

**VERDALA INTERNATIONAL SCHOOL
FOUNDATION**

Annual Report and Financial Statements

31 August 2022

VERDALA INTERNATIONAL SCHOOL FOUNDATION
Annual Financial Statements for the year ended 31 August 2022

CONTENTS

	Pages
General information	2
Board of directors' report	3
Auditor's report	4 - 6
Income Statement	7
Balance sheet	8
Cash flow statement	9
Notes to the financial statements	10 - 15

VERDALA INTERNATIONAL SCHOOL FOUNDATION
Annual Financial Statements for the year ended 31 August 2022

GENERAL INFORMATION

BOARD MEMBERS

The members of the Board of Directors of the school during the year were:

Chairperson of the Board

Mr. David Nyheim – (appointed December 2020)

Representing Parents

Mr. Benjamin Brown (appointed January 2021)

Ms. Laura Keurhorst (appointed April 2021, resigned March 2022)

Mr. Nick Borg (appointed September 2021)

Prof. Paolo Catalfamo (appointed March 2022)

Representing Staff

Mr. Daniel Shrewsbury (appointed September 2021)

Ms. Corinne Borg (resigned in March 2022)

Mr. Richard Price (appointed in March 2022)

Representing American Embassy

Mr. Mark Patanella (resigned March 2022)

Mr Aaron Kadkhoddai (appointed March 2022, resigned October 2022)

Mr Timothy Cassel (appointed October 2022)

Representing the Education Ministry

Mr. Anthony Sammut (appointed June 2021)

HEAD OF SCHOOL

Ms. Totty Aris (non-voting)

REGISTERED ADDRESS

Verdala International School Foundation
Fort Pembroke
Pembroke PBK 1641
Malta

BANKERS

HSBC Bank Malta plc
32, Merchants Street,
Valletta VLT 1116
Malta

Lombard Bank Malta plc
67, Republic Street
Valletta VLT 1173
Malta

Bank of Valetta plc
Racecourse Street
Marsa
Malta

AUDITOR

Ernst & Young Malta Limited
Regional Business Centre
Achille Ferris Street
Msida MSD 1751
Malta

VERDALA INTERNATIONAL SCHOOL FOUNDATION
Annual Financial Statements for the year ended 31 August 2022

BOARD OF DIRECTORS' REPORT

The members of the Board of Directors submit their annual report, together with the audited accounts of Verdala International School Foundation ('the School') for the year ended 31 August 2022.

Principal activities

The principal activities of the school are to establish, maintain, carry on and support an American International School for the education of children.

Performance review

During the year ended 31 August 2022, there has been an increase in school income of EUR73,800 (2021: increase of EUR528,301) and an increase in operating expenditure of EUR443,526 (2021: EUR539,955), resulting in an operating deficit for the year of EUR464,302 (2021: EUR53,095).

Post balance sheet events

There are no events that occurred after the reporting period that need to be disclosed in the financial statements.

Future developments

The directors do not see any changes in the School's activities in the foreseeable future.

Directors

The Directors of the School who held office during the years are set out on page 2.

Auditor

Ernst & Young Malta Limited have signified their willingness to continue in office.

By Order of the Board

MR. BENJAMIN BROWN
Board Member

MS. TOTTY ARIS
Head of School

22 March 2023

INDEPENDENT AUDITOR'S REPORT

to the members of Verdala International School Foundation

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Verdala International School Foundation (the "Foundation"), set on pages 7 to 15, which comprise the balance sheet as at 31 August 2022, the Income statement and the cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Foundation as at 31 August 2022, and of its financial performance and its cash flows for the year then ended in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-sized entities) Regulations, 2015 and Schedule accompanying and forming an integral part of those regulations ("GAPSME").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Foundation in accordance with the *International Code of Ethics for Professional Accountants (including International Independence Standards) as issued by the International Ethics Standards Board of Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the *Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act, Cap. 281 of the Laws of Malta*, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The board members are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT

to the members of Verdala International School Foundation - continued

Other information - continued

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, 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.

Responsibilities of the board members for the financial statements

The board members are responsible for the preparation and fair presentation of the financial statements in accordance with GAPSME and for such internal control as the board members 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 board members are responsible for assessing the Foundation'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 board members either intend to liquidate the Foundation 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 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT

to the members of Verdala International School Foundation - continued

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board members.
- conclude on the appropriateness of the board members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*The partner in charge of the audit resulting in this independent auditor's report is
Christopher Balzan for and on behalf of*

Ernst & Young Malta Limited
Certified Public Accountants

22 March 2023

VERDALA INTERNATIONAL SCHOOL FOUNDATION
Annual Financial Statements for the year ended 31 August 2022

INCOME STATEMENT
for the year ended 31 August 2022

	Notes	2022 EUR	2021 EUR
School income	3	5,187,565	5,113,765
School expenditure		<u>(5,765,142)</u>	<u>(5,321,615)</u>
School deficit		(577,577)	(207,850)
Boarding surplus		1,069	738
Other operating income		<u>112,206</u>	<u>154,017</u>
Operating deficit for the year	4	(464,302)	(53,095)
Other income		82,698	51,048
Interest receivable		-	219
Grant receivable		<u>35,000</u>	<u>29,778</u>
(Deficit)/Surplus for the year before taxation		(346,604)	27,950
Income tax charge	11	<u>-</u>	<u>(56,104)</u>
Deficit for the year after taxation		<u>(346,604)</u>	<u>(28,154)</u>

The accounting policies and explanatory notes on pages 10 to 15 form an integral part of the financial statements.

VERDALA INTERNATIONAL SCHOOL FOUNDATION
Annual Financial Statements for the year ended 31 August 2022

BALANCE SHEET
as at 31 August 2022

	Notes	2022 EUR	2021 EUR
ASSETS			
Non-current assets			
Property and equipment	6	<u>145,768</u>	<u>209,905</u>
Total non-current assets		<u>145,768</u>	<u>209,905</u>
Current assets			
Debtors	7	1,304,814	1,205,757
Short-term financial assets		27,180	27,180
Cash and cash equivalents	9	<u>4,478,973</u>	<u>3,596,998</u>
Total current assets		<u>5,810,967</u>	<u>4,829,935</u>
Total assets		<u>5,956,735</u>	<u>5,039,840</u>
LIABILITIES			
Creditors - amounts falling due within one year	8	(5,461,033)	(4,142,680)
Taxation payable		-	(54,854)
Total liabilities		<u>(5,461,033)</u>	<u>(4,197,534)</u>
Total net assets		<u>495,702</u>	<u>842,306</u>
RESERVES			
Accumulated fund	10	<u>495,702</u>	<u>842,306</u>

The accounting policies and explanatory notes on pages 10 to 15 form an integral part of the financial statements.

Approved by the Board of Directors on 22 March 2023 and signed on its behalf by:

MR. BENJAMIN BROWN
Board Member

MS. TOTTY ARIS
Head of School

VERDALA INTERNATIONAL SCHOOL FOUNDATION
Annual Financial Statements for the year ended 31 August 2022

CASH FLOW STATEMENT
for the year ended 31 August 2022

	Note	2022 EUR	2021 EUR
Cash flows from/(used in) operating activities			
(Deficit)/Surplus for the year before taxation		(346,604)	27,950
<i>Adjustments for:</i>			
Depreciation		64,137	74,659
Interest income		-	(219)
Provision for doubtful debts		<u>113,581</u>	<u>100,000</u>
Operating (loss)/surplus before working capital changes		(168,886)	202,390
(Increase)/Decrease in debtors		(212,638)	22,238
Increase/(Decrease) in creditors		<u>1,218,757</u>	<u>(1,142,830)</u>
Cash flows generated from/(used in) operations		837,233	(918,202)
Income tax paid		<u>(54,854)</u>	<u>(27,898)</u>
Net cash from/(used in) operating activities		<u>782,379</u>	<u>(946,100)</u>
Cash flows from investing activities			
Purchase of property and equipment		(341,031)	(127,022)
Capital projects contribution		440,627	428,727
Movement in term deposits		<u>-</u>	<u>219</u>
Net cash from investing activities		<u>99,596</u>	<u>301,924</u>
Increase/(Decrease) in cash and cash equivalents		881,975	(644,176)
Cash and cash equivalents at 1 September		<u>3,596,998</u>	<u>4,241,174</u>
Cash and cash equivalents at 31 August	9	<u>4,478,973</u>	<u>3,596,998</u>

The accounting policies and explanatory notes on pages 10 to 15 form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

1.1 Basis of measurement and statement of compliance

The financial statements of Verdala International School Foundation (“the School”) have voluntarily been prepared in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-Sized Entities) Regulations 2015, and the Schedule accompanying and forming an integral part of those Regulations (“GAPSME”). The financial statements have been prepared on the historical cost basis.

1.2 Functional and presentation currency

The financial statements are presented in EURO, which is the School’s functional and presentation currency.

1.3 Going concern

Based on forecasts prepared by the School for the upcoming scholastic years, the School is foreseeing to consolidate its results by increasing marginally tuition fees and maintain the present student population. Furthermore, the capital expenditure will be financed through the capital contribution collected from the community. Therefore, the Board Members are not envisaging any going concern issues. Consequently, these financial statements were prepared on going concern basis.

2. SIGNIFICANT ACCOUNTING POLICIES

Property and equipment

The cost of an item of property and equipment is recognised as an asset when it is probable that the future economic benefits that are associated with the asset will flow to the School and the cost can be measured reliably. Property and equipment are initially measured at cost comprising the purchase price, any costs directly attributable to bringing the assets to a working condition for their intended use, and the initial estimate of costs of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure is capitalized as part of the cost of property, plant and equipment only if it enhances the economic benefits of an asset in excess of the previously assessed standard of performance, or it replaces or restores a component that has been separately depreciated over its useful life. After initial recognition, property and equipment may be carried under the cost model, that is at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost of property and equipment on a straight-line basis over the expected useful lives of the assets concerned. The annual rates used for this purpose, which are consistent with those of the previous year, are:

	%
Leasehold land and buildings	10 - 15
Office furniture and equipment	10 - 33
Motor vehicles	20

The expected useful lives of leasehold land and buildings being depreciated does not exceed the remaining lease term of the leasehold land and buildings. Any capital project contributions received to finance specific projects of a capital nature are deducted from additions upon acquisition and thus not reflected in the carrying amount of these assets.

Receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for impairment is made when collection of the full amount is no longer probable. Impaired debts are written off as incurred.

NOTES TO THE FINANCIAL STATEMENTS - continued

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Payables

Liabilities for amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the School.

Impairment

The School's property and equipment and financial assets are tested for impairment.

Property and equipment

The carrying amounts of the School's property and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized and the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognized immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation decrease to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that asset.

Financial assets

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at banks and short-term deposits. Cash equivalents are short-term investments that are held to meet short-term cash commitments rather than for investment or other purposes.

Income taxes

Income tax expense comprises of current tax. Income tax expense is recognized in profit or loss except to the extent that the tax arises from a transaction or event which is recognized directly in equity, in which case it is recognized in equity.

Current tax is based on the taxable profit for the year, as determined in accordance with tax laws, and measured using tax rates, which have been enacted or substantively enacted by the balance sheet date.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the School and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income

Revenue is recognised as interest accrues.

VERDALA INTERNATIONAL SCHOOL FOUNDATION
Annual Financial Statements for the year ended 31 August 2022

NOTES TO THE FINANCIAL STATEMENTS - continued

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Revenue recognition - continued

Rendering of services

Revenue is recognised on the performance of the service.

Grants

The Foundation receives grants from the US Department of State to finance the current expenditure to run the School. These grants are credited to the profit and loss account to match the operating expenses to which it relates.

Expenditure recognition

Expenditure is accounted for on the accruals basis.

Employee benefits

The School contributes towards the state pension in accordance with local legislation. The only obligation of the School is to make the required contributions. Costs are expensed in the year in which they are incurred.

3. INCOME

	2022 EUR	2021 EUR
Tuition income	4,654,482	4,491,365
Registration fees	<u>533,083</u>	<u>622,400</u>
	<u>5,187,565</u>	<u>5,113,765</u>

4. OPERATING DEFICIT

	2022 EUR	2021 EUR
The operating deficit is stated after charging:		
- Audit fee	8,750	8,000
- Depreciation	64,137	74,657
- Provision for doubtful debts	113,582	100,000
- Staff costs (Note 5)	<u>4,260,942</u>	<u>3,977,473</u>

VERDALA INTERNATIONAL SCHOOL FOUNDATION
Annual Financial Statements for the year ended 31 August 2022

NOTES TO THE FINANCIAL STATEMENTS – continued

5. STAFF COSTS

	2022 EUR	2021 EUR
<i>Staff costs during the year are analysed as follows:</i>		
Wages and salaries	4,001,707	3,721,813
-Social Security contributions	260,609	258,494
-Maternity fund refund	(1,374)	(2,834)
	<u>4,260,942</u>	<u>3,977,473</u>

(i) The average number of persons employed by the School during the year was at 127 (2021: 122).

6. PROPERTY AND EQUIPMENT

	Leasehold land and buildings EUR	Office furniture and equipment EUR	Motor vehicles EUR	Asset Under Construction EUR	Total EUR
Cost					
At 1 September 2020	735,674	1,584,700	74,948	-	2,395,322
Additions	-	114,314	12,708	-	127,022
Capital projects contribution (i)	-	(112,650)	-	-	(112,650)
	<u>735,674</u>	<u>1,586,364</u>	<u>87,656</u>	<u>-</u>	<u>2,409,694</u>
At 1 September 2021	735,674	1,586,364	87,656	-	2,409,694
Additions	-	164,624	-	176,407	341,031
Capital projects contribution (i)	-	(164,624)	-	(176,407)	(341,031)
	<u>735,674</u>	<u>1,586,364</u>	<u>87,656</u>	<u>-</u>	<u>2,409,694</u>
Depreciation					
At 1 September 2020	549,427	1,500,757	74,948	-	2,125,132
Charge for the year	38,609	33,506	2,542	-	74,657
	<u>588,036</u>	<u>1,534,263</u>	<u>77,490</u>	<u>-</u>	<u>2,199,789</u>
At 31 August 2021	588,036	1,534,263	77,490	-	2,199,789
Charge for the year	33,025	28,570	2,542	-	64,137
	<u>621,061</u>	<u>1,562,833</u>	<u>80,032</u>	<u>-</u>	<u>2,263,926</u>
At 31 August 2022	<u>621,061</u>	<u>1,562,833</u>	<u>80,032</u>	<u>-</u>	<u>2,263,926</u>
Net book value:					
At 31 August 2022	<u>114,613</u>	<u>23,531</u>	<u>7,624</u>	<u>-</u>	<u>145,768</u>
At 31 August 2021	<u>147,638</u>	<u>52,101</u>	<u>10,166</u>	<u>-</u>	<u>209,905</u>

VERDALA INTERNATIONAL SCHOOL FOUNDATION
Annual Financial Statements for the year ended 31 August 2022

NOTES TO THE FINANCIAL STATEMENTS – continued

6. PROPERTY AND EQUIPMENT - continued

- (i) A capital projects contribution is requested from each student to finance specific projects of a capital nature. As of the financial year ended 31 August 2015, this contribution is being deducted from the property and equipment additions upon acquisition and are thus reflected in arriving at the carrying amounts of these assets, rather than recognised as income. This contribution is recognized in the profit or loss over the life of the depreciable assets as a reduced depreciation expense. Up to 31 August 2022, the accumulated cost of property and equipment financed through capital contributions stood at EUR2,472,863 (2021: EUR2,131,832). Had these assets been depreciated over their useful life, the net book value of these assets as of 31 August 2022 would have been EUR456,831 (2021: EUR573,590).

7. DEBTORS

	2022	2021
	EUR	EUR
Debtors (i)	761,414	582,602
Other debtors (i)	492,225	544,564
Prepayments	51,175	78,591
	<u>1,304,814</u>	<u>1,205,757</u>

- (i) Debtors represent uncollected tuition fees as at reporting date. These amounts are normally collected by the School within 30 days after year end. Consequently, no provision was required on such amounts.
- (ii) Other debtors mainly represent amounts due from the Government of Malta in relation to LSE refund amounting to EUR435,588 (2021: EUR454,237). These amounts are stated net of provision for doubtful debts amounting to EUR 213,582 (2021: EUR 100,000).

8. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	EUR	EUR
Creditors	167,630	296,362
Prepaid school fees and contributions	3,591,307	3,162,727
Accruals and other creditors (i)	963,053	44,144
Deferred capital projects contributions	739,043	639,447
	<u>5,461,033</u>	<u>4,142,680</u>

- (i) An amount of EUR7,213 (2021: EUR14,403), is held in custody in relation to the refugee fund is included in accruals and other creditors. Furthermore, an amount of EUR900,607 which is due to the Government of Malta in relation to tax and SCC were settled in full by September 2022.

9. CASH AND CASH EQUIVALENTS

Analysis of the balances of cash and cash equivalents as shown in the balance sheet:

	2022	2021
	EUR	EUR
Cash in bank (i)	4,466,611	3,587,302
Cash in hand	12,362	9,696
	<u>4,478,973</u>	<u>3,596,998</u>

VERDALA INTERNATIONAL SCHOOL FOUNDATION
Annual Financial Statements for the year ended 31 August 2022

NOTES TO THE FINANCIAL STATEMENTS – continued

9. CASH AND CASH EQUIVALENTS - continued

- (i) An amount of EUR7,213 (2021: EUR14,403) in relation to the refugee fund is held in custody in one of the School's bank accounts.

The School has an amount of EUR16,126 (2021: EUR6,900) held as guarantee with the bank due to restoration works still in progress as at reporting date. Further to this amount, the School has an additional blocked amount of EUR22,947. Furthermore, the School has pledged amount of EUR10,000 with the bank.

10. ACCUMULATED FUND

	2022 EUR	2021 EUR
Balance at 1 September	842,306	870,460
Deficit for the year	<u>(346,604)</u>	<u>(28,154)</u>
Balance at 31 August	<u>495,702</u>	<u>842,306</u>

11. INCOME TAX EXPENSE

The taxation on the school's surplus before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	2022 EUR	2021 EUR
(Deficit)/Surplus for the year	<u>(346,604)</u>	<u>27,950</u>
Tax on (deficit)/surplus at 35%	(121,311)	9,783
<i>Tax effect of:</i>		
Expenses not allowed for tax purposes	3,621	35,443
Income taxed at reduced rates of tax	-	(1,058)
Differences between tax base and carrying amounts of property plant and equipment	-	10,686
Under provision of prior period tax charge	-	1,250
Deferred tax movement not recognised	<u>117,690</u>	<u>-</u>
Income tax expense	<u>-</u>	<u>56,104</u>

As at 31 August 2022, the Company did not recognise a deferred tax asset which consisted of temporary differences arising from unabsorbed tax losses and unutilised capital allowances amounting to EUR117,690 (2021: EUR Nil). Deferred tax assets are recognised to the extent that realisation of the related tax benefit through future taxable profits is probable.

12. RELATED PARTY DISCLOSURES

Transactions with related parties

During the year ended 31 August 2022, salaries and fees paid to key management personnel amounting to EUR139,654 (2021: EUR147,766).

13. COMMITMENTS

As at 31 August 2022, the School had commitments of EUR 410,000 towards Capital Construction Cost (New Build).

VERDALA INTERNATIONAL SCHOOL FOUNDATION
Annual Financial Statements for the year ended 31 August 2022

INCOME AND EXPENDITURE SCHEDULES
FOR THE YEAR ENDED 31 August 2022

	SCHEDULES
School income and expenditure account	I
Boarding income and expenditure account	II

VERDALA INTERNATIONAL SCHOOL FOUNDATION
Annual Financial Statements for the year ended 31 August 2022

SCHOOL INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2022

	SCHEDULE I	
	2022	2021
	EUR	EUR
Income		
Tuition income	4,654,482	4,491,365
Registration fees	533,083	622,400
	<u>5,187,565</u>	<u>5,113,765</u>
Expenditure		
Advertising and student recruitment	23,625	9,283
Audit fee	8,750	8,000
Bank charges	22,705	21,406
Cleaning services	26,926	86,005
Depreciation	64,135	74,657
Drama and art services	5,892	9,000
Graduation expenses	9,546	8,741
Insurance	63,692	59,757
Exam fees	44,057	30,367
Legal and professional fees	17,388	4,417
Medical supplies	2,887	1,782
Membership and accreditation expenses	135,552	93,017
Software licences	37,417	59,528
Rent	63,227	60,996
Repairs and maintenance	13,101	32,512
Site upkeep	176,312	275,650
Sports and field trip activities	15,740	-
Staff and programme development	72,976	62,979
Staff recruitment and relocation	166,306	94,208
<i>Staff remuneration:</i>		
Administration	547,576	489,935
Maintenance	225,044	157,992
Instructional	3,489,696	3,332,380
Maternity fund refund	(1,374)	(2,834)
Teaching supplies and stationery	288,917	175,254
Telecommunications	17,852	15,197
Transport and travelling	60,965	30,936
Water and electricity	31,195	19,338
Provision for doubtful debts	113,582	100,000
Other expenses	21,455	11,112
	<u>5,765,142</u>	<u>5,321,615</u>
School deficit for the year	<u>(577,577)</u>	<u>(207,850)</u>

VERDALA INTERNATIONAL SCHOOL FOUNDATION
Annual Financial Statements for the year ended 31 August 2022

BOARDING INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2022

	SCHEDULE II	
	2022	2021
	EUR	EUR
Income		
Residency programme	<u>6,700</u>	<u>6,700</u>
Expenditure		
Food services	(681)	(627)
Residency programme	<u>(4,950)</u>	<u>(5,335)</u>
	<u>(5,631)</u>	<u>(5,962)</u>
Boarding surplus for the year	<u>1,069</u>	<u>738</u>