide funds for employees who suffer prolonged disability during the period before the School's insurance scheme comes into effect.

Staff Cost reserve

This reserve was created to provide additional funding for exceptional compensation costs.

New Initiative reserve

This reserve was created to provide funds for pilot projects that it is hoped will enhance the curriculum and/or the learning environment at the School. These projects can be approved after the setting of the annual budget process and so would not be possible without these contingency funds. The projects are usually piloted over 1 or 2 years before they are assessed to see if they will become part of regular school operations.

Applied Returns Investment

The Board set up a further reserve to enable the School to face any unidentified challenges that may emerge from the difficult economic situation with rising utility prices, resource scarcity and political uncertainty.

Notes to the financial statements (continued)

13 Reconciliation of opening and closing reserves (continued)

b) Restricted reserves	Balance	Incoming	Resources	Transfer	Balance
	30 June	resources	expended	between	30 June
	2021			reserves	2022
	£,000	£,000	£,000	£,000	£,000
Community Support Fund	488	25	(260)	(253)	-
Restricted reserves	<u>418</u>	<u>153</u>	<u>-</u>	<u>(281)</u>	<u>290</u>
	<u>905</u>	<u>178</u>	<u>(260)</u>	<u>(534)</u>	<u>290</u>

The Community Support Fund was initiated to provide discounted seats for students in ASL families suffering temporary financial hardship as a result of the coronavirus pandemic. The fund has closed and the remaining balance has been transferred for use as Financial Aid.

The Restricted Reserves comprise mainly funds received from the American School in London Foundations in the US and the UK. The remaining reserves are expected to be spent in the next 1-2 years.

The transfers between reserves are in accordance with the accounting policy 1i.

c) Permanent Endowment funds - Statement of total return

Calculation of total return:	2022
	£,000
Investment returns in year	
Investment income	39
Capital gains (loss)	<u>(379)</u>
Total unrealised return for year	<u>(340)</u>
Disinvestment from JPM Investment	<u>700</u>
Total return for the year	<u>360</u>
Less: Allocation to income	<u>(700)</u>
Movement in unapplied total return for the year	<u>(340)</u>
Unapplied total return to reserves	<u>(2,500)</u>
Unapplied total return	
30 June 2021	5,063
30 June 2022	<u>2,223</u>
Add:	
Preserved value at 30 June 2001	371
Additions since 30 June 2001	<u>20,474</u>
Total preserved value at 30 June 2022	<u>20,846</u>
Total value of permanent endowment	<u>23,069</u>

Note 13d

Notes to the financial statements (continued)

d) Permanent Endowment funds

	Balance		Total		Allocation	Allocation	Balance
	30 June	Donations	Return	Disinvestment	to Income	to	30 June
	2021					Reserves	2022
	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Student Financial Assistance	9,960	27	(131)	269	(269)	(1,000)	8,856
Facilities Fund	168	-	(2)	5	(5)	-	166
Community Enrichment Fund	1,202	-	(16)	32	(32)	-	1,186
Faculty and Staff Support	13,990	-	(184)	378	(378)	(1,500)	12,306
General	562	-	(7)	15	(15)	-	555
	<u>25,882</u>	<u>27</u>	<u>(340)</u>	<u>700</u>	<u>(700)</u>	<u>(2,500)</u>	<u>23,069</u>

e) Expendable endowment funds:

	Balance 30	Transfers		Resources	Allocation	Balance 30
	June 2021	between	Donations	Expended	to Income	June 2022
	£,000	Reserves	£,000	£,000	£,000	£,000
Community Enrichment	389	-	-	(17)	-	372
Student Financial Assistance	873	253	378	-	(313)	1,191
Faculty and Staff Support	762	-	-	(1)	-	761
	<u>2,024</u>	<u>253</u>	<u>378</u>	<u>(18)</u>	<u>(313)</u>	<u>2,324</u>

Notes to the financial statements (continued)

f) Total Endowment	2022	2021
	£,000	£,000
Permanent	23,069	25,882
Expendable	<u>2,324</u>	<u>2,024</u>
	<u>25,393</u>	<u>27,906</u>

Student Financial Assistance

The earnings will be used to provide financial assistance to qualified students and to support student participation in the life of the School once enrolled.

Facilities Fund

The earnings will be used to support and enhance the facilities at ASL.

Community Enrichment Fund

The earnings will be used to support programs and activities that support a sense of community within the ASL family or that serve to enhance the relationship of ASL to its neighbourhood or to London.

Faculty and Staff Support Fund

The earnings will be restricted to support the Faculty and Staff of ASL at the discretion of the Board.

14 Pension arrangements

The School contributes towards retirement benefits in respect of employees who have opted to participate in a defined contribution plan. A range of investment funds is available. The School's contribution is 10% of basic salary provided the employee contributes at least 5% of salary.

The School also provides funds to the Foundation for its costs incurred for a similar US retirement benefits plan in respect of employees of the Foundation.

The employer's contributions for both the School and the Foundation are charged in the Statement of Financial Activities in the period in which the salaries to which they relate are due. These contributions in the year amounted to £2,535K (2021 £2,478K) at 30 June 2022.

Under terms of the plans, the School has no liability beyond the agreed rate of its contributions each year. The School and its subsidiary have entered into joint contracts of employment for certain staff. The pension contributions are paid by the School on behalf of these staff.

15 Subsidiary company and related party transactions

The School owns all of the issued share capital of ASL Enterprises Limited, Company Number 10339054 incorporated in England in August 2016. This company carries out trading activities on behalf of the School. ASL Enterprises Limited had a turnover of £257K, and £66K profit before tax in the year ended 30 June 2022 (2021 - £3K profit before tax). At 30 June 2022, the Company had shareholders' funds of £1. The Company ran swimming lessons and a membership program.

In the period to 30 June 2022, the School charged £187.7K to the subsidiary company for the provision of staff and administrative services and licence fees.

There were no other related party transactions in the year ended 30 June 2022 (2021 – nil).

Notes to the financial statements (continued)

16 Financial Instruments

	Fair Value	Amortised cost	Non-financial instruments	2022 Total	2021 Total
	£,000	£,000	£,000	£,000	£,000
Assets					
Tangible assets	-	-	54,292	54,292	54,610
Investments	26,918	-	-	26,918	25,792
Stock	-	20	-	20	28
Debtors	-	794	523	1,317	1,061
Cash at bank and in hand	-	24,573	-	24,573	39,903
Short term investments	14,239	-	-	14,239	-
Liabilities					
Creditors due within one year	-	(30,085)	-	(30,085)	(25,179)
Creditors due after one year	-	(27,000)	-	(27,000)	(27,000)
	<u>41,157</u>	<u>(31,698)</u>	<u>54,815</u>	<u>64,274</u>	<u>69,217</u>

The income, expenditure and net gains and losses recognized in the Statement of Financial Activities during the year to 30 June 2022 by category are shown below:

	Fair Value £,000	Amortised cost £,000	2022 Total £,000	2021 Total £,000
Investment income	39	-	39	175
Foreign exchange gains on evaluation	-	133	133	9
Net Loss on investments	<u>(1,349)</u>	<u>-</u>	<u>(1,349)</u>	<u>3,224</u>
	<u>(1,310)</u>	<u>133</u>	<u>(1,177)</u>	<u>3,408</u>

Notes to the financial statements (continued)

17 Comparative fund statements for year ended 30 June 2021

Statement of Financial Activities

	Notes	Total	Restricted		2021
		Unrestricted	Other	Endowment	Total
		£,000	£,000	£,000	£,000
Incoming resources					
<i>Income from charitable activities:</i>					
Fees receivable	2a	38,905	-	-	38,905
Other educational income	2b	639	-	-	639
Non-ancillary trading	2c	17	-	-	17
Government grants	2d	348			348
Bank and investment income		24	-	455	479
Donations		1,505	662	514	2,681
		<u>41,438</u>	<u>662</u>	<u>969</u>	<u>43,069</u>
Resources expended					
<i>Cost of raising funds:</i>					
Non-ancillary		(17)	-	-	(17)
Fundraising costs		(594)	(12)	-	(606)
Financing costs		(686)	-	-	(686)
		<u>(1,297)</u>	<u>(12)</u>	<u>-</u>	<u>(1,309)</u>
<i>Charitable activities:</i>					
School operating costs		(40,681)	(593)	(62)	(41,336)
Total resources expended	3	<u>(41,978)</u>	<u>(605)</u>	<u>(62)</u>	<u>(42,645)</u>
Net investment gain	9			3,224	3,224
Net income/(expenditure) before transfers		(540)	57	4,131	3,648
Transfers between reserves	7	1,151	(176)	(975)	-
Net movement in reserves in the year		611	(119)	3,156	3,648
Balances brought forward at 1 July		39,794	1,024	24,750	65,568
Balances carried forward at 30 June		<u>40,405</u>	<u>905</u>	<u>27,906</u>	<u>69,216</u>

All of the above are represented by continuing operations.

There were no recognised gains or losses other than those shown in the statement of financial activities. The accompanying notes are an integral part of this statement.

Notes to the financial statements (continued)

Allocation of Group Net Assets

The net assets as at 30 June 2021 are held for the various funds as follows:

	Net Current Assets £,000	Bank Loans due after more than 1 year £,000	Investments £,000	Tangible Fixed Assets £,000	Total £,000
Permanent endowment	(1)	-	25,883	-	25,882
Expendable endowment	2,024	-	-	-	2,024
Restricted reserves	905	-	-	-	905
Designated enrolment reserves	5,350	-	-	-	5,350
Designated facilities reserves	1,112	-	-	-	1,112
Designated reserves – other	4,795	-	-	-	4,795
General reserves	1,538	(27,000)	-	54,610	29,148
Total reserves	<u>15,723</u>	<u>(27,000)</u>	<u>25,883</u>	<u>54,610</u>	<u>69,219</u>

Reconciliation of opening and closing reserves

a) Designated reserves

	Balance 30 June 2020 £,000	New funds designated £,000	Resources expended £,000	Transfer to general reserve £,000	Balance 30 June 2021 £,000
Enrolment reserve	5,350	-	-	-	5,350
Facilities reserve	562	1,236	(686)	-	1,112
Building & Equipment reserve	762	211	-	-	973
Plant reserve	1,398	1,854	(241)	-	3,011
Prolonged Disability reserve	54	-	-	-	54
Staff Cost reserve	347	-	-	-	347
New Initiatives reserve	471	-	(61)	-	410
	<u>8,944</u>	<u>3,301</u>	<u>(988)</u>	<u>-</u>	<u>11,257</u>

b) Restricted reserves

	Balance 30 June 2020 £,000	Incoming resources £,000	Resources expended £,000	Transfer between reserves £,000	Balance 30 June 2021 £,000
New Frontiers Capital Campaign	521	471	(505)	-	488
Other restricted reserves	504	191	(100)	(176)	418
	<u>1,025</u>	<u>662</u>	<u>(605)</u>	<u>(176)</u>	<u>905</u>

Notes to the financial statements (continued)

a) Permanent Endowment funds

	Balance	Transfers		Total		Allocation	Balance
	30 June	between	Donations	Return	Disinvestment	to Income	30 June
	2020	Reserves					2021
	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Student Financial Assistance	8,745	-	74	1,303	107	(268)	9,960
Facilities Fund	150	-	-	22	2	(5)	168
Community Enrichment	1,062	-	-	158	13	(33)	1,202
Faculty and Staff support	12,364	-	13	1,842	152	(379)	13,990
General	497	-	-	74	6	(15)	562
	<u>22,818</u>	<u>-</u>	<u>86</u>	<u>3,399</u>	<u>280</u>	<u>(700)</u>	<u>25,882</u>

b) Expendable endowment funds:

	Balance 30	Transfers		Resources	Allocation	Balance 30
	June 2020	between	Donations	Expended	to Income	June 2021
	£,000	Reserves	£,000	£,000	£,000	£,000
Community Enrichment	450	-	-	(61)	-	389
Student Financial Assistance	727	-	422	-	(275)	873
Faculty and Staff support	756	-	6	(1)	-	762
	<u>1,933</u>	<u>-</u>	<u>428</u>	<u>(62)</u>	<u>(275)</u>	<u>2,024</u>

THE AMERICAN SCHOOL IN LONDON EDUCATIONAL TRUST LTD

England & Wales - Charity number 312738

Accounts

The American School in London Educational Trust Limited

Financial statements
for the year ended 30 June 2021
together with Trustees' and Auditor's report

Company Registration Number: 784923

Registered Charity Number: 312738

Trustees, Officers and Advisors

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Trustees, Officers and Advisors

Trustees

The Directors of the company who are also the Trustees of the charity and who held office during the year, and to the date of signing this report except where otherwise stated, were:

Mark Agne	Appointed 1 September 2021
Darren Allaway	Appointed 26 March 2021
Chris Anderson	
Robin S Appleby	(Head of School)
Cynthia Bake	
Luca Bassi	
Daniel Hajjar	
George Hatzmann	Company Secretary
Priya Hiranandani Vandrevala	
Alison MacDougald	
Frank Ledahawsky	Appointed 1 September 2019 and Resigned 23 July 2020
Sherine Magar-Sawiris	
Rebecca Manuel	
Liad Meidar	
David Novak	Chair
Danny Rimer	Appointed 26 January 2021
William H. Roedy	Resigned 1 January 2021
Erin Roth	Vice Chair
Russell Roth	Appointed 1 September 2020
Hahnah Seminara	
Stephanie Schueppert	
Ramez Sousou	Resigned 30 June 2021
Nikos Stathopoulos	
Kavi Thakrar	
Stacey Towfighi	
Osi Umenyiora	Appointed 26 January 2021
McKenzie Webster	Appointed 26 January 2021
Christopher Whitman	
Irene Zia	

All trustees served on at least one of the six standing committees during the year.

Officers

Robin S. Appleby	Head of School
John Robinson	Director of Finance

Principal Address and Registered Office

One Waverley Place, London, NW8 0NP

Trustees, Officers and Advisors

Advisors

Bankers

JP Morgan Chase
25 Bank Street, Canary Wharf
London, E14 5JP

Barclays Bank Plc
1 Churchill Place
London, E14 5HP

Solicitors

Mills & Reeves LLP,
Botanic House, 100 Hills Road
Cambridge, CB2 1PH

Farrer & Co.
66 Lincoln's Inn Fields
London, WC2A 3LH

Auditor

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

Investment managers

J.P. Morgan
60 Victoria Embankment
London, EC4

Trustees' report (continued)

DIRECTORS REPORT

The American School in London Educational Trust (ASL) was incorporated as a company limited by guarantee in 1963 (company registration no. 784923) and hence the Trustees, who are also members of the company, hold no shares. In the event of the School's dissolution, their liability for its unpaid obligations is limited to £1 each. The School is governed by its Memorandum and Articles of Association, which were last amended in 2001. The School is also registered with the Charity Commission under charity registration no. 312738. The School and its subsidiary has its registered office address at One Waverley Place, London, NW8 0NP.

The Trustees, as directors of the American School in London Educational Trust Limited (ASL), present their annual report on the affairs of the School for the year ended 30 June 2020 under the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

The American School in London was established in 1951, primarily, but not exclusively, for the children of American families' resident in and around London. Today the student body represents over 70 nationalities. The American School in London is strongly committed to bringing an international and multi-cultural perspective into all aspects of School life. The School has a Diversity, Equity and Inclusion Statement (see page 9). We also recognize that we are a cultural and community center for American and international families in London and work to help families making the transition to life in London.

OBJECTS AND AIMS

Charitable Objects

A summary of the charity's objects, as set out in its Memorandum of Association, is to carry on the American School in London as an educational charity for boys and girls of any nationality and to provide educational instruction of the highest class, together with physical and moral training. Within these objects, the School has created a Mission Statement, a Diversity, Equity and Inclusion Statement, and a set of shared core values.

Public benefit

The Trustees confirm that they have complied with the duty contained in the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit and fee charging charities.

Mission Statement

The school's mission is that the American School in London empowers each student to thrive as a lifelong learner and courageous global citizen by fostering intellect, creativity, inclusivity and character.

CHARITY GOVERNANCE CODE

The ASL Board of Trustees takes its governance responsibilities seriously and, as a large charity, aims to have a governance framework that is fit for purpose, compliant and efficient. The Board has established a solid foundation in governance in which all of its trustees are clear about their roles and legal responsibilities, are committed to supporting ASL to deliver its objects most effectively for its beneficiaries' benefit, and contribute to ASL's continued improvement.

Overall, the ASL Board of Trustees meets a very significant proportion of the recommended and best practice for governance contained within the Charity Governance Code across the seven areas and are comfortable that there are no significant areas of review required. Arrangements will continue to be monitored against the best practice principles contained in the Code.

Trustees' report (continued)

GROUP STRUCTURE AND RELATIONSHIPS

The American School in London Foundation (UK) Limited is a registered charity and raises funds for the support of the American School in London. The two companies have shared administration and for this reason are "Connected Charities". During the year, the School received £2,031K of donations from the connected charity (2020 - £2,643K).

The School has a wholly owned non-charitable subsidiary company; ASL Enterprises Ltd. (The Subsidiary). ASL Enterprises Ltd was formed on 22 August 2016 to carry out trading activities mainly in respect of the use of the School's sports facilities when not in use by the School. The subsidiary's achievements are covered in the relevant sections of this report.

The School actively supports the attainment of the highest standards in education. Through networking with other schools and organising, as well as attending, professional development conferences, the School promotes improvements in educational standards. We also cooperate with local schools and charities to widen public access to the schooling we provide, to facilitate the use of our cultural and sporting facilities and to develop in our students an awareness of the social context of the all-round education they receive at the School. All ASL parents are welcome to become active participants of the Parent Community Association ("PCA") committees and events. Through the committees of the PCA, parents organize the Global Festival, the Booster Club (supporting athletic teams), Friends of the Arts and the biennial Auction Benefit, in addition to a wide range of other activities, which promote the mission of the School.

ORGANISATIONAL MANAGEMENT

School policy is set by the Board of Trustees who make the strategic decisions and appoint the Head of School. The day-to-day management is delegated to a team of administrators (the "Senior Leadership Team" ("SLT") led by the Head of School, Robin S. Appleby. The Board met eleven times this year with extra meetings as a result of the consequences of the COVID-19 pandemic. It is organised into six standing committees - Admin/Finance, Advancement, Building & Grounds, DEI, Investment, Trustee Affairs and Executive.

The School considers it critical to offer competitive compensation and benefits to attract and retain outstanding employees. This takes into account that the School is located in an expensive part of the UK and that we are recruiting in an international market of educators. The Board sets compensation levels every year through a process of fact-finding, benchmarking and discussion with the employees. A number of the School's employees, including members of the SLT, are seconded to the School by the American School in London Foundation, which performs its own periodic benchmarking exercises for management positions. Both the School and the Foundation use external recruitment agencies to help hire the SLT and, therefore, these agencies provide additional information for compensation comparisons.

RECRUITMENT AND TRAINING OF TRUSTEES

The Board may, from time to time, elect a new member of the Board either to fill a casual vacancy or by way of addition to the Board, subject to the current maximum number of thirty. Any member so elected shall retain office only until the next Annual General Meeting, but shall then be eligible for re-election. At the Annual General Meeting every year, one third of the members of the Board retire by rotation but are eligible for re-election. Trustees are nominated by the Trustee Affairs Committee based upon the specific needs, skills and responsibilities required by the Board. New Trustees receive training at the time of their appointment.

Trustees' report (continued)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company 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 charitable company and of its net incoming/outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The following statements have been affirmed by each of the Trustees of the charitable company:

- so far as each Trustee is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Trustees' report (continued)

OBJECTIVES FOR THE YEAR

Each year the Board establishes specific annual goals, which are later subject to review. In 2020, the Board established the following priorities in addition to its on-going responsibilities (see page 21).

1. Oversee the management of risks to the school and its community owing to the impact of COVID-19, and provide ongoing support to the HOS for this critical work.

Achievements: Throughout 2020-21, and in line with UK governmental guidelines, the Board supported the introduction of special measures identified and recommended by the Head of School and the Senior Leadership Team (SLT). Within the School, cohorts were maintained in order to minimize contact on campus, there was stringent recording of attendance and location, and housekeeping efforts were heightened, all of which helped to minimize risk and impact on the student body. The Board also supported the implementation of a successful Distance Learning Plan (DLP) when the School was forced to move education online.

2. In order to build and sustain a diverse, equitable and inclusive school community, commit to the work and actions required to understand and address systemic racism at ASL, as led by the Board's DEI Task Force.

Achievements: Each member of the Board has reaffirmed their commitment to DEI as a strategic priority for ASL. In alignment with the school's mission, values and DEI statement, the Board is committed to cultivating an inclusive culture, one that encourages curiosity and critical thinking, recognizes varying points of view and inspires the entire community to engage in respectful, empathetic and open discussion. The Board is equally dedicated to creating an environment that is authentic to our unique community, one that is sensitive to, and celebrates, the diversity of cultures, backgrounds and experiences at ASL. The Board acknowledges that this is not a straightforward endeavor, but an ever-evolving journey. The Board supports the School's commitment to open dialogue with parents as we pursue our DEI work together.

3. Continue to undertake strategic design work within the context and limitations of both the global pandemic and Brexit.

Achievements: While the Board continued its strategic planning work with Greenwich Leadership Partners, given the additional pressures imposed by the pandemic the Board extended the timeline for strategic planning completion to June 2022.

4. Review metrics to measure and monitor the process to oversee mission adherence consistent with the new mission and the achievement of outstanding institutional performance.

Postponed: The review was deferred due to COVID-19 and the goal has been moved to the current year and sits both with the Board and Head of School's responsibilities.

PRINCIPAL ACTIVITIES UNDERTAKEN

In addition to achieving the specific goals of the Board of Trustees, the School taught on average 1,358 students in the year, spread over its three divisions:

Lower School (393) Middle School (472) High School (493)

23 new students entered the School during the year. 122 students graduated from the senior class in June 2021. Total enrollment was above the budgeted level needed to break even for the year. The School continued to emphasize the importance of professional development of its faculty and staff, though COVID-19 restrictions meant that most of this took place on-line.

Trustees' report (continued)

FINANCIAL AID

The School has a long history of enabling students from all backgrounds to benefit from its programs. The Board of Trustees believes in the importance of having a socioeconomically diverse student body and the need to increase the financial aid budget year on year. It is a point of pride that our community supports this valuable endeavor, and we are grateful to all our supporters who have shown their dedication by contributing to the program.

Growing support for financial assistance has a positive impact on our community. Research shows that students benefit from learning alongside others with differing views of the world. The School remains committed to attracting talented students regardless of their financial situation.

Awards totalling £5,057K (2020, £4,709K) in Financial Aid and allowances were made to 172 (2020, 156) students in the year. Of these, 141 (2020, 130) students received financial help on a formal 'means-tested' basis through the School's Financial Aid program, the objective of which is to assist qualified students to attend the School regardless of their families' ability to pay. The availability of Financial Aid is communicated via the School's website, during the application process, in parent meetings and in various articles on School finances and admissions published both annually and from time to time.

Parents apply for Financial Aid through a formal process administered by a confidential Financial Aid Committee. The Committee uses a financial model and principles developed by School and Student Services for Financial Aid to assess financial need and the amount of Financial Aid awarded. The School sets a Financial Aid budget each year as part of its normal budgeting process. Subject to this budgetary constraint, the Financial Aid Committee seeks to meet all financial needs identified through the application process. The highest awards were for 100% of tuition fees and the average award was £28,406K.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF PEOPLE WITH A DISABILITY

The American School in London is an equal opportunities employer, and this is stated unequivocally to all prospective job candidates. In accordance with our Equal Opportunities Policy, the School treats all employees equitably, and employees or prospective employees with disabilities are given full and fair treatment, with reasonable adjustments and training opportunities implemented where necessary. Additionally, the School has a range of detailed HR policies designed to support our employees and our charitable and business objectives and to ensure compliance with employment legislation. These are reviewed at least annually by the HR Director.

We consult with our employees about future School activities and issues of direct concern (such as terms and conditions) through a range of mechanisms. Employees are represented by faculty and staff associations who meet frequently with the School administration to discuss employees' requests and to resolve concerns. When a decision is made that is likely to affect the interest of employees, a full and thorough consultation process is carried out. Examples of such consultations are: annual salary and benefits meetings with staff associations and the Senior Leadership Team (specifically, a minimum of three meetings before a final decision is made); briefings to employees at the beginning and end of the academic year in all-School meetings to update staff on current issues and solicit feedback; monthly meetings held between the faculty association and Head of School; and annual leadership surveys for employees to provide extensive feedback on the effectiveness of the Senior Leadership Team. Leaving employees are also offered the opportunity to participate in exit interviews, the results of which are presented to the Board of Trustees annually. Results from the 2021 survey showed that 76% of leavers rated their overall experience as positive, with 80% indicating that they would recommend working at ASL to a friend.

Trustees' report (continued)

During the lockdown period of the COVID-19 pandemic, the School increased its efforts to communicate with and support employees. The School regularly briefed employees through a number of mechanisms, including all-School Zoom forums chaired by the Head of School, employee surveys, and weekly email updates from the Head of School. In order to ensure that all employees had access to information, Zoom forums were recorded and sent to any colleagues who could not attend. Managers were encouraged to contact employees regularly, including those who were furloughed.

Additionally, a dedicated "COVID-19" page was set up on the School intranet that allowed employees to access resources, policies and community support groups set up by HR. Employees were also able to volunteer as "community helpers," delivering groceries and essential items to colleagues in need.

DIVERSITY, EQUITY AND INCLUSION STATEMENT

In the previous school year (April 2020) the Board approved the School's Diversity, Equity and Inclusion Statement:

The American School in London (ASL) is committed to building and sustaining a diverse, equitable and inclusive school community. Our strength is in our diversity. We are committed to providing equitable access to all facets of school life. ASL is dedicated to fostering an inclusive school environment in which members can thrive and be themselves in a fully authentic manner.

ASL upholds the right to an educational experience in which diverse identities, experiences and ideas are recognized and human dignity is affirmed. Diversity develops better collaborators, braver explorers, stronger communicators, greater innovators and deeper thinkers. From the time children enter the School, they learn to celebrate their differences and similarities, confront stereotypes and biases, and develop an understanding of historical and contemporary struggles and victories in the face of injustice. Through this education, students are empowered to advocate for a more just world and acquire the skills to be courageous global citizens.

Creating a diverse, equitable and inclusive school community is an ever-evolving journey. We challenge ourselves to do this work on a personal and institutional level, with empathy and mutual respect. Building and sustaining a diverse, equitable and inclusive school community is the responsibility of all. Our commitment to diversity, equity and inclusion holds the promise of a better future for all our children.

The statement was developed from surveys, focus groups and interviews with faculty, staff, students and families. The statement is both reflective and aspirational, reflecting calls for action, authenticity and accountability to create a better future for our students.

ASL's Board of Trustees and the Senior and Academic Leadership teams (SLT and ALT) recognized the importance of the appointment of a senior leader whose work would be focused on ensuring institutional equity across all aspects of learning and work at ASL, and undertook an international recruitment effort to identify the strongest candidate for this inaugural role. The School appointed Dr. Mirangela Buggs as the new Director of Diversity, Inclusion, and Community Equity in March 2021.

Trustees' report (continued)

A focus on diversity, equity and inclusion is being promoted by schools, universities, businesses, and governments around the world. The Board has set, as one of the priorities for the school, a strong commitment to diversity, equity and inclusion based on the belief that it is the School's responsibility to prepare our students to thrive both at ASL and in the years beyond school. However, as understandable, the implementation of the DEI program in the School curriculum has raised an active debate in the ASL community about some aspects of ASL's DEI program as it impacts the student experience. The School has been encouraging and welcoming an open debate and discussion also by conducting a series of open forums and continues to gather feedback from the community in order to better understand all perspectives and to create opportunities to work with all constituencies on the topic of ASL's DEI program. The School continues to create opportunities to build understanding with families and students regarding the School's DEI program. Senior leadership are available to listen and fully participate in open, constructive conversations that lead to mutual understanding of our diverse perspectives.

COMMUNITY SERVICE ACTIVITIES

As an educational institution, we are passionate about growth, learning, and helping all young people achieve their potential. We are very focused on strengthening the educational opportunities available to young people across our community. Toward this end we have forged strong and productive partnerships with a wide range of local youth organizations and schools.

The challenges of the pandemic necessitated that ASL restructure our community action programs to ensure that we met as best we could the needs of the broader community during this very challenging time. This meant rethinking nearly all of our activities, and where possible, delivering services online. We are proud of the ASL community and its ongoing commitment and resilience at this difficult time. Key activities included:

High school community partnerships: Our community partnership program was restructured and scaled back during the pandemic. For the first 2/3 of the year, most of our activities were online. Our most successful and extensive program was our online tutoring with the Rugby Portobello Trust. Through this activity, ASL students delivered lessons in maths and reading to primary school students from North Kensington. In addition, we developed new internal "partnerships" with high school students serving as ongoing online homework buddies, and reading buddies to students in the High School and Middle School.

YoungPOWER conference: This year we shifted our highly successful and popular high school equity, inclusion and social action conference into a two-day online event. We held our weekly student leadership meetings, with students from Westminster Academy, via Zoom, starting in October, and delivered the conference in March. The event, which focused on the twin themes of youth activism and racial justice, was hugely successful—involving at its peak 180 students and faculty from 12 state schools from across England.

West London Model United Nations conference: An annual student-organized program, helping secondary students from local schools develop skills in literacy, oracy, research and citizenship. Due to the pandemic, we switched to an entirely online format, hosting training sessions and activities, as well as the conference itself entirely on Zoom. This year's event, which focused on the theme of Ethics of War, involved 145 students from 11 London state schools.

Community Action Committee: In order to streamline activities during this complex year, we created a new Community Action Committee, consisting of 12 high school-ers. The committee led several major initiatives this year, including a revamped Holiday Giving Tree program, a fundraiser raising over £3000 for families in need of food assistance in the local community, and a fundraiser to raise over £2800 to support efforts to address the COVID emergency in India.

Trustees' report (continued)

Community Service Day: As Community Service Day was not possible this fall, we organized several distance activities. This included providing families with equipment to make 150 solitary bee hotels in their gardens and parks, as well as organizing a very successful primary school book drive, and a coat drive for homeless people. In the spring, we were very pleased to return to our normal format.

OTHER ACTIVITIES AND ACHIEVEMENTS

Donor appreciation wall: In April, ASL celebrated the 70th anniversary of its founding by Stephen L. Eckard in 1951. To mark this milestone in the school's history, we unveiled a donor appreciation wall in the School Center Foyer. The installation celebrates the abiding tradition of philanthropy at ASL, and honors all those who contributed to the school's capital campaigns and the impact of their generosity on the future of ASL.

70th anniversary webinar: At the same time, nearly 300 alumni, alumni parents, and former and current faculty and staff tuned in around the world to watch ASL's 70th anniversary webinar, featuring special films, and a Q+A panel with Head of School Robin Appleby and former heads Coreen Hester, Bill Mules and Judith Glickman.

The Innovator-in-Residence program, launched in fall 2019, enjoyed another successful year with guerilla geographer Daniel Raven-Ellison working extensively with children and adults in the community.

The Community Support Fund, established by the Board of Trustees in May 2020, provided assistance for tuition and related expenses for those families most severely affected by the COVID-19 pandemic, enabling all students to participate in the full ASL experience.

New Initiative Robotics Fund: The robotics program thrived during lockdown under the guidance of new director Wendy Stallings who joined the School in fall 2020. The program was bolstered by the support of the New Initiative Robotics Fund.

RISK MANAGEMENT AND PRINCIPAL RISKS AND UNCERTAINTIES

In line with the Charities SORP 2015, the Trustees participate in annual risk management reviews. This year the Risk Group of Committee Chairs again individually reviewed over 100 risks identified under four headings: Strategic, Operational, Financial and Compliance. The individual evaluations were compared and circulated for collective discussion. The Risk Group also performed a pre-mortem to provide a holistic perspective on high impact risks. A report of the conclusions and mitigations was produced and then reviewed by the Admin/Finance Committee and subsequently the full Board. The principal risks and uncertainties that the Trustees identified thematically are:

A decrease in student enrolment that can be driven by factors including: the economic situation; competition from other schools; loss of appeal of American pedagogy; bad PR; families move out of London; international families don't relocate to London; demographic dip in number of children.

One-off events including: damage to building or infrastructure whether through terrorism, fire, ransomware, hacking or others; impacts of uncontrollable events elsewhere whether through war, oil crisis, terrorism or other causes.

As a result the Board considered their 5 highest risks to be:

- i) School closure from fire, hazardous substances or major public health outbreak. This risk is mitigated by safety and security being managed by the Operations team and reviewed, at least annually, by the Board's Buildings and Grounds Committee. Insurance cover is maintained for business interruptions and the costs of restoring the school.

Trustees' report (continued)

- ii) Reduction in student numbers. This risk is mitigated by the Enrolment Reserve which provides sufficient time for the school to adapt to any reduction in student numbers.
- iii) Demographic reduction in numbers of school age children in London. This risk is mitigated by attention to annual updates to the government's National Pupil Projections supplemented by London specific updates from the GLA and others when they are updated.
- iv) Major reduction in enrolment due to inadequate marketing of the School. This risk is mitigated by extensive data collection on the inquiry and admission process to produce good forecasts. With changing circumstances generated by social distancing, the School was able to produce online school tours which increased access to more families and increased student admissions.
- v) Investment market does not perform sufficiently well to generate returns to support school commitments. This risk is mitigated by the budgeted draw from investments limited to around 2% of income; the draw matching the long term return projections; retaining sufficient unallocated returns to mitigate short-term volatility in markets.

Additionally, the Committee considered the risk of rising repair and maintenance costs over the next 10 years. The focus was on the second 5 year period, and a special meeting of the Admin Finance and the Buildings and Grounds Committee was convened. Participants considered how the proposed schedule of infrastructure work could be funded and how it may be impacted by the ongoing, strategic design work that is being undertaken by the Board of Trustees and School.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Consolidated Statement of Financial Activities on page 27 shows how the School's incoming resources have been generated and how they have been expended during the year together with the results of the subsidiary company and the closing balances on each of the reserves. The net result for the year was a surplus of £3.6M.

Total income decreased from £46.9M to £43.1M during the year, mainly due to reductions across all categories. Of the £3.8M reduction, reduced tuition fee income (£1.8M), other educational income (£0.7M) and donations (£0.6M) accounting for the majority (£3.1M). The balance is due to a drop in non-ancillary trading (£0.3M), government grants received for furloughing staff unable to work (£0.2M) and in bank and investment income of (£0.2M).

Total resources expended were £42.6M, which was a reduction of £2.3M from the £44.9M of the previous year. The School's operating costs were reduced by £2.0M and reduced by a further £0.3M in costs associated with non-ancillary trading.

Over the year recorded a significant net investment gain of £3.2M (2020 - £0.1M) which resulted in Net Income for the year amounting to £3.6M (2020 - £2.1M) and as a result, the total unrestricted reserves increased by £0.6M, the restricted reserves decreased by £0.1M and the endowment increased by £3.1M. As shown in note 12, there are sufficient net assets to meet the obligations of the Restricted Reserves. Net cash inflow from operations for the year was £6.5M (2020 - £1.1M) as shown in the Cash flow Statement on page 29 with the cash and cash equivalent balances at the level of £37.8M compared to £31.9M last year.

The subsidiary company income was £17K (2020 - £318K) in the period and the expenses £14K (2020 - £247K) resulting in profit of £3K (2020 -£71K profit). The financial statements and this Report comply with statutory requirements and the Statement of Recommended Practice: ("Charities SORP (FRS 102)").

Trustees' report (continued)

GOING CONCERN AND THE IMPACT OF COVID-19

The School's long-term financial viability is supported by a strong cash flow, significant cash balances, detailed financial projections, a sufficient level of reserves and endowment, a tradition of fundraising and a good relationship with our key donors. The Board has reviewed its liquidity, its solvency, its loan covenants, enrollment for the 2021-22 year, and the increased level of reserves. The school has, therefore, a reasonable expectation that it has sufficient resources to continue in operational existence for the foreseeable future which is at least 12 months from the date of the signing of this report. The Trustees believe that there are no material uncertainties that call into doubt the ability of the School to continue as a going concern.

COVID-19 at ASL during 2020-21

In the summer of 2020, the Senior Leadership Team diligently reviewed UK government guidance, evaluating numerous schooling plans in the UK and around the world, researching health and safety developments and soliciting expert advice to inform their approach for the school year. The Board of Trustees carefully reviewed and approved the SLT's recommendation to open the campus for all students as of 1 September 2020. The School shared a reopening plan with families, built upon six guiding principles:

- Principle 1: Protect the health and safety of students, families and employees.
- Principle 2: Be flexible and ready to transition to different educational delivery and interaction methods if conditions change.
- Principle 3: Follow the latest guidance from the UK government and Department for Education (DfE), and exceed and enhance mitigation measures by researching best practices in the United States and around the world.
- Principle 4: Provide clear guidelines and expectations for students, families and employees as conditions change throughout the year.
- Principle 5: Revise our programs, offerings, schedules, events and operations to reduce the likelihood of COVID-19 transmission.
- Principle 6: Provide students with a supportive environment for social, emotional and academic learning.

Senior leadership managed contact tracing protocols for a number of positive cases of COVID-19 within the community, enforcing self-isolation bubbles where necessary. As determined by the UK government, the School returned to distance learning from January to March 2021, and then students returned to campus to conclude the academic year. School opened again in Sept 2021 for in-person learning.

Trustees' report (continued)

Community Support Fund

The Board of Trustees established the Community Support Fund in May 2020 to offset tuition, related fees and other associated costs for those most economically impacted by COVID-19. Enabling students to remain at ASL to enjoy and benefit from the full academic experience continues to be the goal of this endeavor. The amount of the grant varies depending on each family's personal situation and because circumstances are so fluid, families are asked to reapply every semester. More than £980K has been raised from 35 donors and two corporate matching gifts. Tuition grants range from 20% to 90%, and the total spent on grants thus far is £605K. ASL has awarded:

- 2020-21 school year: 26 families with grants supporting 44 students during the first and second semesters
- 2021-22 school year: 8 families with grants supporting 14 students during the first semester of the 2021-22 school year

Covid Impact on Finances

The school was able to build on its experience from the 2019-2020 year to ensure financial sustainability during the ongoing pandemic while maximising the student experience. During the two months the campus was closed to students, the school was able to benefit from the government's furlough scheme, receiving £348K in the year. This enabled us to retain employees who have been idle over this period. Approximately 50 employees were furloughed, while the school ensured that their overall income was not reduced. The school was able to resume its planned maintenance works while complying with social distancing restrictions; a key challenge was difficulties with supply chains. Every year the school has relied on the generosity of our community for our Annual Fund donations which support our programmatic and financial aid budget. For this year, the school received a generous £1.5 million during this period of extended economic uncertainty, exceeding the goal for the year. The school has also lost non-tuition based income from programs such as summer camps at the start of last year but was able to resume summer camp activities in the summer of 2021, albeit at a reduced level.

The school has an outstanding, amortising loan of £27 million for 30 years, at a fixed rate of interest and with the first capital repayment of £6 million not due until 2029. This has provided certainty about the level of expenditure and cash flows and removed debt refinancing risk.

During the 2019/20 year, the Board discussed financial scenarios for 2021/22 and decided that the tuition fees would remain at 2019/20 levels for a second year. While there are continuing costs for additional physical safety measures, for potential Covid-19 staff absences and related contingencies, savings have been achieved on extra-curricular activities. The school's reserves have been established for circumstances like these and may be called upon for a temporary shortfall.

Since the beginning of the school year, the school has reopened as planned putting in place enhanced safety measures that are more extensive than the government guidance, including mandatory wearing of masks for adults and suggested wearing by students. These requirements are reviewed regularly. The enrolment for the year is likely to be around 1,400 students which is above the budgeted level.

Trustees' report (continued)

RESERVES LEVEL AND POLICY

The School's total reserves of £69.2M comprise £25.9M related to permanent endowment, £2.0M of expendable endowment, £0.9M of Restricted Reserves and £40.4M of Unrestricted Reserves. These reserves are broken down further in Notes 12 and 13 where the purpose of the reserve, the movement during the year and the balances at 30 June 2021 are set out. The Plant reserve has increased by £1.6M this year to enable works postponed from the last summer to be carried out in this coming year and the Building and Equipment reserve has also increased by £211K to cover the increased costs for emergency, unanticipated repairs.

The Unrestricted Reserves of £40.4M are represented by £54.6M of the net book value of fixed assets less the associated funding by bank loans of £27.0M leaving free reserves of £12.8M. However, in accordance with the School's Reserves Policy, the Unrestricted Reserves are reviewed and may then be designated for specific purposes as set out in Note 13a). Specific reserves provide funds for future expenditure or potential contingencies identified through the Risk Review are called Designated Reserves and the major reserves are identified in the School's Reserves Policy. These Designated Reserves totalled £11.3M at the end of the year, which was within target range of £8M to £12M.

The Policy recognises the need to establish an unrestricted operating reserve to cover the financial risk to the School from any short-term decline in enrolment income due to general economic factors beyond the School's control. This Designated Reserve is called the Enrolment Reserve. Enrolment levels have fluctuated significantly over the history of the School and the target level of the reserve is reviewed annually and historically has been set at between 8% and 16% of tuition income. In the context of the Covid19 epidemic, the Board consider the reserve of £5.35M to be adequate, which is 14% of tuition income.

The Trustees are committed to assuring the School's long-term physical viability and financial health and so have established a long-term Designated Facilities reserve. This provides funds either to pay down debt incurred to fund capital project or to fund new facility projects. Of the reserves at the end of the year, £1,100K is set aside for the repayment of the outstanding loan in 10 years' time.

The school also has a Designated Plant Reserve to ensure that it has funds available to cover the costs, which fluctuate annually, of the long-term maintenance plan to help assure the quality of its buildings and facilities. The value of this reserve has increased this year to account for the deferral of works originally proposed for this summer. Those works were deferred due to the uncertainties over the imposition of lockdown and social distancing in the periods for contracting and performing the proposed works. The plan is to review and possibly re-specify the works to take place next summer.

In addition, the School has slightly increased its Emergency Building and Equipment Reserve to provide funds for emergency repairs and improvements, including for physical, cyber and health security.

The school has a Staff Cost Reserve, which will allow it to absorb some additional costs of reorganising work if employee ill health or circumstances require it.

The school retains a New Initiative reserve to allow the Head of School to take advantage of an opportunity and respond to local changes.

Notes 12 and 13a) to the financial statements set out the Designated Reserve balances at 30 June 2021, the movements during the year and the anticipated uses of the reserves in the future

Trustees' report (continued)

INVESTMENT POLICY AND OBJECTIVES.

J. P. Morgan were the Investment managers for the permanent endowment for the year and there are no specific restrictions on the company's powers in respect of the endowed investments, which are administered in accordance with the Trustee Act 2000.

During 2020-21, the Trustees reviewed and updated the Investment Policy. The policy states that the investment of reserves should emphasise the preservation of capital and certainty of value to provide for contingencies. The Board agreed that that the reserves relating to long-term loan repayment were an exception and that cash balances could be held in approved Sterling short duration credit funds. The school is also building up its permanent endowment, and has an investment objective to generate an annual return in Sterling of inflation (RPI) plus 4% after expenses over the long term.

The Trustees also reviewed the Investment Manager's performance over the 5 years of the mandate and carried out a comprehensive review of options for a possible change of Investment Managers for the permanent endowment. An initial 10 firms were pre-screened for interest and invited to submit proposals responding to 11 questions. Meetings were held with 5 prospective managers with diverse investment approaches and were evaluated on criteria including prospective returns in the context of the school's risk appetite, currency denomination, hedging requirements, complexity, cost and, later, also on transition management and ongoing reporting. Following the review, the Board appointed Partners Capital as Investment Managers for the permanent endowment from the 2021-22 financial year. The Board is grateful to JP Morgan team for their services over the previous 5 years.

INVESTMENT PERFORMANCE

The previous year was a difficult year for investments and, as the year started, the trustees were mindful of the possibility of further significant declines in values of investments while positioning the portfolio for recovery. Last year the benefits of that approach became apparent as there was a very significant net investment gain of £3,224K compared to £84K in the prior year. A draw of £700K for operations was made in 2020-21.

A total of £470K bank and interest income was generated for the year with £24K generated from unrestricted funds and the Endowment funds generating £455K.

TOTAL RETURN ACCOUNTING

The Charity Commission permitted the School to adopt the use of total return in relation to its permanent endowment on 12th April 2007. The power permits the Trustees to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised, the total return shall be an `unapplied total return` and remain as part of the permanent endowment.

The Trustees have used the values of the permanent endowments at 30th June 2001 of £371K to represent the 'Preserved Value' of the original gifts. In deciding how much of the unapplied total return to allocate to income, the Trustees take into account the current expenditure needs of the School and the need to ensure that future students benefit too from the endowments.

Compliance with the strategies set out above and actual investment performance is reviewed by the Investment Committee at least three times a year against the relevant benchmarking index. During the past year, the Committee met four times. The Total Return for the year amounted to £3,399K as shown in Note 13(c), which represents 13.1% of the endowment value of £25,882K. £700K was allocated to income from the permanent endowment and £275K from the expendable endowment in 2020/21. Unapplied total return at 30th June 2021 was £5,063K.

Trustees' report (continued)

FUNDRAISING PERFORMANCE

The tradition of philanthropy and volunteerism is an established and important aspect of life at ASL. The volunteer-run Annual Fund solicited parents of current students, our faculty and staff, alumni and parents of alumni who generously donated £1.5M of unrestricted giving this year. In addition, the School received a further £1.2M in restricted gifts for Endowments and other specific purposes. Fundraising is undertaken by affiliated organisations of, primarily, volunteer groups of parents and alumni, supported by members of the Advancement team.

The school subscribes to the Fundraising Regulator and adheres to the Code of Fundraising Practice when undertaking fundraising activity. There are no professional fundraising organisations used and so no monitoring processes required. Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received no complaints in the year. The school takes its responsibility to anyone who might be vulnerable very seriously and this will continue to be considered in the School's approach to fundraising activity.

VOLUNTEERS

Our School community is continually enriched by the volunteer activities of many groups and individuals. The gifts of time and energy by the hundreds of parents, alumni, past parents, faculty, staff and students cannot be adequately calculated. The Board is grateful to those who are dedicated to serving the School and helping to enhance its special qualities. The Board is especially thankful to all the many volunteers of the Parent Community Association (PCA) for the extensive community building events and programs provided during a year when in-person gatherings were restricted due to Covid-19. The Board also thanks the PCA and the American School in London Foundations in the US and in the UK for their fundraising and generous grants to the school.

GREENHOUSE GAS EMISSIONS

The school's greenhouse gas emissions for the financial year were equivalent to 969 tonnes of carbon dioxide which equates to 4,799,677 kilo-Watt-hours (kWh) of energy. When accounting for zero carbon electricity, which was procured during the year through a REGO backed contract, the total emissions were 559.8 tonnes of carbon dioxide equivalents (tCO₂e). The school has undertaken 3 energy efficiency actions (EEA) in this reporting year.

This information has been compiled in line with the "Environmental Reporting Guidelines" (SECR) (March 2019). Energy consumption data has been taken from invoices issued for the financial year and meter reads for smaller energy supplies. Transport energy has been calculated from miles travelled. All sites and companies in the UK have been included in the reporting even if they do not qualify in their own right. The unusually low gas consumption between August and November has been verified as a combination of buildings being closed due to lockdowns from the Covid-19 pandemic and a supplier switch which was later reconciled. Only environmental impacts from greenhouse gasses (GHG) are included in this report. Environmental impacts from water, water, resource efficiency, ecosystem interaction and non GHG emission are considered separately and are outside the scope of this report. The report has been limited to scope 1 and scope 2 emissions with scope 3 emissions for grey fleet travel as required by SECR reporting. The data and information included in this report has been compiled and verified by independent consultants.

Trustees' report (continued)

Tables 1 and 1a: shows the GHG emissions for The American School in London in tonnes of carbon dioxide equivalent for the year.

Table 1: Report Year	Emission Source	2020/21 Energy (kWh)	2020/21 Emissions (tCO₂e)
Scope 1	Gaseous Fuel	3,041,791	559.3
	Passenger Vehicles	1,831,000	0.5
	Sub Total	3,043,622	559.8
Scope 2	Grid Electricity	1,756,055	409.4
	Sub Total	1,756,055	409.4
Total Emissions		4,799,677	969.2
Total Emissions with Offsetting		917.3	559.8

Table 1a: Previous Year Base Line	Emission Source	2019/20 Energy (kWh)	2019/20 Emissions (tCO₂e)
Scope 1	Gaseous Fuel	2,478,379	455.6
	Passenger Vehicles	1,961,000	0.5
	Sub Total	2,480,340	456.2
Scope 2	Grid Electricity	1,795,667	459.0
	Sub Total	1,795,667	459.0
Total Emissions		4,276,007	915.2

There are no Scope 3 emissions for either for the report year nor for the previous year

Tables 2 and 2a: Underlying Energy Use

Intensity Ratios

The tables below show the intensity ratios for the organisation

Table 2: Report Year			
Type	2020/21 kWh/Students	2020/21 tCO₂e/Students	2020/21 tCO₂e/Students (with Zero Carbon Electricity)
Occupancy	3,533.0	0.7	0.4

Trustees' report (continued)

Table 2a: Previous Year Base Line		
Type	2019/20 kWh/Students	2019/20 tCO₂e/Students
Occupancy	3,166	0.7

Energy Efficiency Actions Taken

During the year, the following efficiency actions were taken:

Category	Title	Description
HVAC	Fan coil upgrade	Replacement air handling fan coil units
HCAC	Replacement chillers	Upgrade to more energy efficient models and doubling of capacity
Other	Toilet refurbishment	Refurbished four of the most used toilets with energy efficient and waste reducing appliances and fittings

Trustees' report (continued)

PROMOTION OF THE SUCCESS OF THE ORGANISATION TO BENEFIT ITS MEMBERS

The Directors confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider most likely to achieve the purposes of the Company. In making this assessment, the Directors consider the relevant actions of the Board are described throughout the Trustees report. Taking the areas required for disclosure in turn:

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

The long-term sustainability of the operating model is considered by the Trustee Directors as set out in the Going Concern section of the Directors' Report. Specifically, the Directors consider both operating results and financial projections and the key risks that could negatively impact the sustainability of the school. The Admin/Finance Committee and the Board Directors review management information, budgets, forecasts, cash flow projections and progress against budget on a regular basis. Risk management (Pages 11-12) and the level of reserves (page 15) are also discussed further in the report.

b. The interests of the company's employees

In relation to employee engagement, the Directors receive regular reports from management on the employee morale and speak directly to representatives of the faculty and staff associations when reviewing the pay and conditions with them annually. Further details of employee involvement are discussed in the report (Page 8).

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

In relation to key stakeholder engagement, the Directors work closely with the families of the children in ASL. The Directors communicate with families regularly via email and via School communications such as Take Note, and provide an annual report to the community which i) recognises the time and resources our community of volunteers dedicate to the school and ii) describes the impact of that generosity. The Board works closely with the Parent Community Association (PCA) whose members provide most of the volunteer effort for the school. Every year the PCA hosts a General Meeting open to all families at which there is a presentation by the Chair of the Board and other Directors on the School's governance structures and how tuition level decisions are made.

In accordance with the American School in London's standard payment terms, supplier payment is due within 30 days after the School receives the invoice from the supplier.

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

The Directors have commissioned an independent review of energy use and has provided a review of Greenhouse gas emissions later in the report in compliance with the Streamlined Energy and Carbon Reporting (SECR) Report. The Directors are proud of the Community Service Activities of the students which are described in more detail in that section of the Trustees' report (Pages 10-11).

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

The American School in London 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.

f. The need to act fairly as between members of the company.

The Directors understand the Charity Commission requirements and understand the need to avoid and manage potential conflicts of interest. The Company is limited by guarantee so does not have share capital with the result that issues relating to Director shareholders or relations between majority and minority shareholders do not apply.

Trustees' report (continued)

FUTURE PLANS

The Trustees have approved the following specific goals for the School year 2021-22:

Responsibilities

1. Support, nurture and evaluate the Head of School.
2. Ensure ASL's adherence to its Mission Statement and monitor institutional performance and accreditation status.
3. Support the implementation of short, medium and long-term strategic initiatives and the development of new strategic plans.
4. Ensure financial well-being and prudent institutional management consistent with Board governance policies and applicable UK and US regulations and codes.
5. Demonstrate support, stewardship and leadership through active participation in the Board's advancement activities, philanthropic commitment to the School, and engagement in defining ASL's culture and community.
6. Promote exceptional Board governance and leadership by ensuring that Board composition reflects the diversity of the community and delivers the expertise and resources needed by the School.

2021-22 priorities

1. Continue to oversee the management of risks to the School and its community due to the impact of Covid-19 while providing ongoing support to the HOS for this critical work.
2. Support the continuation of the ASL's DEI work while ensuring that the communication and implementation of the work is consistent with strategic objectives and ASL's mission, DEI statement and values.
3. Continue to undertake strategic design work.
4. Review metrics to measure and monitor the process to oversee mission adherence consistent with the revised mission and the achievement of outstanding institutional performance.
5. Conduct a succession planning process in order to appoint a new Chair of the Board in the Spring of 2022.
6. Engage in a review of ASL's institutional policies including considering such policies as part of the risk management process.

Trustees' report (continued)

AUDITOR

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

This Trustees' Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Trustees, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



George Hatzmann
Secretary

Date: 1st December 2021

Trustees' report (continued)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE AMERICAN SCHOOL IN LONDON EDUCATIONAL TRUST LIMITED

Opinion

We have audited the financial statements of The American School in London Educational Trust Limited ('the charitable company') for the year ended 30 June 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Summary Income and Expenditure Account, the Consolidated Cash Flow Statement 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 30 June 2021 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Trustees' report (continued)

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.

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 page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Trustees' report (continued)

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.

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 and 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, 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.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Admin & Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing

Trustees' report (continued)

accounting estimates for biases, reviewing 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.



Nicola May

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

Date 14th December 2021

Consolidated Statement of financial activities
For the year ended 30 June 2021

	Notes	Total	Restricted		2021	2020
		Unrestricted	Other	Endowment	Total	Total
		£,000	£,000	£,000	£,000	£,000
Income from						
Charitable activities:						
Fees receivable	2a	38,905	-	-	38,905	40,700
Other educational income	2b	639	-	-	639	1,333
Other trading activities						
Non-ancillary trading	2c	17	-	-	17	318
Other income						
Government grants	2d	348	-	-	348	583
Investments						
Bank and investment income		24	-	455	479	706
Donations and legacies						
Donations		<u>1,505</u>	<u>662</u>	<u>514</u>	<u>2,681</u>	<u>3,240</u>
		<u>41,438</u>	<u>662</u>	<u>969</u>	<u>43,069</u>	<u>46,880</u>
Expenditure on						
Raising funds:						
Non-ancillary		(17)	-	-	(17)	(318)
Fundraising costs		(594)	(12)	-	(606)	(579)
Financing costs		<u>(686)</u>	<u>(-)</u>	<u>-</u>	<u>(686)</u>	<u>(672)</u>
		<u>(1,297)</u>	<u>(12)</u>	<u>-</u>	<u>(1,309)</u>	<u>(1,569)</u>
Charitable activities:						
School operating costs		<u>(40,681)</u>	<u>(593)</u>	<u>(62)</u>	<u>(41,336)</u>	<u>(43,307)</u>
Total resources expended	3	<u>(41,978)</u>	<u>(605)</u>	<u>(62)</u>	<u>(42,645)</u>	<u>(44,876)</u>
Net investment gain	9			3,224	3,224	84
Net income/(expenditure) before transfers						
		(540)	57	4,131	3,648	2,088
Transfers between reserves	7	<u>1,151</u>	<u>(176)</u>	<u>(975)</u>	<u>-</u>	<u>-</u>
Net movement in reserves in the year						
		<u>611</u>	<u>(119)</u>	<u>3,156</u>	<u>3,648</u>	<u>2,088</u>
Balances brought forward at 1 July						
		<u>39,794</u>	<u>1,024</u>	<u>24,750</u>	<u>65,568</u>	<u>63,481</u>
Balances carried forward at 30 June						
		<u>40,405</u>	<u>905</u>	<u>27,906</u>	<u>69,216</u>	<u>65,569</u>

All of the above are represented by continuing operations.

There are no recognised gains or losses other than those shown in the statement of financial activities. The accompanying notes are an integral part of this statement.

Consolidated Group and Company and Balance sheet
For the year ended 30 June 2021

	Notes	Group 2021 £,000	Group 2020 £,000	Company 2021 £,000	Company 2020 £,000
Fixed assets					
Tangible assets	8	54,610	56,508	54,610	56,508
Investments	9	25,883	22,818	25,883	22,818
		80,493	79,326	80,493	79,326
Current assets					
Stock		28	29	28	29
Debtors	10	1,061	1,436	1,058	1,436
Current asset investments		2,204	1,933	2,204	1,933
Cash at bank and in hand		37,790	31,891	37,784	31,814
		40,903	35,289	40,895	35,213
Creditors: Amounts falling due within 1 year	11a	(25,179)	(22,046)	(25,171)	(21,971)
Net current assets		15,724	13,243	15,724	13,242
Total assets less current liabilities		96,217	92,569	96,217	92,569
Creditors: Amounts falling due after 1 more than 1 year	11b	(27,000)	(27,000)	(27,000)	(27,000)
Total net assets		69,217	65,569	69,217	65,569
Financed by:					
Accumulated reserves					
Unrestricted reserves:					
General		29,148	30,849	29,148	30,849
Designated	13a	11,257	8,944	11,257	8,944
Total unrestricted reserves		40,405	39,793	40,405	39,793
Restricted	13b	905	1,025	905	1,025
Endowments	13f	27,906	24,751	27,906	24,751
		69,217	65,569	69,217	65,569

The net result for the financial year dealt with by the financial statements of the parent charity was a surplus of £3,648K (2020: £2,085K).

The financial statements on pages 27 to 48 were approved by the Board and authorised for issue on 1st December 2021.

Signed on behalf of the Board

David Novak, Trustee



Erin Roth, Trustee



The accompanying notes are an integral part of this balance sheet.

Consolidated cash flow statement
For the year ended 30 June 2021

	Notes	2021		2020	
		£,000	£,000	£,000	£,000
Net cash inflow from operations					
Net cash provided by operating activities	i		<u>6,469</u>		<u>1,089</u>
Cash flows from investing activities					
Payments for tangible fixed assets		(894)		(798)	
Payments to acquire investments		-		-	
New money waiting investment		(89)		(424)	
Investment Income (Dividends and interests)		(175)		(232)	
Disposals of investments		280		320	
Bank interest and investment income receivable		479		386	
Net cash provided (used in) investing activities			<u>(399)</u>		<u>(748)</u>
Cash flow from financing activities					
New endowment		514		1,014	
New loans	iii	-		27,000	
Loans repaid	lii	-		(26,314)	
Bank interest payable		(686)		(672)	
Net cash provided by financing activities			<u>(172)</u>		<u>(1,028)</u>
Change in cash and cash equivalent in the reporting period			<u>5,898</u>		<u>1,367</u>
Cash and cash equivalents at the beginning of the period			<u>31,894</u>		<u>30,524</u>
Cash and cash equivalents at the end of the reporting period	ii		<u>37,792</u>		<u>31,891</u>

Cash flows have not been affected by charity law restrictions on the use of restricted funds. The accompanying notes are an integral part of this cash flow statement.

Notes to Cash flow statement

i. Reconciliation of net income to net cash from operating activities

	2021	2020
£,000	£,000	£,000
Net income before transfers	3,648	2,085
Elimination of non-operating cash flows:		
- Investment income	(479)	(706)
- Endowment donations	(552)	(387)
- Finance costs	686	672
- Unrealised investment (gain)	(3,224)	(84)
Depreciation	2,792	2,899
Decrease in debtors	375	166
Increase in creditors excluding bank loans	3,132	(3,898)
(Increase)/decrease in current asset investments	91	338
Decrease/ (increase) in stocks	(2)	4
	<u>2,821</u>	<u>(996)</u>
Net cash inflow from operations	<u>6,469</u>	<u>1,089</u>

ii. Analysis of cash and cash equivalents

	2021	Cash flow movement in the year	2020
	£,000	£,000	£,000
Cash at bank	28,453	5,884	22,569
Deposits	9,337	15	9,322
	<u>37,790</u>	<u>5,898</u>	<u>31,891</u>

iii. Analysis of movement in loans

	2021	New loan	Repayment	2020
	£,000	£,000	£,000	£,000
New loan				
Bank loan falling due within one year	-	-	-	-
Loans falling due after one year	<u>27,000</u>	-	-	<u>27,000</u>
Total loans	<u>27,000</u>	<u>-</u>	<u>-</u>	<u>27,000</u>

Notes to the financial statements

1 Summary of accounting policies

The financial statements have been prepared 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 FRS 102 – effective 1 January 2015.

The functional currency of the School is considered to be Great Britain Pounds (GBP) because that is the currency of the primary economic environment in which the School operates.

The financial statements of the School are drawn up under the historical cost basis of accounting, as modified by the revaluation other investments.

The Financial Statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the School with its wholly owned subsidiary ASL Enterprises Limited. No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006. The Charity has taken advantage of the FRS 102 exemption from preparing its own entity statement of cash flows. The School has taken advantage of the exemption under section 408 of the Companies Act 2006 not to publish its own income and expenditure account.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated in 1963 (Company No: 783923) and registered as a charity with the Charities Commission (Charity No: 312738).

Critical accounting judgements and key sources of estimate and uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affected current and future periods.

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.

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

a) Financial instruments

Basic financial instruments are initially recognised at transaction value, subsequently measured, and amortised 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 trade and other debtors. 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 instant access bank accounts and used as working capital.

Notes to the financial statements (continued)

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to Pounds Sterling at the balance sheet date at an appropriate year-end exchange rate.

b) *Tangible fixed assets*

Tangible fixed assets except investment assets, are shown at cost and depreciated at annual rates calculated to write off their cost less estimated residual values over their expected useful lives, the rates for which are currently as follows:-

Long Leasehold Land	0.4% straight-line
Building Extension and Refurbishment	5% straight-line
Motor Vehicles	25% straight-line
Buildings	2% straight-line
Furniture and Equipment	10-25% straight-line
Laptops provided to students	50% straight-line

No depreciation is charged on freehold land.

Expenditure on fixed assets, which cost more than £250, is capitalised.

c) *Stock*

Stock consists primarily of stationery supplies and is stated at latest invoice cost, which approximates purchase cost.

d) *Taxation*

As a charity, the School's income falls within the exemptions granted by the Corporation Tax Act of 2010. The School is therefore not subject to taxes on income and chargeable gains.

e) *Pension costs*

The company contributes to the purchase of supplementary pension rights staff as described in note 14. Pension costs are charged on an accruals basis.

f) *Accounting for foreign currency transactions*

Certain transactions take place in foreign currency and are translated into sterling at the rates of exchange at the date of the transaction. All foreign currency balances at the year-end are translated into sterling at the year-end rate of exchange and any gain or loss is credited or charged to the statement of financial activities.

g) *Investments*

The portfolio of investments in unit trusts is stated in the financial statements at market value. Investment income includes gross dividends receivable. Realised and unrealised capital gains and losses are shown separately in the balance sheet.

h) *Fees receivable*

Fees receivable represent tuition fees, transport, summer school and other fees receivable by the company during the year – see note 2.

Fees are recognised on an accruals basis. Fees received in advance represent amounts received prior to the company's year-end in respect of the next semester. Fees receivable are stated after deducting financial aid. Restricted donations for financial aid are disclosed separately.

Notes to the financial statements (continued)

i) *Donations*

Donations are recognised on a receivable basis when there is entitlement, the amount can be measured and receipt is probable.

Donations for specific projects are disclosed as restricted donations. When restricted donations are received for capital expenditure projects they are accounted for in a restricted reserve until the purchase of the asset or the expenditure on the specific project occurs. At this point, the funds and any subsequent funds received are transferred to unrestricted funds as corporate reserves – see note 7.

Donations for endowment funds are disclosed separately as part of Restricted Reserves on the statement of financial activities – see notes 13b to 13f.

Other donations, which include Annual Fund receipts, are shown as unrestricted donations.

j) *Total Return accounting*

The Charity Commission permitted the School to adopt the use of total return in relation to its permanent endowment on 12th April 2007. The power permits the trustees to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised, the total return shall be an `unapplied total return` and remain as part of the permanent endowment – see note 13c. The trustees have used the values of the permanent endowments at 30th June 2001 to represent the `Preserved Value` of the original gifts. This was just after receipt of its second major gift of permanent endowment. In these Financial Statements, the allocation to income is now shown as Other Income rather than in previous years as a transfer between reserves.

k) *Allocation of costs to categories of resources expended*

All expenditure is accounted for on an accruals basis. Costs are allocated between the cost of generating funds and the actual cost of charitable activities by identifying the direct costs related to these activities. Any indirect costs are then apportioned on the basis of staff time. Charitable expenditure costs are also allocated to the different categories by direct costs where possible. Some compensation costs are apportioned on the basis of salary costs per category.

Support costs comprise all the costs of running the non-teaching and non-fund raising departments of the School such as Admissions, Communications and Finance. Salaries represent 90% of support costs.

Depreciation is included as part of premises costs.

Governance costs are only those related to the management and administration of the charity. They include both direct costs of the external audit and any legal advice to the Trustees plus a proportion of management and other staff time together with related overheads.

l) *Going Concern*

The School's long-term financial viability is supported by a strong cash flow, significant cash balances, detailed financial projections, a sufficient level of reserves and endowment and a tradition of fundraising and a good relationship with our key donors. The Board has reviewed its liquidity, its solvency, its loan covenants, enrolment for the 2020-21 year, volatility and increased level of reserves. The school has, therefore, a reasonable expectation that it has sufficient resources to continue in operational existence for the foreseeable future which is at least 12 months from the date of the signing of this report. The Trustees believe that there are no material uncertainties that call into doubt the ability of the School to continue as a going concern.

Notes to the financial statements (continued)

2a Fees receivable	2021	2020
	£,000	£,000
Gross tuition fees	42,904	43,987
Less: Financial Aid	(4,877)	(4,509)
Less: Community Support Fund	<u>(505)</u>	<u>-</u>
Net tuition fees	37,522	39,478
Other fees:		
Gross Transportation	786	831
Less: Financial Aid	<u>(127)</u>	<u>(106)</u>
Net Transportation	659	725
Applications and retentions	<u>724</u>	<u>497</u>
	<u>38,905</u>	<u>40,700</u>
2b Other educational income	2021	2020
	£,000	£,000
Gross Trips	81	226
Less: Financial Aid	<u>(4)</u>	<u>(13)</u>
Net Trips	76	213
Summer, After School programs and other income	610	1,201
Less: Financial Aid	<u>(49)</u>	<u>(81)</u>
Net Non-Trips	<u>561</u>	<u>1,120</u>
	<u>639</u>	<u>1,333</u>
2c Non ancillary income	2021	2020
	£,000	£,000
Trading income from membership fees and swimming lessons	<u>17</u>	<u>318</u>
2d Government grant	2021	2020
	£,000	£,000
Grants relate to the furlough of staff not working from the period July 2020 to June 2021	348	583

Notes to the financial statements (continued)

3 Analysis of total resources expended

	Staff costs	Other	Depreciation	2021 Total	2020 Total
	£,000	£,000	£,000	£,000	£,000
Charitable Activities					
Teaching costs	23,363	2,040	-	25,403	27,138
Welfare	1,865	913	-	2,778	2,810
Premises	894	2,112	2,792	5,798	6,780
Transport	172	923	-	1,095	812
Support costs	5,383	272	-	5,665	5,665
Governance costs	92	10	-	102	102
Community Support Fund		505		505	-
	<u>31,769</u>	<u>6,775</u>	<u>2,792</u>	<u>41,336</u>	<u>43,307</u>
School operating costs					
Costs of raising funds					
Fundraising costs	533	73	-	606	578
Financing costs	-	686	-	686	672
Non-ancillary	9	8	-	17	318
	<u>32,311</u>	<u>7,541</u>	<u>2,792</u>	<u>42,645</u>	<u>44,876</u>

4 Net incoming/(outgoing) resources for the year before transfers

Net income/(expenditure) for the year before transfers is stated after charging:

	2021 £,000	2020 £,000
Depreciation of tangible fixed assets	2,792	2,899
Auditors' remuneration		
- audit services	31	28
- non-audit serves	5	2
Financing costs	686	672
Staff costs – see note 5	<u>32,306</u>	<u>32,426</u>

Notes to the financial statements (continued)

5 Staff Costs

Some members of the teaching and administrative staff are employees of the American School in London Foundation (the Foundation), which is based in the United States and are seconded to the American School in London Educational Trust Limited (the "Trust") under an agreement between the two companies. Under that agreement, the Trust agrees to provide the necessary funds to cover these staffs' costs and to act as agent of the Foundation in respect of certain aspects of its employer obligations.

Total staff costs during the year amounted to:

	2021	2020
	£,000	£,000
Wages and salaries	26,987	27,225
Social security costs and NI contributions	2,842	2,809
Other pension costs	2,478	2,391
	<u>32,305</u>	<u>32,425</u>

The number of persons employed in the operation of the School during the year calculated was as follows:

	2021	2020	2021	2020
	Average	Average	FTE Number	FTE Number
Teachers and Teachers' Support	259	253	240	238
Administration	<u>112</u>	<u>115</u>	<u>107</u>	<u>109</u>
Total	<u>371</u>	<u>368</u>	<u>347</u>	<u>347</u>

The above numbers include 1 teacher / teachers' support on sabbatical leave during 2021 and 1 employees of the Foundation (2020 – 125). During the year, there were 3 redundancy or termination payments (£75K which was owing at the year-end (2020 – £29K). The above numbers include 10 (2020 – 8) employees who were jointly employed by the School and the subsidiary.

Notes to the financial statements (continued)

The number of employees, including those of the Foundation, whose emoluments, including benefits in kind (excluding pensions and pension contributions) exceeded £60,000 were:

	2021	2020
	Number	Number
£60,001 - £70,000	19	35
£70,001 - £80,000	42	36
£80,001 - £90,000	53	57
£90,001 - £100,000	44	42
£100,001 - £110,000	13	11
£110,001 - £120,000	5	6
£120,001 - £130,000	4	1
£130,001 - £140,000	1	1
£150,001 - £160,000	-	1
£160,001 - £170,000	2	2
£170,001 - £190,000	1	2
£190,001 - £200,000	2	1
£200,001 - £210,000	1	1
£330,001 - £340,000	-	1
£390,001 - £400,000	1	-
	<u>188</u>	<u>197</u>

The total employers' pension contributions to the School's and Foundation's defined contribution schemes amounted to £1,678K (2020 £1,721K) in respect of the employees above.

	2021	2020
	£,000	£,000
Aggregate employee benefits of key management personnel (the SLT including the Head of School has expanded to 12 members from 10 last year)	<u>2,251</u>	<u>2,161</u>

6 Transactions with Trustees

The Trustees, with the exception of the Head of the School, received no emoluments or reimbursement of expenses. The Head of the School in accordance with the School's Memorandum and Articles of Association is a Trustee.

Her remuneration including pension contributions and benefits-in-kind was as follows:

	2021	2020
	£,000	£,000
Salary	396	337
Deferred compensation	-	-
Other remuneration including utilities and accounting	7	25
Pension contributions	<u>40</u>	<u>34</u>
Total	<u>443</u>	<u>396</u>

Notes to the financial statements (continued)

7 Transfers between reserves

The transfers from restricted to unrestricted reserves totalled £176K, which was in respect of the use of donated funds to help pay for capital projects (Note 13b). In addition, £975K was allocated to income from Endowment with £700K from Permanent Endowment (note 13d) and £275K from Expendable Endowment (note 13e).

8 Tangible fixed assets - Group and Company

	Freehold £,000	Building Extension and Refurbishment £,000	Long Leasehold £,000	Furniture and Equipment £,000	Motor Vehicles £,000	Total £,000
Cost						
At 1 July 2020	15,453	67,712	2,430	7,461	23	93,079
Additions	-	30	-	864	-	894
Disposal	-	-	-	-	-	-
At 30 June 2021	<u>15,453</u>	<u>67,742</u>	<u>2,430</u>	<u>8,325</u>	<u>23</u>	<u>93,973</u>
Depreciation						
At 1 July 2020	651	30,098	468	5,343	11	36,571
Disposal	-	-	-	-	-	-
Charge	<u>79</u>	<u>1,879</u>	<u>39</u>	<u>790</u>	<u>6</u>	<u>2,792</u>
At 30 June 2021	<u>730</u>	<u>31,976</u>	<u>506</u>	<u>6,133</u>	<u>17</u>	<u>39,363</u>
Net book value						
At 1 July 2020	<u>14,803</u>	<u>37,614</u>	<u>1,962</u>	<u>2,118</u>	<u>11</u>	<u>56,508</u>
At 30 June 2021	<u>14,754</u>	<u>35,766</u>	<u>1,923</u>	<u>2,192</u>	<u>5</u>	<u>54,610</u>

At 30 June 2021, the Company has no capital commitments authorised and contracted for but outstanding, in respect of land and buildings refurbishment (2020 also NIL).

9 Investments – Group and Company

	2021		2020	
	Group & Company	Group & Company	Group & Company	Group & Company
	£,000	£,000	£,000	£,000
Market value of investments brought forward		22,818		22,337
Disposal of cash brought forward	(424)			
New money waiting investments		89		165
Investment income reinvested		175		232
Disposals in year	(280)		(320)	
Gross investment gain in the year	3,637		535	
Management fee	<u>(133)</u>		<u>(131)</u>	
Net investment gain in year		3,224		84
Market value carried forward		<u>25,883</u>		<u>22,818</u>
Cost of investments carried forward		<u>20,819</u>		<u>20,267</u>

The total unrealised gain included above was £5,063K at 30 June 2021 (2020 – £2,551K).

Notes to the financial statements (continued)

Investments comprise:	Group & Company 2021 £,000	Group & Company 2020 £,000
Listed investments		
Fixed interest	4,023	4,422
Equities	11,245	8,287
Alternative investments	11,078	9,539
Cash	548	573
Forex	(11)	(3)
Group investments	<u>25,883</u>	<u>22,818</u>
Investment in subsidiaries	<u>-</u>	<u>-</u>
Company investments	<u><u>25,883</u></u>	<u><u>22,818</u></u>

In addition to the above investments, other endowment funds are invested as current asset investments.

The main investments for the Group were managed by J.P. Morgan Private Bank to 30 June 2021.

Notes to the financial statements (continued)

10 Debtors

Amounts falling due within one year:	Group	Group	Company	Company
	2021	2020	2021	2020
	£,000	£,000	£,000	£,000
Other debtors	773	1,147	773	1,147
Prepayments and accrued income	288	289	288	289
	<u>1,061</u>	<u>1,436</u>	<u>1,061</u>	<u>1,436</u>

11 Creditors

a) Amounts falling due within one year:	Group	Group	Company	Company
	2021	2020	2021	2020
	£,000	£,000	£,000	£,000
Fees received in advance (note 1h)	20,552	17,585	20,552	17,585
PAYE and social security creditors	1,751	1,708	1,751	1,708
Other creditors and accruals	2,869	2,753	2,869	2,678
	<u>25,179</u>	<u>22,046</u>	<u>25,171</u>	<u>21,971</u>

b) Amounts due after one year – Group and Company	30 June	Increase in	30 June
	2021	loan	2020
	£,000	£,000	£,000
Loan falling due after one year	<u>27,000</u>	-	<u>27,000</u>

The loans were refinanced in November 2020 for a 30-year term, with the new loan having security on certain property at the School. The interest on the loan is at a fixed rate. The first repayment instalment is after 10 years in November 2029.

12 Allocation of Group Net Assets

The net assets as at 30 June 2021 are held for the various funds as follows:

	Net Current	Loans due after	Investments	Tangible	Total
	Assets	more than 1 year		Fixed Assets	
	£,000	£,000	£,000	£,000	£,000
Permanent endowment	(1)	-	25,883	-	25,882
Expendable endowment	2,024	-	-	-	2,024
Restricted reserves	905	-	-	-	905
Designated enrolment reserves	5,350	-	-	-	5,350
Designated facilities reserves	1,112	-	-	-	1,112
Designated reserves – other	4,795	-	-	-	4,795
General reserves	1,538	(27,000)	-	54,610	29,148
Total reserves	<u>15,723</u>	<u>(27,000)</u>	<u>25,883</u>	<u>54,610</u>	<u>69,216</u>

The investment policy with respect to endowment reserves is summarised on page 16.

The notes on pages 15 to 16 describe the purposes of the various reserves held.

Notes to the financial statements (continued)

13 Reconciliation of opening and closing Group and Company reserves

a) Designated reserves	Balance 30	New funds	Resources	Transfer to	Balance
	June 2020	designated	expended	general reserve	June 2021
	£,000	£,000	£,000	£,000	£,000
Enrolment reserve	5,350	-	-	-	5,350
Facilities reserve	562	1,236	(686)	-	1,112
Building & Equipment reserve	762	211	-	-	973
Plant reserve	1,398	1,854	(241)	-	3,011
Prolonged Disability reserve	54	-	-	-	54
Staff Cost reserve	347	-	-	-	347
New Initiatives reserve	471	-	(61)	-	410
	<u>8,944</u>	<u>3,301</u>	<u>(988)</u>	<u>-</u>	<u>11,257</u>

Enrolment reserve

The enrolment reserve represented approximately 14% of tuition income at 30 June 2021. The School undertakes regular reviews of the level of this reserve. While enrolment in the last couple of years has been stable, enrolment is impacted by external socio-economic factors. Historically, enrolment has fluctuated significantly and by up to 100 students from year to year. This reserve will enable the School to maintain its staff and operating cost levels in the short-term (over 2-3 years) if there were a fall in enrolment.

Facilities reserve

This reserve is held to help fund future facilities developments and for the repayment of the long-term loans in accordance with the School's reserves policy. The amounts transferred to this reserve during the year was the budgeted amount for the capital repayments and the loan interest on the loans before refinancing. The resources expended of £686K were in respect of loan interest. The carry forward balance represents the scheduled accumulation of funds in preparation for the repayment for the first instalment repaying the loan capital.

Building and Equipment reserve

The building and equipment reserve is a reserve set up to provide funds for emergency or unanticipated repairs or improvements.

Plant Reserve

This reserve is a rolling reserve to ensure that the school has funds available to contract for significant building maintenance projects, which run into the following financial year. The balance on this reserve is planned to be spent in the next two years.

Prolonged Disability reserve

The prolonged disability reserve has been established to provide funds for employees who suffer prolonged disability during the period before the School's insurance scheme comes into effect.

Staff Cost reserve

This reserve was created to provide additional funding for exceptional compensation costs.

Notes to the financial statements (continued)

New Initiative reserve

This reserve was created to provide funds for pilot projects that it is hoped will enhance the curriculum and/or the learning environment at the School. These projects can be approved after the setting of the annual budget process and so would not be possible without these contingency funds. The projects are usually piloted over 1 or 2 years before they are assessed to see if they will become part of regular school operations.

13 Reconciliation of opening and closing reserves (continued)

b) Restricted reserves	Balance 30 June 2020 £,000	Incoming resources £,000	Resources expended £,000	Transfer between reserves £,000	Balance June 2021 £,000
Community Support fund	521	471	(505)	-	488
Restricted reserves	<u>504</u>	<u>191</u>	<u>(100)</u>	<u>(176)</u>	<u>418</u>
	<u>1,025</u>	<u>662</u>	<u>(605)</u>	<u>(176)</u>	<u>905</u>

The Community support fund was initiated to provide discounted seats for students in families suffering temporary financial hardship as a result of the coronavirus pandemic.

The Restricted Reserves comprise mainly funds received from the American School in London Foundations in the US and the UK. The majority of the resources expended of £100K was spent on activities across all divisions including a visiting scholar. The transfers between reserves of £176K reflect capital expenditure funded from these reserves. The remaining reserves are expected to be spent in the next 1-2 years.

The transfers between reserves are in accordance with the accounting policy 1i.

Notes to the financial statements (continued)

13 Reconciliation of opening and closing reserves (continued)

c) Permanent Endowment funds - Statement of total return

Calculation of total return:	2021
	£,000
Investment returns in year	
Investment income	175
Capital gains	<u>3,224</u>
Total return for year	3,399
Less: Allocation to income	<u>(700)</u>
Movement in unapplied total return for the year	2,979
Unapplied total return	
30 June 2020	2,085
30 June 2021	<u>5,063</u>
Add:	
Preserved value at 30 June 2001	371
Additions since 30 June 2001	<u>20,488</u>
Total preserved value at 30 June 2021	<u>20,819</u>
Total value of permanent endowment	Note 13d <u>25,882</u>

d) Permanent Endowment funds

	Balance	Transfers		Total	Allocation	Balance
	30 June	between	Donations	Return	to Income	30 June
	2020	Reserves				2021
	£,000	£,000	£,000	£,000	£,000	£,000
Student Financial Assistance	8,745	-	74	1,303	107	9,960
Facilities Fund	150	-	-	22	2	168
Community Enrichment	1,062	-	-	158	13	1,202
Faculty and Staff support	12,364	-	13	1,842	152	13,990
General	<u>497</u>	-	-	<u>74</u>	<u>6</u>	<u>562</u>
	<u>22,818</u>	<u>-</u>	<u>86</u>	<u>3,399</u>	<u>280</u>	<u>25,882</u>

e) Expendable endowment funds:

	Balance 30	Transfers		Resources	Allocation	Balance 30
	June 2020	between	Donations	Expended	to Income	June 2021
	£,000	Reserves	£,000	£,000	£,000	£,000
Community Enrichment	450	-	-	(61)	-	389
Student Financial Assistance	727	-	422	-	(275)	873
Faculty and Staff support	<u>756</u>	-	<u>6</u>	<u>(1)</u>	-	<u>762</u>
	<u>1,933</u>	<u>-</u>	<u>428</u>	<u>(62)</u>	<u>(275)</u>	<u>2,024</u>

Notes to the financial statements (continued)

13 Reconciliation of opening and closing reserves (continued)

f) Total Endowment	2021	2020
	£,000	£,000
Permanent	25,882	22,818
Expendable	<u>2,024</u>	<u>1,933</u>
	<u>27,906</u>	<u>24,751</u>

Student Financial Assistance

The earnings will be used to provide financial assistance to qualified students and to support student participation in the life of the school once enrolled.

Facilities Fund

The earnings will be used to support and enhance the facilities at ASL.

Community Enrichment Fund

The earnings will be used to support programs and activities that support a sense of community within the ASL family or that serve to enhance the relationship of ASL to its neighbourhood or to London.

Faculty and Support Staff Fund

The earnings will be restricted to support the Faculty and Staff of ASL at the discretion of the Board.

14 Pension arrangements

The School contributes towards retirement benefits in respect of employees who have opted to participate in a defined contribution plan. A range of investment funds is available. The School's contribution is 10% of basic salary provided the employee contributes at least 5% of salary.

The School also provides funds to the Foundation for its costs incurred for a similar US retirement benefits plan in respect of employees of the Foundation.

The employer's contributions for both the School and the Foundation are charged in the Statement of Financial Activities in the period in which the salaries to which they relate are due. These contributions in the year amounted to £2,478K (2020 £2,391K) at 30 June 2021.

Under terms of the plans, the School has no liability beyond the agreed rate of its contributions each year. The School and its subsidiary have entered into joint contracts of employment for certain staff. The pension contributions are paid by the School on behalf of these staff.

15 Subsidiary company and related party transactions

The School owns all of the issued share capital of ASL Enterprises Limited, Company Number 10339054 incorporated in England in August 2016. This company carries out trading activities on behalf of the School. ASL Enterprises Limited had a turnover of £17K, and £3K profit before tax in the year ended 30 June 2020 (2020 - £70K profit before tax). At 30 June 2021, the Company had shareholders' funds of £1. The Company ran swimming lessons and a membership program.

Notes to the financial statements (continued)

15 Subsidiary company and relation party transactions (continued)

In the period to 30 June 2021, the School charged £17K to the subsidiary company for the provision of staff and administrative services and licence fees.

There were no other related party transactions in the year ended 30 June 2021 (2020 – nil).

16 Financial Instruments

	Fair Value	Amortised cost	Non financial instruments	2021 Total	2020 Total
	£,000	£,000	£,000	£,000	£,000
Assets					
Tangible assets	-	-	54,610	54,610	56,608
Investments	25,792	-	-	25,792	22,394
Stock	-	28	-	28	29
Debtors	-	773	288	1,061	1,436
Cash at bank and in hand	-	39,903	-	39,903	34,248
Liabilities					
Creditors due within one year	-	(25,179)	-	(25,179)	(21,046)
Creditors due after one year	-	(27,000)	-	(27,000)	(27,000)
	<u>25,792</u>	<u>(11,475)</u>	<u>54,898</u>	<u>69,216</u>	<u>65,569</u>

The income, expenditure and net gains and losses recognized in the Statement of Financial Activities during the year to 30 June 2021 by category are shown below:

	Fair Value	Amortised cost	2021 Total	2020 Total
	£,000	£,000	£,000	£,000
Investment income	175	-	175	232
Foreign exchange gains on evaluation	-	9	9	43
Net gains on investments	<u>3,224</u>	<u>-</u>	<u>3,224</u>	<u>83</u>
	<u>3,399</u>	<u>9</u>	<u>3,408</u>	<u>359</u>

Notes to the financial statements (continued)

17 Comparative fund statements for year ended 30 June 2020

Statement of Financial Activities

	Notes	Total	Restricted		2020
		Unrestricted	Other	Endowment	Total
		£,000	£,000	£,000	£,000
Incoming resources					
<i>Income from charitable activities:</i>					
Fees receivable	2a	40,700	-	-	40,700
Other educational income	2b	1,333	-	-	1,333
Non-ancillary trading	2c	318	-	-	318
Government grants	2d	583			583
Bank and investment income		154	-	552	706
Donations		<u>1,479</u>	<u>747</u>	<u>1,014</u>	<u>3,240</u>
		<u>44,567</u>	<u>747</u>	<u>1,566</u>	<u>46,880</u>
Resources expended					
<i>Cost of raising funds:</i>					
Non-ancillary		(318)	-	-	(318)
Fundraising costs		(579)	-	-	(579)
Financing costs		<u>(672)</u>	<u>-</u>	<u>-</u>	<u>(672)</u>
		<u>(1,569)</u>	<u>-</u>	<u>-</u>	<u>(1,569)</u>
<i>Charitable activities:</i>					
School operating costs		<u>(42,576)</u>	<u>(104)</u>	<u>(627)</u>	<u>(43,307)</u>
Total resources expended		<u>(44,145)</u>	<u>(104)</u>	<u>(627)</u>	<u>(44,876)</u>
Net investment gain		-	-	84	84
Net income/(expenditure) before transfers		<u>422</u>	<u>643</u>	<u>1,023</u>	<u>2,088</u>
Transfers between reserves		<u>901</u>	<u>(21)</u>	<u>(880)</u>	<u>-</u>
Net movement in reserves in the year		<u>1,323</u>	<u>622</u>	<u>143</u>	<u>2,088</u>
Balances brought forward at 1 July		<u>38,470</u>	<u>403</u>	<u>24,608</u>	<u>63,481</u>
Balances carried forward at 30 June		<u>39,793</u>	<u>1,025</u>	<u>24,751</u>	<u>65,569</u>

All of the above are represented by continuing operations.

There were no recognised gains or losses other than those shown in the statement of financial activities. The accompanying notes are an integral part of this statement.

Notes to the financial statements (continued)

Allocation of Group Net Assets

The net assets as at 30 June 2020 are held for the various funds as follows:

	Net Current Assets £,000	Bank Loans due after more than 1 year £,000	Investments £,000	Tangible Fixed Assets £,000	Total £,000
Permanent endowment	-	-	22,818	-	22,818
Expendable endowment	1,933	-	-	-	1,933
Restricted reserves	1,025	-	-	-	1,025
Designated enrolment reserves	5,350	-	-	-	5,350
Designated facilities reserves	562	-	-	-	562
Designated reserves – other	3,032	-	-	-	3,032
General reserves	1,341	(27,000)	-	56,508	30,849
Total reserves	<u>13,243</u>	<u>(27,000)</u>	<u>22,818</u>	<u>56,508</u>	<u>65,569</u>

Reconciliation of opening and closing reserves

a) Designated reserves	Balance 30 June 2019 £,000	New funds designated £,000	Resources expended £,000	Transfer to general reserve £,000	Balance June 2020 £,000
Enrolment reserve	3,800	1,550	-	-	5,350
Facilities reserve	-	1,608	(638)	(408)	562
Building & Equipment reserve	564	198	-	-	762
Plant reserve	817	1,400	(819)	-	1,398
Prolonged Disability reserve	54	-	-	-	54
Staff Cost reserve	347	-	-	-	347
New Initiatives reserve	486	-	(15)	-	471
	<u>6,068</u>	<u>4,756</u>	<u>(1,472)</u>	<u>(408)</u>	<u>8,944</u>
b) Restricted reserves	Balance 30 June 2019 £,000	Incoming resources £,000	Resources expended £,000	Transfer between reserves £,000	Balance June 2020 £,000
New Frontiers Capital Campaign	-	521	-	-	521
Other restricted reserves	403	226	(104)	(21)	504
	<u>403</u>	<u>747</u>	<u>(104)</u>	<u>(21)</u>	<u>1,025</u>

Notes to the financial statements (continued)

a) Permanent Endowment funds

	Balance 30 June 2019	Transfers between Reserves	Donations	Total Return	Disinvest ment	Allocation to Income
	£,000	£,000	£,000	£,000	£,000	£,000
Student Financial Assistance	8,540	-	230	121	122	(268)
Facilities Fund	150	-	-	2	2	(4)
Community Enrichment	761	-	303	11	11	(24)
Faculty and Staff support	12,387	-	13	175	177	(388)
General	499	-	-	7	7	(16)
	<u>22,337</u>	<u>-</u>	<u>546</u>	<u>315</u>	<u>320</u>	<u>(700)</u>

b) Expendable endowment funds:

	Balance 30 June 2019	Transfers between Reserves	Donations	Resources Expended	Allocation to Income	Balance 30 June 2020
	£,000	£,000	£,000	£,000	£,000	£,000
Community Enrichment	886	-	191	(627)	-	450
Student Financial Assistance	631	-	275	-	(179)	727
Faculty and Staff support	754	-	2	-	-	756
	<u>2,271</u>	<u>-</u>	<u>468</u>	<u>627</u>	<u>(179)</u>	<u>1,933</u>