



KPMG
Zone 25 C Ring Road
Street 230, Building 246
P.O Box 4473, Doha
State of Qatar
Telephone: +974 4457 6444
Fax: +974 4436 7411
Website: kpmg.com/qa

Independent auditors' report

**To the Board of Directors of Stafford Sri Lankan School and Kindergarten Doha
Doha, State of Qatar**

Report on Audit of the Combined Financial Statements

Opinion

We have audited the combined financial statements of Stafford Sri Lankan School Doha and Stafford Sri Lankan Kindergarten Doha (together referred to as "Stafford Sri Lankan School and Kindergarten Doha" or "School"), which comprise the combined statement of financial position as at 31 August 2024, the combined statements of profit or loss and other comprehensive income, changes in equity and combined cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the combined financial position of the School as at 31 August 2024, and its combined financial performance and its combined cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the School in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants, (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the School's combined financial statements in the State of Qatar, 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.



Independent auditors' report (continued)

Stafford Sri Lankan School and Kindergarten Doha

Emphasis of Matter

We draw attention to Note 1 & 2(a) to the combined financial statements, which describes their basis of preparation, including the approach to and the purpose for preparing them. The combined financial statements were prepared to assist the School to meet certain reporting requirements of management. As a result, the combined financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is responsible for assessing the School'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 management either intends to liquidate the School or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISA 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 combined financial statements.

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

- Identify and assess the risks of material misstatement of the combined 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.
- 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 School's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Independent auditors' report (continued)

Stafford Sri Lankan School and Kindergarten Doha

Auditors' Responsibilities for the Audit of the Combined Financial Statements (continued)

- Conclude on the appropriateness of management's 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 School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the combined 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 School to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management 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.

30 October 2024
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
Qatar Auditors' Registry No. 251



Stafford Sri Lankan School and Kindergarten Doha

Combined Statement of financial position
As at 31 August 2024

In Qatari Riyals

	Note	2024	2023
Assets			
Non-current assets			
Property and equipment	5	1,837,646	1,886,841
Right-of-use assets	6	10,415,711	2,139,079
Total non-current assets		<u>12,253,357</u>	<u>4,025,920</u>
Current assets			
Inventories		-	24,120
Bank deposits	7	16,530,450	13,429,691
Accounts and other receivables	8	1,040,628	712,972
Cash and bank balances	9	1,240,103	1,804,479
Total current assets		<u>18,811,181</u>	<u>15,971,262</u>
Total assets		<u>31,064,538</u>	<u>19,997,182</u>
Funds and liabilities			
Funds			
Building fund		1,285,639	1,285,639
General reserve		988,990	988,990
Community welfare reserve		269,222	-
Retained earnings		12,248,738	8,981,476
Total funds		<u>14,792,589</u>	<u>11,256,105</u>
Liabilities			
Non-current liabilities			
Lease liabilities	10	7,954,411	-
Provision for employees' end of service benefits	11	1,496,772	1,458,143
Total non-current liabilities		<u>9,451,183</u>	<u>1,458,143</u>
Current liabilities			
Lease liabilities	10	2,461,300	2,833,513
Advance fee and other payables	12	4,359,466	4,449,421
Total current liabilities		<u>6,820,766</u>	<u>7,282,934</u>
Total liabilities		<u>16,271,949</u>	<u>8,741,077</u>
Total funds and liabilities		<u>31,064,538</u>	<u>19,997,182</u>

These combined financial statements were approved by the Board of Directors and signed on their behalf by the following on 30 October 2024.


Salman Gaffary Hilmi
Chairman


Merita Jayani
Treasurer

The attached notes from 1 to 21 form an integral part of these combined financial statements.

Stafford Sri Lankan School and Kindergarten Doha

Combined Statement of profit or loss and other comprehensive income
For the year ended 31 August 2024

In Qatari Riyals

	Note	2024	2023
Income			
Student fee income	13	21,384,344	22,627,537
Other income	14	1,380,641	1,045,262
Total income		22,764,985	23,672,799
Expenses			
Staff costs	15	(12,640,835)	(13,272,393)
General and administration expenses	16	(3,314,450)	(4,180,490)
Depreciation of property and equipment	5	(488,004)	(1,310,481)
Depreciation of right-of-use assets	6	(2,139,079)	(3,165,718)
(Provision) / reversal of impairment of student fees receivables	8	(568,451)	61,524
Interest on lease liabilities	10	(77,682)	(384,786)
Profit		3,536,484	1,420,455
Other comprehensive income		-	-
Total comprehensive income		3,536,484	1,420,455



The attached notes from 1 to 21 form an integral part of these combined financial statements.

Stafford Sri Lankan School and Kindergarten Doha

Combined statement of changes in equity
For the year ended 31 August 2024

In Qatari Riyals

	Building Fund (1)	General Reserve (2)	Community welfare reserve (3)	Retained earnings	Total
At 1 September 2022	1,285,639	988,990	-	7,561,021	9,835,650
<i>Total comprehensive income</i>					
Profit for the year	-	-	-	1,420,455	1,420,455
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	1,420,455	1,420,455
At 31 August 2023 / 1 September 2023	1,285,639	988,990	-	8,981,476	11,256,105
<i>Total comprehensive income</i>					
Profit for the year	-	-	-	3,536,484	3,536,484
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	3,536,484	3,536,484
Transfer to community fund reserve	-	-	269,222	(269,222)	-
At 31 August 2024	1,285,639	988,990	269,222	12,248,738	14,792,589

- (1) In accordance with a decision made by the directors of the School in prior years, the profit was transferred to this fund in order to meet the capital expenditure related to construction of a new school building.
- (2) The General reserve comprises transfers of profits made for various future expenses, in accordance with a decision of the board of directors of the School.
- (3) The Community welfare reserve represents an amount transferred from retained earnings to support future expenses related to student welfare, including scholarships. The amount transferred to this reserve is determined based on the School's revenue, in accordance with the decision of the board of directors of the School.



The attached notes from 1 to 21 form an integral part of these combined financial statements.

Combined Statement of cash flows
For the year ended 31 August 2024

In Qatari Riyals

	Note	2024	2023
Cash flow from operating activities			
Profit for the year		3,536,484	1,420,455
<i>Adjustments for:</i>			
Depreciation of property and equipment	5	488,004	1,310,481
Depreciation of right-of-use assets	6	2,139,079	3,165,718
Loss on derecognition of right-of-use assets		-	195,934
Gain on disposal of property and equipment	14	(19,500)	-
Provision for / (reversal of) impairment of student fees receivables	8	568,451	(61,524)
Provision for employees' end of service benefits	11	325,802	284,807
Interest on lease liabilities	10	77,682	384,786
Interest income	14	(777,123)	(360,870)
		<u>6,338,879</u>	<u>6,339,787</u>
<i>Changes in:</i>			
- Inventories		24,120	-
- Accounts and other receivables		(896,107)	(336,662)
- Advance fee and other payables		(89,955)	(1,114,807)
Cash generated from operating activities		<u>5,376,937</u>	<u>4,888,318</u>
Employees' end of service benefit paid	11	(287,173)	(185,037)
Net cash from operating activities		<u>5,089,764</u>	<u>4,703,281</u>
Cash flows from investing activities			
Purchase of property and equipment	5	(438,809)	(223,891)
Proceed from disposal of property and equipment	5	19,500	-
Net movement in bank deposits		(3,100,759)	(1,763,583)
Interest received		777,123	360,870
		<u>(2,742,945)</u>	<u>(1,626,604)</u>
Net cash used in investing activities		<u>(2,742,945)</u>	
Cash flows from financing activities			
Payment of lease liabilities	10	(2,833,513)	(3,272,794)
Interest paid	10	(77,682)	(384,786)
		<u>(2,911,195)</u>	<u>(3,657,580)</u>
Cash used in financing activities		<u>(2,911,195)</u>	<u>(3,657,580)</u>
Net increase in cash and cash equivalents		<u>(564,376)</u>	<u>(580,903)</u>
Cash and cash equivalents at 1 September		<u>1,804,479</u>	<u>2,385,382</u>
Cash and cash equivalents at 31 August	9	<u>1,240,103</u>	<u>1,804,479</u>



The attached notes from 1 to 21 form an integral part of these combined financial statements.